

The complaint

Mrs T feels she was misrepresented a car financed using a hire purchase agreement from BMW Financial Services(GB) Limited trading as Alphera Financial Services.

What happened

In November 2023 Mrs T entered into a hire purchase agreement with BMW for a used car. The car was around four years old and was sold to her with the milage of 19,147. The cash price was £16,434.

As part of investigating a fault, the car went into a manufacturer's garage and they said there was evidence of mileage manipulation. They said that the car had previously been booked in with them before Mrs T took ownership and it was found that the mileage was around 58,011 in May 2023.

Mrs T was unhappy that the mileage had been misrepresented to her. She said she wouldn't have brought the car if she had known the true mileage as the price wasn't reflective of the miles the car had been driven. She has also explained that she has experienced repairs which she thinks wouldn't have been needed if the car had only been driven the miles stated at the time she acquired it.

Unhappy with what happened, Mrs T complained to BMW who said that as there wasn't any evidence of mileage manipulation they couldn't do anything further.

Unhappy, Mrs T brought her complaint to our service. An investigator looked into things and thought there had been a misrepresentation and so said BMW should allow Mrs T to return the car. They also thought BMW should reimburse Mrs T for some of the repairs she had carried out, and pay her £200 for the distress and inconvenience she had experienced.

BMW said they wanted to obtain further information from the manufacture's garage but they haven't responded by the deadline given. As an agreement hasn't been reached, the case has been passed to me for 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 looked at the information supplied from the manufacturer's garage which included job notes from when they originally found the mileage was not a true reflection of what was displaying on the odometer. They also supplied evidence from the national mileage register which suggests the car's mileage has been tampered with.

I know BMW feels like the mileage discrepancy is a result of an error, but they haven't provided any evidence of this.

And so, with the evidence available I believe that Mrs T was told a statement of fact which was false when she acquired the car. This is because the mileage stated was much lower

than the true mileage of the car.

Mrs T has said that she wouldn't have brought the car if she had known the true mileage as the price wasn't reflective of the miles the car had been driven.

For these reasons, I think that the dealership provided a false statement of fact to Mrs T which induced her to enter into the agreement. I don't believe Mrs T would've proceeded if she had known the true mileage of the car.

Because I think misrepresentation has occurred, I require BMW to put Mrs T back in the position she would've been if this hadn't happened.

As I don't think Mrs T would have proceeded and acquired the car, BMW should allow her to end the agreement. When ending the agreement BMW should make sure Mrs T has nothing further left to pay and collect the car at no cost to her. As part of this, they should remove any adverse information held with the credit reference agencies.

They should also refund the deposit she paid of £1. And they should pay 8% simple interest on this amount from the date Mrs T paid it, to the settlement of this complaint. This is because Mrs T has been without use of these funds.

Mrs T has also said that she has had to pay for repairs she didn't expect considering the mileage of the car when she acquired it.

In December 2023 she had the car serviced and paid for repairs for elements including oil, fluids, brake pads, wiper blades, and new tyres. I don't think these are anything other than normal maintenance, even considering the mileage of the car she was told at the point of supply. So, I don't think BMW need to pay anything for this.

In September 2024, the car had a recorded mileage of 33,948 miles. But because of the mileage discrepancy this was actually around 72,812 miles. Mrs T had to pay £1,846.62 at this time for repairs including repairing a leaking chain tensioner and pinion seal.

In June 2025, the car had a recorded mileage of 56,119 miles (a true mileage of around 94,983 miles). Mrs T had to pay £1,514.17 for repairs to the seal rocker cover, waste gate actuator, and turbo at this time.

The repairs in September 2024 and June 2025 would seem reasonable if taking into account the true mileage of the car. But I don't think they're reasonable based on the mileage Mrs T was told when she acquired the car. And so, I don't think it would be fair to for Mrs T to bear the cost of these repairs. I've also considered that as Mrs T is now handing the car back, she isn't able to benefit from the repairs she had carried out and paid for.

And so, it follows, I think BMW should reimburse Mrs T for the September 2024 and June 2025 repairs. Mrs T paid for the September repairs in instalments. BMW should pay 8% simple interest on the payments made toward the repairs from the date Mrs T paid them, to the settlement of this complaint. This is because Mrs T has been without use of these funds.

I also think Mercedes-Benz should also pay Mrs T £200 to acknowledge the distress and inconvenience she has experienced. Mrs T has explained that she has found the whole situation stressful. She was also pregnant during the period all this occurred, and she found the problems added to her emotional and physical stress. And so, I think £200 acknowledges the distress and inconvenience she experienced here.

Putting things right

My final decision is that I uphold this complaint and require BMW Financial Services(GB) Limited trading as Alphera Financial Services to:

1. Unwind the agreement so Mrs T has nothing further to pay;
2. Collect the car at no extra cost to Mrs T;
3. Reimburse the deposit amount of £1;
4. Reimburse Mrs T the £1,846.62 and £1,514.17 she paid for the repairs in September 2024 and June 2025;
5. Add interest at a rate of 8% a year simple to parts three and four of this settlement from the dates payments were made, to the date of settlement of this complaint.*
6. Pay Mrs T £200 for the distress and inconvenience she has experienced; and
7. Remove any adverse information which has been recorded with the credit reference agencies

My final decision

My final decision is that I uphold this complaint and BMW Financial Services(GB) Limited trading as Alphera Financial Services to settle the complaint as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 23 October 2025.

Ami Bains
Ombudsman