

## **The complaint**

Mr I complains that Motability Operations Limited won't compensate him for the stress and financial loss that he's been caused by issue with a car that was supplied to him under a hire agreement.

## **What happened**

A new car was supplied to Mr I under a hire agreement with Motability Operations that he electronically signed in July 2023. The minimum hire period was three years, Mr I made an advance rental payment of £1,295 and there were to be 39 four weekly rental instalments of the total allowance payable.

Mr I says there were issues with the car's paintwork when it was delivered to him so he contacted the dealer and it was repaired, but there were issues with the repair so it had to be repaired again. Mr I complained to Motability Operations in December 2024 because he'd had to miss four day's work to deal with the paint issues and he said that he wanted £600 compensation.

Motability Operations didn't uphold his complaint. It apologised for the distress that he suffered in the process of getting the car resprayed but said that it doesn't provide reimbursement for lost earnings. Mr I wasn't satisfied with its response so complained to this service.

His complaint was looked at by one of this service's investigators who, having considered everything, didn't think that Motability Operations had acted fairly. She said that it wasn't in dispute that the car was faulty as there were issues with the paintwork which were rectified by the dealer. She didn't think that the car was of satisfactory quality when supplied but it had been repaired which had resolved the issue. She said that Mr I had experienced distress and inconvenience because of the error and she recommended that Motability Operations should pay him £150 compensation. She said that she couldn't reasonably ask it to do anything more than that.

Mr I has accepted the investigator's recommendation but Motability Operations has asked for this complaint to be escalated to an ombudsman for further review. It says, in summary, that:

- it was only notified about the paintwork issue in December 2024, more than 17 months after the agreement began, and it remains unclear why Mr I didn't raise his concerns sooner, as earlier notification would have allowed it greater opportunity to address it and support him effectively;
- his primary dissatisfaction relates to the dealer due to a communication breakdown and the provision of a courtesy car during the repair period, but the dealer says that he was provided with a courtesy car during the repair period and didn't agree to reimburse the £600 that Mr I had requested; and

- despite the defect, corrective action was taken to mitigate Mr I's inconvenience and it's satisfied that the dealer took the measures that it would expect to minimise any stress and inconvenience by providing a courtesy car.

### **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.

Motability Operations, as the supplier of the car, was responsible for ensuring that it was of satisfactory quality when it was supplied to Mr I. Whether or not it was of satisfactory quality at that time will depend on a number of factors, including the age and mileage of the car and the price that was paid for it. The car that was supplied to Mr I was a new car and I consider that it was reasonable for him to expect that it would be free from even minor defects.

There doesn't seem to be any dispute that the car wasn't free from defects as it had a paint issue and the dealer agreed to repair it. There were issues with the repair so the car had to be repaired again. I consider that the issue with the car's paint caused the car not to have been of satisfactory quality when it was supplied to Mr I, but I consider the repair to have been a fair and reasonable response to that issue.

Mr I complained to Motability Operations about issues relating to the repair in December 2024. That was about 17 months after the car had been supplied to Mr I, but I consider that he was entitled to complain to it at that time. Motability Operations' account notes say: *"Manufacturer error caused customer to miss 4 days work in total due to vehicle going back into Manufacturer due to a paint issue, that was not caused by himself";* and: *"Customers desired outcome: £600 to be reimbursed for the days missed due to errors by ... dlr"*. I consider that Mr I's complaint was that he wanted to be compensated for the work that he'd missed and wasn't about the provision of a courtesy car.

Mr I has described the distress and inconvenience that he was caused as a result of the car not being of satisfactory quality and the issues with the repair. The investigator recommended that Motability Operations should pay £150 to Mr I to compensate him for the distress and inconvenience that he was caused and Mr I has accepted her recommendation.

I find that it would be fair and reasonable in these circumstances for Motability Operations to pay £150 to Mr I to compensate him for the distress and inconvenience that he was caused. I'm not persuaded that it would be fair or reasonable for me to require Motability Operations to take any other action in response to Mr I's complaint.

### **Putting things right**

I find that it would be fair and reasonable for Motability Operations to pay £150 to Mr I to compensate him for the distress and inconvenience that he was caused.

**My final decision**

My decision is that I uphold Mr I's complaint and order Motability Operations to pay him £150 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 8 October 2025.

Jarrold Hastings  
**Ombudsman**