

## **The complaint**

Mr G complains that some end of contract hire charges Mitsubishi HC Capital UK PLC (Mitsubishi) applied were unfair. He would like these waived.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat these again here. Instead, I will focus on giving reasons for my decision.

## **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so I have reached the following conclusions: -

- As I understand it, Mr G has accepted charges for items not returned with the car such as the puncture repair kit. However, he remains unhappy with damage charges, how these have been evidenced, and the actual charges themselves.
- Mr G has raised several issues. Firstly, as he extended his contract on a rolling basis he has asked for evidence the original terms, for example, that the application of British Vehicle Rental and Leasing Association (BVRLA) guidelines still apply.
- Mitsubishi originally provided an extension agreement which clearly stated, 'unless otherwise specified, the terms of the original agreement are unchanged'. As there was no reference to a change, from Mr G's original agreement, in relation to using BVRLA guidelines to assess damage, it's clear they still apply.
- We then asked for all the documents that Mitsubishi had in relation to the time Mr G had the car over and above his initial contract period. I accept Mr G's point that what Mitsubishi provided didn't cover the full period Mr G had the car.
- However, whilst it's not ideal to have an incomplete contract history I don't think it's reasonable for Mr G to say that means he wasn't bound by any contract given he continued to use the car. The extension information provided is standard, none of it states BVRLA guidelines on damage wouldn't apply, so I think it's reasonable to say that they did.
- Finally on this point, application of BVRLA guidelines to assess fair wear and tear damage is industry standard. Damage must be assessed by some fair means, and I don't think the age of the car meant that applying BVRLA standards is unfair.
- I appreciate Mr G would like a full breakdown of how damage charges were calculated. We don't normally expect to see this level of detail provided and Mr G hasn't provided any comparison quote, for example, to say the charges applied were unfair. It's a business decision for Mitsubishi as to what it charges but given Mr G hasn't evidenced that the charges are excessive I can't reasonably conclude that they were.
- Of course, as Mr G would have been aware he was liable for damage over and above fair wear and tear and that these would be assessed according to BVRLA

guidelines since this was stated in his contract. He could have chosen to have any repairs done at his own cost prior to returning his car but didn't do so.

- Our investigator gave a full breakdown of the damage charges relating those to BVRLA guideline as did Mitsubishi in its final response letter, so I am not going to repeat that here. I have, however, looked at the evidence provided and agree with the charges applied. I don't accept that dirt on the vehicle prevents issues being seen. As I don't feel Mitsubishi applied damage charges unfairly, I can't reasonably ask it to waive these and Mr G would like
- In terms of payments, Mitsubishi, as I understand, reduced the initial invoice by 15% to reflect the age of the car on return and offered a £150 gesture of goodwill. Mr G would like to know how these sums were calculated. There is nothing in the contract Mr G signed to say these payments had to be made. So, any payments made, and the level of payments, were a business decision for Mitsubishi to make and not one we would interfere with.
- I would note however that I think it was fair for Mitsubishi to make some allowance for the age of the car, but the actual figure is a business decision for it to make
- In terms of gestures of goodwill, we award those when we feel a business has done something that has caused some distress and inconvenience to a consumer. In this case I haven't found Mitsubishi to be at fault. I don't think it needed to make a payment, but it chose to offer one. So, again that was a business decision for it to make and not one for me to interfere with.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 21 August 2025.

Bridget Makins  
**Ombudsman**