

The complaint

Miss S complains about a motor hire agreement she had with Motability Operations Limited and is unhappy she was misled about a £250 early termination fee.

What happened

Miss S was incorrectly informed about a £250 cancellation fee that she believed would be refunded immediately if she was to take delivery of a new vehicle after her contract ended. Motability accepts that Miss S was incorrectly informed and agreed to pay Miss S the £250, plus an additional £50 as compensation.

Miss S referred her complaint to our service where an investigator explained why he felt what Motability had done was fair and why it was not required to do anything more. Miss S remained unhappy and asked for an ombudsman to review her 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.

Motability accepts that Miss S was not correctly informed during the telephone conversation and has refunded the £250 payment to Miss S. It has also offered to pay an additional £50 for any distress and inconvenience caused. I have considered Miss S's detailed submissions but like the investigator, I am not persuaded Motability needs to do more in this case. It has accepted the error and already paid the £250. I accept this may have been inconvenient for Miss S, but I'm satisfied in the circumstances here the £50 is sufficient compensation for this, along with any interest Miss S believes she is due for the delayed payment.

My final decision

I do not uphold Miss S's complaint and simply leave it to Miss S to decide if on reflection she would now wish to accept the £50 Motability offered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 18 October 2023.

Mark Hollands
Ombudsman