

The complaint

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

What happened

In August 2024, Mr R acquired a used car through a hire purchase agreement with Alphera. The car was around five years old and had travelled approximately 29,673 miles at the time it was supplied. The cash price was £20,870. An advance payment of £1,500 was listed, so the total amount financed under the agreement was £19,370, payable over 48 monthly repayments of £305.82, followed by an optional final repayment of £11,659.

Shortly after receiving the car, Mr R reported a knocking noise. He said that a garage identified an issue—one he paid to have repaired—but he believed it should have been detected during warranty or pre-sale checks.

Mr R also said the car had undisclosed paintwork damage. He obtained quotes of over £600 to repair it, but was only offered a £500 contribution, which he did not accept.

Additionally, Mr R complained that the diesel particulate filter (DPF) failed, and he was quoted £5,000 to repair it and related components. He said the warranty provider declined to assist. Mr R believed the fault was developing before he acquired the car and said he was not given any guidance about driving patterns that might help prevent DPF issues. He maintained that his usage—around 10,000 miles a year with mixed journeys—was reasonable.

In July 2025, Alphera issued their final response to Mr R's complaint, which they did not uphold. In summary, they said that although the issues were raised within the first six months of the agreement, an independent inspection carried out on 1 July 2025 concluded there was no evidence of failed repairs and that the issues raised would not have been present or developing at the point of supply.

Unhappy with this decision, Mr R referred his complaint to our service, where it was passed to an investigator.

Mr R told the investigator that he had to acquire a second car costing £2,000 and had also paid £5,400 for repairs, despite having had less than six months use of the original car. To resolve the matter, Mr R said he wanted all costs he had incurred to be reimbursed.

In December 2025, the investigator issued their view, recommending that Mr R's complaint should not be upheld. They concluded that Alphera had acted fairly, considering the issues were likely for a car of that age and mileage, and that the inspection report supported this.

Mr R did not accept the investigator's view. He said he believed the DPF issues proved the car was faulty, that the mileage put on the car was not due to him, that the contribution offer for the paintwork was insufficient, and that the knocking noise was misdiagnosed. As the

investigator's view did not change, Mr R asked for his complaint to be referred to an ombudsman for a 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 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 R 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 R's complaint about Alphaera. Alphaera 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 Alphaera supplied Mr R with a used car that had travelled around 29,673 miles. With this in mind, I think it's fair to say a reasonable person would expect the level of quality to be lower than that of a brand-new car with lower mileage, and to anticipate signs of wear and tear due to its usage.

From the information provided, I'm satisfied the car had some faults. In addition to what Mr R told the investigator, this is supported by the independent inspection report, which confirmed there were dents on the bodywork, the DPF had reached its maximum soot capacity and required replacement, and there was a knocking noise. Having considered these issues, I've looked at whether the car was of satisfactory quality at the time of supply.

Satisfactory quality

I've noted that the issues raised by Mr R were reported within the first six months from supply. Neither party disputes this. Given that, I think it was fair under the CRA for Alphaera to investigate the problems.

I acknowledge that emails were exchanged between Mr R, the broker, and the dealership and garage about the issues. However, an independent inspection arranged by Alphaera was

carried out in July 2025. The inspection looked into the knocking noise, the DPF, and the bodywork.

In relation to the DPF, the inspection report concluded it failed due to the low mileage covered, meaning it was operating outside its regenerative window. It also said the issues wouldn't have been present or developing at the point of supply.

Since acquiring the car, Mr R had travelled over 6,000 miles, so I don't think it's unreasonable to expect some wear and tear—particularly given that the car already had around 30,000 miles when supplied. I've no reason to doubt the findings of the report; it was completed by an industry expert and vehicle inspection specialist, so I consider its conclusions plausible and compelling. In addition, in an email to the investigator, Mr R said he was never given guidance on how to prevent wear and tear on this issue, so I don't think it's unreasonable to consider that his usage would have contributed to the problem.

In relation to the knocking noise, the report concluded it was likely due to excessively worn front anti-roll bar links. It also said that, considering the age and mileage of the car, the liability for repairs lies with Mr R.

I've seen no evidence contradicting the findings or suggesting the car was inherently faulty. So, I'm persuaded by the independent inspection report.

I recognise that Mr R feels strongly that soon after acquiring the car he experienced several issues and had to pay over £5,000 for repairs. However, he hasn't been able to provide any expert evidence showing that the issues made the car of unsatisfactory quality when it was supplied.

I think it's reasonable to assume the cosmetic appearance of the car would have been visible to Mr R upon inspection prior to acquiring it. And it's likely the vehicle would have been priced to reflect its age, prior use and condition. That said, I've seen no reason to consider the offer of £500 towards the repairs unreasonable.

As I've concluded that the car was of satisfactory quality at the point it was supplied, I don't require Alphaera to take any action in respect of this complaint. I leave it to Mr R to decide whether, on reflection, he wishes to accept the £500 contribution offer (if it is still available).

My final decision

My final decision is that I don't uphold Mr R's complaint about BMW FINANCIAL SERVICES (GB) LIMITED trading as Alphaera Financial Services.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 13 March 2026.

Benjamin John
Ombudsman