

The complaint

Mr G complains about end of contract damage charges when his agreement with Mitsubishi HC Capital UK Plc trading as Novuna Vehicle Solutions ("Novuna") ended.

What happened

Mr G was supplied with a car and entered into a lease agreement with Novuna. The agreement was due to mature in August, but Mr G requested to end it early.

At the end of the agreement the car was inspected. During the inspection it was noted that the parcel shelf and the boot board were missing.

Mr G says he advised the inspector that he could go home and get the parcel shelf. He says the inspector told him not to worry as it was only £27, and the charge could be disputed with Novuna. Mr G says he advised the inspector that the boot board had never been supplied with the car.

Mr G received an invoice for damage charges. This included charges for damage to paintwork which he doesn't dispute. A charge for the boot board in the sum of £27 was later removed by Novuna. The item in dispute is the parcel shelf, which has been charged at £236.

Mr G complained to Novuna but it didn't uphold his complaint. It said the inspection found the parcel shelf to be missing and that the charge had been correctly applied.

Mr G remained unhappy and complained to this service.

Our investigator didn't uphold the complaint. They said the car had been inspected in accordance with the relevant guidelines and that because the parcel shelf was missing when the car was inspected the charge had been fairly applied.

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.

The terms and conditions of the agreement say that Mr G must return the car in good condition and that any damage which exceeds fair wear and tear is the customers responsibility. For these purposes, damage includes missing items.

Fair wear and tear guidelines have been issued by the BVLRA and these are used as an industry standard to determine whether damage exceeds fair wear and tear.

The inspection report states that the parcel shelf was missing. Mr G doesn't dispute that the parcel shelf was missing. But he says that he was informed that the cost to replace it would be £27 (and not £236 as charged). Mr G also said that the car was three years old so he doesn't understand why the replacement parcel shelf needs to be brand new.

This service asked the company responsible for inspecting the car if its inspector had any recollection of this inspection, and specifically whether he recalled advising Mr G that the cost to replace the parcel shelf would be £27. In response, the comp/any stated that it could neither prove nor disprove any conversations which had taken place but said that its inspectors are trained to advise customers to ask their contract provider (i.e. Novuna) if there are any queries arising out of the inspection.

I can't be certain of what was discussed. Looking at the available information, I can see that the boot board was charged at £27 before this charge was removed by Novuna. It's possible that there was a misunderstanding during the discussions at the inspection between the cost of replacing the boot board and the cost of replacing the parcel shelf.

The replacement cost of the parcel shelf has been set by the vehicle manufacturer. I understand that Mr G feels that a second hand parcel shelf would be acceptable – and would come in at less cost. However, there's no guarantee that a second hand parcel shelf would be available at short notice and as it's generally the case that the car goes straight to auction following the inspection, I don't think it's reasonable to expect Novuna to have to source second hand items. Even if a second hand parcel shelf could be sourced, I think it's likely that the price would be similar to a new parcel shelf, as these tend to be items which aren't subjected to daily use or significant wear and tear.

Taking everything into consideration, I'm unable to uphold the complaint. I won't be asking Novuna to do anything further.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 13 February 2024.

Emma Davy
Ombudsman