

## **The complaint**

Mr F is unhappy with the quality of a car financed using a hire purchase agreement from BMW financial services (GB) limited trading as Alphera Financial Services.

## **What happened**

In May 2024 Mr F entered into a hire purchase agreement with Alphera for a used car. The car was around seven years old and had been driven for 50,369 miles. The cash price was £25,250.

Shortly after the car was delivered in June 2024, Mr F reported problems with a broken door handle and missing parcel shelf.

The ABS fault light then illuminated. In October 2024, after taking his car into a garage Mr F was told that the brakes on the car were dangerous and needed to be repaired immediately. Mr F also experienced issues with the power steering at this time too. He also had issues with the timing cover. The steering rack and timing chain cover were also replaced under warranty.

During this repair work, the repairing garage said they found metal filling on the sump plug magnet which needed to be monitored. It was also noted again that the front and back brake discs needed replacing.

Unhappy with the issues he experienced, and because he had concerns over the safety of the car, Mr F asked the dealership to reject it. He also decided to purchase another car as he had to go to work and attend hospital appointments.

Mr F contacted Alphera as the finance provider to complain in December 2024. He says they failed to acknowledge his complaint within the required timescales and is unhappy with their response. He said they repeatedly got dates wrong and refused his right to reject the car. Alphera's response was issued in May 2025.

Mr F has now transferred the ownership of the car back to the retailer and wishes to terminate his finance agreement. He says Alphera have ignored his requests in regard to this.

Unhappy with what happened, Mr F brought his complaint to our service. One of our investigators looked into everything. She said that she didn't think the car was of unsatisfactory quality. And so, she didn't think Alphera needed to do anything further.

Dissatisfied, Mr F asked for an Ombudsman's decision, so the case was passed to me to decide. I previously issued a provisional decision on this complaint as my findings were different from that of our investigator. In my provisional decision, I said:

*First of all, I would like to express how sorry I am to hear about what was happening with Mr F's health while all this was happening.*

*Mr F has gone into great detail in setting out his concerns, and while for reasons of brevity I*

*might not address each aspect individually here, I'd like to assure him that I've carefully read and considered all that he's said. Where I haven't directly addressed a complaint point individually, it's because I'm satisfied doing so would have no material impact on the overall outcome.*

*Mr F acquired his car using a hire purchase agreement and so The Consumer Rights Act 2015 ("CRA") is a relevant legislation for this complaint. The CRA sets out expectations and requirements around the quality of goods supplied. In summary, goods should be of satisfactory quality. Section 9 of the CRA says that goods are of satisfactory quality if they meet the standard that a reasonable person would consider satisfactory. When considering the quality of a car, the age, mileage and price are things that need to be taken into account.*

*If the purchased goods are found to be defective because of a quality issue within the first 30 days, then a consumer has the right to reject. Our service would usually consider it fair and reasonable that an opportunity to repair the goods is the suitable remedy for quality issues after the first 30 days. This is because the CRA sets out that the remedies need to be proportionate to the issues. Our service would also consider what is fair and reasonable.*

*If these repairs fail, or we don't consider repairs a suitable remedy, other options like replacing or rejecting the car can be considered.*

*Mr F has said he feels his car should've been replaced rather than repaired.*

*I've noted that repairs took place to the door handle, steering rack, timing chain, brake discs, pads and spare wheel sensor.*

*There has been some disagreement about whether some of these repairs were related to the quality of the car at the point of supply. But regardless, from what I can see, all outstanding repairs were completed in some way at no cost to Mr F.*

*I've considered what repairs were needed to the car, and bearing in mind the parameters of the CRA, I don't think repairs were an unreasonable remedy in the circumstances. And so, I can't agree with Mr F that his car should have been replaced.*

*Mr F has pointed out that a previous MOT on the car advised the brake pads needed attention. I know Mr F also feels that the amount of issues the car had combined means that the overall quality of the car wasn't satisfactory.*

*However, I can't ignore that the faults identified with the car were successfully repaired. And because of this, I can't fairly say that Alphera hasn't fulfilled the requirements set out under the CRA. It follows that for these reasons; I don't think the repairs means the car should be rejected.*

*I've gone on to consider the service provided by Alphera. After doing so, I don't think they've acted reasonably in how they engaged and responded to Mr F. I can see that he had to clarify the timeline of faults with them multiple times. And while I appreciate they told Mr F there was a delay in sending him a final response and gave him referral rights to our service, Mr F was waiting for a response to understand if he could reject the car. And so, I can understand why this delay would have been frustrating.*

*I also think Alphera have failed to fully acknowledge that Mr F asked for his agreement to be terminated. I understand Alphera has said they haven't had a chance to investigate this, but I can see that he mentioned this as part of his complaint correspondence on 30 April 2025. So, I think Alphera has had an opportunity to respond to Mr F about this but failed to do so.*

*I don't agree that Mr F should be able to unwind his agreement because the car was of unsatisfactory quality, but I do think Alpera should have done more to engage with Mr F about his options in ending his finance agreement early. I think by not doing this, they have caused Mr F uncertainty and distress.*

*Mr F has also raised that Alpera has responsibilities under Consumer Duty, which sets a higher standard of care for firms engaging with their customers. Even if I didn't consider the higher standard of Consumer Duty, I think Alpera has fallen short in how they've engaged with Mr F and because of this I don't think the £150 they've already paid him for the distress and inconvenience he has experienced is enough.*

*After considering everything I've explained above, I think Alpera should pay Mr F £300 for the distress and inconvenience he has experienced because of their service failings. I think this amount reflects the annoyance Mr F would've experienced in waiting to see if they would allow him to reject his car. I also think it acknowledges his frustration in them not engaging with him when he told them he wanted to end his agreement.*

*I also think Alpera should now contact Mr F directly and explain his options to end his agreement early. I would remind Alpera of their responsibility to support and enable their customer to have the information needed so he can decide how he wishes to proceed.*

Mr F responded to my decision and in summary said:

- The fault with the brakes was present at the time of delivery and that their condition shouldn't be considered wear and tear.
- The vehicle faults were not repaired while in his possession so a replacement car should've been considered.
- The car was dangerous to drive and due to the delays in the case, he had to buy another vehicle, which put strain on him financially and impacted his health.

Alpera didn't respond by the deadline set out in 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.

I carefully considered Mr F's comments. Many of these I already reviewed when issuing my provisional decision so I will not repeat my findings here.

But, for further clarity I didn't make a finding on whether the conditions of the breaks were wear and tear because they had already been repaired at no cost to Mr F. I also considered the timeline of events when deciding my outcome.

As Alpera didn't respond to my decision, and the further comments from Mr F haven't changed my findings, I see no reason to depart from the conclusions I reached in my provisional decision.

### **My final decision**

My final decision is that I uphold this complaint and require BMW financial services (GB) limited trading as Alpera Financial Services to pay Mr F a total of £300 for the distress and inconvenience he has experienced.

They should also now contact Mr F directly and explain his options to end his agreement early.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 27 January 2026.

Ami Bains  
**Ombudsman**