

The complaint

Mrs R is unhappy she is being asked to pay an outstanding balance by BMW Financial Services(GB) Limited.

What happened

Mrs R acquired a car financed using a hire purchase agreement in January 2023.

In April, Mrs R sold her car privately. As part of the sale, the buyer called BMW to settle the outstanding balance. They made four card payments to do this.

Once the payments cleared, BMW wrote to Mrs R and told her that she no longer owed anything under the agreement. Satisfied the hire purchase agreement had been paid off, Mrs R released the car to the buyer.

A month later, the buyer raised successful chargebacks on the four payments they had made. Because of this, the outstanding balance on the agreement became due again. As Mrs R had signed the hire purchase agreement, agreeing to pay the sums outlined, BMW wrote to her to pursue the debt.

Mrs R said she had been a victim of a scam and so BMW were acting unreasonably asking her to pay. She explained she was in a vulnerable situation and BMW should have taken this into account. Unhappy with what was happening, she complained.

BMW investigated what had happened and were sympathetic to Mrs R's circumstances, but ultimately believed they were correct in asking her to repay the outstanding amount due under her agreement.

Unhappy with BMW's final response on the matter, Mrs R referred her complaint to our service. An investigator looked into things for Mrs R and said that he agreed she remained liable for the money that was outstanding as per the hire purchase agreement she had signed.

Mrs R didn't agree so asked for an Ombudsman's decision, so it has been passed to me to review.

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.

First of all, I would like to express how sorry I am to hear that Mrs R has found herself in this situation. I know that all of this happened at a difficult time in her personal life when she had health concerns and a high risk pregnancy.

I've first of all considered whether BMW acted reasonably in accepting the payments which paid off Mrs R's finance. I've listened to the calls where these payments were made and I've noted that the person paying said they were Mrs R. They were able to pass all the data

protection questions BMW asked and also seemed to have access to Mrs R's consumer portal.

I've also considered BMW's internal policy in accepting payments and don't think they acted against this in allowing the payments to be made.

For these reasons, I don't think BMW did anything wrong in allowing payments to be made toward the agreement. It follows that I also don't think they did anything wrong in letting Mrs R know her agreement had been settled once the payments had been cleared. This is because they had no reason to suspect they weren't genuine.

I've then thought about whether BMW acted reasonably in holding Mrs R responsible for the outstanding debt.

The hire purchase agreement Mrs R signed with BMW when she took out the finance means she is liable for the debt. I have no doubt that Mrs R has been a victim of a scam and I know she found herself in a vulnerable situation. Unfortunately, I don't think this negates BMW's right to pursue her for the outstanding balance under the agreement.

I know this will come as a disappointment to Mrs R, but I don't think BMW are wrong in pursuing her for the outstanding balance on the finance agreement. If Mrs R is struggling financially, I would expect BMW to provide support and treat Mrs R fairly when doing this.

My final decision

My final decision is that I don't uphold this complaint for the reasons set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 10 December 2025.

Ami Bains
Ombudsman