

## The complaint

Mr F complains Volkswagen Financial Services (UK) Limited trading as Volkswagen Commercial Vehicle Financial Services (“VCWFS”) have treated him unfairly by not honouring the original price he was given by a broker for a hire agreement he applied for.

## What happened

In September 2024, Mr F says he arranged to acquire a new car through a broker (“S”) – this was to be acquired through a hire agreement for a total of 24 months. The initial rental amount was £660, followed by monthly payments of around £414. Mr F has provided evidence from S who confirmed the car order will be placed with their supplying dealership (“L”).

A number of days later, Mr F says he was told the hire agreement wouldn’t be honoured and the order of the car was cancelled – it’s not entirely clear to me whether it was VCWFS, L or S who told Mr F this. Mr F feels VCWFS were responsible for this and that they were the ones who made the decision to not honour the agreement for the amount he was quoted by S. Mr F says this is unfair, as he spent days researching the car and specifications that best suited his family’s needs.

In November 2024, Mr F says he eventually got offered a replacement deal for a hire agreement for 24 monthly repayments of around £458. Mr F says he felt he had to accept this deal as he’d already made arrangements to get rid of his existing car. Mr F has asked VCWFS to honour the original deal, the one where he had agreed with S to pay around £414 a month, as well as compensate him for the distress and inconvenience this issue has caused him.

VCWFS initially said that they didn’t decline the original application for finance and that this would have been down to L. VCWFS said they simply finance any agreed deals at the point of activation – and Mr F’s initial agreement didn’t reach this point. VCWFS also said there was no evidence to suggest they had cancelled the initial finance application. VCWFS said there was no record of an agreement being in place with them for the first offer Mr F had – where S quoted that he would be paying around £414 a month for the car.

Our Investigator considered Mr F’s complaint. In summary, she explained there wasn’t any evidence to suggest VCWFS had cancelled or didn’t approve the first application, so there was no breach as VCWFS didn’t have a finance agreement in place for Mr F. Our Investigator said VCWFS were able to show a new finance agreement had been arranged in November 2024. Overall, our Investigator didn’t think what had happened was down to VCWFS, so she didn’t uphold the complaint.

Mr F disagreed. In summary, he said he felt VCWFS have been obstructive – initially with him trying to get to the bottom of what happened to his initial application and their handling of his complaint with them. Mr F also says he was contacted by an advisor at VCWFS and that he gathered from their conversation that there were a number of customers left in the same position as him. Mr F said VCWFS cancelled his initial application and caused a lot of

upset and inconvenience in the process. As Mr F asked for an Ombudsman to review his complaint, it's been passed to me to decide.

### **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.

It's important for me to point out that the quote Mr F received from S for around £414 a month wasn't an application for finance and was just simply a quote. The quotation document explained that it wasn't an offer and it may have been subject to change at any time. The document then went on to explain that all offers are subject to finance approval.

From reviewing VCWFS's internal notes, it appears an application was automatically approved in September 2024. VCWFS have explained their system can auto-approve an application once a credit search has been carried out – something that S explain would be initiated by them in the quotation document they provided Mr F with. But it doesn't mean an agreement would have been issued at that point and it seems a subsequent issue prevented the application from progressing further.

I don't consider VCWFS's explanations around why the application for the amount S quoted didn't progress further to have been entirely clear. On one hand, VCWFS suggested to us that the problem may have been relating to the pricing or that the campaign for the car Mr F wanted, had to be withdrawn. On the other hand, Mr F has provided a copy of an email from a VCWFS sales advisor dated 4 November 2024 confirming he received a new quotation because his original financial application was affected by a system error – it's not clear what this system error was or how it impacted the application. Mr F also explained that on 21 October 2024, L's advisor informed him the original order wouldn't be honoured. Given this different information, it's understandable Mr F found the situation frustrating and that he felt VCWFS weren't being very helpful in trying to get to the bottom of why the original application didn't go through.

That said, I think VCWFS may have found it difficult to provide Mr F with a definitive explanation for what happened. I say this because the agreement for the quote S provided was never drawn down or progressed beyond the point of it being automatically approved on VCWFS's system. VCWFS's records show only that an auto-approval occurred, but not the details of why the process failed to progress. While I agree VCWFS could have communicated more clearly with Mr F, the fact remains that no finance agreement was finalised by VCWFS for the quoted amount by S.

Mr F queried how there could be no finance agreement in place when the order of the car had been confirmed by both S and L. However, the actions of S and L are independent of the finance provider. The finance itself would have been subject to approval by VCWFS, as explained in S's quotation document. There's no evidence to suggest a finance agreement was drawn down, given to Mr F by VCWFS and then cancelled by VCWFS.

I acknowledge what happened here is very unfortunate and I can understand Mr F's disappointment. I think it's important to note that prices and finance terms can vary between the time a quote is issued and the time an agreement is completed. This is reflected in S's order acceptance form, which states that figures are subject to revision, prices may vary and change and that if funding charges increased beyond S's control, the customer has the option to cancel the order.

VCWFS said they attempted to align the final offer as closely as possible with the earlier quote, including making a contribution of approximately £4,000 towards the finance - a

VCWFS advisor told Mr F this was happening in her email of 16 January 2025 when confirming Mr F's application for finance had been approved and that the car was still waiting build confirmation. As a result, the monthly payments for the agreement Mr F eventually entered into were around £458 – this was signed by Mr F in March 2025. While I recognise this is around £40 more than Mr F initially hoped to pay, I don't consider this to be unreasonable given the original quote wasn't converted into a live agreement. Ultimately, Mr F accepted this quote despite having the option to not go ahead with it.

Mr F initially asked us to help as VCWFS took the £4,000 out of his account when they said this would be a contribution towards the agreement. VCWFS provided us with evidence to show this issue was dealt with and resolved under a different reference - the £4,000 was paid back to Mr F and they paid him an additional £300 compensation. VCWFS provided email evidence from Mr M which said he accepted this and that he wouldn't be pursuing things further. As this issue was resolved, I haven't considered this any further.

### **My final decision**

For reasons explained above, my decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 26 November 2025.

Leanne McEvoy  
**Ombudsman**