

The complaint

Ms B complains that Volkswagen Financial Services (UK) Limited (VWFS) allowed her personal information to be obtained by third parties, in relation to a hire purchase agreement she has with it.

What happened

On 9 October 2023, Ms B says she received a letter from VWFS stating that some of her personal information had been exposed as part of a cyber security breach affecting one of its partners.

Ms B says the matter has caused her severe worry and distress. And since the cyber security breach, she has been receiving calls about her car which she suspects might be fraudulent.

VWFS responded to Ms B. It explained that the cyber security breach had happened to one of its partners and not VWFS itself. It provided Ms B with information on how she could protect herself following the data breach. VWFS agreed the situation must have been distressing for Ms B and said it would pay Ms B £392.91, as a gesture of goodwill.

An Investigator considered what both parties had said, but they didn't uphold Ms B's complaint. While they recognised the impact this situation had on Ms B, the Investigator felt that the actions VWFS had taken to resolve the matter were fair and reasonable.

Ms B didn't agree. She didn't feel the Investigator had reached a fair outcome or carried out a thorough investigation, but she wasn't specific about why she felt this. She added that the security breach had been very alarming and disturbing and didn't think VWFS's offer was enough to put things right.

Because an agreement couldn't be reached the complaint has been passed to me to decide on the matter.

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 considered all of the information available to me, I won't be upholding Ms B's complaint.

Firstly, I'd like to express my empathy for Ms B's situation. I can see that she's explained on a number of occasions the severe distress and upset this situation has caused. And I can understand how upsetting it must have been to find out that some of her personal information had been obtained as part of the cyber security breach.

In reaching my decision, I don't wish in any way to downplay or disregard the situation

Ms B is in. But being independent means, I have to take a step back and consider what both parties have said. I can only ask a business to put something right, where it has done something wrong. And I don't find that VWFS has done anything wrong in this case. So, it follows that I won't be asking it to do anything more for Ms B.

It's worth noting that it is not the role of the Financial Ombudsman to decide if a business has breached data protection laws – that falls to the Information Commissioner's Office (ICO) to decide. That said, I can see the cyber security breach happened to one of VWFS's partners who use a particular type of software which was subject to the data breach. It is very unfortunate that Ms B's details were obtained as part of the breach. But when considering what's happened here, it appears Ms B's details were breached as a result of hackers gaining access to a system. I haven't seen anything that persuades me that VWFS did something that put Ms B's personal information at risk. And I haven't seen anything that persuades me VWFS has treated Ms B unfairly or unreasonably here.

I have also considered how VWFS dealt with the situation following the breach. In this regard, I can see that VWFS has investigated the matter, identified that Ms B's details had been compromised, it let her know in a letter, it reported the matter to the ICO and the Financial Conduct Authority (FCA). The letter also explained to Ms B how she could protect herself from the breach. And it also provided her with details of external organisations that might be able to help her.

VWFS has also provided me with further information about the steps it took internally. It also explained that the ICO and the FCA didn't make any recommendations to it in relation to how it had handled the matter.

Based on everything I've said here, I think the actions VWFS have taken here are fair and reasonable.

In the circumstances of this particular case, I can't fairly say that VWFS has done anything wrong. While I appreciate the situation must have been distressing for Ms B, I'm satisfied that VWFS dealt with the matter in a fair and reasonable way. Because of this, I find that VWFS's gesture of goodwill offer of £392.91 is more than fair in the circumstances.

My final decision

For the reasons set out above, I don't uphold Ms B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 27 August 2024.

Sophie Wilkinson
Ombudsman