

The complaint

Mr A complains about a car supplied under a hire purchase agreement, provided by BMW FINANCIAL SERVICES (GB) LIMITED ('BMWFS').

What happened

Around March 2024 Mr A acquired a new car under a hire purchase agreement with BMWFS. The car was listed with a cash price of £54,903.12. Mr A paid a deposit of £1,000.

Unfortunately, Mr A says the car developed an issue where the sunroof leaked. He explained after trying to resolve things with the supplying dealer, he took the car to a manufacturer's garage who I'll refer to as S. S confirmed there was a fault with the roof and offered a repair under warranty. Mr A wasn't willing to have the car repaired, as he believed the water may have caused further damage.

Mr A complained to BMWFS in February 2025 and asked to reject the car. It issued a final response to the complaint at the beginning of April 2025. This said, in summary, that the car had a manufacturing defect with the panoramic roof, which would've been present at the point of supply. BMWFS said this could be repaired under warranty.

BMWFS explained it did not think Mr A had a right to reject the car. BMWFS also explained if any issues remained following the repair, it would be happy to review things. BMWFS offered £150 to reflect the distress and inconvenience caused by how long the complaint had been going on for.

Mr A responded to BMWFS and said the issue with the roof had begun within six months of getting the car, but due to work commitments he didn't raise it at the time. Mr A said he had 12 months to 'log a manufacturing defect' and explained he thought he should get a full refund as he had proven the goods were faulty. Mr A also said he wanted to be reimbursed £1,213.80 for travel expenses.

Mr A then referred the complaint to our service. He said there was no indication of how much water damage had been done to the ECU, transmission and electrics. He said he intended to keep the car at the end of the agreement. And he said it wasn't fair he'd been paying tax, travel costs and insurances while S had the car.

Our investigator issued a view and upheld the complaint in part. She said the offer to repair the car was reasonable. She said she didn't think Mr A should be reimbursed monthly payments, as the reason he had been without the car was that he didn't agree to the repairs.

Our investigator explained Mr A had been caused distress and inconvenience because of what happened and said BMWFS should pay him a further £200 in addition to the £150 it already offered.

Mr A was unhappy with this. In summary, he was unhappy with the timescales involved, he said there had been no 'professional liaison', he said he hadn't been given a courtesy car, he said he'd spent thousands of pounds while this was being investigated, and he said he'd lost

out on social time with friends and family.

Mr A said he was entitled to reject the car, be refunded all the money he paid and receive 'special damages'.

Our investigator explained what Mr A said didn't change her opinion.

Mr A remained unhappy. So, the complaint has been passed to me to decide.

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 done so, I think this complaint should be upheld, but I do not think Mr A should be able to reject the car as he wishes. I'll explain why.

Firstly, I'd like to explain to both parties that I might not comment on every point raised or every single piece of evidence. I want to reassure Mr A and BMWFS that I've carefully considered all of the available information. But, I'm going to focus my decision on what I consider to be the key facts and the crux of the complaint. This reflects the informal nature of our service.

When considering what's fair and reasonable, I take into account relevant law, guidance and regulations. The Consumer Rights Act 2015 ('CRA') is relevant to this complaint. This says, in summary, that under a contract to supply goods, the supplier – BMWFS here – needed to make sure the goods were of 'satisfactory quality'.

Satisfactory quality is what a reasonable person would expect, taking into account any relevant factors. I'm satisfied a court would consider relevant factors, amongst others, to include the car's age, price, mileage and description. The CRA also sets out that the durability of goods can be considered as part of satisfactory quality.

So, in this case I'll consider that the car was new and cost around £55,000. This means I think a reasonable person would have very high standards for its quality. I think they would expect it to be in near perfect condition and would expect trouble free motoring for a significant period of time.

The first things to consider here are whether Mr A's car had a fault, and whether this means it was of unsatisfactory quality. I don't think either of these points is a contentious issue in this case. So, I don't think I need to spend too much time explaining my thoughts here.

Having reviewed things, I agree the car had a fault with the roof leaking. This was confirmed by BMWFS in its final response and by S in emails I've seen:

"I can confirm the sunroof is leaking and needs replacing."

"from the information I have I would imagine this has been present since the point of sale"

So, I'm satisfied the car had a fault with the roof. I'm satisfied the fault was likely present at the point of supply. I find a reasonable person would clearly not expect the roof to leak on a £55,000 car. It follows I also find it was of unsatisfactory quality when supplied.

This then brings me to what I think is the crux of the complaint. Mr A has explained this fault means he has a right to reject the car. BMWFS explained this isn't the case. So, I'll carefully

consider this.

Mr A was well outside of the time limits that apply to the 'short term right to reject' set out under the CRA when he complained. So, I've considered if he had the 'final right to reject'. The CRA sets out that, given the car wasn't of satisfactory quality, Mr A would have the final right to reject if:

"after one repair or one replacement, the goods do not conform to the contract"

From this, 'conform to the contract' can be taken as being put back to satisfactory quality. In other words, this means Mr A would only have the right to reject the car if a repair or replacement had already been done, but this had failed to put things right.

I've considered this, but I've not seen that Mr A's car *had* been previously repaired or replaced. I want to reassure Mr A that I've considered everything he said about what he believes his rights to have been. But I find he did not have the final right to reject. So, he *did not* have the right to reject the car when he took the car to S and complained to BMWFS.

The CRA does set out that a repair was a remedy available to Mr A at the time. So, I've considered whether this would be reasonable.

I think it's fair to summarise, from what Mr A said, that he thinks a repair will not be successful, because he believes water ingress has caused damage to various parts of the car. I've carefully thought about this. But he has provided no evidence at all to show this is the case. And I've noted S explained:

"There has been no further damage caused from this leak at present."

On balance, I find it most likely a repair *will* be able to put the car back to being of satisfactory quality.

I've considered whether a repair is now still suitable due to the time that's passed. The CRA explains:

"If the consumer requires the trader to repair or replace the goods, the trader must—

(a) do so within a reasonable time and without significant inconvenience to the consumer"

I think it's fair to say at this point the repair hasn't been done in a reasonable time, given it is around ten months since the car was returned to S. I've also considered everything Mr A said about the impact on him and his social life of not having the car. So, I also find Mr A has suffered significant inconvenience.

With the above in mind, I think it's worth setting out what I think happened when Mr A took the car to S.

I've seen some testimony from S explaining Mr A took the car to it on 3 February 2025. S said it called Mr A and asked to do a repair, but he didn't agree.

This offer is backed up by an email to Mr A from S dated 3 February 2025 – the same day it appears the car was taken in:

"This is a manufacturing defect cover under warranty for us to replace the roof pillar/ frame to prevent water ingress. As discussed this is a 2-3 day repair so whilst we carry this out we will provide you will (sic) a replacement car to keep you mobile."

S explained it had frequently contacted Mr A to try to arrange a repair, but he told it not to touch the car. I've also noted BMWFS also offered the repair when Mr A complained to it.

So, I'm satisfied it's likely Mr A was offered a repair the day the car was returned to S, and S offered him a courtesy car while this was done. I'm satisfied the repair offered was to be done under a warranty, so without cost to Mr A. And I'm satisfied Mr A refused this multiple times.

Thinking about all of this, I find Mr A was offered a suitable remedy under the CRA the day his car was looked at. I find any delay and subsequent inconvenience was, respectfully, caused by Mr A - not S nor BMWFS. So, I find Mr A didn't mitigate his losses here, and I think under the very specific circumstances of this particular case that this means a repair would still be a fair way to put things right, even considering the current timeframe.

I've then considered if anything else needs to be done by BMWFS. Mr A has asked for a refund of monthly payments. Even though he hasn't had use of the car, the reason for this is that he failed to mitigate his losses, so I find BMWFS doesn't need to reimburse him. Mr A said he shouldn't be responsible for other payments, such as tax and insurance along with his travel costs. But for the same reason I find BMWFS does not need to reimburse these costs either.

Mr A is not happy that he hasn't had a courtesy car during the time S has had his. But I noted it *did* offer a courtesy car when it offered a repair and presumably hasn't provided one because Mr A didn't agree for it to work on his car. Thinking about this, I find BMWFS does not need to take any action on this point.

I want to reassure Mr A that I've carefully considered everything else he said. And I do appreciate his strength of feeling about what happened. But, in summary, even though his car had a fault, he had no right to reject it under the CRA. He did have a right to a repair. And this was offered, free of charge, with a courtesy car to be provided, the day the car was taken to be looked at. So, I find it fair and reasonable that BMWFS now arrange for the repair to be carried out.

I do think, that while he didn't mitigate his losses afterwards, Mr A has been caused distress and inconvenience because of what happened *before* the repair was offered. I think it must have been distressing to realise water was coming into the car, especially considering that it was brand new. He's had to take the time to arrange for the car to be inspected. And I think it must have been upsetting to be told it had a manufacturing defect.

BMWFS offered £150 to reflect "*the length of time the complaint has gone on for*". I agree with our investigator that it should also pay Mr A £200 to address the distress and inconvenience I set out above.

My final decision

My final decision is that I uphold this complaint. I instruct BMW FINANCIAL SERVICES (GB) LIMITED to put things right by doing the following:

- Arrange for the leak in the roof to be repaired free of charge to Mr A and;
- Pay Mr A a further £200 to reflect the distress and inconvenience caused*

*This is in addition to the £150 already offered. If this hasn't already been paid, BMWFS should pay Mr A a total of £350.

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

John Bower
Ombudsman