

## **The complaint**

Mrs A complains that a used car she acquired through a hire purchase agreement financed by BMW Financial Services (GB) Limited trading as Alphera Financial Services ('Alphera') is of unsatisfactory quality.

Mrs A is bringing this complaint with the help of a family member. For ease of reading I'll refer to Mrs A alone in this decision.

## **What happened**

In February 2023 Mrs A took out a hire purchase agreement to cover the cost of a used car. The car cost £32,990 and it was almost six years old. According to the dealership's invoice it had around 67,300 on the odometer. Mrs A paid a deposit, part-exchanged a car and settled a prior agreement as part of the transaction. She then entered into a hire purchase agreement to finance the remaining £30,490. After interest and charges the total amount due was £44,135.64, repayable in 48 monthly instalments of £596.18 followed by one optional payment £13,019 if Mrs A wanted to keep the car at the end of the agreement.

Mrs A said it became apparent that the car had inherent mechanical faults shortly after she acquired the car. Two garages had confirmed serious engine issues and advised her not to drive it. Mrs A said the car hasn't been used since April 2024 and has since been declared off-road.

In December 2024 Mrs A contacted Alphera to let them know the car had stopped working. Alphera logged this as a complaint and began its investigation. It asked Mrs A for an independent report so it could establish when the issue first occurred. Alphera then issued its complaint response in May 2025. It said it hadn't received an independent report, only a quote for an engine replacement. Alphera said even if the car stopped working in April 2024, as Mrs A had said, she'd had use of the car for over a year and had travelled around 20,000 miles before the fault developed. In their view it was therefore unlikely that the fault was present or developing at the time Mrs A acquired the car. Alphera acknowledged the delay in answering Mrs A's complaint and said they'd pay her £150 for the distress and inconvenience this caused her.

Our investigator acknowledged that Mrs A had experienced problems with the car. But he thought the available evidence showed that the car was of satisfactory quality at the time of supply. And so, our investigator didn't think the complaint should be upheld. Mrs A didn't agree. She said the car developed a major engine fault sooner than one could reasonably expect for a car of this type, age and value. She added that she'd provided a full technical report to Alphera outlining the full scale of the engine fault. And Alphera failed to collect the car for inspection as agreed, leading to the car being clamped. Mrs A asked for an ombudsman to consider the complaint – and so it's come to me.

## **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'm not upholding Mrs A's complaint. I'll explain why.

Mrs A sent a substantial amount of information and arguments in response to our investigator's assessments. I'm going to focus on what I think is the key issue and the crux of Mrs A's complaint, so I've gone into less detail than she has. But I'd like to assure Mrs A that I have read and considered everything carefully. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this.

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 – Alphera 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 other things, to include the car's age, price, mileage, and description.

In this case, Mrs A acquired a used car that cost £32,990. It was almost six years old and had around 67,300 miles on the odometer. I think that a reasonable person would expect a car of that age and mileage to have more wear and tear than a new car. And that it might require maintenance or repairs sooner than a newer, less road worn car.

It doesn't appear in dispute that the car Mrs A acquired is now faulty. It's no longer driveable and so it has been declared as 'off the road'. What I need to determine is whether the car was of satisfactory quality at the time it was supplied to Mrs A in February 2023. Under the relevant provision of the CRA, where a fault occurs within six months of the goods being supplied it is generally assumed the fault was present at the time of supply unless the trader can show otherwise. After the first six months it's for the consumer to show the fault was present or developing at the point of supply.

Here, Mrs A said the car broke down in April 2024 and has been undriveable since then. As part of the investigation into Mrs A's complaint Alphera asked her to provide an independent inspection report on the condition of the car. I don't think this was unreasonable, given the time Mrs A had use of the car and the fact that she said the car had stopped working around eight months earlier. Mrs A said she took the car to two third-party garages where diagnostics scans were undertaken. She provided us with a quote for an engine replacement dated 14 February 2025, so around ten months after she says the car first broke down. While the invoice is detailed, it doesn't set out the fault or give an explanation as to why a replacement engine is needed.

Mrs A also provided an undated screen shot of an email from the garage who provided the quote for the engine replacement. I'll call them "E" going forward. Although the screen shot doesn't show a date, emails between Mrs A and the credit broker who arranged the finance agreement ("O" going forward) show that Mrs A was chasing E for a report in early February 2025. This also ties in with the repair quote dated around the same time. E's email states:

*"[The vehicle] was booked in for a check for warning lights and whining noises from the engine.*

*Upon inspection we found the turbos to be worn causing excessive oil consumption, this meant the vehicle required 2L of oil to bring it back up to the maximum level.*

*We also found the engine to excessive blowby, also causing the oil consumption.*

*As a result of this the vehicle requires a replacement/rebuilt engine and turbos to rectify the fault.”*

I've not seen anything to show that further investigation into the reason for the fault was undertaken. I've thought about this carefully. For me to reach a finding that the car wasn't of satisfactory quality at the point Alphaera supplied it to Mrs A, I need to be satisfied that the fault was present or developing at the point of supply. As mentioned above, the car had around 67,300 miles on the odometer when Mrs A acquired it in February 2023. At the MOT in February 2024 the mileage was recorded as being around 87,600. And Mrs A provided us with a scrap salvage quote for the car, which shows the mileage as 93,000. The quote isn't dated, but I've listened to calls between Mrs A and Alphaera in June 2024, where Mrs A talks about having found a company willing to purchase the car. She mentioned the agreed price, which matches the quote. For that reason, I think it's likely the mileage was taken in or around June 2024.

So, the car covered around 25,700 miles between February 2023 (when Mrs A acquired it) and June 2024 (approximately when the salvage company issued its quote). If the engine and turbochargers were damaged in February 2023, I think it's more likely than not that the engine would have failed considerably sooner than it did.

Mrs A said the car developed a fault much sooner than would be reasonable for a car of this type, age and value. So, I've considered if the car and its component parts were reasonably durable, as durability is an aspect of satisfactory quality. Here, E said the reason for the engine failure was the worn turbochargers and excessive engine blowby. Turbochargers don't have an infinite lifespan. How long the component lasts can be influenced by various factors, including driving style, oil contamination or debris damage. E's email didn't give an opinion as to what caused the turbochargers to be worn or the cause for the excessive engine blowby. Considering the car had travelled around 93,000 miles when the fault occurred, I'm not persuaded it wasn't sufficiently durable. Overall, I'm satisfied the car Mrs A acquired was of satisfactory quality when it was supplied.

Mrs A said Alphaera sought to rely on the mileage she was able to cover and a missed service to justify not upholding her complaint. She added that Alphaera made no attempt to investigate what caused the engine failure in the first place. As I explained above, given the time Mrs A had use of the car the onus was on her to show that the fault was present or developing at the point of supply. I'm satisfied that Alphaera explained this to her and that the information it provided in this respect was clear. While I appreciate Mrs A believes differently, the mileage she was able to cover is highly relevant, for the reason I've set out already.

Mrs A told us that Alphaera offered to collect the car and arrange for an independent inspection following a call with O. However, it then didn't collect the car, which has since been clamped. I haven't been provided with a recording of the call between Mrs A and O. But I don't think I need it, as Alphaera accept that the call took place. And Alphaera accepts that O told Mrs A that it would arrange for an inspection. But this was on the basis that Mrs A provided some evidence to show that the car first broke down in April 2024. I've seen emails from O to Alphaera confirming the same. However, I haven't seen anything to show Mrs A did provide this evidence. So, I can't say that Alphaera acted unreasonably here.

Turning to the alleged missed service, Alphaera provided details of the car's manufacturer service schedule for this make and model along with the car's service history. The service in question was due at 84 months or 96,000 miles, whichever was sooner. Mrs A said the car

became undrivable the month before the service was due (which would have been April 2024) and this is why she couldn't service it. I think this is a reasonable explanation. In any event, I'm not persuaded that a potentially missed service this close to the engine failing would have been a major contributing factor to it.

Mrs A has referred to and sent links to online articles and forums which she says show common faults with the make and model of the car she acquired, including turbocharger and engine failure. I've looked at the links Mrs A sent through, but I'm not persuaded that they show there's an inherent fault with the car as Mrs A suggests. As with most goods or services, there will be times when things go wrong. Just because some consumers have experienced problems with their car doesn't mean that every car will develop the same issue. And even if there was a wider issue, I'm required to consider each complaint on its individual merits. I've set out above why, in the circumstances of this complaint, I'm not persuaded the car Mrs A acquired was of unsatisfactory quality.

Finally, Mrs A said Alphaera's offer of £150 for the delays in responding to her complaint wasn't sufficient given everything that had happened. Mrs A first told Alphaera about the problems with the car in December 2024. Alphaera logged this as a complaint, which I think was the right thing to do given what Mrs A had said. I'm aware that Mrs A had previously been in touch with O and the car's manufacturer. And there were phone calls with Alphaera earlier in 2024. Having listened to them, I'm satisfied they concerned early settlement figures and Mrs A's plans to sell the car.

Alphaera issued its final response in May 2025, around five months after Mrs A first raised her complaint. Looking at Alphaera's internal contact notes, I can see there was irregular contact with Mrs A, and she had to chase for updates on occasion. I can understand how this would have been frustrating, especially bearing in mind that Mrs A had been told the car she acquired around a year earlier needed significant repairs. It appears that some of the delay in Alphaera's response was due to Mrs A not providing the evidence it requested regarding the car first breaking down in April 2024. All things considered, I think Alphaera's offer of £150 is fair compensation. It isn't clear if the amount has been paid – if it hasn't, Alphaera should pay it now.

In summary, I'm not persuaded that the issue with the turbochargers and excessive blowby which resulted in engine failure was present or developing at the time the car was supplied to Mrs A. Had there been an underlying defect at the time the car was supplied, I consider it more likely than not that the car would have failed much sooner than it did and Mrs A would not have been able to drive the approximate 25,700 miles between it being supplied and its failure. And given the car's overall mileage, I don't consider that it has failed prematurely. So, having carefully considered everything I'm upholding Mrs A's complaint as I'm not persuaded the car supplied to Mrs A was of unsatisfactory quality.

### **My final decision**

For the reason given, I don't uphold Mrs A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 11 March 2026.

Anja Gill  
**Ombudsman**