

The complaint

Mrs S complains that the car she acquired through BMW FINANCIAL SERVICES (GB) LIMITED, trading as ALPHERA Financial Services (“BMW”) wasn’t of satisfactory quality. She wants BMW to pay for repairs or to accept rejection of the car.

What happened

Mrs S entered a hire purchase agreement in February 2024 to acquire a used car. The cash price of the car was £30,995, and taking into account the advance payment of £7,500, the credit provided totalled £23,495. The hire purchase agreement was set up over a 48-month term, and Mrs S’ monthly rentals were £432.70, so if the agreement ran to term and she also paid the final optional payment, the total repayable would be £39,842.46. At the time of acquisition, the car was more than four years old and had been driven around 60,000 miles.

Mrs S told us:

- Within four weeks of acquiring the car, she started to experience problems with it;
- she spent months going back and forth with the supplying dealership, the garage and latterly BMW;
- she’s been told that the car needs an engine replacement because of excessive coolant loss resulting from a suspected liner slippage, and this will cost more than £10,000;
- she relies on the car for work and her personal life, without it she cannot work so it’s causing her financial stress.

BMW rejected this complaint. It said that because the problems were raised with it by Mrs S more than 12 months after it supplied the car, the onus was on her to provide evidence of a fault’s existence together with evidence that the fault would’ve been present or developing when the car was supplied in February 2024.

It explained that during Mrs S’ ownership of the car, she had managed to drive around 23,000 miles – which it said was a significant amount of driving in little over a year – and it was unlikely that the faults she complained of could’ve been present or developing when the car was supplied. And it invited Mrs S to provide any additional evidence for its consideration.

BMW said it had reviewed the message screenshots Mrs S had supplied – these were various messages between her and the supplying retailer. But it said that these were inconclusive; they neither confirmed that there was a fault, nor that the issues were present or developing at the point the car was supplied. BMW acknowledged it should’ve responded to Mrs S’ complaint sooner and it awarded her £150 compensation in recognition of this.

Our Investigator looked at this complaint and said he didn’t think it should be upheld. He explained the relevance of the Consumer Rights Act 2015 (“CRA”) in the circumstances of this complaint and said that given the time Mrs S had been in possession of the car, and the mileage she’d driven, he’d seen insufficient evidence that the fault complained of was present or developing at the point of supply. He said that the fact Mrs S had driven more

than 23,000 miles in just over a year suggested that in fact car had been fit for purpose and of satisfactory quality at the point it was supplied.

In conclusion, our Investigator said he thought the problems were likely the result of fair wear and tear, and he couldn't hold BMW responsible for what had happened.

Mrs S disagrees so the complaint comes to me to decide. She accepted she'd driven a very significant number of miles but said she had to do so for work.

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 agree with our investigator – I don't think this complaint should be upheld – and I'll explain why.

When looking at this complaint I need to have regard to the relevant laws and regulations, but I am not bound by them when I consider what is fair and reasonable.

As the hire purchase agreement entered into by Mrs S is a regulated consumer credit agreement, 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.

Under the Consumer Rights Act 2015 ("CRA") there is an implied term that when goods are supplied "the quality of the goods is satisfactory". The relevant law says that the quality of the goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, price and all other relevant circumstances.

The relevant law also says that 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 the goods. So, what I need to consider in this case is whether the car *supplied* to Mrs S was of satisfactory quality or not.

BMW supplied Mrs S with a used car – it was more than four years old and had been driven around 60,000 miles – so the price of the car was lower than it would've been if it had been supplied new. Because of this I think it's fair to say that a reasonable person would expect that parts of the car might've already suffered wear and tear. And there'd be a greater risk in the future that this car might need repairs and maintenance sooner than a car which wasn't as road-worn when supplied.

I don't think there's any dispute that Mrs S has experienced problems with the car - that has been well evidenced by both her testimony and the other information she's sent this Service. But just because Mrs S has had problems with the car, and things have gone wrong, it doesn't necessary *automatically* follow that the car supplied to Mrs S wasn't of satisfactory quality.

BMW would only be responsible for putting things right if I'm satisfied that the issues Mrs S complains about were present or developing when the car was supplied – that is to say, the car wasn't of satisfactory quality when Mrs S acquired it in February 2024. And I simply haven't seen anything, for example, an independent engineer's report, that explains the cause of the fault and shows me that the fault was present or developing when the car was

supplied to Mrs S; or that the problems she's had are *not* commensurate with a car of this age and mileage; or that the issues she has are a result of previous repairs that have failed.

In the event an independent engineer concluded that the fault complained of was likely *present or developing at the point of supply*; or identified further faults with the car that were present or developing at the point of supply, then Mrs S could bring a new complaint directly to BMW.

I acknowledge the difficulty Mrs S now faces – she says the cost of a replacement engine is very expensive. But I have to tell her that without that independent engineer's report showing otherwise, then considering all the relevant circumstances, I can't hold BMW responsible for the problem Mrs S now complains of.

I know Mrs S will be disappointed with the outcome of her complaint, but I hope she understands why I've reached the conclusions that I have.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 23 February 2026.

Andrew Macnamara
Ombudsman