

## **The complaint**

Mrs F complains about the management and administration by BMW Financial Services(GB) Limited ("BMWFS") of her hire purchase agreement ("agreement").

Mrs F is represented in her complaint by a third party. But for ease of reading, I'll refer to any submissions and comments made by Mrs F's representative as if they had been made by Mrs F herself.

## **What happened**

On 8 February 2022 Mrs F entered into an agreement with BMWFS for a new car costing £31,000. Under the terms of this agreement, everything else being equal, Mrs F undertook to make 47 monthly payments of £464.52 followed by 1 monthly payment of £13,477.71 – making a total repayable of £35,310.15 at an APR of 4.9%.

On 11 March 2022 Mrs F emailed BMWFS to say that she understood her payments would fall due on 21 of each month.

On 12 March 2022 BMWFS emailed Mrs F to say her payments fall due on 8 of each month.

On 18 May 2022 Mrs F requested for her payment due date be moved to the last day of the month. This was 'actioned' by BMWFS with the next payment due date amended to fall on 31 May 2022.

On 29 August 2022 Mrs F emailed BMWFS to ask for her payment due date to be moved to 28 of each month. This was 'actioned' by BMWFS with all further payments being amended to fall due on 28 of the month starting 28 September 2022.

On 13 February 2023 Mrs F called BMWFS to say that she was never advised that two payments would fall due in May 2022 following her request for her payment due date to be moved to the last day of the month.

On 22 March 2023 BMWFS issued Mrs F with a final response letter ("FRL"). Under cover of this FRL BMWFS said that it can only move a payment date by a maximum 15 days. Therefore, it wasn't possible to move the Mrs F's payment due date to 30 June 2022 and that's why it was moved to 31 May 2023.

However, BMWFS accepted this fact should have been made clear to Mrs F before she committed to the move and for that it said it was prepared to pay her £50.

On 17 April 2023, and unhappy with BMWFS' FRL, Mrs F referred her complaint to our service.

Mrs F's complaint was considered by one of our investigators who came to the view that having offered to pay Mrs F £50 BMWFS need do nothing further.

Mrs F didn't agree and so her complaint was passed to me for review and decision.

In August 2023 I issued a provisional decision in which I said, in summary:

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

*It's clear that Mrs F has very strong feelings about this complaint. She has provided detailed submissions in support of her view which I can confirm I've read and considered in their entirety. However, I trust that Mrs F will not take the fact that my findings focus on what I consider to be the central issues, and that they are expressed in considerably less detail, as a discourtesy. The purpose of my decision isn't to address every point raised. The purpose of my decision is to set out my conclusions and reasons for reaching them.*

*I would also point out that where the information I've got is incomplete, unclear, or contradictory, I've to base my decision on the balance of probabilities.*

*payment date set for 8 of each month from March 2022*

*Mrs F says that she asked the supplying dealership, in its capacity as the broker of her agreement, for her monthly payments to be set to fall due on the last day of each month (commencing 31 March 2022) and it advised her this could be accommodated.*

*Now I accept I can't say for certain what Mrs F asked the supplying dealership in this respect, or what it said could or couldn't be accommodated. But the agreement that Mrs F signed clearly states that payments would fall due on the 8 of the month commencing 8 March 2022. Therefore, I'm not persuaded, on the balance of probabilities, that Mrs F was misled in this respect as she submits.*

*payment date move request made by Mrs F on 18 May 2022 to the last day of the month by telephone*

*Mrs F says that she made this request by telephone and wasn't advised in the call that her next payment would be amended to fall due on 31 May 2022 rather than 30 June 2022.*

*I appreciate what Mrs F says on this point. But having considered what both parties have said and submitted I'm satisfied that this request was made by Mrs F online and not by phone meaning there is no call recording for our service to request and to listen to.*

*payment date move request made by Mrs F on 18 May 2022 to the last day of the month online*

*Mrs F says that she understood that having requested a payment move date to the last day of the month that her next payment would be amended to fall due on 30 June 2022, not 31 May 2022. And had she been advised that her next payment due date would be amended to fall due on 31 May 2022 (and not 30 June 2022) she wouldn't have gone ahead with the move.*

*I find Mrs F's submission in this respect to be both plausible and persuasive. It's also not in dispute that BMWFS accepts that it didn't advise Mrs F that her next payment date would be amended to fall due on 31 May 2022 rather than 30 June 2022.*

*So, I'm satisfied that Mrs F should be compensated for this. Now BMWFS has offered Mrs F £50 for this, but I'm not persuaded this is sufficient.*

*In my view had BMWFS advised Mrs F that her next payment due date would be amended to fall due on 31 May 2022 (rather than 30 June 2022) she wouldn't have gone ahead with the move. So, in my view it follows that it's only fair that BMWFS should amend its records to show Mrs F's monthly payments all falling due on 8 of each month with only one payment falling due each month with an appropriate adjustment being made to the recorded arrears position. Furthermore, I think that it's only fair that this amended arrears position is shared with all credit reference agencies BMWF reports to.*

payment date move request made by Mrs F on 29 August 2022 to 28 of each month by email

*I'm satisfied that this request was made by Mrs F on the understanding that her payments had been amended to fall due on the last day of each month starting 30 June 2022 (not 31 May 2022). Therefore, I think it's fair that this request be disregarded with all payments remaining due on 8 of each month.*

Both parties responded to my provisional findings to say they accepted them.

### **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.

As both parties accepted my provisional findings I see no reason to depart from them and I now confirm them as final.

### **My final decision**

My final decision is I uphold this complaint and BMW Financial Services(GB) Limited must:

- pay Mrs F £50 as offered under its FRL dated 22 March 2023
- amend its records to show Mrs F's monthly payments all falling due on 8 of each month with only one payment falling due each month with an appropriate adjustment made to the recorded arrears position
- share with all credit reference agencies it reports to the amended arrears position

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 19 September 2023.

Peter Cook  
**Ombudsman**