

## The complaint

Mr W complains about the losses – both direct and indirect - he says he suffered as a result of incorrect advice he received when he contacted BMWFS regarding the settlement of his account.

## What happened

The facts of this case are known to both parties. With that being the case, I will only summarise matters here.

In August 2020, Mr W entered into a hire-purchase agreement for a used vehicle. The cash price of the goods was £64,600. The total amount repayable, including interest and charges, was £75,287.42. This was to be repaid through 48 monthly payments of £892.91 and an Optional Final Payment (OFP) - including the Option to Purchase Fee if applicable - of £28,927.74 payable in September 2024.

In January 2021, due to temporary difficulties caused by the Covid-19 pandemic, a three-month payment deferral arrangement was agreed. In March 2021, this arrangement was extended by a further three months. At the end of the arrangement, in July 2021, new contractual payments of £937.68 (including deferral interest of £44.77) began. The overall term of the agreement was extended by six months to accommodate the deferred period, so the new end date was March 2025.

On 8 August 2024, Mr W – noting that he had not received any end of contract paperwork - contacted BMWFS to enquire as to the end date of his agreement and to obtain a settlement quote. During this call, Mr W was incorrectly advised (amongst other things) that the agreement was due to end on 21 September 2024 as per the terms of the original agreement. Mr W was also told that the settlement quote – including the August 2024 monthly rental – was £33,521.77 which was correct.

Later in the same call, Mr W was advised that if he makes the August 2024 monthly repayment as normal, then the OFP of £28,927 would be taken on 21 September 2024 at which point the agreement would come to an end.

Mr W queried why the two figures (i.e. the settlement quote and the OFP) he had been given differed so wildly. But the advisor was unable to explain why and, unhelpfully, simply pointed to the fact the settlement quote is '*calculated by a machine*'.

In this call, Mr W was also, erroneously, told that he did not receive any end of contract paperwork because this is a '*courtesy*' and not a right afforded to every customer (in the event it appears end of contract communications had been suppressed at the time of the agreement which Mr W says he did not agree to).

Dubious about the advice he received, Mr W requested that the figures be provided in writing. I understand, following the call, Mr W was sent a copy of the initial contract which showed the agreement was due to end in September 2024, thereby verifying what the advisor had told him. This call appears to come to an end prematurely. I can see Mr W calls

back and is advised that he will receive a call back from the advisor, which doesn't materialise.

As a result of the information he was given, Mr W says he cashed in an investment in preparation for the OFP to be deducted from his account in September 2024. He had also made arrangements for the private sale of the vehicle.

On 23 September 2024 Mr W, noting that the OFP had not been deducted from his account, called BMWFS. During this call, Mr W was advised<sup>1</sup> that an end of contract payment plan had been set up for collection of deferral instalments consisting of six-monthly instalments of £892.91 and one OFP of £26,958.01 due on 28 March 2025. In other words, Mr W was told the agreement was, in fact, due to end in March 2025 - and not September 2024 - as he had been told.

Unhappy with what had happened, Mr W asked for the matter to be escalated as a complaint. Mr W was advised to send an email to the relevant department. As Mr W explained the matter was time critical (noting he had agreed the sale of the car) he requested this be resolved there and then. Mr W was advised that no one was available because senior colleagues are not 'customer facing'.

Mr W was then advised that he needed to be put through to the Collections department. Mr W, understandably, did not want to have to explain everything again. Mr W was informed by the advisor that he would receive a call back but, once again, this did not happen.

BMWFS then issued its final response to the complaint on 26 September 2024. In short, BMWFS "*acknowledged [Mr W] had been misadvised by the agent regarding the settlement quote*". BMWFS went on to offer £100 as a gesture of goodwill "*in light of the distress and inconvenience caused...*". It is worth noting that the final response letter also contained a different – and incorrect - settlement quote (£34,285.20).

On 27 September 2024, Mr W contacted BMWFS to discuss the final response. The advisor explained that the department Mr W needed to speak to (Escalations) did not offer a call back service. Mr W was unhappy with this, particularly noting the length of time he had been waiting in the queue. The call once again appeared to end prematurely. As a result, Mr W calls back. I understand the complaint was reopened at that stage and Mr W was advised to put forward his own proposed resolution. Mr W said that he would agree to settle the agreement at £26,327.

Later that day, BMWFS responded to Mr W by email to say that it was "*unable to fulfil [his] request to settlement of the agreement for £26.237.*"

On 30 September 2024, Mr W called BMWFS following a voicemail from the case handler the previous Friday. The case handler was not available, and Mr W was advised that someone in the End of Contract team would be better placed to help. Mr W makes it clear that he just wants to bring this agreement to an end. Mr W requests a call back.

Later that day, Mr W receives a call back from a senior advisor in the End of Contract team. During this call, the senior advisor (who had listened to the call on 8 August 2024) acknowledges Mr W received incorrect information relating to the end date of the agreement, the OFP and the end of contract documentation. The senior advisor goes on to say that the settlement figure the advisor generated at the time (£33,521.77) was correct as this included the six months' deferred payments. However, the manager acknowledged that the advisor failed to notice that this differed from the OFP quoted on the original agreement because of the deferred payments.

I understand there was regular dialogue between Mr W and BMWFS in the months that followed which culminated in BMWFS confirming in an email on 20 November 2024 that its final response dated 26 September 2024 represents BMWFS' answer to the complaint.

Unhappy with this, Mr W referred his complaint to our service.

In February 2025, whilst Mr W's complaint was awaiting allocation to one of our investigators, Mr W settled the agreement.

Mr W's complaint was allocated to an investigator who – in May 2025 – issued their opinion in which they upheld the complaint and recommended BMWFS pay Mr W a further £300 (in addition to the £100 it had already offered) to reflect the “*distress and inconvenience caused*”.

The investigator then left the service, so the complaint was allocated to another investigator. The second investigator went on to issue their opinion in August 2025 in which they also recommended BMWFS pay £300 (in addition to the £100 it had already offered) to reflect the “*distress and inconvenience caused*”.

Mr W did not agree with this conclusion. During the period that followed, the investigator asked Mr W how he would like matters resolved. Mr W said he would like:

- Reimbursement of monthly rentals from September 2024 until the agreement was settled in February 2025;
- Loss of interest from September 2024 to date for monies he cashed out of his investment to pay for the OFF;
- Compensation for time, damage to mental health, stress due to financial pressure and upset caused to him and his family.
- Reimbursement of the difference between the agreed private sale price of £43,000 and the £28,987 settlement figure (£14,013) because he lost out on this sale due to BMWFS's errors and incorrect information.

Around this time, BMWFS notified our service that it was willing to offer £500 compensation (in total) in “*recognition of the inconvenience [Mr W] had experienced throughout the settlement of the agreement*”.

Following further submissions from both parties, the investigator reviewed matters again and, in October 2025, issued their second opinion (this being the third overall) in which they said:

- BMWFS do not need to reimburse Mr W for the loss of interest from the investment he cashed in because “it is more likely than not that [Mr W] would have withdrawn the funds and closed the account” irrespective of the incorrect information he received.
- BMWFS does not need to reimburse Mr W for any losses which flowed from the private sale falling through because the agreed figure was conditional and, therefore, “there was still a chance the private sale may not have gone through or achieved a different price for a variety of reasons”.
- BMWFS should reimburse Mr W the “interest component” of his monthly repayments made from September 2024 until the agreement was settled in February 2025 because early settlement was not presented as an option at the time and, if it had

been, the investigator was persuaded Mr W would have chosen to settle the agreement at that time.

- BMWFS' offer of £500 compensation to reflect the distress and inconvenience caused to Mr W is fair and reasonable in the circumstances.

Mr W didn't agree and, in doing so, provided detailed reasons why. As an agreement couldn't be reached, the complaint was passed to me to review afresh.

On 15 December 2025, I issued a provisional decision. Here is what I had to say:

*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'm currently minded to reach a slightly different outcome to that of the investigator. I'll explain why.*

*However, before I do, I would like to assure Mr W that I've considered everything that's been said and sent to us. And, whilst I understand Mr W would like our service to comment on every point he has raised, I'm going to focus in this decision on what I think are the key facts and issues necessary to reach a fair and reasonable outcome. So, if I don't address every point raised that doesn't mean I haven't thought about it - I have. The rules that apply to our service allow me to do this and it reflects the informal nature of the dispute resolution we provide.*

*Further, I would like to make it clear that I'm aware that I've summarised this complaint above in less detail than it may merit. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. Again, our rules allow me to do this.*

*As I've set out in the prior section, it is not in dispute that BMWFS provided incorrect information to Mr W about, amongst other things, the end date of the agreement and the settlement figure on several occasions throughout this process, most notably during the call on 8 August 2024 and in its final response letter. So, I need not consider that again.*

*What's more, I am persuaded that it was reasonable for Mr W to rely on the (incorrect) information he was given. On the one hand, it could be argued that – by setting up a deferral arrangement – Mr W was on notice that the original term of the agreement had been extended by six months. But, in this case, the deferral arrangement Mr W had entered into was over three years prior and, therefore, may not have been fresh in the memory. And, in a more general sense, Mr W specifically called BMWFS to clarify the end of contract terms during which the advisor told him the information Mr W had been provided was "100% correct". In that context, I think it was reasonable for Mr W to rely – and make important financial decisions - based on the information provided to him during this call.*

*When a business makes a mistake, as BMWFS accepts it has done here, we expect it to restore the consumer's position (where it is reasonable for a consumer to rely on the mistake), as far as it's able to do so. And we also consider the impact the error had on the consumer. With that being the case, I'll focus on what, in my view, is the crux of the complaint. This being the losses – both direct and indirect - Mr W says flowed from BMWFS' failings.*

*Customer service*

*I have had the benefit of listening to the calls relevant to this case – and more than once. Having done so, I think there are multiple occasions during his interactions (spanning many*

hours) with BMWFS when the service Mr W receives falls well short of what he has every right to expect.

Key examples include:

- *Being placed on hold without warning and, on occasion, whilst Mr W was still speaking.*
- *Promised numerous callbacks which did not materialise.*
- *Calls terminating abruptly, resulting in Mr W having to call back and wait in the queue – sometimes for over an hour – to speak to an advisor.*
- *Being passed between different departments and having to re-explain the situation multiple times.*
- *Failure to show proactivity in trying to resolve Mr W's understandable concerns when, as Mr W described it, the matter was 'time critical'.*
- *Erroneously being told to 'calm down' during a call when there was no evidence to suggest Mr W was anything other than calm.*
- *During a call on 23 September 2025 the advisor appears to laugh when Mr W is expressing the urgency of the situation.*

*All of this would undoubtedly have caused Mr W a great deal of frustration and inconvenience. And he has told us about the stress, upset and damage to his mental health he has experienced as a result of this matter. Indeed, Mr W has explained that he was suffering from a severe health condition caused by stress at the time and this matter only served to exacerbate that situation. I would like to take this opportunity to thank Mr W for providing this information, which I imagine wasn't easy to do.*

*Our published guidance states that an award of between £300 to £750 might be fair where the impact of a business's mistake has caused considerable distress, upset and worry – and/or significant inconvenience and disruption that needs a lot of extra effort to sort out. Typically, the impact lasts over many weeks or months. I think the circumstances of this case falls into this banding. BMWFS has offered £500 compensation which - noting it sits towards the middle of this banding - is fair and reasonable in my view.*

#### *Loss of earnings*

*Mr W has, undoubtedly, spent an enormous amount of time trying to resolve this matter. However, I note that BMWFS issued its final response letter – providing referral rights to our service – on 26 September 2024. This being only a few days after Mr W raised his complaint.*

*This represented BMWFS final say on the matter – a fact it repeated during a telephone call on 30 September 2024 and in an email dated 20 November 2024. I understand why Mr W was unhappy with the final response and why he did not avail himself of the right to contact our service at that time noting he was keen to reach a settlement agreement directly with BMWFS.*

*Nonetheless, I don't think I can fairly say Mr W ought to be compensated for any loss of earnings as a result of the amount of time he spent trying to resolve this matter noting he*

had the right to refer his concerns for an independent review much sooner than he chose to do so.

#### *Loss of interest on investment*

*Mr W says that, based on the advice he received on 8 August 2024, he made arrangements to ensure sufficient funds were in the account to cover the OFP which, he had been told, was due to be debited the following month.*

*Mr W has provided a copy of his bank statement from August 2024. This shows that he transferred the sum of £100,000 into his account on 23 August 2024. This was transferred from funds invested in another account, which I'll refer to as Account B. Mr W has explained that he had to close Account B in order to withdraw funds from it.*

*Of the funds transferred, £78,932.60 was transferred to another firm the same day. The investigator asked Mr W about this. Mr W said that the funds were transferred for an 'unrelated service' and had no connection to the BMWFS agreement. Mr W has since said that these funds were reinvested – presumably via a third party noting the firm to whom the funds were transferred does not appear to provide investment services.*

*On the one hand, as the investigator has said, if the additional funds were not used for reinvestment purposes and were, instead, used for another purpose it may indicate Mr W would have always sought to close Account B and withdraw the funds irrespective of the settlement quote provided by BMWFS.*

*On the other hand, if I were to accept that these funds were reinvested elsewhere, it would lend weight to the claim that the sole reason Account B was closed and the funds were withdrawn was to ensure sufficient funds were in the account to meet the OFP.*

*Assuming the latter, there are certain considerations I must make before I can fairly direct BMWFS to reimburse the losses Mr W says he's incurred. Firstly, I need to be satisfied that those losses were a reasonably foreseeable consequence of its error – taking all of the relevant circumstances into account. Secondly, I need to consider whether Mr W took reasonable steps to mitigate his losses. And, thirdly, I would need to quantify the loss.*

*I'm satisfied that these losses were reasonably foreseeable. After all, very few customers would have immediate access to this amount of money without needing to withdraw it from an interest-bearing account. So, I think it is fair to say BMWFS ought reasonably to foresee that Mr W was likely to make significant financial decisions – including potentially moving funds from savings and/or investments - based on the advice he had been provided.*

*I then need to consider whether Mr W took reasonable steps to mitigate his losses. In a situation like this, that would likely involve Mr W reinvesting the £21,067.40 upon learning that the end date of the agreement was, in fact, March 2025. However, in the circumstances of this particular case, I can see Mr W was actively engaging with BMWFS in the months that followed to try and arrange an appropriate settlement to exit the agreement and, therefore, Mr W needed ready access to the funds to facilitate a swift resolution. In that context, it is understandable why the funds were not reinvested.*

*So, on the face of it, there is a reasonable case to say BMWFS ought to reimburse Mr W for this loss. However, at this point, I don't think there is sufficient information on file to evidence the loss. I'll explain why.*

*If I were to assume that, but for BMWFS' error on 8 August 2024, Mr W would have retained the funds in Account B, I would need to know how Account B went on to perform from August 2024 onwards (noting it appears to have been a variable interest account) in order to quantify the loss.*

*I would also need to understand how the remainder of the funds, which Mr W says were reinvested elsewhere, went on to perform. After all, if those funds went on to perform better than they would have done had they remained in Account B, any loss Mr W would need to be (at least partly) offset by the increased returns on the remainder of the funds.*

*With that being the case, I invite Mr W to provide further details – including supporting documentation – to evidence the losses he incurred when he closed and transferred the funds out of Account B. I will consider if – and the extent to which – Mr W should be reimbursed for said losses within my final determination.*

#### *Reimbursement of monthly rentals*

*I understand Mr W feels that BMWFS ought to reimburse him for the monthly rentals he paid from September 2024 to February 2025, in view of the fact that but for BMWFS' error he would have settled the agreement much sooner than he did.*

*During the course of the investigator's review of this complaint Mr W was asked why, in September 2024, upon learning that the settlement figure (and end date of the agreement) he had been given previously was incorrect, he did not settle the agreement at that time. In response, Mr W said that "at no time was this offered, or bank details given to pay, or an agreed figure". And, due to being given the incorrect information on multiple occasions (including in the final response letter), Mr W also queried why "would [he] trust the figure to be correct or even reach the correct people".*

*I am not persuaded by this. I can see from BMWFS' records that Mr W has requested settlement quotes at multiple times over the years, so I'm satisfied he was aware of his right to settle the agreement early should he wish to do so.*

*On my reading of the facts of this case, it seems settlement of the agreement was held up primarily because Mr W felt strongly that BMWFS should honour the initial OFP (£28,927.74). However, I do not think – noting the terms of the deferral arrangement - that BMWFS was required to agree to a reduced settlement figure.*

*I accept Mr W had been given incorrect and conflicting information about the settlement quote at various times throughout this process – including in the final response letter – and this undoubtedly caused confusion and uncertainty which contributed to the delay in the settlement of the agreement. But, by the time a new settlement quote was generated on 20 November 2024 at the latest – at which time BMWFS also confirmed that it had nothing further to say on the matter – I think Mr W was aware of what he would need to pay if he wanted to settle the agreement.*

*Therefore, I do not find that the agreement continued to remain live solely because of BMWFS' mistakes.*

*With that being the case, whilst I understand Mr W feels he should receive a reimbursement of the monthly rentals from September 2024 to February 2025, I do not think this would be fair in the circumstances of this case.*

*In saying this, I am mindful that the agreement remained active and Mr W had full and unimpeded use of the car in this time, so it is right that he pays for it. After all, Mr W would always have had to pay for use of a car to stay mobile.*

*I understand Mr W did not use the car much (if at all) during this period because he was reluctant to increase the mileage and, therefore, impact any agreed sale price. But that is a choice Mr W made. I do not consider these reasonable grounds to direct BMWFS to reimburse all monthly rentals in this period. Doing so would result in Mr W having had free access to a vehicle for a period of six months which I do not consider a fair resolution here.*

*As I've said, it is clear that at least some of the delay in the settlement of the agreement was due to confusing and conflicting information provided by BMWFS which, understandably, Mr W felt he could not rely on. And, therefore, Mr W continued to use the car (and therefore pay monthly rentals) when he would not necessarily have done so. But I don't accept that this resulted in the agreement staying active until as late as February 2025. As I've said, by the time a new settlement quote was generated on 20 November 2024 at the latest – at which time BMWFS also confirmed that it had nothing further to say on the matter – I think Mr W was aware of what he would need to pay if he wanted to settle the agreement.*

*For the reasons I've explained, I don't think Mr W should receive a full refund of the monthly rentals. But a refund of the interest attached to the monthly rentals from September 2024 until November 2024 seems fair in the circumstances. I think this strikes the balance between ensuring that BMWFS – who made mistakes - doesn't profit from those mistakes and ensuring Mr W isn't unduly enriched.*

*In summary, I am provisionally minded to conclude BMWFS should refund the interest attached to the monthly rentals from September 2024 until November 2024.*

#### *Private sale*

*I recognise this may come as a disappointment to Mr W but, with regards to this point, I agree with the conclusion the investigator reached and for the same reasons.*

*I understand Mr W contacted BMWFS to obtain details about the end date and settlement figure of the agreement because he had arranged for the vehicle to be sold privately at a value of £43,000.*

*However, because the finance on the agreement remained outstanding, the sale did not proceed. It is my understanding Mr W is of the view BMWFS should reimburse him for the difference between the privately agreed sale price and the settlement figure of £28,897 (a total of £14,103).*

*In support of this, Mr W has provided a screenshot of WhatsApp messages he exchanged with a firm specialising in the sale of prestige vehicles (I'll refer to this firm as Business O).*

*These WhatsApp messages suggest the deal had not been fully agreed. Indeed, the last message suggests Business O would agree to a sale price of £43,000 "if [the car] is as lovely as it looks". I can't see that we've been provided with evidence of what happened after this or whether this price was agreed or any sale formalised. In my view, this is not sufficient to show the private sale would have achieved this price or, indeed, gone through at all. The negotiations appeared to be some way short of a finalised and formal agreement.*

*More recently, Mr W has provided a screenshot showing a valuation of £43,245<sup>2</sup> from a well-known website. It is not in dispute that the car could have sold at this price either back in September 2024 or at any stage since. But that doesn't change my view with regards to the*

*private sale as set out above. Whilst I would like to thank Mr W for providing this information, I do not find that this makes a material difference to my conclusion here.*

*In summary, I uphold the complaint and provisionally direct BMWFS to complete the settlement in the way I've set out below. I understand this may come as a disappointment to Mr W, noting his desired outcome, but for the reasons I've explained, I currently think it is a fair resolution in the circumstances.*

### **Putting things right**

*To put things right for Mr W, I'm provisionally minded to conclude that BMWFS should:*

- 1. Pay £500 for any distress or inconvenience that's been caused.*
- 2. Refund the interest attached to the monthly rentals Mr W made from September 2024 to November 2024;*
- 3. Pay 8% simple yearly interest on point 2 from the date of payment until the date of settlement;*

*\*HM Revenue & Customs requires BMWFS to deduct tax from this interest. BMWFS should give Mr W a certificate showing how much tax it's deducted, if he asks for one.*

*As I've said, my proposed resolution may change subject to receipt of further evidence from Mr W with regards to the loss of interest on his encashed investment. However, in the absence of any such evidence – or anything else that changes my mind – my final determination is likely to be as set out above.*

I invited both parties to let me have any further comments they wished to make in response to my provisional conclusions.

### **Responses to my provisional decision**

Mr W did not agree with my provisional decision. In doing so, Mr W raised a number of points which, whilst I've carefully considered them, I won't set out in detail here.

Instead, I'll provide a summary. I would, however, like to take this opportunity to thank Mr W for taking the time to provide these submissions.

On my reading of Mr W's submissions in response to my provisional decision, his objections appear to centre on two key losses he says he incurred as a result of BMWFS' actions. Firstly the loss of interest on his investment and, secondly, the private sale falling through.

With regards to the loss of interest on his investment, Mr W said:

*I was forced to close a well performing savings account to ensure cash was available to be taken on 28th September. I have sent confirmation of this and shown the transactions. What I chose to do with the remaining money quite simply is my business and shouldn't be included in your findings and I take offence to my investment strategy being questioned when I was forced to close and make alternative arrangements which I did to ensure large amounts of cash wasn't left in my current account.*

And, with regards to the private sale, Mr W said (in summary):

*I should be restored to the position that I would have been the payment was collected in*

*September as agreed...I did not want to continue in the agreement and needed out the car to ensure milage was kept low.*

*[Following the mis-advice] I had to continue making 7 more monthly payments...totalling £6,563.76. I lost the sale as I wasn't able to deliver the car on the agreed date with [the potential buyer] which we confirmed in follow up calls...This has to be taken as my word as no calls are recorded but fits clearly with the messages.*

*You state this wasn't a formal agreement; this was. Paperwork was to be drawn on exchange which I had to postpone as payment wasn't taken by BMW [in September 2024] as agreed...this is what caused the financial loss due to poor advice and lack of acknowledgement as resolve which you have already agreed to.*

*We [Mr W and the potential buyer] spoke on the phone following the WhatsApp exchange and agreed [a] figure and date to drop the car off. I had also arranged another car as a replacement. It's unfair to say that was not an agreed deal when this is how car sales industry works...the evidence I have provided shows my actions and also show how I looked at alternatives to this sale so could have sold it anywhere else! But no car company will give you more than I have before collection, especially a small private firm which I chose to deal with for convenience even though I knew the car was valued at more.*

*You question the sale and I have provided another quote I had to show the additional valuations I had at the time. I did not need to do this; however this adds value to my point...The argument you make about a sale falling through doesn't make sense as I could have taken the car anywhere and come out with a higher equity figure.*

*Having to make another 7 payments took away that benefit as I wanted the account closed that day. This lost me £14,073 in equity from the agreed sale (£43,000 – £28,927) and forced me to continue payments [whilst a] resolution was worked on totalling £6,563.76*

*Why would I pay nearly £7,000 more in payments when I didn't want to? This restores my position after acting on BMW'S advice which again you have agreed to. I wanted to end the contract as discussed numerous times and take the equity. This is the only way I am restored back to the position I would have been in. Surely you have to use an independent valuation of the car at this date of the mis advice and subtract the actual settlement figure at that date to give the restored outcome as a worst case scenario...I'm more than happy for you to use the valuation BMW gave in March 25 when they sold the car for £46,000 [which Mr W has provided]...This shows all I wanted was an easy sale at the end date and not push for a higher figure but...this couldn't happen due to the errors they made.*

BMWFS did not respond to 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've also carefully considered everything that has been said in response to my provisional decision. Having done so, I am not minded to depart from the findings set out in my provisional decision. This being that, to put things right, BMWFS need to pay Mr W £500 for any distress of inconvenience that's been caused and refund the interest attached to the monthly rentals Mr W made from September 2024 to November 2024 inclusive (and apply 8% simple yearly interest to this figure).

Notwithstanding that I am upholding this complaint, I understand this outcome will come as a disappointment to Mr W. However, I'll explain why I don't think what has been said in response to my provisional decision changes the outcome I've reached.

In doing so, for the sake of clarity and conciseness, I'll focus on the key aspects of my provisional decision which Mr W disagreed with, rather than restate my entire decision.

#### *Loss of interest on investment*

I understand Mr W feels strongly that the decision(s) he made regarding the rest of the funds held in Account B are not a relevant consideration here. And I am sorry to read Mr W has taken offence to his '*investment strategy being questioned*' – that was not my intention.

Whilst I appreciate Mr W's position, I do think that this information is of import to the question of whether his decision to close Account B was *solely* due to the incorrect information provided by BMWFS. After all, as I noted in my provisional decision, if Mr W needed to withdraw the rest of the funds (and therefore close Account B) for another purpose, it may be the case that even if BMWFS had provided the correct information from the outset, the net result (i.e. the closure of Account B and withdrawal of the funds) would have occurred in any event. I don't think this is an unreasonable inference to draw. So, it follows that (in my view) understanding what happened to the rest of the funds is somewhat central to the question of whether BMWFS can be held liable for any loss of interest.

With that being said, even if I were to accept that the closure of Account B and withdrawal of the funds was necessitated solely because of the mis-advice provided by BMWFS (which I don't think has been satisfactorily evidenced) I would need to know more information about the extent of the alleged loss before I can consider directing BMWFS to make an award. This would include, but not limited to, an understanding of how Account B went on to perform from August 2024 onwards (noting it appears to have been a variable interest account). Without this information (amongst other things) I am unable to quantify the alleged loss.

In my provisional decision I invited further information – supported by documentary evidence - to support the alleged loss. This has not been forthcoming. With that being the case, and in the absence of any new information which persuades me to depart from what I had to say in my provisional decision, I do not think BMWFS need to do anything further with regards to this point.

#### *Private sale*

Mr W feels that the private sale of the vehicle was – for all intents and purposes - agreed. And Mr W says the reason the sale did not go through was because the OFP was not taken by BMWFS in September 2024 as he had been told it would. As a result, Mr W feels he lost out on the difference between the agreed sale price and the incorrect OFP (a total of £14,013). And Mr W also says that he suffered a further loss because he was 'forced' to continue making payments under the agreement (until it was settled in February 2025) whilst a resolution was worked out.

The first thing I will say is that I do not think BMWFS were under any obligation to honour the incorrect OFP it provided on 8 August 2024 or otherwise negotiate the settlement figure. BMWFS was, in my view, entitled to rely on the terms of the agreement (and the terms of the deferral arrangement) when setting the settlement figure.

But, putting that to one side, for the reasons I set out in my provisional decision, I remain of the view that the negotiations for the sale of the vehicle appeared to be some way short of a finalised and formal agreement. Therefore, there is no guarantee the sale would have gone through at all let alone at the agreed price. Given the number of variables in play, I don't think Mr W has provided sufficiently persuasive evidence to support his claimed loss.

It follows that I am not persuaded that BMWFS are liable for any alleged losses Mr W incurred here.

But, for completeness, even if I accept that the sale was at an advanced stage, I still don't think BMWFS are liable for the losses Mr W is claiming here.

I say this because, in order to direct BMWFS to reimburse Mr W, I would need to consider whether Mr W took reasonable steps to mitigate his loss. And, in the circumstances of this case, I am not persuaded that happened.

I say this because, for the reasons set out in my provisional decision, I am satisfied Mr W became aware (or ought reasonably to have become aware) of the correct settlement figure by November 2024 at the latest.

There is nothing on file to suggest Mr W could not have sought to pay the settlement figure at that point if he wished to do so and then seek to proceed with the sale of the vehicle (either with the existing buyer or with a different buyer). After all, Mr W says he "*could have taken the car anywhere and come out with a higher equity figure*". And noting Mr W chose not to add much (if any) mileage to the vehicle in the meantime, it seems plausible that he would have achieved a similar (if not, as Mr W suggests, higher) price as he would have been able to achieve two months earlier. As it does not appear these steps were taken, I don't think reasonable steps have been taken to mitigate the alleged loss.

Therefore, even if I were to accept that the sale was close to finalised (which I don't), I do not think reasonable steps have been taken to mitigate the alleged loss and, therefore, I don't think BMWFS would need to do anything further in this regard.

I'll now turn to the matter of the losses Mr W says he incurred due to the need to continue making monthly payments for a further seven months due to BMWFS' errors.

I appreciate the agreement may have remained active for several months beyond September 2024 because Mr W was – quite understandably - unsure about what the correct settlement figure was (noting he had received conflicting information) and/or because he still in discussions with BMWFS about a mutually agreeable settlement figure. But, as I've said, I think this was resolved by November 2024 at the latest. Therefore, I do not find that the agreement continued to remain live solely because of BMWFS' mistakes.

In that context, I'm not persuaded that BMWFS left Mr W with no choice but to continue making payments towards the agreement until February 2025. I think there were other options available to him. Therefore, I cannot reasonably say BMWFS ought to reimburse the monthly rentals (totalling £6,563.76). Instead, for the reasons I set out in my provisional decision, a refund of the interest attached to the monthly rentals from September 2024 until November 2024 seems fairer in the circumstances.

## **Summary**

In summary, I uphold this complaint and direct BMWFS to settle this complaint in the way I've set out below.

However, noting Mr W's desired outcome, I recognise this is likely to come as a disappointment to him. However, Mr W does not have to accept my findings and if he wishes he can pursue his dispute through more formal avenues such as court (seeking appropriate legal advice as he sees fit).

### **Putting things right**

To put things right for Mr W, BMWFS should:

1. Pay £500 for any distress or inconvenience that's been caused (if it has not already done so); and
2. Refund the interest attached to the monthly rentals Mr W made from September 2024 to November 2024 inclusive; and
3. Pay 8% simple yearly interest on point 2 from the date of payment until the date of settlement;

\*HM Revenue & Customs requires BMWFS to deduct tax from this interest. BMWFS should give Mr W a certificate showing how much tax it's deducted, if he asks for one.

### **My final decision**

For the reasons set out here and in my provisional decision, my final decision is that I uphold Mr W's complaint about BMW Financial Services (GB) Limited and I direct it to settle the complaint in the way I've set out above.

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

Ross Phillips  
**Ombudsman**