

## **The complaint**

Mr M complains that Greenlight Automotive Ltd trading as Greenlight Motors failed to settle his existing finance agreement as promised, leaving the account active and adversely impacting his credit file.

## **What happened**

In October 2024 Mr M part exchanged his car at Greenlight Motors and entered into a new finance agreement for a new car. As part of the transaction, Greenlight Motors said it would arrange for settlement of his old finance agreement using the funds provided by the new finance provider.

Greenlight Motors didn't settle Mr M's old finance agreement as agreed. It took 4 months to resolve the matter. During this time Mr M's old finance provider reported missed payments on his credit file.

Mr M complained to Greenlight Motors, He said the delay in settling his old finance agreement had caused him financial distress and damaged his credit file.

Greenlight Motors didn't respond to Mr M's complaint, so he came to this service.

Our investigator upheld the complaint. They said they were satisfied that Greenlight Motors received the settlement funds but failed to administer these in good time and it took 4 months before Mr M's old finance agreement was settled. The investigator said that Greenlight Motors should pay compensation of £200 to Mr M for the distress and inconvenience caused.

Mr M initially disagreed with the investigators opinion and said he wanted more compensation. However, he subsequently accepted the investigators opinion that £200 was fair and reasonable.

Greenlight Motors didn't respond to the investigators opinion, so I've been asked to make a final 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.

The circumstances of this complaint are well known to both parties, so I won't repeat them here.

Greenlight Motors hasn't provided its business file despite several requests from this service. So I've reached my decision based on the available information.

It's not in dispute that Greenlight Motors promised to settle Mr M's old finance agreement using funds provided by his new finance provider.

There was no delay on the part of the new finance provider in getting the funds to Greenlight Motors. Greenlight Motors said that the funds had initially bounced back. However, I haven't seen any evidence to support this. I can't be certain of whether the funds did bounce back, and (if they did) why this was and what steps Greenlight Motors took to resolve the issue.

I can see that Mr M's old finance agreement was settled on 3 March 2025. This was around 4 months later than it should've been. Mr M was repeatedly chasing Greenlight Motors during this time. Greenlight Motors haven't provided any explanation for the extended delay.

Taking everything into consideration, I'm satisfied that the delay in settling Mr M's old finance agreement was the responsibility of Greenlight Motors.

Mr M has told this service that there were missed payments under his old fiancé agreement due to the delay in settling it. This led to negative information being reported on his credit file by his old finance provider. Mr M was declined for credit applications.

I understand why Mr M feels that Greenlight Motors should bear responsibility for this. However, I agree with the investigators opinion that Mr M's losses relate to the way in which his old finance provider reported the missed payments. The finance provider isn't a party to this complaint, so I'm unable, to require it to amend Mr M's credit file.

It's clear that Mr M has been caused a significant degree of distress and inconvenience because off the delays in settling his old finance agreement. I think its fair to ask Greenlight Motors to pay compensation for this. The investigator found that a sum of £200 was fair and reasonable and I agree.

### **Putting things right**

To put things right Greenlight Motors must pay Mr M compensation of £200 for distress and inconvenience.

### **My final decision**

My final decision is that I uphold the complaint. Greenlight Motors must pay Mr M compensation of £200 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 9 January 2026.

Emma Davy  
**Ombudsman**