

The complaint

Miss W says Volkswagen Financial Services (UK) Limited trading as Volkswagen Financial Services (VWFS) were unreasonable not to calculate an interest rebate on the date she gave them.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Miss W took out a hire purchase agreement with VWFS but chose to settle it a month later.

On 26 May 2025 VWFS gave her a settlement quotation that they said was valid until 23 June 2025. Miss W paid that figure on 28 May 2025, but she complained to VWFSD that they should have calculated the interest rebate from that point and not from 23 June 2025 when the settlement quotation expired.

VWFS didn't uphold Miss W's complaint and when she referred it to this service, neither did our investigator.

Miss W was still dissatisfied so she has asked for a decision 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.

I agree with the investigator's view of this complaint and for broadly the same reasons.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Miss W acquired her car under a regulated consumer credit agreement. This means our service is able to consider complaints about it.

Miss W had a right to settle her agreement at any time. She asked for a revised settlement figure on 27 May 2025 indicating that she intended to settle that day. VWFS did not provide an updated figure before Miss W made her payment on 28 May 2025.

VWFS had very little time in which to provide that revised quote and I think it unreasonable to expect them to do so in such a short time frame; they hadn't as far as I can see given

Miss W an indication that would be possible, and Miss W chose to proceed with payment using the original figure, which remained valid until 23 June 2025.

In those circumstances I don't consider it unfair that VWFS applied the interest rebate associated with the original settlement date. I don't think Miss W is therefore entitled to a refund of interest.

Miss W was entitled to ask for a new figure for an earlier settlement date, but she also needed to give VWFS a reasonable time to issue it before acting. Because Miss W proceeded before VWFS had a fair chance to respond, I don't think it would be fair to require VWFS to recalculate settlement retrospectively or to refund additional interest.

My final decision

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 5 January 2026.

Phillip McMahon
Ombudsman