From the Chair

5 December 2018

Rt Hon Amber Rudd MP
Secretary of State for Work and Pensions
Department for Work and Pensions

Dear Amber,

Motability: NAO report

You will by now have had a chance to see the NAO’s report on the Motability scheme. I am afraid it makes for grim reading. Your predecessor was anxious for us to carry out an inquiry on this topic because she believed that there was a need for large scale reform of Motability. The ball is now firmly in your court.

I know that you will share our view that the Motability scheme offers a hugely valuable service. It is currently helping hundreds of thousands of disabled people to live more independent lives, and has helped millions during its long and distinguished history. Ensuring disabled people remain able to access this social lifeline is of paramount importance.

But the value of the scheme cannot be allowed to blind us to serious concerns about its governance—not least the unjustifiably high levels of executive pay and the colossal financial reserves built up by Motability Operations.

The Work and Pensions Committee, working jointly with the Treasury Committee, will be taking a further look at Motability in the New Year. To assist us in our work, might you please set out the steps you will now be taking to match the significance of what has been disclosed in the NAO report?

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

Rt Hon Frank Field MP
Chair