

## **The complaint**

Mr U has complained about the quality of a car he acquired under a hire purchase agreement with BMW Financial Services (GB) Limited (“BMWFS”).

## **What happened**

The circumstances of the complaint are well known to the parties so I’m not going to go over everything again in detail. But, to summarise, Mr U acquired a brand-new car in September 2024 using a hire purchase agreement with BMWFS. The car cost around £81,500 and the agreement was to be repaid over four years. Mr U said he collected the car on 30 September 2024. On 5 October 2024 Mr U contacted the supplying dealer to say he’d noticed some defects after cleaning the car:

- Chip on the passenger side taillight
- Part of the upholstery had a chunk missing
- Scratches on the driver’s door edge
- Side bolster on passenger seat was fluffy

Mr U continued to liaise with the dealer (and manufacturer) over the next few weeks, but it wasn’t willing to help. He also said he’d noticed scratches near the left side of the rear number plate and a minor dent on the rear passenger door. The dealership said Mr U should have inspected the car before collection and that it couldn’t have caused the damage near the rear number plate because the number plates weren’t fitted at Mr U’s request.

Mr U decided to contact the Financial Ombudsman, and a complaint was set up against BMWFS. BMWFS didn’t offer a substantive response so our investigator looked into things. The investigator ultimately couldn’t determine when the damage happened so didn’t think it was fair to hold BMWFS responsible for putting things right.

Mr U didn’t agree. So the complaint has been passed to me to decide.

## **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.

Mr U acquired the car under a hire purchase agreement. Our service is able to consider complaints relating to these sorts of regulated consumer credit agreements.

The Consumer Rights Act 2015 (CRA) covers agreements like the one Mr U entered into. The CRA implies terms into the agreement that the quality of goods is satisfactory. BMWFS is the supplier of the goods under the agreement and is therefore responsible for dealing with a complaint about their quality.

The CRA says that the quality of the goods is satisfactory if they meet the standard a reasonable person would consider satisfactory – taking into account the description of the goods, the price or other consideration for the goods (if relevant) and all other relevant circumstances. For this case, I think the other relevant circumstances include the age and

mileage of the car at the point of delivery.

Mr U acquired a brand-new car, so it should've been in perfect working order, free from even minor defects.

The CRA also sets out the implied term relating to satisfactory quality doesn't cover anything which makes the quality of the goods unsatisfactory where the consumer examines the goods before the contract is made, which the examination ought to reveal (CRA section 9(4)(b)).

On the one hand the car should've been in perfect condition when it was sold. But on the other hand, the satisfactory quality term doesn't cover faults if Mr U examined the goods and the faults should've been found by that examination.

Mr U said it was raining when the car was supplied, and he only noticed the damage a few days later upon cleaning it. I accept the damaged areas are small and possibly could've been missed on an inspection. Although the more faults there were the less likely that all of them would have been missed by Mr U. But BMWFS wasn't shown sufficient evidence when the damage occurred. There's the possibility the damage could have happened while the car was in Mr U's possession. I've looked carefully at the videos Mr U has supplied showing some areas of damage. And as I said above, the car should've been free from even minor defects. But I'd like to have been more certain the damage was present at the point of supply (and that it wasn't noticeable under a reasonable examination).

I'm required to resolve the complaint quickly and with minimum formality considering how the respondent acted based on the evidence presented. From looking at the nature of the damage aside from the passenger seat (small chips, dents or scratches) it's the type of damage that could happen easily in lots of different ways. Based on what Mr U supplied, I don't think BMWFS would have been able to safely determine those faults were caused during manufacturing, or prior to him being supplied the car. I've also looked carefully at the videos of the alleged passenger seat fault, but for similar reasons I don't think BMWFS was able to safely conclude based on the video there's a manufacturing issue with it either.

While I'm sympathetic, without sufficient evidence, I don't find I have the grounds to direct BMWFS to take any action. I should point out that if there's any problems with the car in the future or if Mr U were to obtain independent evidence of issues (even ones that've already been raised) that indicate the fault was inherent, I'd expect BMWFS to consider the evidence and respond accordingly.

All things considered, I'm not directing it to take any action under this complaint.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr U to accept or reject my decision before 10 October 2025.

Simon Wingfield  
**Ombudsman**