

The complaint

Miss M complains about delays caused by BMW Financial Services (GB) Limited (BMWFS) when she needed to voluntarily terminate (VT) her agreement for financial reasons. Miss M wants the car collected, a final balance provided, an acknowledgment BMWFS mishandled this issue, and for it to ensure it doesn't impact on her Debt Relief Order (DRO).

What happened

Miss M told us that she needed to voluntarily terminate her agreement with BMWFS as she could no longer afford repayments. She needed to know the balance on her account as soon as possible in order to apply for a DRO.

She says, despite terminating her agreement on 29 May 2025, BMWFS's collection agent failed to collect the car on two occasions. She says the first collection failed as the car had no power, the second failed as no one arrived to collect the car. The car was finally collected on 27 June 2025 but it then took some time for BMWFS to confirm her outstanding balance.

She says this caused her considerable distress and prevented her from applying for a DRO. She feels that under the Consumer Duty Regulations that BMWFS didn't support her as a vulnerable consumer.

BMWFS said it explained the first collection failed as the car wouldn't start. That the collection agents were unable to recover the car on the second attempt due to its position. It noted Miss M requested an urgent need for a final balance on her account which it provided on 2 July 2025, less than a week after the car had been collected.

I issued a provisional decision in which I concluded:-

- It must have been stressful for Miss M having financial problems that led to her needing to VT her car and to apply for a DRO.
- Miss M referred to the Consumer Duty provisions for vulnerable consumers. I reassured Miss M that we have always expected businesses to take into account the specific needs of vulnerable consumers.
- I saw from the customer contact notes that Miss M told BMWFS on 25 April 2025 she wanted a settlement quote. It seemed the VT option was discussed and a settlement quote letter sent the same day. I saw that letter. It explained how to make a payment to settle the account and that the quote was time limited. It didn't explain Miss M needed to confirm in writing if she wanted to go ahead.
- On 15 May 2025 the customer notes showed that Miss M had decided she did want to VT her agreement as she couldn't afford the repayments. On the same day a settlement quote was requested for her. It didn't seem that on that call that Miss M was told she needed to confirm in writing if she wanted to go ahead with a VT. I didn't see the settlement quote letter generated as a result of that conversation but I thought it was reasonable to assume it would be the format as the one I saw sent in

April 2025 and so it wouldn't have explained the need for written confirmation from Miss M of her VT request.

- On 28 May 2025 Miss M called to ask why her car hadn't been collected. At that point BMWFS told her she needed to confirm in writing that she wished to VT her agreement.
- As BMWFS hadn't made Miss M aware of the written requirement to confirm her decision to VT the car this caused a two week delay in the collection being arranged. Given it was clear from the customer notes Miss M had financial issues I thought that requirement should have been made clear to her as it caused a two week delay in the VT process starting.
- In terms of the delays in collecting Miss M's car I appreciated it was difficult for her to evidence what happened on the day. There is no dispute that on the first collection on 9 June 2025 the car couldn't be collected as it didn't start.
- I saw from the customer notes that Miss M was made aware on 28 May 2025 that the car would need to be fully road safe and legal to drive otherwise a transporter would be required. So, I thought the onus was on Miss M to check the car was driveable before being collected. On this basis I couldn't reasonably say BMWFS caused this delay.
- There was then some delay in arranging a further collection partly it seems due to ascertaining if the car was now driveable as if not a transporter would be required, but partly due to the collection agent telling BMWFS that it couldn't arrange a time for collection as Miss M wouldn't go through the GDPR process on the phone to arrange this.
- I appreciated Miss M felt sensitive about this. She said she didn't have some relevant information to hand rather than she was refusing to go through the GDPR process.
- I agreed with Miss M that BMWFS had some responsibility for third parties that it uses. However if, for whatever reason, Miss M couldn't go through the relevant security checks by phone I didn't think it was unreasonable for the collection agents to refer this back to BMWFS. Again I didn't think BMWFS could be held responsible for that delay.
- At this point BMWFS asked its collection agent to email Miss M instead and a further collection was arranged for 23 June 2025. At this collection Miss M said she was at home with a relative but no one came to the door to collect the car.
- The collection agent said it did seek to recover the car that day but hadn't been able to do so due to its position. It said they tried to use a winch but were unable to do so.
- When opinions vary it's very difficult to know what happened. If Miss M were at home she must have been aware of the attempted collection. If the collection agent didn't go to collect the car I didn't know why it wouldn't have just said it hadn't been able to attend for whatever reason. Based on the information I had I couldn't fairly judge, what happened on the day, why that collection failed and where the fault lay.
- Miss M's car was finally recovered on 27 June 2025.
- I saw the many emails Miss M sent after the car had been collected asking for the

balance on her account . This was provided on 2 July 2025 I didn't think that was an unreasonable timescale. The car would have needed to be inspected after collection to assess any payable damage and I assume would also have needed to be sold at auction .

- I appreciated getting a final balance on 2 July 2025 was some considerable time after Miss M signed the VT form on 29 May 2025. It seems to me that most of that delay was due to the collection issues for which I think Miss M had to take some responsibility as the first collection failed as the car wasn't working and arrangements to collect the car were delayed by her not being able to provide the collection agent with relevant information.
- In terms of the comments Miss M has made about BMWFS's communications I have looked at its customer notes and I couldn't agree it wasn't responsive to Miss M's communications. It provided settlement quotes speedily, actively engaged with the collection agents when they couldn't progress a phone call with Miss M asking it to email her instead, and, I think it provided, as quickly as it could have reasonably done so , the final balance for her.
- However I did think BMWFS failed Miss M by not advising her of the written requirement to confirm the VT when it had opportunities to do so in phone calls and in its settlement quotation letters .
- This failure caused a delay of approximately two weeks in the whole process which for someone with known financial difficulties I didn't think was fair. For this reason I thought it would be reasonable for BMWFS to pay Miss M £100 compensation.
- My provisional decision was that Miss M's complaint should be upheld and BMWFS should pay Miss M £100 compensation for any distress and inconvenience caused by the delay in starting the VT process for her.

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.

Both BMWFS and Miss M have responded to my provisional decision which neither of them accepted.

BMWFS provided photographic evidence and an email from the collection agent showing that it did attend and try to recover the vehicle on 23 June 2025 when Miss M says the collection agent didn't attend, or at the very least didn't call at her door to see if she was in.

On the basis of this information I accept that non collection on that day was not BMWFS fault. In my provisional decision I said Miss M had to take some responsibility for the collection delays . BMWFS evidence further strengthens my view on this point.

However the compensation I suggested was not for the collection issues for which I found Miss M had to take some responsibility, it was for not advising Miss M as early as possible about the process for VT in that' she needed to write to confirm her instructions which I felt led to a two week delay in the VT process being started.

BMWFS also provided a phone call in which the VT process is made clear. In that call the call handler said he thought there has been some miscommunication given Miss M didn't seem to understand what she needed to do. He told Miss M she needed to confirm in

writing her VT decision, advise of the current mileage and give the 11 digit reference she could find on her V5c document.

This phone call is dated 29 May 2025. This confirms my provisional view that Miss M wasn't correctly advised about the VT process when she called on 15 May 2025 leading to a 2 week delay in her starting the process. It was this delay that I felt justified a distress and inconvenience compensation payment.

Miss M replied to my provisional decision which she didn't feel had fully taken into account and didn't feel £100 compensation was sufficient.

I would like to assure Miss M that I have fully considered all of the points that she has made. However I would note that Miss M hasn't provided me with any new information to consider.

In summary she feels that BMWFS caused the delay in her VT being processed and car collected and didn't treat her fairly and in line with the Consumer Duty principles for a vulnerable consumer.

My provisional finding that BMWFS should pay Miss M £100 compensation took into account the delay in the VT process caused by not clearly explaining the process and what she needed to do which I felt was unacceptable for a vulnerable consumer as it led to a 2 week delay in the VT process starting. I am still of that view.

In terms of some of the specific points Miss M has raised I don't think BMWFS can be held responsible for the flat battery. It was Miss M's responsibility to ensure the car was roadworthy on return. Had she advised BMWFS in advance of the first collection that the car wasn't driveable it could have arranged, at that point, for a suitable vehicle to collect the car.

I took into account Miss M's vulnerable situation when I issued my provisional decision. She has told us that BMWFS offered her no additional support and did not adapt its communications for her. I am not sure what additional support Miss M feels BMWFS should have provided. There is no reference in the customer notes to her advising of needs other than her financial issues which of course was a stressful situation for her to be in. I also can see no evidence of Miss M requesting a different form of communication from BMWFS.

I didn't find in my provisional decision that BMWFS was dismissive of Miss M and having reviewed the information I had I am still of that view. I think, as outlined in my provisional decision, and summarised earlier in this decision, BMWFS tried to be as helpful as possible.

I appreciate Miss M feels sensitive that she was accused of 'refusing GDPR' in a phone call with the collection agents. I didn't think from the customer notes I saw that this came across as Miss M being unco-operative but companies have security processes to go through when talking to consumers on the phone as it's rightly important they are talking to the correct person. It was unfortunate but as Miss M couldn't provide the information needed that call, correctly in my view, couldn't go ahead.

Miss M still disputes that an attempted collection of her car was made on 23 June 2025. As I have already noted in this decision BMWFS has now evidenced its attempted collection with photos of the car. I thought about sending these to Miss M but decided not to do so. This is because, as I have already explained in this decision, non-collection of the car wasn't my reason for provisionally deciding compensation was appropriate so this evidence isn't relevant to my final decision. Even if BMWFS hadn't provided this I am still of the view that Miss M had to take some responsibility for the delays in collection and I am still of that view..

Finally Miss M has referred to BMWFS's obligations under the Consumer Duty Regulations. She has specified that businesses should verify information before repeating it, avoid foreseeable harm, act in good faith and provide support to vulnerable consumers .

I can't see that BMFS has failed with regard to any of these issues other than it could have prevented an approximate 2 week delay to the collection process being started had its communications on the VT process been clearer.

I am afraid I can't agree to Miss M's request for more compensation than the £100 I proposed in my provisional decision. I felt this figure was appropriate for the delay caused by BMWFS not properly explaining to Miss M the VT process which in my view led to an approximately 2 week delay in her returning her car and ending the agreement. Given her financial difficulties and the stress this would have undoubtedly caused I thought this was unfair.

As neither BMWFS or Miss M have given me any new information that leads me to feel that my provisional decision should be changed I am still of the view that Miss M's complaint should be upheld and that BMWFS should pay her £100 compensation for the distress and inconvenience caused by not clearly explaining the VT process to her.

My final decision

My final decision is that I uphold this complaint.

In full and final settlement BMW Financial Services (GB) Limited should pay Miss M £100 compensation for the delay in not advising her of the VT process.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 22 December 2025.

Bridget Makins
Ombudsman