

## The complaint

Mr T complains that the car he acquired through BMW FINANCIAL SERVICES (GB) LIMITED (“BMW”) wasn’t of satisfactory quality or fit for purpose, and he wants it to waive the balloon payment in recognition of this.

## What happened

Mr T entered a hire purchase agreement in August 2021 to acquire a used car. The cash price of the car was £37,995, and taking into account the advance payment of £4,271, the credit provided totalled £33,724. The hire purchase agreement was set up over a 48-month term, and Mr T’s monthly rentals were £599.87, so if the agreement ran to term and he also paid the final optional payment – the balloon payment, the total repayable would be £47,413.81. At the time of acquisition, the car was more than three years old and had been driven just over 37,000 miles.

Mr T told us:

- He was sold a car that was not fit for purpose; the car cost more than £40,000, and it’s had more than £35,000 of repairs;
- there’s been multiple problems with the drivetrain and the exhaust, and this is totally unacceptable;
- he’s also had the AdBlue system replaced and experienced four oil leaks;
- the car has been off the road for months, and he want a reduction in the final payment due under the agreement to reflect the issues he’s had with the car.

BMW rejected this complaint. It asked Mr T to provide evidence that the fault complained of was present at the point of sale, but it noted it had been sent no information about this. BMW explained that this information was crucial to its investigation because, under the relevant legislation, as more than six months had elapsed since it supplied the car, the onus was on Mr T to provide the evidence that the car was not of satisfactory quality at the point of supply.

BMW noted that the car had been supplied with just over 37,000 miles on the odometer, and Mr T had driven more than 51,000 miles in the three years he’d had the car. BMW said that this excessive mileage driven by Mr T demonstrated that the car had been of satisfactory quality – Mr T’s contract permitted him to drive only 32,000 miles in four years, yet he’d been able to drive more than 51,000 miles in the three years since it supplied the car.

Our Investigator looked at this complaint and said she didn’t think it should be upheld. She explained the relevance of the Consumer Rights Act 2015 (“CRA”) in the circumstances of this complaint and said that she’d seen no evidence of any current faults or problems with the car.

Our Investigator acknowledged that Mr T had submitted heavily redacted job sheets for work he says was completed on the car – but she explained to Mr T that he’d not given BMW an opportunity to inspect the car before work was carried out, and the job sheets gave no

professional opinion whether the work being undertaken was related to faults or issues with the car that were present or developing when it was first supplied.

Mr T disagrees so the complaint comes to me. He made a number of submissions including a claim the Investigator had incorrectly relied on wear and tear without proper analysis; she'd mis-applied the legislation; and she'd failed to consider cumulative defects.

### **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 Mr T 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 Mr T was of satisfactory quality or not.

BMW supplied Mr T with a used car – it was more than three years old and had been driven around 37,000 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 Mr T has had repairs and work completed on the car – he's sent this Service a number of pages of heavily redacted job sheets for work completed between March 2022 up to August 2025. The problem with the heavy redaction is that I can't see who was invoiced for the work, I simply can't be certain that the invoices were paid by Mr T; and because the cost of all the work, both at a line-by-line level and as a total amount has also been redacted, I can't even be sure that there was an actual cost to this work. In any event, I've set the invoices to one side because they don't affect my decision to not uphold this complaint.

I say this because, although Mr T may have had problems with the car, and things may have gone wrong, it doesn't necessary *automatically* follow that the car supplied to Mr T wasn't of satisfactory quality.

BMW would only be responsible for putting things right if I'm satisfied that the issues Mr T complains about were present or developing when the car was supplied – that is to say, the car wasn't of satisfactory quality when Mr T acquired it in August 2021. And I simply haven't seen anything, for example, an independent engineer's report, that documents any current fault(s) with the car, *and* that explains the cause of any fault(s) *and* shows me that the current or earlier fault(s) were present or developing when the car was supplied to Mr T; *or* that the problems he's had are *not* commensurate with a car of this age and mileage.

I've also noted that Mr T has been able to drive more than 65,000 miles since he acquired the car – this was the odometer reading Mr T provided in January 2026 – so, in the absence of an independent engineer's report confirming otherwise, I can't conclude that any faults Mr T may have had with this car were inherent, and I also can't conclude that the car hasn't been suitably durable.

I acknowledge the difficulty Mr T now faces – it won't be possible now for the car to be inspected and for findings to be made about problems that Mr T addressed several years ago. But I have to tell him that without an independent engineer's report showing otherwise, then considering all the relevant circumstances, I can't hold BMW responsible for the problems Mr T now complains of, and I can't uphold his complaint.

I know Mr T will be disappointed with the outcome of his complaint, but I hope he understands why I've reached the conclusions that I have, and that he also understands that the Investigator correctly and accurately applied the relevant legislation to his complaint when she issued her opinion on it.

### **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 Mr T to accept or reject my decision before 15 May 2026.

Andrew Macnamara  
**Ombudsman**