

The complaint

Mr G complains about the quality of a car that was supplied through a motor finance agreement with BMW FINANCIAL SERVICES (GB) LIMITED trading as Alphera Financial Services (Alphera).

What happened

The circumstances surrounding this complaint and my initial findings were set out in my provisional decision which said:

In June 2024, Mr G acquired a used car through a hire purchase agreement with Alphera. The car was about four years old and had travelled around 40,950 miles when it was supplied to Mr G. The cash price of the car was £13,859. An advance payment of £9,447 is listed, which included a part-exchange amount. So, the total amount financed on the agreement was £4,411, payable over 60 monthly repayments of £102.58.

Mr G complained that in July 2024, the car suffered a fuel leak. A breakdown report advised a loose fuel-filter pipe, which was reattached with no further leaks. Mr G reported electrical issues and a problem with the rear seatbelt. The tyres presented evidence of fuel contamination, and the Diesel Particulate Filter (DPF) light was illuminated.

Mr G arranged an independent inspection of the car, which took place in December 2024. It concluded the fuel leak was rectified, the tyre performance was likely related to its make and model rather than a defect, and the overall condition of the car was considered to be good for its age and mileage.

In January 2025, Alphera issued their final response to Mr G's complaint, which they upheld. In summary, it confirmed that following the independent report, the dealership agreed to repair some issues. Alphera agreed to refund four monthly repayments and pay Mr G £150 in compensation for the distress and inconvenience caused.

Unhappy with their decision, Mr G brought his complaint to our service, where it was passed to one of our Investigators to look into.

In March 2025, Alphera issued two further responses addressing the service they provided Mr G during his complaint with them, and the overall issues relating to the quality of the car.

To resolve the customer-service element and handling of the complaint against them, they offered Mr G £500 in compensation for the inconvenience caused. However, in relation to the quality of the car, they confirmed the issues didn't warrant a rejection because the faults weren't identified as being present or developing at the point of sale. They also advised that all the repairs agreed (as identified by the independent report) were completed. Alphera offered a further £200 in compensation for the distress and inconvenience caused.

Mr G reported ongoing issues with the car, so Alphera arranged for another independent inspection to be carried out. This was done in March 2025. In conclusion, the report advised there were no warning lights, and the oil leak was considered normal wear.

Mr G arranged a third independent inspection of the car in April 2025. In conclusion, it advised of an abnormal noise that would require further investigation, along with a fault code.

In September 2025, our Investigator issued their view and recommended that Mr G's complaint should be upheld. In summary, the Investigator concluded that the initial repairs to Mr G's car had failed to resolve the issues and so Mr G should be allowed to reject it. The Investigator recommended Alphera end the agreement, collect the car, refund Mr G's deposit, and reimburse the cost of the independent inspection.

Alphera didn't accept this recommendation; however, as the Investigator's view remained unchanged, the complaint was referred to an ombudsman for a final decision.

I sent Mr G and Alphera my provisional decision in January 2025. I explained why I didn't think the complaint should be upheld. The key parts of my provisional findings are copied below:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

In considering what is fair and reasonable, I've thought about all the evidence and information provided afresh and the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time.

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 G complains about a hire purchase agreement. Entering into consumer credit contracts like this is a regulated activity, so I'm satisfied we can consider Mr G's complaint about Alphera. Alphera is also the supplier of the goods under this agreement, and is responsible for a complaint about their quality.

The Consumer Rights Act 2015 (CRA) is relevant in this case. It says that under a contract to supply goods, there is an implied term that "the quality of the goods is satisfactory, fit for purpose and as described". To be considered as satisfactory, the CRA says the goods need to meet the standard that a reasonable person would consider satisfactory, considering any description of the goods, the price and all the other relevant circumstances. The CRA also explains the durability of goods is part of satisfactory quality.

So, it seems likely that in a case involving a car, the other relevant circumstances a court would consider might include things like the age and mileage at the time of sale and the vehicle's history.

My starting point is that Alphera supplied Mr G with a used vehicle that had travelled around 41,000 miles. With this in mind, I think it's fair to say that a reasonable person would expect the level of quality to be less than that of a brand-new car with lower mileage; and that there may be signs of wear and tear due to its usage which may impact its overall quality and

reliability, so there'd be an increased likelihood of unforeseen problems surfacing sooner than in a new vehicle.

From the information provided I'm satisfied there was a fault with the car. Both parties have accepted this. In their final response dated in January 2025, Alphera accepted there were issues with the car, which included a fuel leak and required repair. They also advised of this in their response to the Investigator's view. Mr G has also maintained throughout his complaint that the car supplied to him was faulty.

More recently, in an email dated 11 December 2025, Mr G confirmed he was still experiencing an issue with the rear seatbelts triggering the alarm, interior lights staying on, noise in the engine, oil around the head (gasket), traction issues and some warning lights. The issues occurred around a month after the car was supplied. It appears Mr G initially asked to reject the car but later agreed to have it repaired.

I've taken account of the relevant law, in particular the Consumer Rights Act 2015, ("CRA"). There are certain times, set out in the CRA, when a consumer is entitled to reject goods, in this case the car, if they don't conform to the contract – a short-term right to reject within 30 days of taking delivery, or a final right to reject if a repair or replacement hasn't resulted in the car subsequently conforming – that is, it then being of satisfactory quality.

Having considered the car experienced a fuel leak soon after supply, I'm satisfied this made it not of satisfactory quality when it was supplied to Mr G. However, since the repair was carried out by the dealership, I haven't seen any evidence that any current issues were due to inherent faults or as a result of failed repairs.

Three separate independent inspections were carried out on the car. One in December 2024, March 2025, and in April 2025.

The first inspection report advised the seatbelts were awkward but functional, the DPF required cleaning, the tyre showed signs of poor traction which was likely due to the make and model of the tyre, the fuel leak was rectified, and the overall condition of the car was considered to be good for its age and mileage.

The second report concluded no warning lights were identified, and the oil leak around the gasket was normal wear; and the third report noted an abnormal noise coming from the engine, oil from the cylinder head and a fault code. It noted the majority of reported issues were rectified but that further investigation was required to understand the root causes.

So, from reviewing the expert reports I'm not persuaded the repairs have failed, as neither of the reports have confirmed this. Nor have any of the reports confirmed that any of the issues Mr G reported were present or developing at the point of sale, or the current issues were due to inherent faults.

Mr G has maintained that he's wanted to reject the car from the outset, however I can see that he also accepted a repair of it. However, as I've concluded the repairs were successful, this is in line with the CRA, and so I don't consider Alphera needs to facilitate a rejection of it for him.

I acknowledge the Investigator in their view suggested the issues with the gearbox were due to a lack of durability, as they should have lasted longer than they did, meaning the dealership hadn't fixed the car fully on the first repair attempt. However, none of the inspection reports have commented on its durability. If it was the case, I would have expected to see some comments suggesting it.

Different factors can impact the performance of the gearbox and related components. Mr G acquired a car that had already had significant use, MOT information from 2024 and 2025 also makes no reference to the gearbox. From the information provided I'm not persuaded the repair to the gearbox meant the car was of unsatisfactory quality.

Mr G has maintained that the car was faulty throughout his ownership, however from the issues he's listed that he's experienced with it I'm not persuaded these make the car of unsatisfactory quality. Each of the issues listed are likely due to in-service wear and tear.

Overall, in relation to the quality of the car, Alphera have already offered to pay Mr G around £760 to resolve things, this included a refund of four monthly repayments and some compensation. I think this is fair in the circumstances.

In their latest submission, Alphera also offered to reimburse to Mr G the cost of the independent inspection that he arranged. However, as I've concluded Alphera have acted fairly in the circumstances. I don't require them to take any further action in relation to this complaint. Mr G may decide in reflection if he wants to accept the offer from Alphera, if it's still available.

I invited both parties to make any further comments. Alphera responded to say it accepted my provisional decision. However, Mr G didn't. He said he believed the outcome was reached on incorrect assumptions. Mr G made some further comments which I'll address below.

Now both sides have had an opportunity to comment, I can go ahead with my final 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.

In my provisional decision, Mr G was given a deadline of 2 February 2025 to provide any further comments, information, or evidence relating to his complaint. In an email to the investigator, Mr G said he was waiting for an additional report on the car and asked that we wait for this before progressing matters. I have considered this carefully. Given that Mr G has already had three separate independent inspections carried out by industry experts, I am satisfied that these reports provide a fair and impartial reflection of the condition of his car. I have also taken into account that more than a week has passed since the deadline, and no further material evidence has been received.

All things considered, I don't think it would be reasonable to wait for a fourth report in the anticipation that it will differ from the first three. Even if it did, I am unlikely to discount the conclusions from the three previous inspections.

Mr G has made submissions in response to my provisional decision. I have considered all of what it has said. I'll address what I consider to be the main points Mr G has raised and explain why these don't change the outcome I've reached.

Within his response, Mr G raised several points:

- He was denied his right to reject the vehicle within the first 30 days.
- The provisional decision failed to correctly apply the Consumer Rights Act (CRA).
- The conditions of the independent inspections were questionable.

- Concerns about the DPF were never investigated.
- The vehicle shouldn't have passed an MOT.

This isn't an exhaustive list, but a summary of what I considered to be the main issues raised in Mr G's response to my provisional decision. To be clear, I've considered all the information provided by both parties. However, to maintain the informal approach of this service, I've focused on what I consider to be the central issues.

Denying the right to reject and failure to apply the CRA

Mr G said he was denied his right to reject the car within the first 30 days, and therefore the provisional decision failed to apply the CRA correctly. Alpera accepted that a rejection request was made, so this is not in dispute. However, it's reasonable that when an issue is reported, it would first be investigated. Following the initial independent inspection, a repair was recommended—which Mr G appears to have accepted.

Mr G continued to use the car after the repair. For example, by the second inspection the mileage had increased by around 1,000 miles, and by a further 1,000 miles by the third inspection. I don't think this continued use is consistent with a desire to reject the car. It seems more likely that Mr G initially wanted to reject the vehicle but then accepted the repair once he understood a fix was available.

I don't think it would be reasonable or fair to Alpera for Mr G to accept the repair and then later retract that acceptance in favour of a rejection once the repair had already been carried out. Under the CRA, a rejection would have been appropriate only if the initial repair had failed—but I've seen no evidence that this was the case. Mr G believes he experienced further issues, and it is understandable he may have lost confidence in the vehicle and wished to reject it. However, that does not establish that the initial repair failed.

I've also seen no evidence to suggest that Mr G accepted the repairs under pressure or without being fully informed.

The conditions of the independent inspections were questionable

Mr G raised doubts about the independence of one of the inspections and questioned whether the conditions were appropriate for the others to be carried out. I've considered that each of the independent inspections was completed by industry experts who are recognised vehicle-inspection specialists, so I've no reason to doubt their impartiality, professionalism, or ability to carry out a successful, appropriate, and fair assessment. I'm satisfied this was the case.

Concerns about the diesel particulate filter (DPF) weren't investigated

Mr G said he didn't think the ongoing issue with the DPF was properly investigated. I've thought about this carefully; however, two of the independent inspection reports addressed the DPF and didn't consider it to be inherently faulty. One report advised that cleaning was likely required. As the DPF was considered within the scope of inspection, I'm satisfied the inspectors assessed it appropriately.

In addition, the performance of the DPF can be affected by several factors—for example, the way a diesel vehicle is driven can significantly impact its effectiveness. I've no evidence to suggest Mr G caused the issue, but I don't consider the need for DPF maintenance to mean it wasn't suitably durable or that it made the car of unsatisfactory quality. If that had been the case, I would have expected the inspection reports to identify it more clearly and reach firm conclusions on it.

Issues with the MOT

Mr G said he didn't think the vehicle should have passed an MOT given the faults. MOTs are mandatory tests to ensure vehicles over a certain age meet minimum legal safety and environmental standards. Only authorised mechanics can carry out an MOT test. In the circumstances of this complaint, I've no reason to think the MOT wasn't completed by an authorised and qualified professional. So, I've no reason to consider the result an unfair or inaccurate reflection of the vehicle's condition at the time.

I still consider my provisional decision to be fair and reasonable in the circumstances. Neither party has added anything which gives me cause to change these. Therefore, for the reasons as set out above and in my provisional decision, I'm satisfied that the offer already made by Alphera is fair and reasonable in the circumstances. So, my final decision is the same.

I recognise that this decision is likely to be disappointing for Mr G; however, I can assure him that I've considered all the evidence provided and believe, on balance, that my provisional findings are fair in the circumstances.

My final decision

To settle the complaint about the quality of the vehicle, BMW FINANCIAL SERVICES (GB) LIMITED trading as Alphera Financial Services offered Mr G around £760 to resolve things. This included a refund of four monthly repayments and £350 in compensation. I think this is fair in all the circumstances. So, I won't be asking BMW FINANCIAL SERVICES (GB) LIMITED trading as Alphera Financial Services to do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 9 March 2026.

Benjamin John
Ombudsman