The complaint

Mr D complains about the quality of a car supplied to him by BMW Financial Services (GB) Limited ("BMW").

What happened

Mr D was supplied with a used car through a hire purchase agreement with BMW in June 2024. The car was around four years old and had covered around 38,500 miles when supplied.

Mr D has told us he had some issues early on with the tyre pressure warning light coming on, and after inflating the tyres, it came on again after around a week. But the problems really began after he returned from a holiday and the tyres were completely flat. After trying to resolve this with the dealership, Mr D complained to BMW in early October 2024.

They didn't respond with a final response letter (FRL) until January 2025, which confirmed they were partly upholding his complaint, saying that the wheels were damaged. They offered £150 compensation to apologise for the delay in handling the complaint, and said he should contact the supplying dealership to arrange repairs.

Mr D wasn't happy with this response and as it had taken so long for BMW to provide it, he had already brought his complaint to our service. An investigator here investigated it, and upheld his complaint, saying that BMW should cover the cost of the repairs, pay a further £100 for the trouble and upset caused on top of the £150 offered for delays in complaint handling, and should refund Mr D all his monthly payments made since 18 September 2024, when he had the car inspected at the dealer and they said it was unsafe to drive.

Mr D said that after further inspection by his local garage, he didn't feel it was safe to repair the wheels again, as it seemed they had been repaired previously, and it was these repairs which appeared weak and to be failing, causing him these problems. He proceeded in March 2025 to get a wheel expert to provide an inspection and a report, which said that the wheels were dangerous and should not be repaired again.

Meanwhile, BMW had come back to say they'd seen sight of the report from September which confirmed the wheels required replacement, but they couldn't agree repair costs (I believe they meant replacement costs) without knowing what the costs might be. They asked if the customer had an estimate for the replacement of the wheels that they could share.

The investigator here issued an updated view in May 2025, saying that Mr D should be allowed to reject the car, on the basis that the wheels couldn't be repaired. BMW didn't agree with this, as they said they knew the wheels needed replacing, but didn't see why they couldn't do this, and had to accept rejection. The case has come to me for a final decision, therefore.

I issued a provisional decision on 1 August 2025 which said the following:

I've considered all the available evidence and arguments to decide what's fair and *reasonable in the circumstances of this complaint.*

Having done so, I've reached the same overall conclusions as the investigator but for slightly different reasons. I've also revisited the redress to ensure I am satisfied it is fair. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

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 was good industry practice at the time. Mr D 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') says, amongst other things, that the car should've been of a satisfactory quality when supplied. And if it wasn't, as the supplier of goods, BMW are responsible. What's satisfactory is determined by things such as what a reasonable person would consider satisfactory given the price, description, and other relevant circumstances. In a case like this, this would include things like the age and mileage at the time of sale, and the vehicle's history and its durability. Durability means that the components of the car must last a reasonable amount of time.

The CRA also implies that goods must conform to contract within the first six months. So, where a fault is identified within the first six months, it's assumed the fault was present when the car was supplied, unless BMW can show otherwise. But, where a fault is identified after the first six months, the CRA implies that it's for Mr D to show it was present when the car was supplied.

So, if I thought the car was faulty when Mr D 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 BMW to put this right.

Firstly, I'd like to apologise to Mr D for the confusion here and the time its taken to reach this point, when things should really have been fairly straightforward. The supplying dealership produced a report in September 2024 saying that the wheels needed replacing, yet we are here almost 11 months later without a resolution still.

I think all parties have accepted that the car wasn't of satisfactory quality when supplied due to the problems with the wheels. If it had been done in a timely fashion, I am satisfied that replacing the wheels would have been a fair resolution. Replacement of the wheels would be the equivalent of a repair, and at the time this was discussed in January/February 2025, this probably would still have been a fair outcome, despite that being four to five months after the issue first presented.

I can't understand why at this point, BMW couldn't agree this. They said internal processes prevented them authorising something where they didn't know the cost, but I'm a little perplexed why they couldn't have just phoned the dealer and asked for a price to replace the wheels. It isn't Mr D's responsibility to price up the repairs they need to carry out, and instead, as he felt they were pushing back on this outcome, he chose to get an inspection done by an expert who confirmed the repairs were dangerous, should not be done again, and the wheels needed replacing.

In May, the investigator here has got things wrong and said because the wheels can't be repaired, the car should be rejected. I think this was a fundamental misunderstanding about *the fact that replacing the wheels would class as a "repair" under the CRA, but alongside this, it was also now eight months since the supplying dealership had produced a report that the wheels needed replacing, and it was only after this view that Mr D should be able to reject the car, that BMW asked why they couldn't replace the wheels.*

However, after this long, I am satisfied that it would now be fairer for Mr D to be able to reject the car. The CRA amongst other things talks about repairs needing to be carried out in a timely fashion. BMW through their broker, the supplying dealership, had been aware since September that the wheels needed replacing. Yet right up until this point, they had pushed back on replacing the wheels, originally offering to repair them, and subsequently saying that they needed to know a price before they could agree to replace the wheels.

By this point, the car had already not been used for eight months. It's now been ten or eleven months. A car sitting idle for this long can be subject to further knock-on issues, and I'm not persuaded that it would now be fair to expect Mr D to take the car back, even with replacement wheels, to potentially have to deal with these further issues. BMW had the opportunity to replace the wheels originally, and having not offered this again for this long, it's now fairer to allow Mr D to reject the car.

There have been other issues Mr D has told us he's had with the car, but as there isn't evidence they were raised with this complaint, I am not considering them.

On top of rejecting the car, Mr D has had no use of it since 18 September 2024, when the supplying dealer told him that it was unsafe to drive. So, I think any monthly payments he's made since that date should be refunded to him. I'm also persuaded that BMW should pay him more for the distress and inconvenience caused here. The constant delays and changes of mind and relying on internal policies which have disadvantaged Mr D have caused him considerable distress and inconvenience, along with being chased for payments that he hasn't made because the car has been off the road due to the faults it was supplied with. As such, I think BMW should pay him £400 for the distress and inconvenience caused, on top of the £150 they offered for their delays in complaint handling.

And he's also had to get an independent report to prove it would be dangerous to repair the wheels, which cost him a further £228, which should be refunded to him by BMW. I will list below what BMW need to do to put things right here.

Putting things right

My provisional decision is that I'm going to uphold this case and ask BMW to do the following to put things right:

- *End the agreement with nothing further for Mr D to pay.*
- *Collect the car as needed at no cost to Mr D. (note, it may not have a valid MOT now and should be collected without one if required).*
- *Refund Mr D his deposit/advance payment paid on the agreement (£3000 I believe).*
- *Refund Mr D any monthly payments made since 18 September 2024.*
- *Refund Mr D £228 for the expert report (paid for on 20 March 2025).*
- *Pay 8% simple interest on all refunded amounts above from the date of payment to the date of settlement.*
- *Pay a further amount of £400 for the trouble and upset caused to Mr D, on top of the £150 already offered for delays in complaint handling.*
- *Remove any adverse information relating to this agreement from Mr D's credit file.*

My provisional decision

I provisionally uphold this complaint and intend to ask BMW to carry out the above to put things right.

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.

Mr D responded to my provisional decision to accept it. BMW haven't responded, so I see no need to change anything from the provisional decision and confirm it as my final decision.

Putting things right

I instruct BMW Financial Services (GB) Limited to carry out the following to put things right:

- End the agreement with nothing further for Mr D to pay.
- Collect the car as needed at no cost to Mr D. (note, it may not have a valid MOT now and should be collected without one if required).
- Refund Mr D his deposit/advance payment paid on the agreement (£3000 I believe).
- Refund Mr D any monthly payments made since 18 September 2024.
- Refund Mr D £228 for the expert report (paid for on 20 March 2025).
- Pay 8% simple interest on all refunded amounts above from the date of payment to the date of settlement.
- Pay a further amount of £400 for the trouble and upset caused to Mr D, on top of the £150 already offered for delays in complaint handling.
- Remove any adverse information relating to this agreement from Mr D's credit file.

My final decision

I am upholding this complaint and instruct BMW to carry out the above to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 16 September 2025.

Paul Cronin
Ombudsman