

The complaint

Mr S complains about the quality of a car he was financing through an agreement with BMW Financial Services (GB) Limited, who I'll call BMWFS.

What happened

I have issued three previous provisional decisions on this complaint in October and December 2023, and most recently in March 2024. An extract from those provisional decisions is set out below.

I know it will disappoint BMWFS, but I think they should have allowed Mr S to reject this car. While our investigator also thought that was the case, I don't think he considered the distress and inconvenience caused to Mr S or provided sufficient clarity on how things should be put right for him. So, I'm issuing a provisional decision and will consider any comments or additional evidence the parties may wish to supply before I provide a final decision on this complaint.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Mr S acquired his car under a hire purchase agreement. This is a regulated consumer credit agreement and as a result our service is able to look into complaints about it.

The Consumer Rights Act (2015) is the relevant legislation. It says that the car should have been of satisfactory quality when supplied. If it wasn't then BMWFS, who are also the supplier of the car, are responsible. The relevant law also says the quality of goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, the price and all the other relevant circumstances.

In a case like this which involves a car the other relevant circumstances would include things like the age and mileage at the time the car was supplied to Mr S. The car here was brand-new so I don't think a reasonable person would expect it to have any faults.

Job cards and emergency call records show that Mr S first reported problems with not being able to turn the car off, in June 2018, only about three months after he took receipt of the vehicle.

The relevant legislation explains that if the fault occurs within the first six months we are to assume it was present at the point of supply, when BMWFS were responsible for the car's quality, unless they can demonstrate otherwise. A comment on the June 2018 job sheet explained that Mr S had an after-market immobiliser fitted that was potentially causing the

problem but that they were “unable to fault (it) at the time”. I don’t think that is sufficient evidence to suggest there wasn’t a quality problem present, or developing, when the car was supplied to Mr S, and that the fault was instead due to the immobiliser. The car was seen on several occasions after that first failure, and I’ve not seen that the dealership were able to pinpoint the problem. If the fault had been related to the immobiliser I think they would have been likely to have tied that down as the cause, especially as they’d identified it as a potential concern as early as June 2018.

The relevant legislation gives a business one opportunity to repair a fault present or developing when the car was supplied. I think BMWFS had that opportunity in June 2018. But I don’t think that repair was successful as I’ve seen several subsequent job sheets, and listened to an emergency breakdown call, that demonstrates the fault was not successfully repaired. In those circumstances the relevant legislation would support rejection of the car. And, even if I’m wrong about that, the relevant legislation also asks us to consider whether goods have been durable when we consider whether they have been of satisfactory quality. I don’t think a reasonable person would expect to have issues with the car not switching off over a period of several years and I don’t therefore think the car was durable or of satisfactory quality.

Putting things right

The usual remedy would be for the business to take the car back, refund any deposit paid, pay Mr S compensation for any distress and inconvenience caused, provide a refund in relation to any loss of use, and to reimburse any costs the consumer had incurred as a consequence of the issue.

But calculating the redress here is not straightforward as Mr S sold the car in March 2023 for £35,000 so there’s no car to return. Mr S also claims he experienced substantial financial detriment as a result of his credit rating being damaged when he didn’t pay the final payment (balloon payment) at the end of his agreement. He says that resulted in the agreement being defaulted and reported to the credit reference agencies.

It’s no longer possible to reject the car as it was sold. If BMWFS had allowed Mr S to reject the car he would have returned it with nothing more to pay on the agreement and BMWFS would have been able to sell it to recover some of their losses, which would include the return of the deposit of almost £9,000 Mr S had paid. Mr S sold the car for £7,344 more than was owed on the balance of his agreement. I think it would therefore be fair to deduct that £7,344 from any payment I’m asking BMWFS to make in redress.

Our investigator suggested BMWFS should refund any payments Mr S paid when he didn’t have the car but not for the period when he had use of a courtesy car. But the investigator didn’t explain what that period was, and I don’t think the calculation is simple. Mr S has provided a helpful chronology of the problems he’s experienced. I’ve seen no reason to doubt Mr S’s recollection and I note the dates he says the car was off the road tie in with job cards that have been supplied.

The chronology details the following periods when the car was with the dealership:

2 June 2018 until 23 June 2018 (21 days).

26 June 2018 until 31 December 2019 (553 days). Mr S has explained he was ill during this period.

1 January 2020 until 21 March 2020 (80 days). A courtesy car of a similar (if not superior) specification and quality was provided for 63 of those days.

I don’t think it would be fair to suggest Mr S was off the road from June 2018 until December

2019 purely because his car wasn't working. He's explained that he was ill during this period. I think it's likely the car would have been returned within a couple of months based on how long it had been with the dealership when attempting the earlier and the later repairs. On balance, I'm persuaded that a fair assessment of how long Mr S was deprived of the car and taking account the provision of a courtesy vehicle, was about five months.

But it's clear that Mr S's use of the car was also impaired by the frequent issues he experienced with the engine not stopping. He's provided evidence from his immobilisation app that demonstrates he regularly had to use the app to stop the engine after the car was returned to him in March 2020. Taking that into account I think BMWFS should refund 20% of all finance instalments Mr S paid after 21 March 2020.

So, in respect of loss of use and impaired use I'm expecting to tell BMWFS to refund five monthly instalments (plus interest) and 20% of instalments paid from 21 March 2020. BMWFS will also need to refund the advance payment Mr S paid. They will need to add interest to that refund as he's been deprived of the money.

I think Mr S has experienced some distress and inconvenience here and that BMWFS should compensate him for that. He's had to call emergency breakdown services on several occasions and has had to stay with the car until they arrived as the engine was still running. He's also experienced problems with the car on several occasions within hours of being told it had been repaired. He's had to take the car back to the dealership to be repaired on several occasions and he's had to refer his complaint to this Service when I think it could have been resolved earlier. On balance, I think BMWFS should pay him £500 in compensation.

If Mr S had to commission any reports to demonstrate there were faults with the car, BMWFS should reimburse the cost of those reports and add interest to the refund if Mr S can provide proof of payment. I'm not persuaded to ask BMWFS to refund the cost of the battery that needed replacing in December 2019 as I think it was likely to have drained because of the prolonged period the car had to be stored while Mr S got better. That's not something I think it would be fair to hold BMWFS accountable for.

Mr S has incurred costs for legal representation, but I'm not persuaded to ask BMWFS to refund those charges. This Service is a free and easily accessible Service, and I don't think Mr S had to resort to legal representation to prove the vehicle wasn't of satisfactory quality. The job sheets and call records this Service would have gained access to on his behalf were capable of demonstrating that point.

I was sorry to hear about the problems Mr S has had with his credit rating and the impact that appears to have had on his ability to obtain a mortgage and credit. When Mr S's finance agreement came to an end in March 2022 he could have returned the car with nothing else to pay. It was his choice to keep it and not to make the final payment and I think it was that choice that led the account to subsequently default and be reported to his credit file. BMWFS have an obligation to accurately report account performance and as a payment had been missed they were required to do so. I don't think it would be fair to suggest, in those circumstances, that they had to suspend payment at that point. I'm not therefore expecting to ask BMWFS to compensate Mr S for any loss he may have incurred as a result of adverse credit reports being made to his file.

But as I would have asked BMWFS to allow rejection of the vehicle I am now expecting to ask them to remove the agreement from Mr S's credit file which will clear it going forward.

It was my provisional decision that BMW Financial Services (GB) Limited should:

- Refund five monthly instalments, in respect of loss of use up to 21 March 2020, and 20% of finance instalments, in respect of impaired use from 21 March 2020 until the agreement was settled. Add 8% simple interest per year from the date of payment to the date of settlement.
- Refund the advance payment/deposit and add 8% simple interest per year from the date of payment to the date of settlement.
- Deduct the balance of the sale proceeds (£7,344) from any refund made.
- Pay Mr S £500 to compensate him for the distress and inconvenience he's experienced.
- On provision of receipts, refund the cost of any reports Mr S has had to commission to diagnose the fault with the car. Add 8% simple interest per year from the date of payment to the date of settlement.
- Remove any record of the agreement from Mr S's credit file.

**If HM Revenue & Customs requires the business to take off tax from this interest they must give the consumer a certificate showing how much tax it's taken off if the consumer asks for one.*

Further evidence and/or information

BMWFS didn't provide any further information, but Mr S did. He didn't think the compensation I had suggested was sufficient in the circumstances and he provided a detailed rebuttal. It's not practical to set that out in detail here, but I have read it and considered the points Mr S has made. I mean no discourtesy to Mr S if I don't comment on all of the points he's raised. It's not because I've failed to take them on board and think about them, but because I don't think I need to comment on all of them in order to reach what I think is the right outcome.

Mr S explained that each investigator's view and, in turn, my provisional decision, had "chipped away at what he considered fair". He questioned why BMWFS hadn't supported rejection of the car in June 2018 when the issues presented themselves and he thought I should "wind the clock back and make reparations based on the contract being cancelled in June 2018". Mr S provided a graph with a timeline that compared mileage, payment, faults, and location of the car. He explained that while his agreement allowed him to complete 45,000 miles and he would have expected to do so, he'd only been able to complete 4,496 miles. He didn't think it was fair of me to only suggest he receive five monthly instalments back for loss of use, but he was prepared to accept he had fair use while he had possession of the courtesy car. He said he didn't have fair use of the car when he was ill, and he explained that his wife was a named driver on the car and became the predominant driver. He explained that he wasn't informed the car was fixed and his wife, therefore, had no use of it. He said that even if the car was returned it would have broken down as it did just that when it was returned. Mr S asserted that as BMWFS hadn't fixed the car during this extended period they should be held liable for replacing the battery, as it discharged while they had the keys. Mr S provided further detail about the distress and inconvenience caused. He explained that by the end of lockdown the car was experiencing a fault about four times a day and that his wife hadn't been able to master the convoluted method he had discovered to disable the car. He said that between the MOT on 19 March 2021 and the date the car was sold, he had only been able to cover 841 miles. He thought it unfair to only offer a refund of 20% during that period.

Mr S said it was also unfair to determine BMWFS should get £7,344 from the proceeds of the sale. He said it wasn't fair for BMWFS to have received the full contractual value of the car from him (£63,705.87) and be allowed to deduct £7,344 from the redress I was proposing, when the reason for the high residual value of the car was the low mileage and

the reason for the low mileage was the unsatisfactory condition of the car.

He thought BMWFS were obliged by the Office of Fair Trading guidelines to place debt collection on hold while a debt was in dispute and that they were therefore wrong to default his agreement and damage his credit file.

To put things right Mr S suggested that BMWFS should be ordered to reject the car from an earlier date or reject it and provide a refund in proportion to the mileage he had completed on the car.

He said he'd incurred some costs as a consequence of the fault and that BMWFS should therefore, refund his insurance premiums, the cost of the faulty battery, the cost of the alarm installation and maintenance cost, the cost to repair the satellite navigation after the failed repair attempt, and legal costs that were necessary to uncover the full extent of the issue.

He disagreed with the £500 compensation I had suggested, and he explained that the cost in petrol to the BMW garage would have exceeded that alone. He explained there were over 50 journeys to BMW recorded in the telemetry data and that he often had to take time off work to attend. He explained that BMWFS's poor response and service had created so much distress and inconvenience.

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.

My provisional decision considered compensation for distress and inconvenience and provided some clarity on the period in which Mr S had been without the car, while reflecting on the impaired use he'd clearly had from the vehicle. It wasn't my intention to chip away at the redress Mr S is, in my mind, fairly entitled to. It was an attempt to ensure that the redress provided was fair and could be fairly applied – it was clear that wouldn't be the case until there was clarity on the dates Mr S had been without the car.

I've considered Mr S's submissions in their entirety and, having done so, I would agree that the redress I had proposed in my first provisional decision didn't go far enough. In particular, I don't think I gave sufficient consideration to the impaired use Mr S had from the car between March 2020 and the date the agreement ended (March 2022). In that period Mr S continued to experience significant problems with the car and travelled only about 2,500 miles in it. He was contracted to travel up to 9,000 miles per year and could therefore have completed 18,000 in that period without incurring end of term mileage charges. I bear in mind that covid restrictions in that period would have been likely to reduce the mileage covered. I also take Mr S's testimony into account. He's explained that his wife was also a named driver during that period and that she was unable to use the app to stop the car, and he's explained that the car frequently broke down in that period. Not only will Mr S have, therefore, experienced a loss of use in that period, but he would also have experienced impaired use when problems persisted. Taking everything into account I think BMWFS should refund 20 monthly instalments paid between March 2020 and March 2022 in respect of loss/impaired use.

I don't think it's necessary to rewind the clock to 2018 and apply the redress as if the contract was cancelled then – it wasn't, and the manner in which I'm applying the redress takes into account the issues that have happened since.

I've reconsidered the refund of five monthly instalments I had suggested was fair for loss of use up to 21 March 2020. Mr S has explained that his wife was also insured to drive the car

and, regardless of his illness, there was, therefore, still a lack of use. He's explained that the dealership didn't tell him the car was ready for collection and, even if they had, it would have failed again. The car was at the dealership from June 2018 to December 2019 and a courtesy car was then provided until March 2020. I think if Mr S had wanted the car back there would be evidence of extensive communication between him and the dealership in that period. I haven't seen that, and regardless, I don't think it would be fair to suggest the loss of use springs exclusively from the dealership's failure to repair the vehicle. I think it's likely the car would have been returned within a couple of months based on how long it had been with the dealership when attempting the earlier and the later repairs. On balance, I'm still persuaded that a fair assessment of how long Mr S was deprived of the car and taking account the provision of a courtesy vehicle, was about five months between June 2018 and March 2020. It follows that I still don't think it would be fair to hold BMWFS responsible for the battery that needed replacing in December 2019 as I think it was likely to have drained because of the prolonged period the car had to be stored while Mr S got better.

While it is often the case that a creditor will cease collection activity while they, or this Service, considers a consumer's complaint, that won't always be the case. Section 3.9 (k) of The Office of Fair Trading Debt Collection Guidance (2012) suggests that failure to cease debt collection activity when investigating a reasonably queried or disputed debt may be unfair. Mr S was able to return the car in March 2022 at the end of his contract, but he chose not to. In those circumstances, a balloon payment was always due. But I don't think liability for the balloon payment was ever disputed. That was always for Mr S to pay if he chose to keep the car, and as he didn't make that payment on time I don't think it was unreasonable for BMWFS to default his account. In those circumstances, they were obliged to report the default to Mr S's credit file. I had suggested BMWFS should remove any record of the agreement from Mr S's credit file but for clarity I would explain that they may continue to report the defaulted balloon payment.

Mr S says it isn't fair to allow BMWFS to retain £7,344 from the redress in respect of the resale value that was achieved. Had the car been returned at the end of the lease period the business would have been able to sell the car to offset any refunds ordered by this Service. As I am proposing to recompense Mr S for the loss of use (reduced mileage) he experienced it is only fair to allow BMWFS to deduct the enhanced residual value they have not been able to benefit from in order for them to offset that against the redress I'm ordering.

Mr S doesn't think that £500 is sufficient to compensate him for the distress and inconvenience caused. He's explained that he had to visit the dealership on more than 50 occasions and that alone would have cost more than £500 in petrol. I'm not persuaded that there is reason to increase the distress and inconvenience payment, but I hadn't taken into account the cost of petrol to drive to and from the dealership. I think that cost would have been incurred as a consequence of the faults experienced with the vehicle. Information available online suggests the car Mr S was leasing had an average fuel consumption of 38mpg. So BMWFS should calculate and refund the cost of petrol for the distance travelled if Mr S can evidence that from the telemetry data. They should add interest to the refund.

Mr S has explained that there were other costs he incurred as a consequence of the car's failure. I'm not persuaded that his insurance should be refunded as it was Mr S's responsibility under the terms of his contract to keep the car insured, and I don't think there were any periods when the car was SORN off the road. It was also Mr S's responsibility to keep the car maintained, so I don't think any repair costs should be refunded but I do think the cost of the repair to the satellite navigation system should be. That appears to have failed after the car was returned to the dealership in March 2020. Mr S suggests it failed because of a botched repair but regardless of whether that was the case, I don't think a reasonable person would expect such a failure on a new car after such a short period of time.

Mr S has reiterated his request to have his legal bills repaid by BMWFS but for the reasons I've already given, I don't think that would be fair here.

What I've provisionally 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'm expecting to tell BMWFS to put things right in the way I've detailed above and summarised below.

My (second) provisional decision

I'm expecting to uphold this complaint and to tell BMW Financial Services (GB) Limited to:

- Refund five monthly instalments, in respect of loss of use up to 21 March 2020, and 20 finance instalments, in respect of impaired use from 21 March 2020 until the agreement ended. Add 8% simple interest* per year from the date of payment to the date of settlement.*
- Refund the advance payment/deposit and add 8% simple interest* per year from the date of payment to the date of settlement.*
- Deduct the balance of the sale proceeds (£7,344) from any refund made.*
- Pay Mr S £500 to compensate him for the distress and inconvenience he's experienced.*
- On provision of receipts, refund the cost of any reports Mr S has had to commission to diagnose the fault with the car. Add 8% simple interest* per year from the date of payment to the date of settlement.*
- Refund the cost of the repair to the satellite navigation system on provision of receipts from Mr S. Add 8% simple interest* per year from the date of payment to the date of settlement.*
- Refund petrol costs (based on 38mpg) for travel to and from the dealership on production of evidence from Mr S of the mileage completed. Add 8% simple interest* per year from the date of payment to the date of settlement.*
- Remove any record of the agreement from Mr S's credit file. BMWFS may continue to report the defaulted balloon payment.*

**If HM Revenue & Customs requires the business to take off tax from this interest they must give the consumer a certificate showing how much tax it's taken off if the consumer asks for one.*

Further evidence and/or information in relation to my second provisional decision

BMWFS didn't provide any additional comments, but Mr S provided a further detailed rebuttal. It's not practical to list all of his comments here but I have read and considered them. In summary Mr S said:

- 1. The default notice should be removed from his credit file as it is simply impossible to record a default on an agreement which no longer exists. There should be a consideration of the adverse impact.*
- 2. There should be a more reasonable approach to refunding payments made between June 2018 and December 2019.*
- 3. 24 monthly repayments should be reimbursed instead of the 20 from March 2020 to March 2022 as there was no use.*

4. I should refund all additional costs associated with owning the vehicle (e.g. insurance, battery replacement etc).
5. He should be allowed to retain the balance of sales proceeds (£7,344).
6. £500 was insufficient compensation.

What I've provisionally 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 understand Mr S's argument in respect of the default notice. As I'm expecting to tell BMWFS to remove any record of the agreement from his credit file there is no longer an agreement to default and I'm, therefore, expecting to tell BMWFS to remove the agreement and any adverse reports they may have made. That would include removing the default. But while the agreement was in place I think Mr S could have avoided the default being registered by returning the car or paying the balloon payment. So, I don't think it would be reasonable to consider any compensation in respect of any impact the default may have had on him.

With regard to the refund of payments for the period June 2018 until December 2019 Mr S has provided information about the dealership's lack of responsiveness, but it wouldn't be fair to suggest BMWFS are accountable for those actions and, having considered all of Mr S's submissions, on balance, I'm persuaded that a fair assessment of the refund for lack of use in this period is five months.

I've reconsidered the refund I've suggested for the period between March 2020 and March 2022 but I don't think 20 months is unreasonable. Mr S was able to cover 2,500 miles in that period and I've already set out my reasoning.

I've already explained why I don't think additional costs such as insurance premiums and the replacement battery should be refunded and I think my reasoning as to why the balance of sales proceeds should be retained is still sensible in the circumstances.

Mr S has suggested a court would order significantly more in respect of distress and inconvenience and it is for him to decide whether to accept this decision or to pursue a claim through the courts. While I understand he is particularly unhappy with the actions of the dealership I've already explained that I don't think it would be fair to consider those actions against BMWFS in the circumstances. Overall, I'm not persuaded that further compensation is needed here.

My (third) provisional decision

I'm expecting to uphold this complaint and to tell BMW Financial Services (GB) Limited to:

- *Refund five monthly instalments, in respect of loss of use up to 21 March 2020, and 20 finance instalments, in respect of impaired use from 21 March 2020 until the agreement ended. Add 8% simple interest* per year from the date of payment to the date of settlement.*
- *Refund the advance payment/deposit and add 8% simple interest* per year from the date of payment to the date of settlement.*
- *Deduct the balance of the sale proceeds (£7,344) from any refund made.*
- *Pay Mr S £500 to compensate him for the distress and inconvenience he's experienced.*
- *On provision of receipts, refund the cost of any reports Mr S has had to commission*

to diagnose the fault with the car. Add 8% simple interest per year from the date of payment to the date of settlement.*

- Refund the cost of the repair to the satellite navigation system on provision of receipts from Mr S. Add 8% simple interest* per year from the date of payment to the date of settlement.*
- Refund petrol costs (based on 38mpg) for travel to and from the dealership on production of evidence from Mr S of the mileage completed. Add 8% simple interest* per year from the date of payment to the date of settlement.*
- Remove any record of the agreement from Mr S's credit file and any adverse reports including the default.*

**If HM Revenue & Customs requires the business to take off tax from this interest they must give the consumer a certificate showing how much tax it's taken off if the consumer asks for one.*

Further evidence and/or information in relation to my second provisional decision

BMWFS didn't provide any additional comments, but Mr S provided a further detailed response that expanded on comments he also supplied from a legal representative. It's not practical to list all of Mr S's or his representative's comments here but I have read and considered them. In summary Mr S said:

- 1. He had a statutory right to reject the vehicle as of January 2020.*
- 2. The contract with BMWFS was cancelled in January 2020 following the request to reject the vehicle.*
- 3. Following the contract being cancelled in January 2020, no further payments were due thereafter.*
- 4. BMWFS are liable for all costs once they denied the statutory right to reject the vehicle.*
- 5. FOS needs to reconsider the compensation for the financial loss and reimburse all incidental costs.*

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 have already explained that I think BMWFS had their one opportunity to fix the car in June 2018 and that I don't think that repair was successful. I said that in those circumstances the relevant legislation would support rejection of the car. To that end I agree with Mr S.

But the car wasn't rejected, and I've therefore had to consider how best to put things right for him.

I don't think it would be fair to refund all payments made since January 2020 as Mr S had some use from the car, albeit impaired use, and he was also provided with a courtesy car for some of that period. It's only fair that he pays for that use. I set that out in my most recent provisional decision, and I have not been persuaded to change that position.

I also explained in that provisional decision that I was expecting to tell BMWFS to remove the default. But that I didn't think it would be reasonable to consider any compensation in respect of any impact the default may have had on him. Having considered Mr S's response to my third provisional decision I've not been persuaded to change that view as I'm still of the opinion that Mr S could have mitigated the impact of the default by returning the car or paying the balloon payment.

Mr S has also reiterated that costs associated with operating and maintain the car, his legal, and some incidental costs should be refunded to him. He's suggested BMWFS should be liable for all those costs and for the balance of sales proceeds. I've already explained why I don't think those costs should be refunded and I think my reasoning is still reasonable in the circumstances.

Mr S has suggested his case merits a higher award for distress and inconvenience but, considering the circumstances of his specific complaint, I've already explained why I think £500 is reasonable and I've not been persuaded that there is sufficient reason to change that.

Ultimately, I've not found reason to amend the redress I set out in my most recent provisional decision.

Putting things right

My most recent provisional decision now becomes my final decision on this complaint.

My final decision

For the reasons I've given above, I uphold this complaint and tell BMW Financial Services (GB) Limited to:

- Refund five monthly instalments, in respect of loss of use up to 21 March 2020, and 20 finance instalments, in respect of impaired use from 21 March 2020 until the agreement ended. Add 8% simple interest* per year from the date of payment to the date of settlement.
- Refund the advance payment/deposit and add 8% simple interest* per year from the date of payment to the date of settlement.
- Deduct the balance of the sale proceeds (£7,344) from any refund made.
- Pay Mr S £500 to compensate him for the distress and inconvenience he's experienced.
- On provision of receipts, refund the cost of any reports Mr S has had to commission to diagnose the fault with the car. Add 8% simple interest* per year from the date of payment to the date of settlement.
- Refund the cost of the repair to the satellite navigation system on provision of receipts from Mr S. Add 8% simple interest* per year from the date of payment to the date of settlement.
- Refund petrol costs (based on 38mpg) for travel to and from the dealership on production of evidence from Mr S of the mileage completed. Add 8% simple interest* per year from the date of payment to the date of settlement.
- Remove any record of the agreement from Mr S's credit file and any adverse reports including the default.

*If HM Revenue & Customs requires the business to take off tax from this interest they must give the consumer a certificate showing how much tax it's taken off if the consumer asks for one.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 24 June 2024.

Phillip McMahon
Ombudsman