

The complaint

Mr B's complaint is about how Nationwide Building Society ('NW') handled his request for a refund.

What happened

Mr B made a claim for misrepresentation and breach of contract against NW in January 2025 under a joint liability claim with a merchant that I'll refer to as 'T'. He says a car he purchased from T at the end of August 2021 for almost £2,800 with an advertised mileage of 68,000 was misrepresented to him. He discovered through a third party checking service that the mileage had reduced by around 99,000 miles between March and May 2015. Mr B considered this meant when he bought the car in 2021, the car's mileage had been misrepresented as being much lower than, in fact, it was. NW ultimately declined to refund Mr B (or pay for repairs he'd had done) but for customer service issues it has awarded him a total of £150 in compensation.

Our investigator didn't recommend NW taking any further action. Mr B disagreed and asked for an ombudsman to consider matters. I issued a provisional decision, partially upholding the complaint. Mr B maintained NW should be liable to refund him the cost of the car. NW agreed with my provisional decision. So, the matter has been passed to me to finalise.

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.

I've taken on board Mr B's detailed submissions which I thank him for. But he hasn't added anything substantively new to what he previously said. The crux of what he has said is that he should receive a full refund for what he considers to be a misrepresentation. I take on board all the issues that Mr B has raised in this case, but my role is to try to resolve this matter informally. So, I won't address every point he has raised. I'll only address those matters I think are material to my decision. And for the reasons I've set out below my decision remains the same as that set out in my provisional decision.

In reaching this conclusion I've had regard to relevant law including the Consumer Rights Act 2015 (satisfactory quality etc). I also note here that I'm satisfied Mr B met all the conditions for bringing a section 75 claim against NW. Mr B says T (and by extension) NW are liable to refund him for the car he bought in 2021, due to what he considers to be a misrepresentation. A misrepresentation is a false statement of fact that induces a person into a contract.

The contract entered into by Mr B was for the purchase of a car that was advertised to have 68,000 miles on the odometer (commonly referred to as the 'clock'). Mr B claim is this wasn't correct at the time of purchase (and now) because in March 2015 a garage (the 'garage'), that carried out an MOT recorded the mileage as being just over 135,000. This was around 104,000 miles more than that recorded during the previous year's MOT in March 2014 which had recorded mileage of 31,000 at this point.

However, in May 2015, which was two months after the March 2015 MOT, the garage recorded the mileage as at that time (May 2015) as 36,443. Looking at these figures and what the garage

in question said happened (which I'll summarise shortly), I think it's clear a mistake was made in the recording of the mileage in March 2015. It's not possible to say exactly what the mileage would've been in March 2015 but as the miles were recorded in May 2015 as being 36,443, it's likely it was less than this two months before.

Mr B obtained a statement from the garage in question (when I refer to the garage this also includes representatives from that garage). And this statement made it reasonably clear that the mileage in March 2015 was recorded incorrectly due to a typographical error it made. And it said this is why when the car was returned to the garage in May 2015, it corrected the issue by carrying out another MOT and entering the correct mileage at that point in time.

The garage explained it hadn't been possible to amend the March 2015 MOT certificate because under the relevant regulations, there was only a two week window in which adjustments to the mileage of a car could be made. So, the garage said it carried out another MOT and recorded the correct mileage in May 2015. The garage added: *"...mistakes can happen from time to time we are all human after all, we done our best to put it right carrying out a full free Mot test for the customer to get the correct mileage at the time of the new test onto the certificate, unfortunately this does not remove the incorrect mileage from the Mot history."*

The garage added that the mileage it recorded in May 2015 was consistent with the car's normal usage. So, for example, in 2012 it was recorded as 26,000 miles, March 2013 it was just over 29,000 miles, and in March 2014 it was just under 31,000 miles. Then in March 2015 it was recorded by the garage as just over 135,000 miles. Given all of this, I don't think it's likely a car having only travelled around 5,000 miles between 2012 and 2014 had then travelled 104,000 miles in the year between March 2014 and March 2015.

Mr B says he is convinced the car's mileage was much higher than T claimed in 2021. He says the car has had to undergo more repairs than it would've done if it had only travelled 68,000 miles as T said it had. But I can't see Mr B has provided any evidence of the types of repairs he is referring to or that any such repairs were the result of something that happened at the point of sale.

Further, it should be noted that the car is now 15 years old (registered in 2010) and since Mr B purchased the car it has travelled around an additional 6,800 miles (from September 2021 to August 2024). So, any repairs he's had could simply be due to the age and normal wear and tear for a car of this age and mileage (as its recorded presently). To this end, I can see NW asked Mr B to obtain an independent expert report to show the car had, in fact, been 'clocked' (i.e. the mileage had been illegally tampered with (wound back) to show fewer miles). And it's also asked for any such report to confirm any faults and causes of these faults (and suggested remedies). I can't see Mr B has provided an expert report of the type NW has requested.

Mr B has provided reports from independent third party agencies who carry out checks on a car's history including past MOTs. However, from what I can see of the MOT history, it does appear the car passed most of these from 2012 onwards with some exceptions where there were some minor repairs needed and/or advisories as to what repairs may be needed at some point. I accept MOTs aren't comprehensive mechanical inspections, but there is nothing in the history of the car that Mr B has presented as part of his claim which is persuasive evidence of T misrepresenting the actual mileage. In my view, the garage has given a reasonable and plausible explanation of its mistake in March 2015 i.e. that the mileage increase was due to a typographical error which it corrected two months later.

Mr B maintains he should still be entitled to a refund because T failed to alert him to the March 2015 recorded mileage. He says he wasn't given a full service history which he says is indicative of T trying to prevent him from seeing the discrepancy. However, the fact a used car didn't have a full service history, isn't uncommon. In any event, the statement of fact Mr B says

he relied on was that the car had travelled significantly more miles than it actually had. And for the reasons set out above, I'm not persuaded there was a misrepresentation in this respect. I think it's more likely than not that the correct mileage was recorded following a mistake made by the garage. All in all, I'm satisfied that NW's decision not to refund Mr B for breach of contract and/or misrepresentation, was fair and reasonable.

In terms of the customer service provided to Mr B during the claims process I can see NW has offered Mr B a total of £150 - £50 was offered in April 2025 and an additional £100 was offered in October 2025. This includes not sending letters to Mr B requesting information when NW said it had and not letting him know the reasons why it had declined his claim until October 2025. This was several months after the claim was made in early 2025. At the latest NW had the information it is relying on to decline the claim in March 2025. So, in my view, NW caused unreasonable delays to the claims process and there were a number of communication errors along the way. Due to several mistakes being made and the confusion this caused Mr B and the extra effort he was put to, I'm still going to require NW to pay him a total of £250 for the distress and inconvenience caused. NW can deduct anything it has already paid to Mr B.

For all the above reasons, I won't be asking NW to do anything more than pay Mr B compensation for the distress and inconvenience it caused totalling £250. I want to reassure Mr B that I've fully considered everything he has said in response to my provisional decision but for the reasons set out above, I'm satisfied what I've set out here is a fair and reasonable way to conclude matters. As noted above, my role is to look at things informally. So, if Mr B disagrees, he can reject my decision and pursue matters by alternative means if he wants, such as court (seeking appropriate advice in the process).

My final decision

My final decision is that I partially uphold this complaint, and I require Nationwide Building Society to pay Mr B a total of £250 in compensation for the distress and inconvenience it has caused. Nationwide Building Society is entitled to deduct anything it has already paid to Mr B in relation to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 10 February 2026.

Yolande Mcleod
Ombudsman