From the Chair

5 December 2018

Neil Johnson OBE
Chair
Motability Operations Ltd

Dear Neil,

You will by now have had a chance to see the National Audit Office’s report on Motability.

I was struck in particular by the NAO’s finding that the full value of a separate incentive scheme for Motability Operations’ chief executive had not been disclosed previously. The NAO’s investigation has revealed that the full value of the scheme could be as much as £2.2 million.¹

Only the £258,000 initial allocation to the scheme has been disclosed to the public in your annual report and accounts. The NAO rightly notes that “The full value of the scheme may be of interest to the Work and Pensions and Treasury select committees, given their previous interest in this matter.”

Of course, the full value of the scheme would have been of particular interest to the Committees during our inquiry earlier this year.

Might I therefore please ask you:

1) In the light of the NAO’s report, do you consider that you provided the Committees with full information about executive remuneration at Motability Operations?

2) If not, how do you explain your failure to provide this information?

3) If you do consider that you provided us with full information, why did the National Audit Office conclude that “The full value of a separate incentive scheme for Motability Operations’ chief executive has not been disclosed previously”?

¹ National Audit Office, The Motability scheme, paras 3.20 to 3.22
I would be grateful for a response to this letter no later than Thursday 13 December.

With best wishes and I look forward to hearing from you,

Rt Hon Frank Field MP
Chair, Work and Pensions Committee