

The complaint

Miss G complains that, given her circumstances, BMW Financial Services (GB) Limited ('BMWFS') trading as ALPHERA Financial Services, were unreasonable to charge her excess mileage.

What happened

Miss G took receipt of a used car in February 2020. She financed the deal through a hire purchase agreement with BMWFS. When she returned the car in March 2024 BMWFS asked her to pay £2,180.44 in excess mileage charges. Miss G didn't think that was fair as she explained that due to the COVID pandemic she had to complete extra mileage and that they were extraordinary circumstances.

Miss G brought her complaint to this service but our investigator didn't think BMWFS had been unreasonable to hold Miss G to the terms of her contract with them.

As Miss G disagreed, her complaint has been referred to me, an ombudsman, 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.

I know it will disappoint Miss G, but I'm not upholding this complaint. I'll explain why.

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.

Miss G acquired her 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 terms of Miss G's contract with BMWFS explained that she would need to pay 5.45 pence for every mile completed in excess of 43,550. As Miss G completed 83,558 a charge of £2,180.44 was due.

That charge was to compensate BMWFS for the loss in value that the car would achieve at auction as its mileage was higher than had been expected when the contract was formed.

I understand Miss G's role was a key one during the pandemic and that the increase in travel was out of her control. But BMWFS were not obligated to waive excess mileage charges. It

was up to them if they wanted to make a commercial decision to waive them, but they didn't have to and I don't think they have, therefore, been unreasonable to pursue payment.

I don't think BMWFS need to take any action.

My final decision

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 12 September 2025.

Phillip McMahon
Ombudsman