

The complaint

Mrs D has complained about how her finance agreement with BMW Financial Services (GB) Limited ('BMWFS') was handled.

What happened

Mrs D saw an offer online that meant she could enter into a finance agreement for a BMW, with an APR of 6.9%. However, when she went to the dealership, the finance agreement for the car she wanted had a higher APR. After some discussions, it was agreed that the car would be supplied at the lower rate of 6.9%. However, the dealership explained it would need to contact BMWFS, the finance provider, to sort this out.

Unfortunately, this took a few days. Mrs D was unhappy with this, and made a complaint. BMWFS replied, and accepted there'd been an error in regenerating the finance agreement to take account of the lower APR that had been agreed. It offered £400 compensation by way of apology for this.

Mrs D was unhappy with this, so brought her complaint to our service.

One of our investigators looked into what had happened. She explained that she was sorry that Mrs D had felt ignored and dismissed while trying to sort out her finance agreement. But, although she accepted Mrs D's point that she could have ended up paying for the car with a higher APR, this wasn't actually what happened. Overall, she thought the compensation of £400 was fair.

Mrs D disagreed. She felt the interest rate had only been corrected by BMWFS because she'd sorted it out herself. She wasn't listened to, for five days, and had to make a lot of effort to put things right.

The complaint's now been passed to me.

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.

Having done so, I agree with our investigator. I can see it took time and effort on Mrs D's part to get the finance arranged at the lower APR. I appreciate this was frustrating. But BMWFS offered £400 by way of apology. And Mrs D never had to make repayments with the higher APR. I'm aware that Mrs D wants a lot more to be done, but the issues she's raised are ones she could potentially take to the regulator – and our investigator has already given the appropriate details. My role is to look at the impact of a business's actions on an individual consumer. And, having done so, I think £400 is a significant amount of compensation, and in line with what I'd have awarded.

My final decision

It's my final decision that the £400 BMW Financial Services (GB) Limited has already offered

is fair. It should pay this to Mrs D, if it hasn't already, and if she'd like to accept it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 20 November 2024.

Elsbeth Wood
Ombudsman