

The complaint

Miss L complains about the service she has received from Motability Operations Limited in respect of a hire agreement (“agreement”) she entered into with it for a car, a car that was rented by her for the benefit of her disabled partner.

What happened

In April 2021 Miss L entered into an agreement with Motability for a car. The minimum rental term was set at 3 years with an option to extend. The payments required under the agreement were an advance payment of £745.00 followed by 4 weekly payments of a sum equivalent to the “*total allowance payable*”. The minimum rental term was scheduled to end in April 2024.

In or around July 2022 Miss L complained to Motability about, amongst other things, faults she had been experiencing with the car and the specification of it.

In August 2022 Motability issued Miss L with a final response letter (“FRL”). Under cover of this FRL Motability said:

- Miss L had been supplied with a car of the precise specification ordered and she had been asked to pay the correct advance payment of £745 in respect of it
- faults reported by Miss L with the car couldn’t be replicated by the original supplying dealership
- it had refunded back to Miss L the advance payment made of £745
- it had paid Miss L £200 for poor call handling
- it had paid Miss L £100 for more expensive fuelling costs of a hire car she had been supplied with
- Miss L was free to cancel the agreement now, or in the future, without having to pay a cancellation fee of £250
- it had never agreed to meet the cost of the advance payment in respect of a new car

In or around July 2023 Miss L complained to Motability that she had been experiencing intermittent faults with the car for two years, which couldn’t be replicated by the original supplying dealership, and about the delays in a new windscreen being fitted to it.

In August 2023 Motability issued Miss L with an FRL. Under cover of this FRL Motability said:

- a new windscreen had recently been fitted
- due to problems with the infotainment system it had “*approved a mechanical termination*” of the agreement allowing Miss L to approach the grants team to discuss possible funding for a new car, an approach it had agreed would be fast tracked
- it wasn’t prepared to meet the cost of the advance payment of £3,200 in respect of a new car Miss L had identified met her (and her partner’s) needs
- it had paid Miss L £300 for the issues she had experienced with the car
- it had paid Miss L £150 to cover the cost of a car valet

- it had paid £1,200 to allow Miss L to hire a suitable car whilst her car was unavailable

In October 2023 Motability advised our service that:

- Miss L accepted its August 2022 FRL offer (of £1,045) but elected to remain in the car rather than acquire a new one
- Miss L accepted its August 2023 FRL offer (of £450)
- it had paid Miss L a further £400 in September 2023 for more expensive fuelling costs of the hire car she had been supplied with
- it had paid £1,200 to allow Miss L to hire a suitable car whilst her car was unavailable
- it believes a new car is available for Miss L to rent that meets her (and her partner's) needs that comes with an advance payment of £745 rather than £3,200
- although Miss L was without a car for 10 days in mid-2023 it approved the use of taxis (at no cost to Miss L) up to £150 a week

Miss L's complaint was considered by one of our investigators who came to the view that Motability had made a fair offer to resolve Miss L's complaint and it need do nothing further.

Miss L didn't agree with the investigator's view and so her complaint has been passed to me for review and 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.

First I would like to make it clear that I'm only considering in this decision Miss L's complaint about how Motability dealt with her concerns, raised in or around July 2023, about faults with the car's entertainment hub and about delays in getting a new windscreen fitted, both of which were addressed by Motability under cover of its August 2023 FRL. This is because Miss L, amongst other things, accepted Motability's offer made under cover of its August 2022 FRL and because her complaint about the quality of repairs undertaken after damage was caused to the car in December 2022 has been considered by another regulated business and an FRL in respect of it issued to Miss L.

Secondly I would like to point out that I've read the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point or particular piece of evidence, 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. And our rules allow me to do this reflecting the fact that we are an informal free service and an alternative to the courts.

Now I accept that between late June 2023 and early August 2023 Miss L was without her car. But I'm satisfied that Motability did as much as it reasonably could to keep Miss L mobile during this period by meeting the costs she incurred in hiring a car and by allowing her access (for the period she was without a hire car) to a taxi expenses account.

I also accept that Miss L believes the car was returned to her in August 2023 with faults present, or still present. But even if I was to accept that this was the case and that these faults made the car of unsatisfactory quality I'm not persuaded that Motability need do anything further in this respect.

Where a consumer is provided with a car that is of unsatisfactory quality that consumer is entitled to, under the Consumer Right Act 2015, one of three remedies. And in the particular circumstances of this case I'm satisfied that the remedy offered by Motability under cover of its August 2023 FRL, for Miss L to be able to reject the car, was appropriate, fair and reasonable.

Now I appreciate that Miss L would have been reluctant to reject the car 'immediately' given that it would have taken time for her to secure a new one. I also accept that Miss L might have had concerns about the possible costs to her of securing a new car, especially her preferred choice of car. But given that Motability agreed to arrange for any new car request to be fast tracked and that in its view a suitable car was available that only required an advance payment of £745 (the same as the advance payment paid in April 2021 and which was ultimately refunded) I don't think Motability needed to do anything further to support Miss L in this respect.

I appreciate Miss L will be disappointed but given what I say above and given that Motability has, as I understood it, paid her £850 (£300 plus £150 plus £400) I'm satisfied that it need do nothing further in respect of this complaint.

Finally, although I appreciate Miss L might not see the relevance, I'm happy to see that since she complained to Motability and our service she was provided, in February 2024, with a new car and provided with a grant of £2,995 to meet, in full, the advance rental payment in respect of it.

My final decision

My final decision is that Motability Operations Limited need do nothing further in respect of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 29 October 2024.

Peter Cook
Ombudsman