

The complaint

Mr M complains about what happened when he asked to repay a hire purchase agreement, used to acquire a car, provided by BMW FINANCIAL SERVICES (GB) LIMITED trading as BMW Financial Services ('BMWFS').

What happened

Around November 2024 Mr M acquired a used car under a hire purchase agreement with BMWFS.

Mr M says he then decided to pay off the agreement and sell the car.

Mr M says he was then given incorrect advice about paying off the agreement immediately. He says he was advised by the dealer it was best to leave the agreement in place for a couple of months to "*let the finance settle down*".

Mr M said there was a delay in receiving a settlement figure he requested in the post. And he was unhappy with the figures from the quotation when they arrived.

Mr M complained to BMWFS. It issued a letter at the end of January 2025 explaining it was still investigating and gave Mr M the right to refer the complaint to our service.

Mr M let us know about the complaint. In summary, he said BMWFS should allow him to withdraw from the agreement, rather than having to pay anything to come out of it. He said BMWFS should've told him about this option at the time.

BMWFS then issued a final response to the complaint in April 2025. This explained Mr M had asked for a settlement quote on 22 November 2024 and it sent this the same day. BMWFS said it wasn't responsible for any delays in the post.

BMWFS explained the right to withdraw from the contract was set out in the agreement which Mr M signed and said it didn't need to make him aware of this separately.

BMWFS explained it hadn't received any funds to settle the agreement and so it was still active.

BMWFS apologised for the delay in responding to the complaint, for not responding to follow up communications and for hold times on the phone. It offered Mr M £100 and said it would remove any adverse information from his credit file if the agreement was settled within 14 days of the letter.

Mr M said he was still unhappy and wanted our service to look into things. He said he wanted to pay off the car in full under his right to withdraw from the agreement. He said he'd tried to speak to BMWFS on the phone but had to wait for around 40 minutes every time.

Mr M said he's lost out on interest while waiting to pay off the balance. He said he was told on the phone that arrears notices wouldn't impact him as he had an ongoing complaint. He said he was told by BMWFS not to make the monthly payments towards the agreement. And

he said £100 wasn't enough for how long he was waiting on the phone.

Our investigator requested copies of the phone calls involved from BMWFS. Initially, it didn't send these.

Our investigator then issued a view and didn't uphold the complaint. In summary, she said the agreement contained Mr M's right to withdraw from the finance. She said she didn't think Mr M had given BMWFS notice that he wanted to withdraw in the timescales he needed to. She said she hadn't seen enough to make her think BMWFS told Mr M not to make payments towards the agreement. And she said she didn't think BMWFS did anything wrong when it sent Mr M the settlement quote.

Mr M didn't accept the view and said BMWFS should be able to find the phone calls that took place.

BMWFS responded and provided phone calls.

Our investigator then issued a second view. In summary, she explained she'd listened to the phone calls but said she'd not heard BMWFS tell Mr M to not make payments to the agreement. And she didn't think BMWFS did anything else wrong.

Mr M was unhappy with this. He said BMWFS had now admitted it was wrong, that it should've allowed him to withdraw from the agreement as he wanted and that it didn't follow due diligence.

As Mr M remained unhappy, the case was passed to me to decide.

As Mr M explained BMWFS were now saying it acted incorrectly, I asked BMWFS for its comments on this and what had happened to the agreement.

BMWFS responded and sent a letter dated 14 August 2025. This said:

"We can confirm receipt of your payment for the sums due following your withdrawal from the above finance agreement"

But BMWFS also stated:

"Neither myself nor my team have communicated with (Mr M) regarding any acceptance of wrongdoing"

Mr M then explained BMWFS agreed he should've been entitled to pay off the car within the withdrawal period. He said it accepted the time taken to resolve things was unacceptable and that it failed in *"due diligence"*.

I asked BMWFS about this and it explained a review of the case had allowed Mr M to withdraw from the agreement. It said Mr M paid £25,071.39 to do this.

Mr M said although he had been allowed to withdraw from the agreement, he thought he should get further compensation. He said he'd had sleepless nights, been caused anxiety, that he'd had to chase the dealer for funds and he said BMWFS had used bullying tactics. Mr M said he'd spent at least 100 hours trying to resolve things.

BMWFS then said it was willing to offer Mr M £250 if this resolved the complaint. Mr M didn't accept this. He said he would be prepared to accept £500, even though this didn't reflect the trauma caused.

I then sent BMWFS and Mr M a provisional decision on 19 November 2025. My findings from this decision were as follows:

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 initially think the offer BMWFS made in its final response letter is reasonable. I'll explain why.

I'd like to explain to both parties that I might not comment on every point raised or every single piece of evidence. I want to reassure Mr M and BMWFS that I've carefully considered all of the available information. But, I'm going to focus my decision on what I consider to be the key facts and the crux of the complaint. This reflects the informal nature of our service.

Firstly, it's worth noting I have some different testimony from both parties about recent events. In short, Mr M says BMWFS has admitted fault for various issues. BMWFS says it has allowed Mr M to withdraw from the agreement, but I think it's fair to say its stance is that it didn't do anything wrong on this point. So, I'm satisfied even though Mr M has now withdrawn from the agreement, I still need to consider if BMWFS did anything wrong at the time as this still seems in dispute.

I think the crux of the complaint is about the right to withdraw from the agreement. This is set out in the terms and conditions. These explained Mr M could withdraw from the agreement without giving reason. Mr M had 14 days, starting the day after the agreement was signed, to withdraw. This could be done by "oral or written notice". The terms and conditions give a specific address, email address and phone number to contact in order to withdraw.

The agreement was signed on 11 November 2024. So, Mr M had 14 days starting on 12 November 2024 to withdraw. In other words, he needed to give BMWFS notice he intended to withdraw by 25 November 2024.

I have one phone call where Mr M spoke to BMWFS within this timeframe, on 19 November 2024. During this call, BMWFS asked Mr M security questions. While going through the questions, Mr M said "all I want to do is pay the agreement off".

Mr M then failed the security checks. The advisor explained the phone call couldn't continue, but suggested he call back when he had looked up some information he needed. Mr M said he was extremely unhappy with having to wait ten minutes on hold and said he would not call again. The advisor also said Mr M could email in a request as long as this came from the address registered with his account.

I've very carefully thought about this. But I don't think BMWFS could've taken Mr M saying he wanted to pay off the agreement, part way through failing a security check, as him notifying it he wanted to withdraw.

BMWFS has explained Mr M requested a settlement quote through an app on 22 November 2024. But I haven't seen he asked to withdraw from the agreement. I've also noted the app isn't one of the channels listed in the terms and conditions that Mr M could've used to give BMWFS notice he wished to withdraw.

I've not seen other evidence Mr M was in touch with BMWFS during the 14 day window.

I want to reassure Mr M that I've carefully considered all the other points he raised about this issue. But I think the key part of the complaint is relatively simple here – I haven't seen evidence Mr M gave BMWFS notice he wished to withdraw from the finance agreement

within the timeframes set out.

I've gone on to consider some other issues Mr M raised.

I've considered Mr M says he was told by the dealer he should leave the agreement in place for a couple of months to 'settle down' when he asked to pay it off. I appreciate the difficulty in Mr M providing any evidence of this. On balance, I'm not persuaded it's most likely he was told this. But, in any event, even if I accept what Mr M says, BMWFS aren't responsible for what the dealer told Mr M after the agreement was entered into. So, this doesn't change my opinion.

Mr M said he didn't receive the settlement figure in a reasonable time. But I've seen a copy of this which was dated 22 November 2024, the same day it was requested. I'm not sure of the reason for any delay, but I'm not persuaded BMWFS are responsible for this.

Mr M said he was advised not to make payments to the agreement. But I haven't seen evidence this was the case.

In its final response, BMWFS offered £100 to apologise for any delays and inconvenience caused by the complaint, along with the waiting times on the phone. I think this is reasonable to reflect this. But, while I'm sure Mr M has found the overall situation very stressful, I haven't seen enough to persuade me this was due to BMWFS doing something wrong. So, I don't think it needs to pay anything more.

All of that being said, I was pleased for Mr M to note BMWFS has now allowed him to withdraw from the agreement as he wished.

In the final response, BMWFS also said it would remove any adverse information from Mr M's credit file if he repaid the agreement in April 2025. Clearly this timeframe was missed. But given it has accepted the withdrawal, I would hope it would consider still offering this to Mr M if it hasn't already taken this action.

I gave both parties two weeks to come back with any further comments or evidence.

BMWFS didn't respond.

Mr M got in touch and said the decision contained "quite a few anomalies" but said he wanted to save his energy for the next course of action rather than going through things.

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 thought about everything again, I still think what I set out in my provisional decision is fair and reasonable under the circumstances of this complaint.

My final decision

BMW FINANCIAL SERVICES (GB) LIMITED trading as BMW Financial Services already made an offer in its final response to pay £100 to settle the complaint, and I think this offer is fair in all the circumstances.

So, my decision is that I instruct BMW FINANCIAL SERVICES (GB) LIMITED trading as BMW Financial Services to pay Mr M £100, if it has not already done so.

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

John Bower
Ombudsman