

The complaint

Mr C is unhappy that Motability Operations Limited terminated the hire agreement under which a car was supplied to him.

When I refer to what Mr C has said and what Motability Operations have said, it should also be taken to include things said on their behalf.

What happened

In January 2024 Mr C was supplied with a new car under a hire agreement with Motability Operations. The minimum hire term was three years and Mr C agreed to make an advance rental payment of £2,599 and 39 rental instalments of the total allowance payable.

Mr C complains that Motability Operations terminated his agreement and are not allowing him to apply again for a period of four years. This was because he had entered his date of birth incorrectly on five occasions when he applied to be a temporary driver. He said this was a genuine error, caused by his medication, and the screen on the device he used was broken. He also said he didn't declare penalty points from 2021 as he didn't think he needed to provide these, and he said they had now expired.

He said he wasn't given any warning of his mistakes. He said he relied on the car as he couldn't get out of the house without it.

Motability Operations said that in August 2025 they were informed by their insurance provider that Mr C had added himself as a temporary driver on five separate occasions between April 2025 and May 2025 using an incorrect date of birth (one year out) and failing to disclose previous driving convictions. At the time of these entries, he did not meet their eligibility criteria for drivers under age 25 with such endorsements.

Motability Operations said this was a serious breach of their Terms and Conditions. They said the accuracy of personal and driving history information was critical for the operation of the Motability scheme insurance policy, and knowingly submitting incorrect details undermined the integrity of the Scheme and placed both the customer and Motability Operations at risk.

In view of the repeated misrepresentation over an extended period, they said they considered that the termination of Mr C's lease was both fair and necessary.

Mr C was unhappy with this response, so he referred his complaint to our service for investigation.

Our investigator said the terms and conditions of the agreement had been breached by Mr C's misrepresentation, and Motability Operations terminated the agreement fairly and in line with the agreement.

Mr C didn't agree with the investigator. He said he wasn't given a warning on any of the five occasions when he'd entered the wrong date of birth. He said he hadn't noticed the mistake as his device screen was broken and he was on medication.

He said he'd put himself on as a temporary driver because his driver was sick. He said he didn't use the car as he knew he wasn't insured. He said he didn't drive the car even after he was allowed to, but had added himself in case he needed to go out.

Because Mr C didn't agree, 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.

Having done so, I've reached the same overall conclusions as the investigator, and for broadly the same reasons. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time. Mr C was supplied with a car under a hire agreement. This is a regulated consumer credit agreement which means we are able to investigate complaints about it.

Motability Operations were notified by the insurer that Mr C had made five applications to be added as a temporary driver between 15 April 2025 and 23 May 2025. They said that on each of these occasions Mr C had provided incorrect information. They considered this a breach of their terms so terminated the agreement.

I've reviewed the terms. Term 11.1 says:

"We may terminate this Agreement by providing you with written notice if at any time:

Term 11.1.1: you do not comply with any of your main obligations under this Agreement, or if you... have given to us, the Accident Manager or our insurer information which is materially misleading or false"

So I'm satisfied it would be reasonable for Motability Operations to terminate the agreement if the information provided by Mr C was "*materially misleading or false*".

Mr C was not allowed to drive the car. That was because he was under 25 and had driving convictions, so he could not be insured under the Motability scheme.

When he made the applications to be added as a temporary driver he gave a wrong date of birth, making him appear to be one year older than he actually was. This gave the misleading impression that he was now age 25. He also failed to declare convictions, answering no when he knew he had previous driving convictions.

This would've meant that Mr C would not have been insured if he'd driven the car.

This was not a one off error. It happened on five separate occasions in a six week period.

So I'm satisfied that it was reasonable for Motability Operations to conclude that Mr C knowingly submitted an incorrect date of birth, failed to declare the previous conviction, and that the information he provided was "*materially misleading or false*".

I've considered Mr C's comments that his screen was broken, and that he was affected by his medication. Motability Operations told us that they confirmed with the Department for Work and Pensions that Mr C doesn't have a nominated appointee. So it's reasonable that they consider him responsible for the information he provided.

Mr C has described the impact that losing the car has had on him, but I'm not persuaded that there's enough evidence to show that Motability Operations acted incorrectly in terminating the hire agreement in these circumstances. That's because Mr C breached the terms of the agreement, and did this on more than one occasion. They said the breach created a potential uninsured driving risk. For that reason, I think it reasonable that they found Mr C's actions to be a serious breach of the terms, requiring termination of the agreement and preventing him from applying for a period of four years. I understand that is in line with their normal policy.

I appreciate that my decision will be disappointing for Mr C, but I find that it wouldn't be fair or reasonable in these circumstances for me to require Motability Operations to reinstate his hire agreement, or to take any other action in response to his complaint.

My final decision

For the reasons explained, I don't uphold Mr C's complaint about Motability Operations Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 22 December 2025.

Gordon Ramsay
Ombudsman