

## **The complaint**

Mrs S complains that a car supplied to her under a hire purchase agreement with BMW Financial Services (GB) Limited is of unsatisfactory quality.

As a note, I can see from the information supplied that the events complained about have been heavily straining for Mrs S both financially, and also coming at a time when there are other health considerations at play. I've kept this in mind whilst considering my decision. I hope Mrs S and her family are able to recover their health as early as possible.

## **What happened**

In April 2023 Mrs S entered into a hire purchase agreement with BMW Financial Services (GB) Limited (BMWFS) to acquire a used car. The car was just under four years and six months old, with a mileage of around 76,001. However the mileage is listed as 77,246 on the MOT records in March 2023. The cash price of the car was £46,450.00, and an advance payment of £3,000.00 was paid. The total payable listed on the agreement was £66,086.09 payable over 59 monthly repayments of £751.86 followed by a final optional payment of £18,726.35

Mrs S explained she encountered issues with her vehicle, with problems starting around October 2024. Mrs S said the car kept breaking down, and had several issues that eventually led to the car being unusable from January 2025. The issues included a water pump recall, lack of heating during freezing temperatures, gearbox sensor malfunction, rear differential issues and other electronic related faults. Mrs S complained to BMWFS about the issues. Initially BMWFS replied and said that as the issues were being reported outside the first six months of the agreement starting, Mrs S would need to supply evidence the issues were present or developing at the point of sale. There was some further contact, resulting in an independent inspection report being arranged to investigate the issues.

The report stated that the faults were not likely to be present or developing at the point of sale, and as such, BMWFS didn't uphold Mrs S' complaint. Mrs S was unhappy with this and so brought her complaint to this service, where it was passed to one of our investigators. The investigator didn't uphold the complaint. They explained that the issues with the car were not present or developing at the point of sale and were more likely due to wear and tear. Mrs S disagreed with the outcome and so I've been asked to review the complaint 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'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. There are some areas I will summarise and condense, but all of the information has been considered.

Mrs S acquired a car under a hire purchase agreement. Entering into consumer credit contracts like this is a regulated activity, so I'm satisfied we can consider Mrs S' complaint about BMWFS. BMWFS is also the supplier of the goods under this type of agreement meaning they are responsible for a complaint about the supply of the car and its quality.

The Consumer Rights Act 2015 (CRA) is relevant in this case. It says that under a contract to supply goods, there is an implied term that "the quality of the goods is satisfactory, fit for purpose and as described". To be considered as satisfactory, the CRA says the goods need to meet the standard that a reasonable person would consider satisfactory, considering any description of the goods, the price and all the other relevant circumstances. The CRA also explains the durability of goods is part of satisfactory quality.

So, it seems likely that in a case involving a car, the other relevant circumstances a court would consider might include things like the age and mileage at the time of sale and the vehicle's history.

In this case, Mrs S acquired a car that was just under four years and six months old and had travelled around 76,001 miles. As this was a used car with this mileage and age, it's reasonable to expect parts may already have suffered more wear and tear when compared to a new car or one that is less travelled. There's a greater risk this car might need repair and/or maintenance sooner than a car which wasn't as road-worn.

I've reviewed the available evidence about the issues Mrs S experienced with the car. Based on what I've seen, I'm satisfied that there are faults with the gearbox and electronically controlled systems as well as previous faults to the water pump and heating system. I say this because neither BMWFS nor Mrs S dispute the vehicle has or has had faults. I've also seen evidence showing issues from the breakdown recovery, paperwork from repairers showing issues and independent inspection report confirming issues.

Having considered the car had a fault, I've considered whether it was of satisfactory quality at the time of supply.

As I've explained above, it is not disputed that the vehicle had faults, however it is the cause an nature of the faults that Mrs S and BMWFS disagree on. In cases like this, it can be useful to have as much information about the faults as possible, to help guide my decision on if I'm persuaded the vehicle was of satisfactory quality when it was supplied or not. In this case Mrs S has supplied photographs, videos and paperwork showing faults, which I'm thankful for. I've also been provided with an independent inspection report that was carried out on the vehicle.

I haven't seen any documented issues with the vehicle until around October 2024, which is when Mrs S explained she started to have issues with it. So as a starting point, Mrs S was able to use the vehicle for around 18 months and around 18,000 to 24,500 miles with the mileage being listed as 94,000 on the repairer invoice dated 15 October 2024 and 100,593 on the repairer invoice dated 15 November 2024.

Time and mileage spent driving the vehicle is not the only consideration when thinking about if a car likely had faults that were present or developing at the point of sale, but they are relevant. Mrs S has supplied information showing faults, and has sent in a video from the breakdown recovery which she explained outlines the faults as clearly electronic and linked to manufacturer design issues and pointing to a clear manufacturer fault. Having considered this, I disagree that the video shows this. The breakdown engineer says *"inside the gearbox, one half of it is turning and it isn't connected to the other half, there is a discrepancy in the speed it's turning at and this is in the transmission control module, same thing, calculating*

*error*". This confirms that faults are present, but it doesn't appear to make a finding on the likely causes of the fault. Breakdown recovery engineers will not always have the time or necessary tools to ascertain the exact issues and likely causes and breakdown report paperwork will often say these diagnoses require confirmation from repairers. As I've said, this does show issues with the vehicle, but doesn't show if they were likely present or developing at the point of sale.

An independent inspection report was arranged to look in detail at the issues and evidence. This took place in June 2025, some five months after Mrs S explained the vehicle became unusable. The mileage at this point was listed as 102,304. Mrs S raised concerns about the time passed between the failure and the inspection, however the inspector appears to have been able to review the documents provided and the vehicle without issue.

The inspecting engineer noted the coolant reservoir was empty, the vehicle started for a short time, the gearbox was tested and various warning messages were displayed which identify a gearbox related issue was present. Multiple fault logs on various electronic controlled systems were also found, including the automatic transmission.

The engineer explained that due to the length of time since the point of sale, and the mileage achieved by Mrs S that the faults were not present at the point of sale and have developed after the vehicle had been driven for many months and around 26,000 miles.

Mrs S has also supplied evidence of other similar models of the vehicle suffering issues. I can only consider information about this particular vehicle and its own circumstances in this case, and not an overall picture of what other cars may have had issues with, although I acknowledge why Mrs S has supplied the information in support of her case.

Alongside the information mentioned above, there is paperwork showing recall work needed carrying out, along with correspondence between Mrs S' daughter and the repairer about bringing the vehicle back in to check their work, alongside confirmed information showing high voltage coolant heater no operation and that the water heater requires replacement. Whilst I acknowledge again this shows a fault, it does not show that a fault was present or developing at the point of sale. The vehicle is listed as having travelled 99,447 and 100,593 miles where these faults are confirmed. If these were present at the point of sale, I'd expect to see them present themselves much earlier than they did rather than beginning around October 2024. Similarly, the issues listed by the breakdown recovery engineer, and the independent inspecting engineer have been logged after significant mileage has been travelled. It is reasonable to expect that a vehicle having travelled as many miles as this one has, is going to require some maintenance and repairs may well be necessary during Mrs S' ownership.

Having carefully considered all of the evidence in this case, I'm persuaded that the vehicle was of satisfactory quality when it was supplied. I acknowledge why Mrs S doesn't agree with that, as she likely wouldn't have wanted or hoped to need to repair it. However, I'm not persuaded the faults were present or developing at the point of sale considering the vehicle's age, mileage and circumstances and I'm persuaded these faults have occurred over time and usage of the vehicle through Mrs S' ownership. The car has travelled what I'd consider to be comfortably above average mileage for its age, and it is reasonable to expect this may have contributed to its wear.

As I've said above, I acknowledge why Mrs S feels the vehicle wasn't of satisfactory quality, and I agree that the vehicle has faults and potentially serious issues as confirmed by the breakdown engineer, the job cards and paperwork from repairers and Mrs S' testimony, but these issues do not appear to have been present or developing at the point of sale. For me to be persuaded of this, I'd need to see evidence showing this is the case.

I acknowledge what Mrs S has said about her financial hardship, and if needed, Mrs S can be referred to organisations that may be able to offer help and advice. I would encourage VWFS to treat you with forbearance in relation to the agreement.

### **My final decision**

Although I acknowledge why Mrs S has raised her complaint and is unhappy with the issues the vehicle has encountered, my final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 14 October 2025.

Jack Evans  
**Ombudsman**