

## **The complaint**

Miss M complains about the hire agreement she has with Motability Operations Limited ('Motability'). Miss M says that it has acted unfairly when it terminated the agreement. And she thinks that she should receive a refund of the amounts she has paid and the fuel she has put in the car.

## **What happened**

In April 2024 Miss M acquired a car using a hire agreement with Motability. The payments for the agreement were taken as a deduction from Miss M's benefits.

Later in June 2024 Miss M was stopped by the police and the car was seized.

After this, Motability sent Miss M a termination notice saying that the car being seized by the police meant that she had breached the terms and conditions of the agreement. The termination proceeded and the car was returned to Motability by the police.

Miss M complained to Motability saying that it has acted unfairly when it terminated the agreement. Motability considered this complaint, and it didn't uphold it. It said the information provided by the police showed that the car had been seized and so Miss M had breached the terms of the agreement. It said that the information Miss M had provided didn't alleviate its concerns about how the car was being used.

Miss M didn't agree with this and brought her complaint to the Financial Ombudsman Service.

Our Investigator didn't uphold Miss M's complaint. She said that it wasn't unreasonable for Motability to have terminated the agreement given the information it had received. She also thought that it wasn't unreasonable for Motability to have taken payment for the hire of the car (from her benefits) over the time she had used it, and she shouldn't receive a refund for the fuel she had bought.

Miss M didn't agree with the Investigator. She initially said that the car wasn't seized, and she then provided some information about the police investigation. Miss M said that the police investigation didn't result in charges. Our Investigator asked if Miss M could provide information that showed the car wasn't seized but Miss M wasn't able to provide this. So, her opinion didn't change.

Miss M has asked that the complaint be considered by an Ombudsman, so this matter has been passed to me 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.

In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider was good industry practice at the relevant time.

It's worth outlining that the terms and conditions of the hire agreement do say that it can be terminated if the car has been seized by the police. The agreement can be ended if:

*'11.1.5 the Vehicle or any goods of yours are seized or threatened to be seized or made subject to a court order, whether or not it subsequently proves to have been unlawful;'*

I think it's been established that the car was seized by the police. I've seen the record of the communications between the police and Motability and that the car was returned to Motability from the police. So as a starting point Motability wasn't acting incorrectly when it terminated the agreement under the clause above.

Miss M thinks this is unfair. She has said why, but I won't reproduce all of what she has said here, and I won't reproduce all the circumstances around the seizure of the car. This is to protect Miss M's privacy.

It's reasonable to say that the evidence provided by both parties shows that Miss M was investigated by the police for several reasons. And the seizure of the car was part of this. I think this is enough for me to say that having looked at everything, I don't think Motability was acting unfairly when it reviewed the circumstances of the seizure of the car but continued to terminate the agreement.

It follows from this that I don't think Miss M should receive back any of the amounts she paid to Motability or any refunds of the amounts she paid to fuel the car. As far as I can see she has only paid these costs when she has had use of the car, and this is reasonable.

### **My final decision**

For the reasons set out above, I don't uphold Miss M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 7 August 2025.

Andy Burlinson  
**Ombudsman**