

The complaint

Mr B complains that Motability Operations Limited (“MOL”) wrongfully suspended him from using their services for 24 months.

What happened

Mr B had been a customer of MOL for many years, where he regularly took out hire agreements with them to acquire cars under the Motability Scheme.

Mr B had an active agreement with MOL, which was taken out in October 2024 and was set to last around three years.

In August 2025, Mr B wished to cancel and terminate the agreement early.

MOL initially didn’t allow Mr B to end his agreement early and so he complained to them.

MOL later allowed Mr B to end his agreement early. They explained to him in November 2025, that he had at that point ended six agreements with them early, and so he couldn’t reapply to use the scheme for two years, until November 2027.

MOL issued their final response to Mr B in November 2025, where they explained that Mr B had previously ended one or more leases early. And so, they agreed to a further early cancellation on the understanding that Mr B would take a break from using the scheme for a period of time.

Unhappy with MOL’s response, Mr B referred his complaint to our service. Mr B believed there were circumstances that caused him to return the cars early and feels he should be allowed to access the scheme.

Our investigator issued his view where he explained why he didn’t think MOL needed to do anything to put things right. In summary, he explained that the scheme required cars to be kept for the length of the agreement and that there was a history of early terminations. The investigator thought that MOL had acted fairly and reasonably as they had informed Mr B that they wouldn’t allow him to use the scheme for two years if he chose to terminate his most recent agreement with them.

Mr B disagreed with the investigator’s findings. Among other things, Mr B said that some previously returned cars shouldn’t have counted towards agreements that were terminated early. The investigator explained to Mr B why he didn’t think this changed his findings.

As Mr B disagreed with the investigator’s opinion, the complaint was passed to me to decide.

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'm not upholding this complaint and I'll explain why below.

I'm aware I have summarised events and comments made by both parties very briefly, in less detail than has been provided, largely in my own words. No discourtesy is intended by this. In addition, if there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is a fair outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as an alternative to the courts.

It's worth noting that Mr B had requested to discuss the complaint further over a call with myself. I'm satisfied I have enough information at hand, which includes call recordings, to reach a fair and reasonable outcome. And so, I don't think there is anything further I will gain from holding a conversation with Mr B, which I can't ascertain from his submissions already made.

It's also worth noting that while I haven't specifically mentioned the Equality Act 2010 below, I want to reassure Mr B that I have considered it when making my findings.

In this instance, Mr B complains about MOL and how he believes they have wrongfully suspended him from using their services. To consider this complaint, I reviewed MOL's internal processes, which they call their multiple cancellations process. MOL has told us that each time a customer terminates an agreement early, it has significant cost implications for the Motability Scheme. So, they have a policy on multiple early terminations which it applies to all of its customers. I think this policy is an entirely sensible one.

MOL explains that when certain thresholds are met, such as several cancellations within a defined period of time, an internal team would review the customer's history to understand the reasons for the cancellations and whether any discretion should be applied when considering giving a suspension for further agreements to be taken out with them. MOL say that any discretion applied doesn't mean that there is an ongoing assurance or exemption in respect of future cancellations or considerations for giving a suspension. I have inferred from their comments that if any discretion is applied to a specific termination, it doesn't mean that it would be exempt for considerations in the future under the policy.

I have noted that within a period of seven years, Mr B terminated four agreements with MOL (in April 2021; February 2024; August 2024; and November 2025). I have also noted that there is a history of early terminations before April 2021 as well. So, having considered MOL's multiple cancellations process, I think it was fair and reasonable that Mr B's early terminations triggered him to be reviewed under the process. As MOL says, it didn't mean that there was an automatic suspension, but rather, Mr B's circumstances were reviewed by an internal team.

Having reviewed Mr B's history with them, MOL chose to allow him to terminate his agreement he held with them early and they also informed him that they would place a two-year sanction on him applying again under the scheme. From what I have seen, I can't see that MOL has acted outside of their own policy, or that they have acted unfairly or unreasonably in how they had communicated this to Mr B.

Mr B strongly believes that he was told that some of the agreements which were cancelled and terminated early would be disregarded. I appreciate Mr B's comments here, but MOL has explained that while discretion can be applied in certain instances, it didn't mean that the discretion applied would be exempt from future considerations.

As Mr B has shown, I can see that MOL did apply some discretion to a cancellation which was agreed in February 2024. However, because of applying a discretion at this point, they

chose not to give a sanction earlier than they could have and allowed Mr B to take out a further agreement with them. So, there were instances where the multiple cancellations process could have triggered a sanction, but MOL chose not to do so.

In this instance, I can't see that MOL has acted unfairly or unreasonably in placing a time-based sanction on Mr B acquiring another vehicle under the Motability Scheme.

My final decision

For the reasons I've explained, I don't uphold this complaint. So, I don't require Motability Operations Limited to do anything more here.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 18 May 2026.

Ronesh Amin
Ombudsman