

The complaint

Miss G complains about the quality of a car she has been financing through an agreement with Motability Operations Limited trading as Motability Operations (who I'll call 'MO').

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Miss G took receipt of a new car in November 2023. She financed the deal through a hire agreement with MO.

In, or around, June 2024 the car started to lose oil and needed regular top ups. In August 2025 the dealership was able to confirm that the piston rings had worn prematurely and that the engine needed to be replaced.

The manufacturer rejected a warranty claim as they said the car hadn't been serviced in line with their recommendations. The first service was due at 12,500 miles but had been completed at 14,670.

Miss G didn't think it was fair for MO to hold her responsible for the repairs, but as MO disagreed, she referred her complaint to this service.

Our investigator thought the engine should have lasted longer and he wasn't persuaded the slightly delayed service was responsible for the excess wear in the piston rings. He noted the car had now been repaired and he suggested MO should waive the repair costs and pay Miss G £500 in compensation for the distress and inconvenience caused by not having access to the car she had been financing.

MO didn't agree with the investigator's opinion; they asked for a decision by an ombudsman.

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.

I agree with the investigator's view of this complaint, for broadly the same reasons.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Miss G acquired the car under a hire agreement, which is a regulated consumer credit agreement. That means this service has jurisdiction to consider her complaint. Under the Consumer Rights Act 2015, the car must have been of satisfactory quality at the point it was supplied. As the car was brand new, a reasonable consumer would not expect it to have any faults.

In assessing satisfactory quality, the Act also requires consideration of durability – in other words, whether the car could reasonably be expected to remain free from inherent defects for a reasonable period of time. If the car was not of satisfactory quality when supplied, or if it lacked reasonable durability, responsibility rests with MO as the provider of the agreement. This is subject to the consumer having met their own obligations under the agreement, including taking reasonable care of the vehicle, such as ensuring it is serviced broadly in line with the manufacturer's recommendations.

There is no dispute that the car was faulty. The engine required replacement, and the technical assessment indicates that the piston rings had worn prematurely. I'm not persuaded that this was caused by the service being completed around 2,170 miles later than recommended. On the evidence I've seen, piston rings would normally be expected to last well in excess of 100,000 miles. While I accept that delayed servicing can, in some circumstances, contribute to increased wear, I think it's more likely that the significant oil loss Miss G experienced as early as June 2024 – before the first service was carried out and before it fell due under the manufacturer's schedule – played a material role. Taken together, this points to abnormal wear developing earlier than would reasonably be expected, rather than wear caused by Miss G's failure to service the car in line with her obligations.

MO say the manufacturer has declined the warranty claim and on that basis it isn't responsible for the cost of repairs. I don't agree that position is correct. Miss G's contract is with MO not with the manufacturer so any rights relating to the quality and durability of the car arise against MO under the Consumer Rights Act (2015) irrespective of the manufacturer's warranty position. A manufacturer's warranty is in addition to, and does not replace or limit, the consumers statutory rights. As I'm satisfied the car was not of satisfactory quality or durable, MO are responsible for putting things right and that includes covering the reasonable cost of repairs needed to remedy the fault even if the manufacturer has chosen not to honour the warranty. I'm, therefore, satisfied that MO shouldn't hold Miss G responsible for the repair cost.

The Act allows a business one opportunity to repair and as that's now been completed I think that's a reasonable remedy.

Miss G was provided with a courtesy car while her car was being repaired and I note that MO did recognise the difficulties she may have with not having a wheelchair hoist in that car and that they offered to pay for taxi's where necessary. I don't think it would be fair to ask MO to refund any finance instalments when they kept Miss G mobile. But I do think they should pay compensation as the car wasn't a direct replacement and Miss G's mobility and independence were impaired by the provision of an unsuitable vehicle. In the circumstances I think MO should pay her £500 in compensation.

My final decision

For the reasons I've given above, I uphold this complaint and tell Motability Operations Limited to:

- Waive the repair charges.
- Pay Miss G £500 to compensate her for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 12 May 2026.

Phillip McMahon
Ombudsman