

The complaint

Miss A complains that the vehicle she acquired through BMW Financial Services (GB) Limited, trading as MINI Financial Services (“BMW”) wasn’t of satisfactory quality and she wants to reject the car and have the credit agreement cancelled.

What happened

Miss A entered into a hire agreement in February 2025 to acquire a new car. The agreement was set up over a term of 24 months, with monthly rentals of £397.44.

Miss A told us:

- She had two concerns; the unacceptable condition of the car’s paintwork; and the misrepresentation and service with the sale of the car and the arranging of the finance agreement;
- the paintwork was not in line with expectations for a brand-new car. There were swirl marks on the pillars; scratches on the bonnet; and watermarks under the ceramic coating;
- the supplying dealership accepted the paintwork was below standard, but suggested she take the car home and assess it further in better light;
- when she looked again at the car at home, she remained unhappy with the quality of the paintwork and found the defective paintwork to be even more pronounced. The supplying dealership collected the car, but there’s been no resolution of her complaint;
- around a week after the car was supplied, the supplying dealership told her she could withdraw from the agreement, but then another employee contradicted that advice and gave her incorrect information about *distance selling* legislation;
- the supplying dealership has had the car since 21 March 2025 – she’s not driven it since;
- the whole situation has caused her immense stress and anxiety, and she wants to reject the car and have the credit agreement cancelled.

BMW rejected this complaint. It noted that the supplying dealership had offered to purchase the car back from Miss A as a gesture of goodwill, with Miss A making a financial contribution. But it said the supplying dealership had said there were no mechanical issues with the car, and no swirl marks in the paintwork.

BMW said the supplying dealership was prepared to make a revised offer, and Miss A should liaise directly with it. BMW acknowledged that Miss A had been misinformed when she contacted it in April 2025, and it offered her £100 compensation for any distress this may have caused. It also offered a further £100 because of the delays in resolving this complaint.

Miss A brought her complaint to this Service. She said she wasn’t seeking compensation of any kind, she’s unhappy with the car’s quality and simply wants the agreement cancelling. She confirmed she’d only driven the car home – a short distance – on the day she collected it, and since then, it’s been with the supplying dealership.

Our Investigator looked at this complaint and said that she didn't think it should be upheld. She said that based on the photographs that had been supplied by Miss A and BMW she couldn't see any evidence of poor-quality paintwork – the photographs simply were not clear enough to persuade her that there is something wrong with the car.

Our Investigator considered the information that Miss A had been given by the supplying dealership and BMW about the credit agreement and her options for exiting it, and she said that she thought the compensation offered by BMW was fair and reasonable, and she wouldn't be asking it to do anything more.

Miss A disagrees so the complaint comes to me to decide. She says the supplying dealership have not been truthful in their opinion of the paintwork – in her presence, senior people at the premises acknowledged that the quality of the car was below the expected standard.

My initial conclusions are set out in my provisional decision, which I issued earlier this month. In it I said I thought that Miss A's complaint should be upheld, and I explained my reasoning as follows:

“The hire agreement entered into by Miss A is a regulated consumer credit agreement which means that this Service is able to consider complaints relating to it. BMW is also the supplier of the goods under this type of agreement, and it is responsible for a complaint about their quality.

I note here that BMW has referred to the supplying dealership as if it decides what happens in the resolution of this complaint. However, I remind BMW that it is the supplier of the goods under this type of agreement, and so it is responsible for a complaint about their quality. It follows that I have taken into account the comments of the dealership as if they were made on behalf of BMW in its role as the supplier.

The Consumer Rights Act 2015 (“CRA”) is relevant to this complaint. It says that under a contract to supply goods, there is an implied term that the “quality of the goods is satisfactory”. To be considered “satisfactory” the goods would need to meet the standard that a reasonable person would consider satisfactory – taking into account any description of the goods, the price and other relevant factors. Those factors, in the case of a car purchase, include things like the age and mileage of the car at the time of sale, and the car's history.

The CRA says the quality of the goods includes their general state and condition and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability can be aspects of the quality of goods.

But the CRA also sets out the circumstances under which a consumer can exercise their ‘short-term right to reject’. It explains that a consumer has a short term right to reject a car if it is of unsatisfactory quality, is unfit for purpose, or is not as described. A consumer may exercise this right, but it is limited to 30 days from the date the car was acquired.

And it's under this part of the legislation that I'm minded to uphold this complaint. I'm currently persuaded that the car supplied was not of satisfactory quality, and that having highlighted this to the supplying dealership on the day the car was collected, Miss A rejected the car within that first week. I'll explain why I've reached this conclusion.

This was a brand-new car, so I'm satisfied that Miss A ought to have been able to expect it to be free of faults and free of defects. Her expectations ought quite reasonably to have been far higher than those of someone acquiring a used car. Miss A refers to her expectations of the car as being of a “showroom standard” and I think this is reasonable. So

a complaint about the poor quality of the paintwork - a complaint that the paintwork is substandard on a brand-new car could be an indication that the car is not of satisfactory quality.

In a case like this, the most persuasive evidence would normally be photographs; photographs that depict the state of the paintwork. Both Miss A and BMW have provided photographs to support their respective positions, but incredibly they're inconclusive. Miss A submitted several photographs, all of which show marks. But the photographs are so close up that it's simply not clear which part of the car they show.

BMW has sent in a number of clear photographs, and the car make, and model can be clearly seen. But the images have been taken at a distance, such that no reasonable person could reach a safe conclusion either way on the state of the paintwork.

Around eight months have now passed since the car was collected by the supplying dealership, so I don't proposed to seek new photographs or images – it simply wouldn't be fair or reasonable to reach a conclusion about the quality of the paintwork on a car supplied in February 2025 from photographs taken in November 2025.

So, setting aside the photographs, I've looked very carefully at the remaining evidence, and I've concluded that the most persuasive of this is the call recordings between Miss A and employees at the supplying dealership.

Miss A has been consistent throughout her complaint that the quality of the paintwork is substandard; it's defective; and it's not to the standards that one would expect of a brand-new car – it's simply not of "showroom standard". She's been quite detailed in her description of what's wrong with the paint finish and also explained what is likely to have gone wrong in terms of surface preparation and enamel finishing.

But I've also noted that employees from the supplying dealership appear to share Miss A's concerns - on the day she collected the car, it seems to have been suggested that although the finish didn't look as good as it should've done, Miss A should take the car home and look at it again in a different light. She did, and she remained unhappy, and the supplying dealership collected the car.

More significant in my opinion is a recording of a conversation Miss A had with a senior member of staff at the supplying dealership. In that recording I can hear him say "your swirl marks aren't acceptable". And I find this the most persuasive evidence that the issues with the paintwork are present and as described by Miss A, and that the issues are not acceptable.

This employee then proceeds to offer Miss A several of options so that he can "rectify the problem". I don't think it's possible to rectify a problem, unless there is a problem. And one of the options he offers Miss A is allowing the supplying dealership to carry out work to get the car to a showroom standard.

The only conclusion I can draw from this conversation is that a senior employee at the supplying dealership agrees that the paint finish isn't acceptable; some remedial work on the car needs undertaking; and the car at the point of supply was below the standard that someone could reasonably expect of a brand-new car.

This means I'm satisfied that the car supplied to Miss A was of unsatisfactory quality. And on the basis of how quickly she notified the supplying dealership of this and her desire to reject the car, along with how soon afterwards it collected the car and retained it – I've determined that Miss A exercised her short-term right to reject.

I don't need to consider Miss A's other complaint points about the mis-information around the sale of the car and the finance agreement because I'm going to ask BMW to accept her rejection of the car and to unwind the credit agreement. And although the car was supplied to Miss A nearly nine months ago, it seems she only drove the car very limited miles – from the supplying dealership to her home – so I think BMW should also refund her any tax and insurance she paid in connection with her planned use of the car”.

I asked each party to let me have any comments or new information that they'd like me to consider. And I asked for this to be submitted no later than 3 December 2025.

I've had no further comments or submissions from BMW.

Ms S says that she agrees with and accepts my provisional 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.

Having considered all the evidence and testimony afresh and, in the absence of any new evidence or testimony, I see no reason to depart from my provisional findings. I'm therefore upholding this complaint.

Putting things right

I direct BMW Financial Services (GB) Limited, trading as MINI Financial Services to put things right by doing the following:

- Ending the credit agreement with nothing further to pay;
- removing any adverse information from Miss A's credit file in relation to the agreement;
- refunding Miss A's deposit;
- reimbursing Miss A for her payments towards insuring and taxing the car, upon her provision of evidence of the amounts she's paid;
- refunding Miss A any monthly rentals she's paid since the credit agreement started;
- paying 8% simple yearly interest on all refunded amounts from the date of payment until the date of settlement*;

*HM Revenue & Customs requires BMW Financial Services (GB) Limited, trading as MINI Financial Services to take off tax from this interest. BMW Financial Services (GB) Limited, trading as MINI Financial Services must give Miss A a certificate showing how much tax has been taken off if she asks for one.

My final decision

My final decision is that I uphold this complaint and require BMW Financial Services (GB) Limited, trading as MINI Financial Services to settle this complaint fairly as I've directed above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 1 January 2026.

Andrew Macnamara
Ombudsman