

## **The complaint**

Mr Q complains that a car acquired with finance from BMW Financial Services (GB) Limited wasn't of satisfactory quality.

## **What happened**

In October 2022 Mr Q was supplied with a car and entered into a finance agreement with BMWFS.

Mr Q experienced an issue with the tyre pressure dropping. He had all four tyres replaced in November 2022, but the tyre pressure warning light illuminated again, and the tyre came off the alloy wheel whilst he was driving. The car was recovered to a garage who told Mr Q that the alloy wheel was buckled and had been subject to a previous repair where poor welding had caused the tyre to lose air.

Mr Q reported this to the supplying dealer. The dealer said it wouldn't cover the cost of repairs, so Mr Q complained to BMWFS.

In its final response, BMWFS said it acknowledged that there was an issue with the alloy wheel but felt that it wasn't responsible for the costs of repair or replacement because the car had been inspected prior to sale and no faults with the alloys had been found.

Mr Q remained unhappy and complained to this service.

Our investigator upheld the complaint. She said she was satisfied that the crack in the alloy was present at the point of supply and that the car wasn't of satisfactory quality. The investigator said that BMWFS should arrange for the alloy to be repaired and meet the costs of repairs to the brakes and battery which had deteriorated as a result of the car not being driven for so long because of the fault with the alloy. The investigator also said that BMWFS should refund all payments made by Mr Q since November 2022 up until the car had been repaired.

Mr Q responded and said he didn't want the supplying dealer to carry out the repairs because he'd lost faith in them. He said he'd found a garage who could carry out the work and asked if he could arrange for the repairs to be completed there and be reimbursed by BMWFS.

BMWFS failed to respond to the investigators view within the deadline. It later responded and asked for a copy of the quote Mr Q had obtained to repair the car. Our investigator sent BMWFS the quotes which Mr Q had obtained and asked BMWFS to confirm that it would agree to pay for the repairs, refund all payments made since 26 November 2022 and pay compensation for distress and inconvenience.

BMWFS failed to respond within the deadline. Mr Q needed the car, so he went ahead and arranged for the repairs to be completed and provided this service with details of what he'd paid.

Mr Q asked the investigator to reconsider her view and add in a diagnostic report fee he'd paid and to increase the compensation payable to him to reflect the further delays. Mr Q also wanted BMWFS to reimburse him for some repairs which were needed to the spring link ball joints.

BMWFS responded to the investigator outside of the deadline. It said it accepted that the car should be repaired at no cost to Mr Q. It said it didn't agree to the repair being carried out by the main dealer but said it was happy for Mr Q's local garage to carry out the repairs. BMWFS said it would reimburse Mr Q for any costs he incurred with delivery and collection of the car to his local garage.

Because BMWFS had taken a long time to respond, the investigator explained that matters had moved on and issued a second view. In that view, she said that BMWFS should reimburse Mr Q for the cost of the repairs he'd had carried out, refund the cost of the diagnostic report, refund all payments made since 26 November 2022 and pay compensation of £400 to Mr Q.

BMWFS didn't respond to the investigator's second view within the timescale and neither did Mr Q, so the complaint has been referred to me to make a 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.

Following referral of the complaint to me, BMWFS has advised this service that it accepts the investigator's second view.

Mr Q hasn't said that he accepts the second view, so I've issued this final decision.

BMWFS has acknowledged that the car wasn't of satisfactory quality when it was supplied, so I won't comment on quality issues in this decision. Instead, I'll focus on what's a fair and reasonable resolution.

Mr Q has already had the car repaired. BMWFS has agreed to reimburse the cost of these repairs. It has also agreed to reimburse the diagnostic report fee and refund all payments made by Mr Q from 26 November 2022 until 3 July 2023. BMWFS has also agreed to pay compensation of £400.

The outstanding issues I need to comment on relate to points raised by Mr Q before the investigator completed her second view. Mr Q said that he wanted BMWFS to meet the costs of repairs to the spring ball joints as part of the resolution to his complaint. This issue wasn't something that Mr Q raised in his initial complaint to BMWFS, so BMWFS hasn't had the opportunity to investigate it. Mr Q will need to raise this as a new complaint to BMWFS and allow them to investigate and issue a final response. I'm unable to include the costs of repair to the spring ball joint in this decision for those reasons.

Mr Q also made the point that he'd had to pay tax and insurance even though he was unable to drive the car since November 2022. He explained the impact that not being able to use the car had on his health, and his family and religious commitments. I've thought about this and I think the fairest way to recognise the impact that being supplied with a car which wasn't of satisfactory quality had on Mr Q is to increase the compensation payable. The investigator increased the compensation from £250 to £400 which I think is fair and reasonable.

### **Putting things right**

To put things right, BMW Financial Services (GB) Limited must:

Refund the repair costs of £1,514.40

Refund all payments made from 26 November 2022 to 3 July 2023

Refund the diagnostic fee of £99

Pay 8% simple interest per year on all amounts refunded calculated from the date of payment to the date of settlement

Pay compensation of £400 for distress and inconvenience

### **My final decision**

My final decision is that I uphold the complaint. BMW Financial Services (GB) Limited must take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Q to accept or reject my decision before 17 October 2023.

Emma Davy  
**Ombudsman**