



BRIEFING PAPER

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Motability scheme

By Louise Butcher &
Steven Kennedy

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Contributing Authors:

Louise Butcher, Transport Policy
Steven Kennedy, Social Security Policy

Summary

[Motability](#) is a registered charity set up by Royal Charter in 1977. The charity oversees the operation of Motability Operations, a private limited company which leases motor vehicles and wheelchairs to disabled people under a number of schemes. A wide range of vehicle is available through the Motability scheme and a benefit amount will not necessarily cover the whole cost of a vehicle.

Eligibility for the Motability scheme depends on the disabled person being in receipt of one of four “qualifying benefits”:

- Higher rate mobility component of Disability Living Allowance (DLA);
- Enhanced rate mobility component of Personal Independence Payment (PIP);
- Armed Forces Independence Payment (AFIP); or
- War Pensioners’ Mobility Supplement

The disabled person pays for their vehicle by allowing the DWP (or Veterans UK) to pay all or part of their benefit direct to Motability Operations for the duration of the lease agreement.

The introduction of PIP has caused some concern as to the numbers of people currently able to use the Motability scheme who might be excluded after reassessment. In April 2017 the Government announced changes to the transitional support payment for these individuals and an extension of the period they can keep their vehicle.

Information on other roads- and vehicle-related issues can be found on the [roads briefings page](#) of the Parliament website; information on issues affecting disabled people can be found on the [sickness, disability and carers' benefits](#) and [disability discrimination](#) pages.

1. About Motability

1.1 Motability, the charity

[Motability](#) is a registered charity set up by Royal Charter in 1977. As a charity Motability is accountable to both the Government and to the Charity Commission. It was set up on the initiative of the Labour Government, with cross-party support, under the leadership of Lord Goodman and Lord Sterling, to provide assistance to disabled people in obtaining motor vehicles adapted for their needs:

At our suggestion, a group of prominent people drawn from the professions, from finance and industry, from voluntary bodies and from the trade unions, and chaired by Lord Goodman, has now set up a voluntary organisation for the United Kingdom, working in collaboration with the Government, to ensure that disabled people, both drivers and passengers, who want to use their mobility allowance to obtain a vehicle will get maximum value for their money in doing so.

This new charitable body, to be known as Motability, is announcing today its composition and aims, and a copy of Lord Goodman's statement is being placed in the Library of the House.

Motability will be an independent organisation. Under a council the organisation will have an executive committee headed by Mr. Jeffrey Sterling, Motability's vice-chairman.

The organisation will work in conjunction with the Royal Association for Disability and Rehabilitation and the corresponding organisations in Scotland, Wales and Northern Ireland. It will decide itself how to fulfil its aims, and what its priorities should be, with the advice of the disabled and their spokesmen.

Motability will have a number of objectives. It will give guidance and advice to disabled people on vehicles and adaptations and will negotiate discounts and other special arrangements for disabled people. Motability also aims to enable disabled people to have the personal use of a car by means of a leasing scheme. Detailed discussions about such a scheme are well advanced.¹

Motability was originally funded under provisions in section 64 of the [Health Services and Public Health Act 1968](#), but the powers were not sufficiently wide and new powers were provided under the [Disability Grants Act 1993](#). Section 1(1) of the 1993 Act states that:

The Secretary of State may make grants to ... Motability (a body corporate constituted by Royal Charter), for such purposes as the Secretary of State may determine.

A financial memorandum between the then DSS and Motability was placed in the House of Commons Library in 1995. This contains a requirement that the charity should endeavour to provide best value for money for both the disabled customer and the taxpayer.²

¹ [HC Deb 6 December 1977, cc1125-26](#); see also Motability, [Introduction of the new Mobility Allowance and Motability](#) [accessed 21 June 2017]

² DSS, [Motability: grant-in-aid, financial memorandum – administrative costs](#), 29 June 1995, para 7 [HC DEP 35 1909]

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Motability provides a range of grants to help those customers who could not otherwise afford to become fully mobile.

Motability leases for new vehicles are for a minimum of three years. At the end of the leasing period the vehicle is returned to the dealer, and the driver, if still eligible, can choose a replacement. The allowances can also be used for purchasing a new wheelchair or electric scooter.

To pay for the vehicle, a disabled person agrees to pay over either all or part of their relevant benefit to Motability Operations for the duration of the lease. Some smaller, cheaper cars do not require the whole of the allowance to be used. In this case the benefit recipient continues to receive the rest of the allowance as normal.

Route2mobility operated the powered wheelchair and scooter scheme until 1 July 2010. Orders under the wheelchair and scooter scheme are now made via Motability Operations (see below).

1.2 Motability Operations

[Motability Operations](#) was founded in 1978 as Motability Finance Limited (until 1 February 2003), Motability Operations is a private limited company owned by the UK's four major banks - Barclays, HSBC, Lloyds and RBS. It specialises in sourcing and delivering motoring services to disabled people. Primarily, it offers customers suitable affordable cars, through a contract hire and scheme, payable directly through customers' mobility benefits. It is corporately and financially independent of Motability and operates the car schemes on a not-for-profit basis.³

Regulations 44 to 46 of the *Social Security (Claims and Payments) Regulations 1987* ([SI 1987/1968](#)), as amended, allow the Secretary of State to arrange that mobility allowance shall be paid in settlement of payments due where an agreement has been entered into for the hire or hire purchase of a vehicle under arrangements made by Motability.

Back when Motability Operations was Motability Finance Ltd (MFL) in the mid-1990s some concerns were expressed about its public accountability and the value for money that it provided. This was raised in Parliament and the National Audit Office (NAO) looked at the company's accounts.⁴ The NAO concluded that the scheme provided good value for money to disabled people, although it made recommendations about improving customer service and oversight of service providers.⁵

³ Motability Operations, [About us](#) [accessed 15 February 2016]

⁴ see, e.g.: Alan Simpson MP, [HC Deb 19 July 1995, cc1616-18](#); and: [HC Deb 22 May 1996, cc258-262](#)

⁵ NAO, *Motability* (session 1995-96), HC 552, 18 July 1996

1.3 Motability Dealer Partnership

There are nearly 5,000 dealerships across the UK and each has at least one trained Motability specialist to advise customers. The dealerships provide cars and assistance with any servicing or maintenance queries throughout the term of the lease.⁶

Motability scooter and wheelchair dealers have attended specialist training and are monitored to ensure they provide a high level of customer service. Motability dealers offer free, no obligation home assessments.⁷

In April 1997, the charity introduced the 'First Class Suppliers' (FCS) training scheme with the support of the manufacturers. This required knowledge both of physical factors affecting disabled people, such as the need for ramps at their showroom, and knowledge of the paperwork involved in the Motability scheme. From 1 July 2004 the FCS brand was replaced by a new business model, the [Motability Dealer Partnership](#), described as follows:

Acceptance to the Motability Dealer Partnership is subject to Motability Operations approval

Sales and Service Agents must hold an approved manufacturer franchise. All supplying Dealers must be able to supply new vehicles from an authorised manufacturer franchise

You must meet the minimum training requirements; you will be provided with a link to book your own training once your application has been approved, failure to book training will result in your MDP status being revoked

You will be required to agree to accept the Motability Dealer Partnership Terms and Conditions and agree to meet the current Standards and Measurements set by Motability Operations in relation to the Motability Dealer Partnership.⁸

1.4 Complaints and appeals

In the first instance, Motability advises that any complaint be directed to the relevant service provider (e.g. RAC, RSA Motability, Kwik Fit or the relevant dealership).

Motability aims to 'fully resolve' all complaints and provide a final response within eight weeks of the matter being raised with them. Any customer who is unhappy with how their complaint was handled or concluded, or who has not received a response within eight weeks, may refer their complaint to the Financial Ombudsman Service, free of charge.⁹

1.5 Specialised Vehicles Fund (wound-up)

Motability used to administer the Specialised Vehicles Fund (SVF) on behalf of DWP. The SVF helped people who needed a wheelchair

⁶ Motability, [Motability car dealers](#) [accessed 15 February 2016]

⁷ Motability, [Motability scooter and wheelchair dealers](#) [accessed 15 February 2016]

⁸ Motability Dealer Partnership, [Dealer sign up](#) [accessed 15 February 2016]

⁹ Motability, [Making a complaint](#) [accessed 15 February 2016]

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accessible or heavily adapted vehicle (i.e. vehicles that cost more than the standard benefit amount). The value of the SVF in 2014/15 was roughly £18 million per annum.¹⁰

From January 2016, Motability took over full responsibility for this grant, and so the former SVF became subsumed into Motability's general grant provision.¹¹

¹⁰ [HCWPO 212415](#), 4 November 2014; for older figures, see: [HC Deb 23 January 2012, c98W](#)

¹¹ there had been some controversy about eligibility changes for the SVF back in 2014, see, e.g. DRN, "[Motability rule change 'discriminates against drivers with high support needs'](#)", 29 November 2014

2. Eligibility

Eligibility for the Motability scheme depends on the disabled person being in receipt of one of four “[qualifying benefits](#)”:

- Higher rate mobility component of [Disability Living Allowance \(DLA\)](#);
- Enhanced rate mobility component of [Personal Independence Payment \(PIP\)](#);
- [Armed Forces Independence Payment \(AFIP\)](#); or
- [War Pensioners’ Mobility Supplement](#)

The benefit award must have at least 12 months still to run.¹² Around one in three disabled people receiving a qualifying benefit use the Motability scheme.¹³

The disabled person pays for their vehicle by agreeing to allow the DWP (or Veterans UK) to pay all or part of their benefit direct to Motability Operations for the duration of the lease agreement.

Personal Independence Payment is replacing DLA for people of working age (16-64). PIP was introduced for new claims from April 2013, but for most existing DLA claimants the reassessment process did not begin until July 2015. In August 2015 DWP said that reassessment was gradually being extended to further postcode areas so that by late 2017 all remaining working age DLA claimants would have been “invited” to claim PIP. This document was subsequently withdrawn and no updated timetable has been published.¹⁴

From the outset the 2010 Government also made it clear that a key aim for the new benefit was the need to make savings and reduce the working age caseload for disability benefits. It is expected that significant numbers of people currently benefiting from the higher rate DLA mobility component will fail to qualify for the enhanced rate mobility component in PIP.¹⁵ For those using the Motability scheme, this would result in their vehicle being withdrawn.¹⁶ These issues are explored further below.

2.1 Introduction of Personal Independence Payment

Personal Independence Payment (PIP) is replacing Disability Living Allowance (DLA) for people of working age (16-64). All existing DLA claimants – except those aged 65 or over on 8 April 2013 – will be reassessed for PIP. Over 1.75 million DLA claimants will be reassessed.¹⁷ Those who do not satisfy the conditions for the corresponding PIP

¹² Motability, [Who can join?](#) [accessed 21 June 2017]

¹³ Motability, [Key facts and figures about the Motability Scheme](#) [archived 9 April 2016]

¹⁴ see DWP, [Timetable for PIP replacing DLA](#), updated 26 August 2015

¹⁵ for further information, see: section 4 of HC Library briefing paper [SN6538](#)

¹⁶ Just Fair Coalition, [Implementation of the International Covenant on Economic, Social and Cultural Rights in the United Kingdom of Great Britain and Northern Ireland: Parallel Report: Submission to the Committee on Economic, Social and Cultural Rights](#), October 2015, pp165-167

¹⁷ [HCWPO 14444](#), 5 November 2015

descriptors, or who qualify for a lower rate under PIP, will receive less than they did previously, or nothing.

Entitlement to PIP is determined by a “new, fairer, objective assessment of individual need” to ensure support is “targeted on those individuals whose health condition or impairment has the greatest impact on their day-to-day lives.”¹⁸ The criteria for the enhanced rate of the PIP mobility component are particularly controversial, however.

2.2 DLA and PIP mobility criteria

Under **Disability Living Allowance**, people qualify for the higher rate mobility component of DLA if they:

- are unable or virtually unable to walk due to a physical disability; or
- no legs or feet, either from birth, through amputation at or above the ankle, or a combination of both; or
- blind or severely visually impaired; or
- are both deaf and blind and need someone with them outdoors; or
- are severely mentally impaired, with severe behavioural problems and qualify for the highest rate of the care component; or
- suffer from physical disablement, and by making the effort required to walk would endanger their life or cause deterioration in their health.

Eligibility for the **mobility component of PIP** is determined by looking at a person’s ability to undertake two mobility activities:

- Planning and following journeys; and
- Moving around

“**Planning and following journeys**” looks at the extent to which a person can plan and follow the route of a journey, with or without assistance, and the extent to which this might cause psychological distress.

“**Moving around**” looks at whether a person can stand and move around, with or without aids, and at how far the person can move.

For each activity, there are a number of “descriptors”, each with a points score. The total scores for all of the activities related to each component are then added together to determine entitlement for that component. The entitlement threshold for each component is 8 points for the “standard” rate and 12 points for the “enhanced rate.”

The “Planning and following journeys” activity was designed “to assess the barriers claimants may face that are associated with mental, cognitive or sensory ability.”¹⁹ A person will only qualify for the enhanced rate mobility component under this activity if they “cannot follow the route of a familiar journey without another person, an

¹⁸ for further information, see: HC Library briefing paper [SN6861](#)

¹⁹ DWP, *PIP Assessment Guide: A DWP guidance document for providers carrying out assessments for Personal Independence Payment*, 28 July 2015, section 4.3

assistance dog or an orientation aid.” However, a person can also qualify under the “Moving around” activity.

2.3 Qualifying for the enhanced rate mobility component under the “Moving around” activity

The “Moving around” activity considers a claimant’s physical ability to move around without severe discomfort, such as breathlessness, pain or fatigue. This includes the ability to stand and then move up to 20 metres, up to 50 metres, up to 200 metres and over 200 metres.

Claimants should be assessed as satisfying a descriptor only if the reliability criteria are also considered. They must be able to undertake the activity:

- safely (in a manner unlikely to cause harm to the claimant or to another, either during or after completion of the activity);
- to an acceptable standard;
- repeatedly (as often as the activity being assessed is reasonably required to be completed); and
- within a reasonable time period (no more than twice as long as the maximum period that a person without a physical or mental condition which limits that person’s ability to carry out the activity in question would normally take to complete that activity).²⁰

The PIP assessment criteria were subject to consultation, and there were controversial changes to the “Moving around” criteria between the second and final drafts of the assessment. Disability organisations complained that the changes made it far more difficult for people to qualify for the enhanced rate mobility component.

Under the final PIP Regulations, individuals who do not need a wheelchair only qualify for the enhanced rate mobility component if they can only move short distances of no more than 20 metres, rather than 50 metres as in the previous draft.

The Disability Benefits Consortium – an umbrella group for disability organisations – commented:

The assessment criteria published in the regulations for the mobility component of PIP were significantly different to the criteria consulted on. The Government’s own figures show an additional 148,000 people who would have been receiving the higher rate of DLA will not now receive the enhanced rate of PIP. The total number of people being removed from the enhanced rate of the PIP mobility component is now given as 428,000.

The previous criteria proposed that people with physical walking difficulties (who have no difficulty planning and following a journey) will only qualify for the enhanced mobility component if they are unable to walk more than 50 metres. However, despite no prior indication it was being considered and none of the consultation responses proposing it, this distance has been slashed to 20 metres in the final criteria.

²⁰ *ibid.*, p120

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Many wheelchair users may be able to move as far as 20 metres, but not more than 50 metres, and face significant barriers and costs in remaining mobile, including powered wheelchairs, scooters and adapted cars. If these regulations are passed, such people will no longer receive the highest rate of the benefit, meaning a reduction to their income of over £3,600 a year.

In addition, being in receipt of the enhanced rate of the PIP mobility component will mean people remain eligible for a Motability vehicle. This is their means of independence and participation, the lifeline that enables them to get to work, to GP appointments, to the shops or to take their children to school. If the regulations are passed in their current form then an extra 148,000 people will lose out on the enhanced rate and potential access to a Motability vehicle.²¹

In response to pressure from disability organisations, in June 2013 the Government launched a consultation on the PIP mobility criteria, which focused particularly on the 20 metre and 50 metre distances used within the criteria, with the ability to walk no more than 20 metres leading to eligibility for the enhanced rate of the mobility component.²² The Government's response, along with a summary of the submissions made to the consultation, was published on 21 October 2013.²³

The DWP paper stated that responses to the consultation broadly covered four main themes:

Respondents felt that there was no evidence to support the use of 20 metres as the distance for determining entitlement to the enhanced rate of the Mobility component. Many respondents felt that there was little evidence to show that an individual who could walk a little over 20 metres would face lower costs than an individual who could walk less than 20 metres. Respondents pointed out that other Government policies use 50 metres as a measure for mobility.

Respondents were concerned that the current 20 metres distance used in the criteria would have negative consequences for individuals. Many respondents were concerned about the impact on people moving from the higher rate of DLA to the standard rate of PIP who would lose access to a Motability scheme car. They felt this could increase isolation and reduce independence, have significant financial impact, and cause deterioration in their physical and mental health.

Respondents felt the criteria would increase individuals' need for support from other public services and that this would have an increased cost for the Government.

Respondents welcomed the inclusion in Regulations of the reliability criteria, which are used to measure a person's ability to complete an activity safely, to an acceptable standard, repeatedly and within reasonable time period. However, they wanted to ensure that these were delivered appropriately and consistently in the PIP assessment.

²¹ DBC, *Briefing on the Social Security (Personal Independence Payment) Regulations 2013*, January 2013

²² DWP, [Consultation on the PIP assessment 'moving around' activity](#), June 2013

²³ DWP, [Government response to the consultation on the PIP assessment Moving around activity](#), October 2013; all the consultation responses are available [here](#)

We also received a number of suggestions for alternative approaches. The most common suggestion made by respondents was to extend the qualifying distance for the enhanced rate from 20 metres to a longer distance. Other people suggested revising the assessment to make it more in line with the social model of disability.²⁴

Despite the strong opposition, the Government decided to retain 20 metres as the qualifying distance for the enhanced rate mobility component. It gave the following justification:

There is no consensus across the health and social care community of the perfect measure of mobility, but distance is often used as it is clear and easy to understand and apply. Whilst there is no clear evidence for one particular distance, the 20 metre distance was introduced to distinguish those whose mobility is significantly more limited than others and who face even greater barriers on a day-to-day basis - those who have the highest need.

Whilst the 50 metre distance is used to measure mobility in other Government policies, it does not mean that it is the right distance for use in determining entitlement to the enhanced rate of the Mobility component. Government is entitled to use different criteria for different purposes and it is important that decisions on PIP criteria are based on an objective consideration of the policy intent for the benefit.

We recognise that people who are unable to reliably walk more than 50 metres have restricted mobility and independence, to a level that makes it reasonable to offer some support from the Government. This is achieved through the assessment criteria as set out in Regulations which award the standard rate to those who cannot reliably walk between 20 and 50 metres.

It is extremely difficult to estimate the knock-on costs to other parts of government resulting from use of the criteria. During the development of PIP, extensive discussions were held with other Government departments and with the Local Government Association. A small impact on social care budgets was identified, but the potential impact on expenditure is variable across different Local Authorities. This means that the potential financial impact could not be quantified in a precise way. We will continue to monitor the impact in this area as part of the implementation of PIP.

Suggestions for a social model approach to looking at the specific barriers faced by individuals follow the considerable support for the approach in earlier PIP consultations. We remain of the view that such an approach is not practical or desirable for an assessment to determine benefit entitlement for PIP. It would require a very lengthy and complicated assessment, considering a very wide range of factors, and outcomes would be subjective and inconsistent.

Having considered all these factors, the Government believes that the use of 20 metres is the best way of identifying those whose physical mobility is most limited. We think it is justified to focus support in this way given the policy intent to target support on those with the greatest need and create a more financially sustainable benefit.

²⁴ *ibid.*, paras 1.6-1-7

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The reliability criteria are a key protection for claimants and, recognising the concerns voiced by some respondents to the consultation, we will look to introduce a requirement for Health Professionals involved in the assessment to confirm that they have referred to the criteria when formulating their advice. We will also revisit the guidance on reliability to ensure it captures the situations we have been told about and ensure that the criteria are applied consistently and fairly.

Recognising that some Motability Scheme users will no longer be able to access this support following their re-assessment for PIP, we have worked with Motability who have put in place financial support for those Motability users who no longer have access to the scheme, in order to allow them to make alternative arrangements.

We are committed to a process of ongoing review and improvement of the PIP process and will be commissioning two independent reviews. As part of these, consideration will be given to how the Mobility criteria are operating in practice, and the impact of them. All of the recommendations made in their reports will be carefully considered by the Government.²⁵

Following the Government's announcement, Disability Rights UK condemned the consultation as a "sham" and said that the 20 metre rule would have a "devastating effect":

Despite receiving over 1,100 responses opposing the new PIP mobility test the Government is pressing ahead with plans that will mean that many disabled people unable to walk more than 50 meters will lose their support, their Motability car and perhaps their job and see thousands of disabled people become institutionalised in their own homes.

Disability Rights UK is appalled by this assault on our independent living and ability to contribute to society.

The DWP itself has estimated that 428,000 will lose their DLA higher mobility entitlement. It is no good claiming it is going to 'those who need it most'. If, for instance, you have a learning disability and need a travel buddy, or if you need an adapted car, then without them you will be unable to travel, will become isolated and unable to participate in your community.

While the announcement of some transitional help for those who lose their Motability car is welcome it is not enough to compensate for the removal of benefit entitlement and of no help at all to those who cannot drive and have no Motability car. There is no transitional help for people needing other sorts of support with travelling (other than an adapted car).

The use of the 20 metre rule is flawed. In evidence gathered by organisations representing disabled people, many of those that can mobilise for more than 20 metres (but less than 50 metres) face the same 'extra costs' as those that can only mobilise up to this distance. No longer qualifying for the enhanced rate of the mobility component of PIP will have a devastating impact on their lives.²⁶

²⁵ Ibid., paras 1.9-1.17; details of the "financial support for those Motability users who no longer have access to the scheme" referred to therein can be found at: Disability Rights UK, [Mobility support if you fail PIP](#), 1 October 2013

²⁶ Disability Rights UK press notice, "[Govt ignores disabled people over PIP](#)", 23 October 2013

In a written answer on 4 December 2015 the Pensions Minister Baroness Altmann said “We currently have no plans to review how the PIP assessment for enhanced rate mobility is working.”²⁷

It is worth noting that under the *Scotland Bill*, currently in the House of Lords, responsibility for DLA and PIP would be devolved to the Scottish Government. It would then be for the Scottish Government to decide whether to widen the eligibility criteria in Scotland. Any associated costs would fall to Scotland.²⁸

2.4 How many will fail to qualify for the enhanced rate mobility component?

In written answers on 16 September 2015 and 5 November 2015, the Minister for Disabled People Justin Tomlinson said that DWP expected to be able to form a reliable estimate of the number of DLA claimants in receipt of the higher rate mobility component fail to qualify for the enhanced rate PIP mobility component once a “significant proportion” of working-age DLA recipients had been reassessed for PIP.²⁹

Caseload estimates published by the DWP in December 2012 suggested that once PIP was fully introduced, 428,000 fewer people would qualify for the enhanced rate mobility component that would have qualified for the higher rate DLA mobility component.³⁰

On 3 February 2016, a BBC News report stated that, according to “figures seen by the BBC”, almost 14,000 disabled people had had their Motability car removed following reassessment for PIP. The report states:

To date, Motability has seen around 51,200 people join the scheme using PIP.

Of those previously on higher rate DLA, 31,200 people have so far been reassessed for PIP, and of those, 55% - or 17,300 - have kept their car.

But the remaining 45% - 13,900 people - have lost the higher rate and therefore their car as well.³¹

Figures published in April 2017 showed that 51,000 people had been taken off the scheme after a reassessment for PIP since it launched in 2013 – 45% of all cases. Of these, more than 3,000 claimants re-joined the scheme after the decision not to award the enhanced mobility component of PIP was overturned.³²

²⁷ [HLWPO 3783](#), 4 December 2015

²⁸ for more details, see section 4 of HC Library briefing paper [CBP7205](#)

²⁹ [HCWPO 9852](#), 16 September 2015 and [HCWPO 14444](#), 5 November 2015

³⁰ DWP, *Personal Independence Payment: Reassessment and Impacts*, 19 December 2012

³¹ “[Nearly 14,000 disabled people have mobility cars taken away](#),” *BBC News*, 3 February

³² “[50,000 disabled people 'have adapted vehicles removed after benefits assessment'](#)”, *The Independent*, 11 April 2017

2.5 Transitional support when you lose your benefit

For those who lose their eligibility for the scheme as a result of not qualifying for the Enhanced Rate of the Mobility Component of PIP, Motability provides a Transitional Support Package (TSP).³³

Motability customers are allowed to keep their vehicle for 21 days after their benefit payments stop. On condition that they do this, they will be eligible for the TSP – a one off financial payment. This applies as follows:

If you became a Scheme customer by 31 December 2012 and return the car to the dealership in good condition and within eight weeks of the DLA payments stopping, you will be eligible for a one-off £2,000 transitional support payment. However, to give you more time to consider alternative mobility arrangements you can choose to keep the vehicle for 26 weeks after the DLA payments stop, but if you choose this option your transitional support payment will be reduced to £500.

If you first became a Scheme customer from 1 January 2013, or you rejoined the Scheme during this period following at least a one year break, and return the car to the dealership in good condition and within eight weeks of the DLA payments stopping, you will be eligible for a one-off £1,000 transitional support payment. This reduced, yet still significant, amount is because [information on the Government's plans for PIP](#) has been publicly available since this point. Alternatively you can choose to keep the vehicle for 26 weeks but your transition support payment will be reduced to £250.

If you become a customer during 2014, or you rejoined the Scheme during this period following at least a one year break, you will not be eligible for transitional support or payments. However, if you return the car to the dealership in good condition and within eight weeks of the DLA payments stopping, a £250 Return to Dealer Payment will be available.

Please note that there are only two transitional support payment options for returning the car – at 8 weeks or at 26 weeks and the relevant transitional support payment will apply regardless of if the car is returned between the 8 to 26 week period.

[...] Scooter and powered wheelchair customers who joined the Scheme before 2014 will be provided with a package of support and advice with the objective of enabling them to purchase their current product wherever possible. Arrangements will be made to help those with specialised mobility needs, including customers with a Wheelchair Accessible Vehicle (WAV).³⁴

Extension of vehicle retention period from 20 April 2017

Note that as per section 2.6, below, from 20 April 2017 customers who are eligible for a TSP will be able to retain their car for up to six months, including during the processes of reconsideration or appeal. For those who take advantage of this option, the level of TSP will be reduced.³⁵

³³ announced in 2013, see: op cit., [Mobility support if you fail PIP](#)

³⁴ Motability, [Q&As about the transitional support package](#) [accessed 16 March 2016]

³⁵ [Disability: Written statement - HCWS603](#), 20 April 2017

Motability advises that the TSP “will not be made to anyone who has not engaged in the reassessment process. However, if you have actively decided not to undergo reassessment and have informed the DWP of this decision (so they can tell us), you will still be eligible”.³⁶

The TSP only applies to DLA-PIP transitionees, however, any Motability customer who returns their car to the dealership in good condition and within the given timescales, is eligible for the standard £250.³⁷

2.6 Scheme changes, 2017

During a debate on ESA and Personal Independence Payments on 30 November 2016 the Minister for Disabled People, Health and Work, Penny Mordaunt, indicated that the Government was hoping to secure further Motability benefits in future. In particular she said that the Government was:

- discussing with relevant Departments ways to enable PIP claimants to keep their Motability vehicle pending **appeal**;
- exploring options to allow **those who are not in receipt of the higher Motability component** to have access to the Motability scheme; and
- exploring how claimants who are **out of the country** for extended periods can be better supported.

Ms Mordaunt said that the Treasury had agreed to these proposals and that she had written to Motability to “ask for its help in delivering” the proposals. This would “require some changes to [Motability’s] processes, but I know that it will do all it can to help us in this matter, as it has in the past. We have a remarkable and unique partnership with Motability, and I hope in my tenure to maximise that”.³⁸

At Work and Pensions questions on 9 January 2017 Ms Mordaunt said that she had “recently met Motability on these issues and have formed a working group with it to work through them”.³⁹ On 20 April she confirmed that Motability had agreed to extend its transitional support package for DLA claimants who are not entitled to the enhanced rate mobility component when transferred to PIP. In addition, customers who are eligible for a transitional support payment (see section 2.5, above) will be able to retain their car for up to six months, including during the processes of reconsideration or appeal. For those who take advantage of this option, the level of transitional support payment will be reduced.⁴⁰

There is some further information about the changes on the [Motability website](#).⁴¹

³⁶ *ibid.*

³⁷ *ibid.*

³⁸ [HC Deb 30 November 2016, c610WH](#)

³⁹ [HC Deb 9 January 2017, cc18-22](#)

⁴⁰ [Disability: Written statement - HCWS603](#), 20 April 2017

⁴¹ for further detail see also: Disability Rights UK press notice, “[Changes to PIP should help some Motability users](#)”, 21 April 2017

3. Vehicles

3.1 Range & cost

A wide range of vehicle are available through the Motability scheme. Decisions on the setting of the ceiling price for the vehicles available through the scheme are entirely a matter for the scheme itself.⁴²

In January 2012 Motability Chairman Lord Sterling announced that a streamlined selection of cars would be available, up to a maximum Advance Payment of £2,000; automatic, diesel and estate versions of these cars will also be available, even where they exceed the £2,000 limit. (This limit would not apply to Wheelchair Accessible Vehicles).⁴³

There is no 'price limit' as such on the vehicles available, but one's benefit will only pay in full for part of the vehicle range. Higher-end vehicles (BMW 3 series, Mercedes minivans etc.) require an 'Advance Payment' – this can range from about £1,500 to almost £10,000 for the most expensive models. This is paid out of the individual's own pocket.⁴⁴

3.2 Insurance

All vehicles are covered by the Motability scheme comprehensive fleet insurance policy with [RSA Group](#). There is an excess amount which varies depending on the age and experience of the driver. Details are given in individual agreements and in the insurance policy document. In December 2015 Motability announced that, as of 1 January 2016, the standard insurance excess for drivers aged 16-20 it would increase from £450 to £500; for those aged 21-24 it would remain at £300 and for those 25 and over it would increase from £75 to £100. It said that the "increase in excess payments for younger drivers is a reflection of the broader car insurance market, where young drivers face the highest premiums".⁴⁵

Only the named drivers (see below) shown on the Certificate of Motor Insurance are covered to drive a Motability vehicle. Other drivers, not on the certificate, are not allowed to drive the car, even if they have fully comprehensive insurance which provides cover to drive other cars.⁴⁶

3.3 Named drivers

Named drivers should live within five miles of the Motability customer. However, Motability will consider requests to include drivers outside of this range where this is essential to support the customer's mobility needs.⁴⁷ The policy regarding named drivers having to live within five miles was introduced in January 2012 to "ensure that Motability

⁴² [Statement by Lord Sterling, Chairman of Motability](#), October 2011

⁴³ Motability press notice, "[Motability Chairman announces Scheme changes](#)", 2 January 2012

⁴⁴ Motability, [Payment and cost for cars](#) [accessed 15 February 2016]

⁴⁵ Motability, [Insurance excess changes](#), 1 December 2015

⁴⁶ Motability, [Car insurance cover details](#) [accessed 15 February 2016]

⁴⁷ Motability, [Named car drivers](#) [accessed 15 February 2016]

provides clear policies, focused on the needs of the vast majority of customers. [and to] help avoid misuse and misrepresentation of the Scheme".⁴⁸

Furthermore, to ensure that the disabled customer is gaining direct benefit from their Motability vehicle, in some cases Motability may want to fit a location tracker. An example of this could be if the customer lives in a care home and a number of drivers have access to the car. Motability says that "if a location tracker is identified as appropriate, we will always speak to you in advance of the tracker being fitted".⁴⁹

⁴⁸ Motability press notice, "[Motability Chairman announces Scheme changes](#)", 2 January 2012

⁴⁹ Motability, [Protecting the Scheme](#) [accessed 16 March 2016]

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