

## **The complaint**

Ms S complains that BMW FINANCIAL SERVICES (GB) LIMITED trading as Alphera Financial Services (Alphera) rejected her claim in respect of a faulty car.

## **What happened**

In December 2024 Ms S acquired a second hand car at a cost of £8,950. This was funded by a deposit of £580 and the balance with a hire purchase agreement with Alphera. The car was some five years old and had a recorded mileage of 42,815. Ms S was unable to drive it for a little while, but when she did she says she noticed some issues. These were problems with the handbrake, squeaking brakes and a smell from the clutch.

Later an engine management light came on and she was advised by the warranty company to have it inspected. The garage said the car needed new front brake pads, a handbrake cable and clutch plate kit. The estimate for this work was £1,492.10. The warranty company rejected her claim and Ms S made a complaint to the broker which referred her to Alphera. She explained she had also paid some £600 for the assessment of the problems and photos.

In August 2025 an independent inspection was carried out with the car having covered 45,363 miles and this concluded the brakes had been repaired and that there was no fault found with the clutch. It did say the handbrake did not sufficiently hold the car and went on to say the adjustment would be a general maintenance issue. After bringing a complaint to this service the matter was referred to Alphera. It concluded the car had been of satisfactory quality at the point of sale, but offered to pay 25% of the repair costs and compensation of £100 as a goodwill gesture. Ms S didn't consider this a fair response. She also had a diagnostic carried out in September 2025 which stated that there was a possible clutch pressure plate issue and the aircon wasn't working. The mileage was 48,895 at this point.

The complaint was considered by one of our investigators who didn't recommend it be upheld. She noted the car had issues, but didn't consider these were more than wear and tear. She considered Alphera's offer to be fair.

Ms S didn't agree and asked that her complaint be considered by an ombudsman.

## **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.

When the evidence is incomplete, inconclusive or contradictory as some of it is here – I've reached my outcome on the balance of probabilities – that is, what I consider likely to have happened given the available evidence and the wider circumstances.

I want to acknowledge that I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I also want to assure Ms S and Alphera that I've reviewed everything on file. If I don't comment on something, it's

not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

I should make it clear that the role of the Financial Ombudsman Service is to resolve individual complaints and to award redress where appropriate. I do not perform the role of the industry regulator and I do not have the power to make rules for financial businesses or to punish them.

I have every sympathy with Ms S, but I do not consider I can uphold her complaint. I will explain why.

Under Section 56 of the Consumer Credit Act, finance providers can be held liable for what the credit broker and seller say about the goods (vehicle) before the regulated credit agreement is entered into by the consumer and before the purchase is made.

This refers to 'antecedent negotiations'. This means if MS S entered a credit agreement for a vehicle and it turns out something she was told about the agreement by the credit broker, which induced her into entering the contract, was false, the broker can be held responsible for the actions of the broker under certain circumstances.

The Consumer Rights Act 2015 is relevant to this complaint. This says that goods must be of satisfactory quality when supplied. Cars are of satisfactory quality if they are of a standard that a reasonable person would regard as acceptable, taking into account things such as the age and mileage of the car and the price paid. The legislation says that the quality of the goods includes their general state and condition, and other things like fitness for purpose, appearance and finish, freedom from minor defects, safety and durability.

The car supplied to Ms S was second hand, so I'd expect it to have a degree of wear and tear and to require more repairs and maintenance than, say, a brand new car. So, in order to uphold this complaint, I would need to be persuaded that there was an inherent fault with the car at the point of supply, as opposed to a fault which occurred due to general wear and tear.

Based on what I've seen, I'm satisfied that there was a fault with the car. This has been confirmed by the repairing garage, the independent inspector and the diagnostic test. However, the issue is whether the car had an inherent fault at the point of sale.

I believe the handbrake issue is one which is a wear and tear matter as is the worn brake pads. These have a limited life expectancy and would need to be replaced as part of ongoing maintenance. The EML light coming on happened some months after the point of sale and so it is difficult to say that this issue was present at that time. It seems it was easily rectified. As for the clutch the independent report concluded it was in satisfactory condition for the age of the car. I appreciate the subsequent diagnostic suggested there might be an issue, but it does not give any detail. It doesn't suggest this was a fault which had been present at the point of sale.

Overall, the car had signs of wear and tear which were broadly commensurate with its age and mileage. There is insufficient evidence to show that the car had an inherent fault at the point of sale. It is regrettable that Ms S has incurred costs in repairing it, but I consider Alpera's offer to be fair and reasonable.

### **My final decision**

My final decision is that I do not uphold this complaint and I leave it to Ms S to decide if she wishes to accept Alpera's offer.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 13 May 2026.

Ivor Graham  
**Ombudsman**