

## **The complaint**

Miss L complains about the quality of a car she has been financing through an agreement with BMW Financial Services (GB) Limited, trading as ALPHERA Financial Services (who I'll call Alphera).

## **What happened**

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Miss L entered a hire purchase agreement with Alphera on 24 May 2024 and took receipt of a five year old car with 43,945 miles. A few weeks later, she noticed shuddering when accelerating and slowing down. She reported this to the dealer, who said it was typical for a 1-litre engine. A diagnostic check showed a "turbo under boost" fault" and repairs were eventually carried out under warranty in November 2024, with Miss L paying £120 for recovery.

Miss L raised a formal complaint to Alphera. They offered one month's finance payment as compensation, which she rejected. In early 2025, the car broke down again and a local garage identified multiple faults, and a main dealership later confirmed issues with the camshaft solenoid oil seals, a failed battery, and a faulty audio control module. Repairs cost £1,455.41, leaving Miss L in financial difficulty.

Disappointed with Alphera's response Miss L referred her complaint to this service. Our investigator thought there had always been evidence of a shuddering fault that had now been identified by the main dealership. She thought Alphera had failed to repair that fault and she suggested they should now allow Miss L to reject the car and refund the losses she'd incurred as a consequence of being supplied a faulty car.

As Alphera disagreed, the complaint has been passed to me, an ombudsman, 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 agree with the investigator's view of this complaint and for broadly the same reasons.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

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.

Miss L acquired her car under a regulated consumer credit agreement. This means our service is able to consider complaints about it. Under the Consumer Rights Act (2015), the car must have been of satisfactory quality when supplied. Given the car was five years old and had already covered nearly 44,000 miles, a reasonable person would expect signs of wear and tear. The legislation requires us to assess whether the car's condition at the time of supply met reasonable expectations for a vehicle of that age, mileage, and price. If it didn't then Alphaera, who are also the supplier of the car, are responsible.

The main dealership identified and repaired a fault with the camshaft solenoid in March 2025. In a message they sent to Miss L they explained:

*"... we have identified a leak from the camshaft solenoid. This component controls the timing of the engine's valves, and when it leaks or isn't functioning properly, it can cause issues such as juddering while driving, rough idling, and a loss of power..."*

Miss L had been complaining about shuddering from the onset and I'm persuaded that it's more likely than not that this shuddering wasn't a characteristic of the car but more likely to be related to the camshaft solenoid fault. I don't think a reasonable person would expect constant shuddering even on a car of this age and mileage and I think that fault made the car of unsatisfactory quality.

The relevant legislation explains that if the fault occurs within the first six months we are to assume it was present at the point of supply, when Alphaera were responsible for the car's quality, unless they can demonstrate otherwise. I don't think Alphaera have been able to demonstrate the fault wasn't present when the car was supplied as the shuddering has been ever present and remained undiagnosed despite attempts to repair the car.

The relevant legislation allows a business one opportunity to repair a car in those circumstances. Alphaera attempted to repair the vehicle when they attended to the under boost problem but that repair didn't remedy the shuddering of the car. In those circumstances Alphaera should now allow Miss L to reject the vehicle.

I note that Miss L has also had issues with the battery on the car. She's had to replace it on several occasions. She's also had to have the audio control module replaced along with the radio/CD player. The relevant legislation asks us to consider whether goods have been durable when supplied. I don't think a reasonable person would expect a radio or a battery to fail after only 46,000 miles so I think Alphaera should also take responsibility for the costs Miss L incurred to have those issues repaired.

### **Putting things right**

Alphaera should collect the car at no cost to Miss L and they should end the finance agreement.

Miss L had no use of the car while it was being repaired for the under boost issue in November 2024. Alphaera should therefore refund that finance instalment and add 8% simple interest per year as Miss L has been deprived of the money. Miss L's use of the car has also been impaired. The agreement entitled her to cover 8,000 miles per year but she's only managed about 2,000. It's unclear whether all of that reduction can be directly attributed to the problems she's had with the car but overall, and on balance, I think Alphaera should refund 20% of all remaining finance instalments in respect of the loss of use Miss L has experienced.

Miss L has incurred some charges as a result of being supplied with a car that was of unsatisfactory quality. She's had to pay £120 to have the car recovered to the dealership to

be repaired; has paid a total of £142.80 to have faults diagnosed and has paid £1,455.41 to have repairs completed to the camshaft solenoid and audio system. Alphera should refund those costs adding 8% simple interest as Miss L has been deprived of that money. Miss L had to take out a repayment plan to cover some of the repair costs. If she's incurred interest as a result of that and can evidence that to Alphera, they should refund that interest, again, adding 8% simple interest.

Miss L has been distressed and inconvenienced by these issues. She's struggled to pay for the repairs and has had to spend time and money to prove the car had faults when I think she could have expected more help. Taking all of the issues into account I think Alphera should pay her £500 in compensation.

### **My final decision**

For the reasons I've given above I uphold this complaint and tell BMW Financial Services (GB) Limited to:

- Allow Miss L to reject the car and end the finance agreement.
- Collect the car at no cost to Miss L.
- Refund 20% of all finance payments that have been made in respect of loss of use except for the payment made in November 2024 which should be returned in full. Add 8% simple interest\* per year from the date of payment to the date of settlement.
- Refund the costs Miss L incurred as a consequence of being supplied a car that was of unsatisfactory quality and as detailed above. The total being £1,718.21. Add 8% simple interest\* per year from the date of payment to the date of settlement.
- If Miss L can evidence to Alphera the interest paid on any repayment plan to cover the cost of repairs (as identified above), Alphera should refund that interest, again, adding 8% simple interest.
- Pay Miss L £500 to compensate her for the distress and inconvenience she's experienced.
- Remove any adverse reports they may have made to Miss L's credit file in relation to this issue.

\*If HM Revenue & Customs requires the business to take off tax from this interest they must give the consumer a certificate showing how much tax it's taken off if the consumer asks for one.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 2 January 2026.

Phillip McMahon  
**Ombudsman**