

The complaint

Mr C complains that Volkswagen Financial Services (UK) Limited trading as Volkswagen Financial Services (VWFS) didn't apply a payment by cheque to his account. He would like more compensation than the £100 VWFS offered.

What happened

The details of this complaint are well known to both parties so I won't repeat them again here instead I will focus on giving the reasons for my 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.

Having done so I have reached the following conclusions:-

- VFWS has explained that its payments team can only process cheques not to take instructions. So, it couldn't act on the instructions Mr C put on the back of his cheque. VWFS has evidenced that Mr C made seven similar payments in the past, each time contacting WFS to say how he wanted the payments to be made. So, I think, whilst he might not agree with VWFS's process, Mr C was aware of it
- I agree with Mr C that the final response letter VWFS sent was confusing. It said if no preference was stated then partial payments would be used to reduce monthly payments if no further instructions were received within 28 days. But I am still of the view that Mr C was aware of the need to give specific instructions from the previous payments he had made.
- Mr C has said he doesn't feel that VWFS handled his complaint correctly. Complaint handling isn't a regulated activity that we investigate. However, in this case I think the time taken to deal with Mr C's complaint is integral to his complaint of how VWFS handled his cheque. From its records I can see that VWFS tried to contact Mr C several times unsuccessfully by phone. It appears Mr C only wanted written contact – unfortunately that can impact on the time taken to resolve matters.
- Mr C doesn't feel the £100 VWFS has offered as a gesture of goodwill for any inconvenience caused is sufficient as it previously paid him £75 for the same problem. It's unfortunate Mr C experienced another issue, but I think VWFS's offer is fair. Its final response letter was misleading, but I think Mr C didn't make the payment in accordance with VWFS processes. And I think some delay was caused by Mr C not wishing to communicate by telephone.

My final decision

My final decision is that I uphold this complaint.

In full and final settlement Volkswagen that Financial Services (UK) Limited trading as Volkswagen Financial Services (VWFS) should pay Mr C £100 as a gesture of goodwill for any inconvenience caused ,if it has not already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 15 June 2022.

Bridget Makins
Ombudsman