

## The complaint

Mr E has complained about charges applied at the end of his car finance agreement with Mitsubishi HC Capital UK PLC trading as Novuna Vehicle Solutions (“NVS”).

## What happened

The circumstances of the complaint are well known to the parties, so I won't go over everything again in detail. But, to summarise NVS supplied Mr E with a car on a hire agreement in March 2021. The agreement, which was signed in December 2020, set out the minimum term and the duration of hire of 48 months, with a maximum mileage of 10,000 per year. It also set out what would happen if the minimum hire period ended and the hiring of the car continued, up to a maximum of a further 12 months.

Mr E said he ordered a new car through an employee salary sacrifice scheme in November 2024, the new car was also due to be supplied under a new contract from NVS. He said he'd noted NVS comments around delivery so that the expiry of his old contract and the start of the new one would coincide.

In February 2025 Mr E was told that the delivery of his new car would be delayed. He said he'd already booked a driving holiday and knew that he'd be covering around 2,500 miles in the trip, but he was expecting to have the new car which had a higher mileage allowance. Mr E decided to extend the term of the original agreement with NVS, and an additional rental and pro rata mileage allowance was agreed.

Mr E said that if the delivery of the new car had been arranged in line with the original contracted delivery date of March rather than May 2025, he would have only had to pay excess mileage for around 3,000 miles rather than 4,500. He said he was presented with an unexpected mileage charge of £645.12. He said that he'd incurred that charge as a result of failings by NVS.

Mr E complained to NVS. It apologised for the delayed delivery of the new car but said that the date had been estimated. It said that when the contract ended in March 2025 Mr E had entered into an extension and based on the contractual mileage of 40,000, he was provided a pro-rate mileage allowance of 1,697 for the period between March and May 2025.

Mr E paid the additional rental charge and made a part payment towards the excess mileage in an attempt to resolve matters. NVS declined to change its position.

Mr E referred his complaint to our service. An investigator here looked into the complaint and said that NVS were entitled to charge for excess mileage under the agreement. She said that any delays to the supply of the new car was a matter for the other agreement. She didn't recommend that NVS needed to do anything further to resolve the complaint.

Mr E disagreed and asked for an ombudsman to make a decision. In summary he said:

- NVS failed to meet an obligation to deliver the new car by the correct date. This had a knock-on effect because of the increased mileage cost.

- Had NVS complied with its contractual obligation then any additional mileage would have been captured under the new agreement.

The complaint was passed to me to make that 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.

In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider having been good industry practice at the relevant time.

Firstly, I'd like to say I'm sorry to hear that Mr E's new car was delayed. But having considered all the circumstances, I've reached the same overall conclusions as the investigator for broadly the same reasons. I've read and considered the evidence submitted by both parties, but I'll focus my comments on what I think is relevant. If I don't comment on a specific point, it isn't because I haven't considered it, but because I don't think I need to comment in order to reach what I think is the right outcome. This is not intended as a discourtesy but reflects the informal nature of this service in resolving disputes.

The agreement that Mr E entered into in December 2020 is a regulated credit agreement. As such this service can consider complaints in relation to it. The terms of Mr E's agreement set out the mileage allowance and what charges would apply if that allowance was exceeded.

But therein lies the problem for Mr E's complaint. When thinking about a complaint that I'm considering, it is only in relation to NVS' acts or omissions in relation to the agreement Mr E took out in December 2020.

Mr E is saying that he's lost out as a consequence of NVS' failings under another agreement. I'm not saying something didn't go wrong in relation to the delivery of the new car, but any loss that he's experienced doesn't directly flow from NVS' failings in relation to the agreement he took out in December 2020.

In simple terms the contract Mr E entered into specified a mileage allowance. It's not disputed that Mr E exceeded that mileage allowance, and the terms of the agreement set out that NVS can pass on those charges to him. I haven't found that NVS made an error with that agreement. So, I don't find I have the grounds to direct NVS to waive the charges.

I'm sorry to disappoint Mr E, and as a reminder he doesn't need to accept my decision, and then he'll be free to pursue the complaint by other means, either through his employer, or through the courts after obtaining legal advice as necessary.

### **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 E to accept or reject my decision before 2 January 2026.

Caroline Kirby  
**Ombudsman**