

complaint

Miss P complains about several issues. She says BMW Financial Services (GB) Limited (BMW) has not provided a V5 registration document; charged her incorrectly for a Smartguard product; should've paid for her MOT under the TLC policy she took out; took too long to provide a paper service book and are now refusing to honour a £500 payment towards a new finance deal.

background

Miss P took receipt of a new car in March 2013. The car was financed through a hire purchase agreement with BMW. She complains about several issues and I'll cover the background to each in turn.

TLC policy

Miss P took out a TLC policy to cover her maintenance services but she thought the policy should have covered her MOT payment as well. BMW disagreed and having referred her complaint to this service our investigator reviewed the terms and conditions and was of the view that they didn't cover MOT payments.

smartguard

Miss P also took out a Smartguard policy to cover paintwork and upholstery damage. But she says that when she tried to make a claim against this the company had no record of her application. BMW explained that the policy was held with the dealership and not the insurer. But they also accepted that it proved impossible for Miss P to make a claim and in discussions with our investigator they agreed to refund the £448.99 it cost along with the interest of £56.16 Miss P incurred.

documentation

Miss P also complains that the dealership didn't provide a V5 document and she had to source one herself. She also says she had difficulty obtaining a service book in paper form from them. BMW explained that they are not responsible for this and that Miss P would need to raise her complaint with the dealership and our investigator agreed.

previous compensation

Miss P made a previous complaint relating to this vehicle and as compensation for her troubles BMW offered to pay two monthly rental instalments and £500 towards any new deal she made with their network. Miss P wanted to insure these offers were still available and BMW agreed to honour the instalment refund but they said the £500 discount was only available for a year and couldn't be retrospectively claimed against the deal Miss P has now signed, to finance a new vehicle through their network.

Miss P thought they should honour this payment and also thought BMW should offer further compensation for the distress she had experienced so she asked for an ombudsman to make a final decision.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I uphold this complaint in part and will explain.

TLC policy

I've reviewed the policy terms and conditions and I agree with the investigator's comments. The policy does not cover MOT charges so I don't uphold this part of Miss P's complaint.

smartguard

BMW has accepted the view of our investigator and has offered to refund this policy payment and the associated interest. I think this is fair.

documentation

I agree with the investigator's view here too. Miss P should address this aspect of her complaint to the dealership as BMW are not responsible.

previous compensation

In an email to Miss P in January 2016, BMW said:

They've now agreed to honour the offer to pay the equivalent of two monthly rentals from her previous agreement, equating to £636.98, towards her new agreement with them. So it seems unreasonable to withdraw the £500 discount as this was a part of their original offer. There appear to have been no conditions in the offer they made. It wasn't time limited and as BMW has been prepared to pay the instalment contribution retrospectively I think it follows, and seems reasonable, that they should also retrospectively apply the £500 discount.

Miss P thinks BMW should also pay her additional compensation for the distress and inconvenience she's suffered but I think the settlement that has previously been suggested is sufficient and I won't be asking them to make any further payments.

my final decision

For the reasons given I uphold this complaint in part and to tell BMW Financial Services (GB) Limited to:

- Refund the cost of the Smartguard policy at £448.99 and add interest of 5.9% to this as per the APR on the agreement
- Pay two of Miss P's monthly rentals on her new finance agreement equating to £636.98 in line with the offer they made in January 2016
- Pay £500 towards Miss P's finance agreement in line with the offer they made in January 2016

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 12 February 2018.

Phil McMahon
ombudsman