

The complaint

Mr S complains that Motability Operations Limited (MO) didn't pay him a £750 New Vehicle Payment (NVP) when he acquired a new vehicle from MO under a contract hire agreement in 2023.

What happened

In September 2022 Mr S entered into a contract hire agreement with MO and acquired a vehicle. MO says the agreement was entered into and signed for by Mr S' appointee. In September 2022 MO made a NVP of £250 and in March 2023 MO made a further NVP of £500, both to Mr S' appointee. The vehicle was declared an insurance write-off so in August 2023 the agreement was terminated early.

In November 2023 Mr S applied to re-join the motability scheme. A new hire agreement with MO was signed by Mr S on 18 November 2023 and he acquired a new vehicle. Mr S then complained to MO that he hadn't received a £750 NVP for that new vehicle.

MO told Mr S that the NVP was a one-off payment provided once per customer. As Mr S had already been paid a NVP during the lease of his previous vehicle he wasn't eligible to receive the NVP again.

Mr S complained to us. In summary he said:

- When he ordered his replacement vehicle in November 2023 MO's website stated that orders placed in 2023 were eligible for a NVP of £750 and the offer was made without detailed terms and conditions.
- His decision to proceed with the order was significantly influenced by the prospect of receiving the NVP.
- The lack of detailed terms about the NVP offer on MO's website may be contrary to Section 62 of the Consumer Rights Act 2015 and left him unfairly disadvantaged.
- He noted that in December 2023 MO's offer of a £750 NVP was extended to vehicles ordered until the end of 2024. The revised terms on MO's website also didn't have detailed terms and conditions.
- He wants MO to pay him the £750 NVP, plus interest, and £150 for his distress and inconvenience.

Our Investigator said on the available evidence MO had acted fairly in not giving Mr S a NVP for the vehicle he ordered in 2023 for his new lease. She told Mr S that if he could provide any evidence to support his complaint we would consider that evidence.

Mr S wants an Ombudsman's decision. He said as MO hadn't provided an archived page of the information he saw in November 2023 we should make a decision based on the balance of probabilities. Also as his previous lease vehicle was declared a write-off the principle of the NVP only applying once shouldn't apply.

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've considered all the points Mr S has made but I won't address all his points in my findings. I'll focus on the reasons why I've made my decision and the key points which I think are relevant to the outcome of this complaint.

Mr S suggests that MO may have breached the Consumer Rights Act 2015 (the Act). It's for the courts, not this Service, to decide if a business is in breach of legislation so I won't be making specific findings in relation to the Act. But in considering what's fair and reasonable I have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and, where appropriate, what I consider to have been good industry practice at the relevant time.

MO sent us information about its NVP scheme. In brief, MO said the discretionary scheme was introduced in 2022 to support its customers with the rising costs of fuel and everyday living costs. It was initially a one-off discretionary payment of £250. On 1 March 2023 MO announced that it would be increasing the NVP to £750. MO sent us a link to its website, which our Investigator sent to Mr S.

I've looked at MO's website page which appears through the link MO provided. The webpage is dated 1 March 2023 and confirms the NVP increase. The webpage gives clear information that a customer will only get the NVP once and the NVP wouldn't be for each lease.

Mr S hasn't disputed that he received, through his appointee, the £750 NVP for his previous vehicle under the lease that started in 2022.

I haven't seen the NVP information on MO's website as at November 2023 to know what information was given about the NVP at that time. But I've seen the NVP information on MO's website at the date I've made this decision. The website gives clear information that the NVP is only payable for a customer's first vehicle order before the end of 2024 and that the NVP is payable to a customer once, not every time a customer gets a new vehicle. The NVP information on MO's website seen by our Investigator in March 2024, when she reached her view on Mr S' complaint, was also clear that the NVP was payable only once to a customer, not for every new vehicle.

Mr S says that when he ordered the vehicle in November 2023, the NVP offer was presented without detailed terms and conditions. Our Investigator told Mr S that if he could provide any evidence to support his complaint we would consider that evidence. I've summarised Mr S' response above.

On the evidence I've seen, as there was clear information on MO's website in March 2023, March 2024 and August 2024 that the NVP was only payable once per customer and not for each vehicle leased I think it's more likely than not that the information about the NVP on MO's website when Mr S ordered his vehicle in November 2023 was clear that the £750 NVP was payable to a customer only once and not for each vehicle leased.

I've seen no information on MO's website to suggest that the NVP would be paid to a customer again if their vehicle under a previous lease with MO was an insurance write-off. It's for MO to decide the terms of payment under its discretionary NVP scheme.

I've seen no evidence to support Mr S' suggestion that he reasonably believed he would receive a NVP for his new vehicle under the new lease he took with MO in 2023 given that he'd already received the full £750 NVP for his previous vehicle.

I'm satisfied that MO acted fairly and reasonably in declining to pay Mr S a NVP for the vehicle he leased under a contract hire agreement from November 2023. There's no basis for me to award any compensation to Mr S.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 25 September 2024.

Nicola Sisk
Ombudsman