

The complaint

Mr M complains that Motability operations Limited has allowed a third party car hire company (Europcar) to charge him administration fees.

What happened

In February 2022 Mr M was supplied with a car and entered into an agreement with Motability. The agreement comprised an advance rental of £499 followed by 39 rental instalments.

Under the agreement, Motability agreed to keep Mr M mobile where his own vehicle couldn't be used, for example when it was being serviced or repaired. The agreement provided for a hire car to be provided by Europcar.

In June 2023 Mr M complained to Motability because he was unhappy with administration fees he'd been asked to pay by Europcar in relation to a fine incurred whilst using a temporary replacement vehicle. He said that Europcar had taken five weeks to notify him about the speeding fine, which meant he'd lost the opportunity to opt for a speed awareness course rather than three points on his licence. Motability told Mr M that it would contact Europcar.

Europcar told Motability that it had received notification of the speeding offence on 18 April 2023 and that it had sent this to Mr M on 27 April 2023.

Motability didn't uphold the complaint. It said the speeding fine had been sent on to Mr M within the expected timescales and that the administration fees were set out in Europcars terms and conditions, which Mr M had agreed to be bound by when he hired the car.

Mr M remained unhappy and brought his complaint to this service.

Our investigator didn't uphold the complaint. He said it wasn't within the remit of this service to comment on the service Mr M had received from Europcar, and that we could only look at whether Motability treated him fairly. The investigator looked at whether Mr M had access to the relevant information about the requirements of the replacement vehicle. The investigator said he was satisfied that Motability's website set out what consumers should be aware of when taking a replacement vehicle. The investigator said he was also satisfied that Motability had offered Mr M alternative methods of mobility if he was unhappy with the terms and conditions that apply when a vehicle is supplied by Europcar.

Mr M didn't agree so I've been asked to review the complaint.

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'm aware that Mr M previously raised a complaint with Motability because he was unhappy that Motability didn't give him any alternative but to use Europcar when he required a

temporary replacement vehicle.

This service previously investigated that complaint in November 2022. Because this complaint has now been investigated and closed, I won't be commenting on anything which this service has looked into as part of that complaint.

In the current complaint, Mr M is unhappy about the fact that he received a speeding fine five weeks late, and that Europcar charged him an administration fee for passing on the speeding fine. Mr M has said that because of the delay, he was unable to take advantage of the speed awareness course option and had to pay the fine and accept points on his licence instead.

I've reviewed the available information about the speeding fine. The notice from the police was dated 18 April 2023. Europcar has said that it notified Mr M about the fine after 7 working days on 27 April 2023. Mr M has said that he didn't receive notification of the fine until five weeks later. I have no reason to doubt Mr M. However, once Europcar sent the letter to Mr M, it has done what is reasonably required to bring the fine to his attention. I can't fairly hold Europcar – or Motability – responsible for the fact that the letter was delayed in the postal service.

I appreciate that Mr M is unhappy about the administration fee. I can see that Europcar charged Mr M a fee of £32.25 to process the speeding fine and send it on to him. It's not uncommon for car hire companies to reserve the right to charge administration fees in situations like this and I can see that this is in Europcar's terms and conditions, which Mr M agreed to when he took the hire vehicle.

If Mr M wasn't happy with Europcar's terms and conditions he wasn't obliged to take the hire car. I can see that Motability offered Mr M other transport options such as a taxi. It also offered to pay loss of use payments for the time Mr M's car was off the road, which Mr M could've used towards the hire of a vehicle from another provider if he wanted to.

I understand that Mr M isn't happy about the way he's been treated by Europcar. However, I'm not able to require Motability to use an alternative provider. Only the Financial Conduct Authority (FCA) have the power to require a business to change its policies and procedures.

Looking at what's happened here, and taking everything into account, I haven't seen anything to persuade me that Motability has treated Mr M unfairly or unreasonably. I'm satisfied that Motability made reasonable and relevant information available via its website about the provision of an alternative replacement vehicle and the things to be aware of.

For the reasons I've given I'm unable to uphold the complaint.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 7 February 2024.

Emma Davy
Ombudsman