

The complaint

Mr N complains about BMW FINANCIAL SERVICES (GB) LIMITED trading as ALPHERA Financial Services (who I'll call Alphera) poor administration, unprofessional conduct, and refusal to stop collection activity during an active dispute.

What happened

In March 2024 Mr N took out a hire purchase agreement with Alphera to fund a car. In April 2025, he sent them a bill of exchange to settle the agreement. Alphera didn't acknowledge receipt of that bill of exchange and Mr N complained to them about that and about the fact they continued to pursue the outstanding debt.

Alphera said they hadn't received the bill of exchange and they didn't uphold Mr N's complaint.

Mr N referred his complaint to this service. Our investigator noted that a bill of exchange wasn't a payment form that Alphera accepted so even if they had mislaid it, she didn't think it had made any difference as the balance would still have been due. She didn't think Alphera were wrong to pursue the debt while the dispute was in progress and she didn't think Alphera needed to take any action.

Mr N disagreed. He said Alphera had repeatedly failed to manage his dispute and were in breach of the Financial Conduct Authority principles. He asked for a final decision by an ombudsman.

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.

Mr N acquired his car under a regulated consumer credit agreement. This means our service is able to consider complaints about it.

Mr N referred to several FCA Principles which he believes Alphera breached. Having considered the evidence, I'm not persuaded that any of those Principles have been breached. Although businesses sometimes choose to pause debt collection during a dispute, there is no legal or regulatory obligation for them to do so. However, Alphera must still act

fairly and proportionately. The Financial Conduct Authority's Consumer Credit Sourcebook (CONC) states at rule 7.14.1R that a firm must suspend recovery steps if the customer disputes the debt on valid grounds—or what may be valid grounds.

When Mr N raised his complaint in July 2025, he asked Alphera five questions about the bill of exchange he had sent in April. His questions focused on whether Alphera had received the bill, whether it was legally recognised under the Bills of Exchange Act 1882, and why it had not been processed or returned.

After reviewing the evidence, I do not consider Mr N's position to amount to a valid dispute of the debt. Alphera's settlement quotation clearly listed acceptable payment methods, and a bill of exchange was not among them. Other straightforward payment options were available, so Alphera's refusal to accept the bill was reasonable. Even if Alphera had received the bill, it would not have changed the fact that the outstanding balance remained payable.

Overall, I'm therefore not persuaded that Alphera have been unreasonable and I'm not asking them to take any action.

My final decision

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 16 January 2026.

Phillip McMahon
Ombudsman