

The complaint

Mr I complain that Motability Operations Limited (MO) won't accept that he is the legal owner of a car he acquired through a hire agreement. He would like confirmation that he is the legal owner, cancellation of his hire agreement, a refund of payments wrongly taken from him and confirmation that no further deductions will be made.

What happened

Mr I says in October 2024 he purchased a car direct through a dealership. And that in the same month he asked MO to cancel his hire agreement within the 14-day cooling off period he had to do so, but it wouldn't.

He says MO has continued to deduct payments from his mobility allowance without his authorisation and continues to claim it is the legal owner of the car.

MO said the dealership submitted a lease agreement for the car to MO on Mr I's behalf. It provided the pin Mr I needed to access the car

Our investigator didn't uphold this complaint. He found that Mr I is the registered keeper of the car not the legal owner as evidenced by the hire agreement Mr I signed. He found no evidence Mr I paid for the car in cash in June 2024. And the supplying dealership confirmed Mr I contacted them about acquiring the car via the MO scheme.

MO accepted this view, but Mr I didn't

Mr I made several points in relation to the legal ownership of the car, the disputed pin to access it, the cooling off period to end the agreement, unlawful deduction of payments and the fact he didn't feel his complaint had been fairly investigated.

Our investigator considered these points in a detailed second view, but didn't change his view. On this basis Mr I asked for 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.

Some of the comments Mr I has made are general ones in relation to MO and how it operates. However, Mr I needs to understand that, in this decision, I can only look at the details of his specific case.

I appreciate Mr I has provided a lot of information for me to consider. I would like to assure him that I have carefully considered all the points he has made. The key issue here for me to decide is whether Mr I is the legal owner of the car or not.

Mr I has provided a large amount of information primarily from the dealership. I can understand this information might have confused Mr I. The order form is in his name, he received follow up messages from the dealership thanking him for 'his purchase' and a one-line response to confirm ownership stated, 'yes you bought the car from the dealership'.

I can understand the order form being in Mr I's name as the car was for him. I have however noted that the vehicle invoice clearly states the invoice was for MO to pay and the car was to be delivered to Mr I.

I think the follow up messages thanking Mr I for 'purchasing' the vehicle were probably standard messages sent to all customers after agreements had been taken out. In this case the wording is unfortunate as it seems to have given Mr I the impression he owns the car.

I think the individual who confirmed that Mr I 'bought the car' may not have understood the ramifications of what she was stating. Unfortunately, consumers, and sometimes businesses refer to 'buying' when the agreements that are taken out are hire or lease agreements.

Mr A has provided other documents for example handover documents, and account and service history. These are documents I would expect to be in Mr I's name as he is the registered user of the car. These documents don't evidence however that he is the legal owner

I have seen the agreement Mr I signed. This clearly states on the first page that the hirer is Mr I and the owner is MO. The vehicle invoice I have referred to above was made out to MO to pay not Mr I. The welcome letter, in the second paragraph, states it has enclosed 'your Contract Hire Agreement 'with MO'. I think these clearly show that Mr I is the hirer not the owner of the car.

In terms of the other points Mr I has made. He has told us he paid for the car in cash, but I haven't seen any evidence to prove this. I would reasonably expect him to be able to evidence such a large payment by for example bank records. If, as he says he paid in cash then he should be able to evidence that sum being withdrawn. I would also expect to have had evidence from the dealership who I think would have remembered a cash transaction of such a size.

As I understand it Mr I had to have a pin number to get the car. I have seen the letter MO sent with the relevant pin number in it. MO has confirmed this would only have gone to Mr I. I accept that the dealership may have entered the pin on Mr I's behalf. However, it can only have done so had Mr I asked it to, and given it the pin. I don't agree that the dealership entering the pin on Mr I's behalf somehow invalidates his contract.

I have seen evidence Mr I asked to withdraw from this agreement. However, having looked at the agreement there was no option to do so, so I can't say that MO were wrong not to pursue this.

Based on the documentation I have seen I am clear that the legal owner of the car is MO not Mr I. So, I can't reasonably ask MO to cancel Mr I's agreement and refund the payments he has made. The payments made were in line with the agreement he signed and were for use of the car which he has had.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or

reject my decision before 19 August 2025.

Bridget Makins
Ombudsman