

The complaint

Mr A complains that BMW Financial Services (GB) Limited trading as ALPHERA Financial Services (“Alphera”) supplied him with a used car which was of unsatisfactory quality.

What happened

Mr A acquired a used car supplied under a hire purchase agreement in May 2024. The agreement was for 48 months with monthly repayments of £284.59. The car was around five years old and had completed 59,327 miles at the point of supply. Mr A says soon after acquiring the car he experienced problems and so contacted the supplying dealership who undertook repairs. But Mr A said the problems remained and in August 2024 he complained to Alphera.

In summary he said the car had a number of issues with the oil sensor, there was a burning smell coming from the engine when travelling at high speeds and the auxiliary belt had snapped. He had returned it to the supplying dealership for repairs on three occasions and whilst repairs to the oil filter and auxiliary belt had been carried out he remained unhappy.

He lost confidence in the car and commissioned an independent inspection which he said confirmed the car was of unsatisfactory quality. He also highlighted the minimal mileage he had completed since inception and so asked Alphera to carry out repairs at no cost to himself.

Alphera acknowledged his complaint but didn’t provide a final response within eight weeks, so Mr A referred his complaint to this service.

Our Investigator looked into things and upheld the complaint. He didn’t think the car was of satisfactory quality because Mr A had experienced several issues soon after acquiring the car. He was also satisfied Alphera had exercised its right to repair but as Mr A wanted repair as a remedy, amongst other things he recommended Alphera carry out the necessary repairs.

Alphera provided further evidence, it said the damage had been caused by rodents and it provided several images to support this. It also pointed out that the vehicle had been inspected by its own specialist in July 2024 which also confirmed the car had suffered from rodent damage and so it shouldn’t be responsible to put things right.

Our Investigator wasn’t minded to change his opinion so the complaint has been passed to me to decide.

I sent Alphera and Mr A the provisional decision on 2 July 2025. My findings from this decision were as follows:

In considering this complaint I’ve had regard to the relevant law and regulations; any regulator’s rules, guidance and standards, codes of practice, and (if appropriate) what I consider good industry practice at the time. Mr A was supplied with a car under a hire purchase agreement. This is a regulated consumer credit agreement which means we’re

able to investigate complaints about it.

The Consumer Rights Act 2015 (CRA) covers agreements like the one Mr A entered. Because Alphera supplied the car under a financial agreement, there's an implied term that it is of satisfactory quality at the point of supply. Cars are of satisfactory quality if they are of a standard that a reasonable person would find acceptable, taking into account factors such as the age and mileage of the car and the price paid.

The CRA also says that the quality of goods includes the general state and condition, and other things such as its fitness for purpose, appearance and finish, freedom from minor defects and safety can be aspects of the quality of the goods.

Satisfactory quality also covers durability. For cars, this means the components must last a reasonable amount of time. Of course, durability will depend on various factors. In Mr A's case the car was used and covered approximately 59,000 miles when he acquired it. So, I'd have different expectations of it compared to a brand-new car. Having said that, the car's condition should have met the standard a reasonable person would consider satisfactory, given its age, mileage, and price.

So, if I thought the car was faulty when Mr A took possession of it, or that the car wasn't sufficiently durable, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask Alphera to put things right.

Having considered the evidence I am not intending to uphold this complaint, I'll explain why. Based on what I've seen I'm satisfied there was a fault with the car. I say this because both Mr A's plausible testimony and the independent report confirm this. I also have job cards on file and correspondence between Mr A and the supplying dealership which confirm repairs have been carried out. But just because there are faults with the vehicle, doesn't necessarily mean it's of unsatisfactory quality.

So, I've gone on to consider whether the fault meant that the car wasn't of satisfactory quality. As I've said, it's not disputed that there were faults with the car. If I am to decide the car wasn't of satisfactory quality I must be satisfied the faults were present at the point of supply. Faults that developed afterwards are not relevant. Moreover even if a fault was present at the point of supply this will not necessarily mean that the car was not of satisfactory quality. This is because a second-hand car might be expected to have faults, for example worn tyres or damage from wear and tear but this will not necessarily mean the car is not fit for purpose.

In June 2024 the auxiliary belt snapped and needed replacing. This was very soon after Mr A acquired the car and from the information I have the supplying dealership covered the cost of this repair. It also offered to reimburse Mr A for the tow charge he encountered as well as taxi fares he paid for. An auxiliary belt is typically expected to last between 50,000 and 100,000 miles, or roughly five to seven years, however this can vary depending on a number of factors including driving conditions and vehicle usage. Under these circumstances, a reasonable person might think it snapped prematurely.

Alphera later asked the supplying dealership about these repairs and it said:

'We did replace the customer's auxiliary belt under good will, it was strange that the belt had snapped... When the car came back to us regarding the oil I asked the workshop to change the oil to ensure that the correct amount was in the engine, I also asked them to thoroughly inspect the car as the customer had complained of a burning smell. Upon inspection, under the shields in the engine bay they found a vast amount of fresh rodent droppings... They cleaned these out as the workshop said that these could have been the cause of the burning

smell. It is likely that the rodents caused the damage to the belt and the wiring in the engine compartment.'

I have an invoice dated 17 July 2024 by a manufacturing specialist who investigated the concerns Mr A raised:

'oil warning light comes on when at speed on motorway saying its been overfilled and there's also a burning smell in the cabin when at speed...

Found engine oil level incorrect at customer's request drained oil and re-filled, let engine get up to temperature carried out road test all ok. Signs of rodent damage to engine wiring visible in engine bay also engine tray full of fresh rat droppings causing smell in cabin'.

Based on this, I'm satisfied repairs were carried out to the oil filter but the engineer identified the issue reported about the smell coming from the cabin was likely due to rodent damage.

Further I have been provided with several photographs which show damage to the wiring and a considerable amount of rodent droppings within the components of the car.

I'm persuaded by this technical evidence that there is rodent damage, and it developed after Mr A acquired the car. I say this because I have a copy of the pre-inspection report, and I think its reasonable that checks under the bonnet would have revealed some damage to the wiring.

I have also considered the findings of the independent inspection commissioned by Mr A which was carried out in August 2024, this confirmed there were a number of issues requiring immediate attention. Most significantly it said the engine sensor wiring was broken and there was damage to the air filters. The damage identified is consistent with the information I have, and I think its more likely, on the balance of probabilities that the damage to the wires and the smell in the cabin came about due to rodent damage.

The evidence strongly brings me to the conclusion that the issues are the result of rodent damage which is an external factor, and I'm persuaded occurred after inception of the vehicle. Rodent damage is not typically considered a manufacturing defect or a fault present at the time of sale. It is an external and unpredictable event that can occur after delivery, often as a result of many factors such as storage conditions or the environment in which the vehicle is kept.

And so the presence of rodent damage which in my view occurred after the point of sale, does not render the vehicle of unsatisfactory quality at the time it was sold.

I gave both parties two weeks to come back with any further information or evidence. Alpha confirmed it had nothing further to add, Mr A replied and made further comments.

In summary he explained he didn't dispute the presence of rat droppings, but he didn't think it was fair to say they were made whilst the car was in his possession. He noted he didn't look under the hood upon acquiring the car because he trusted he was receiving a luxury car of a good standard. Further, he said the rat droppings could've been present before inception and he didn't think it was fair he bear the cost of repair.

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 thought about everything again and having carefully considered the comments Mr A made in his recent response, I still don't think this complaint should be upheld.

In my view, on balance, it is unlikely the presence of rodent droppings and any associated damage were present prior to inception. There is no evidence to suggest that this issue existed at the point of sale, nor has any information been provided that indicates the vehicle was compromised at the time of handover.

While it is appreciated that this situation Mr A finds himself in involves time and cost to address, in the absence of any robust evidence demonstrating that the issue was present or developing at the point of supply, I can't ask Alphera to take any steps to put things right.

I do appreciate that this is a difficult and frustrating situation, and I fully acknowledge the burden this places on Mr A. Nonetheless, for reasons I've explained above and based on the evidence I have, I do not uphold this complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 20 August 2025.

Rajvinder Pnaiser
Ombudsman