

## **The complaint**

Ms A complains that Arnold Clark Automobiles Limited (ACA) treated her unfairly when she applied for finance to acquire a car.

When I refer to what Ms A and/or ACA said or did, it should also be taken to include things said or done on their behalf.

## **What happened**

On 23 April 2025 Ms A applied for financing to acquire a car. ACA, as a broker, were assisting her in this process. Ms A said that she was approved for financing with a finance company I will call: 'Finance Co A'.

Ms A said she was informed that her financing was approved but after she registered the car within DVLA, ACA started asking about her health condition. Ms A said that once she provided this information, they cancelled the finance contract in question. Ms A said ACA told her the financing could not be done through Finance Co A because of her foreign driving license, but Ms A said this was not true. Ms A said she provided her non-UK licence at the beginning, so ACA were aware this was not a UK licence. As such, Ms A believes that ACA cancelled the finance agreement due to her health condition which, she feels, is pure direct discrimination.

Ms A said she feels discriminated against because of her health condition. She believes that ACA should pay her compensation for her suffering, stress, negative feeling, and time she has spent resolving this matter.

In June 2025 ACA wrote to Ms A. In this correspondence they said they submitted her application for financing to Finance Co A alongside the purchase invoice and a copy of Ms A's EU driving licence. But Finance Co A refused the application due to her driving license not being a full UK license. ACA said that, as this is their policy, ACA had no control over this. As such, ACA said they proposed Ms A to another finance company I will call: 'Finance Co B', who requested further information including three months bank statements evidencing Ms A's income, as well as information regarding her disablement and her benefit entitlement letter. ACA said that when they submitted the requested documents, Finance Co B declined the application.

ACA said they apologise for this outcome however, they said, they are not the ones who make the decisions regarding financing being approved. ACA explained that it was the underwriters at the finance companies who take all available information into account when considering a finance application and, in this instance, they were unwilling to fund the purchase.

Ms A remained unhappy. As such, she referred her complaint to us, the Financial Ombudsman Service (Financial Ombudsman).

While the complaint was at our service ACA explained that the systems that they use to propose customers to Finance Co A will not allow them to submit a non-UK driving license

as a proof of ID. ACA said they made a mistake initially and listed the customer as having a UK driving license when they applied to Finance Co A, therefore they received an automatic acceptance from Finance Co A and further information, including the proofs, were requested.

ACA explained that they were unable to proceed with Finance Co A as the scanned copy of Ms A's driving license was not a UK license and could not be submitted. As such, they said, Ms A did not receive an official decline from Finance Co A because, as per their process, they moved to the next lender, as they were unable to continue the application process via Finance Co A.

ACA also explained that they did not retain a copy of Ms A's driving license. As such, they had to request further information from her. ACA said they accept that the initial mistake of marking the customer as having a UK license has caused these issues and has offered to pay £150 for the distress and inconvenience caused.

Our investigator considered that the compensation ACA was proposing to pay Ms A was fair and reasonable considering the circumstances of this complaint.

Ms A disagreed with the investigator. As such, the complaint has 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.

Where evidence is unclear or in dispute, I reach my findings on the balance of probabilities – which is to say, what I consider most likely to have happened based on the evidence available and the surrounding circumstances.

I have summarised this complaint briefly, in less detail than has been provided, and largely in my own words. No discourtesy is intended by this. If there is something I have not mentioned, I have not ignored it. I have not commented on every individual detail. But I have focused on those that are central to me reaching, what I think is, the right outcome. This reflects the informal nature of the Financial Ombudsman as a free alternative to the courts.

In considering what is fair and reasonable, I need to take into account the relevant rules, guidance, good industry practice, the law and, where appropriate, what would be considered good industry practice at the relevant time.

First, I should say that I am only considering the aspects ACA are responsible for and the ones I am able to look at. As such, I cannot look at certain actions and/or inactions Ms A might be unhappy about. More specifically I am only looking at the events that have been raised by Ms A with ACA, and the ones they were provided an opportunity to address in their in June 2025 correspondence.

Second, I should explain that in this decision I am only looking at whether ACA treated Ms A fairly in their capacity as a credit broker when arranging financing for her, but I am not looking at the decision regarding whether she should or should not have been approved for the finance itself.

Ms A believes that ACA cancelled the finance agreement due to her health condition and not because of the type of driver's licence she had. However, based on the available evidence, I think most likely, that is not the reason. From the evidence available including the letter from Finance Co A, I can see that ACA initially made a mistake and listed Ms A as having a UK

driving license when they proposed her application for financing to Finance Co A. I can also see that Finance Co A approved her initially, but later, when it transpired that ACA made the mistake, the financing could not go through. As such, I do not think it was unreasonable for ACA to collect more information from Ms A when they were trying to see if they could get a finance approval for her through another finance company, Finance Co B.

I did consider that ACA's mistake initially caused Ms A distress and inconvenience. I can imagine how being told she was already approved for financing and then later making her provide a lot more information, would have caused her a lot of distress and inconvenience. I also think that she had to spend additional time dealing with this situation that she would not have needed to had this mistake not occurred. However, I think that the £150 compensation that ACA have now agreed to pay fairly reflects the impact this situation has had on her.

Also, I know that Ms A feels that ACA discriminated against her. Therefore, I think it is important for me to explain that it is not my role to say whether ACA have breached the Equality Act 2010 (2010 Act). This is because that is a matter for the courts to decide, not for our service. I've taken the 2010 Act into account when deciding this complaint, as it is relevant law, but I have ultimately decided the outcome of this complaint based on what is fair and reasonable considering the circumstances of this case. If Ms A thinks ACA breached the 2010 Act, then she will need to go to court. I know that Ms A feels that ACA cancelled the finance agreement due to her health condition, which she feels is pure direct discrimination, but I already explained above what, most likely, happened at the time she was trying to get financing for the car. Also, I have not seen any evidence to be able to say that, most likely, ACA treated her differently/unfairly when compared to other customers.

While I sympathise with Ms A for all the difficulties that she is experiencing, based on all the information available in this case, I do not think there is sufficient evidence to say that, most likely, ACA should be required to take any further action regarding his complaint except to pay her the £150 compensation.

### **My final decision**

For the reasons given above, I do uphold this complaint and direct Arnold Clark Automobiles Limited to pay Ms A £150 compensation for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 10 April 2026.

Mike Kozbial  
**Ombudsman**