



## The Motor Ombudsman marks 15 years of the Vehicle Warranty Products Code serving the automotive sector

- The Vehicle Warranty Products Code was launched to the public on 14th July 2009, with the primary objective of driving standards even higher in the management and administration of extended vehicle warranty policies to customers
- The Code is formed of 60 different guidelines which businesses adhere to as part of their accreditation, spanning point of sale obligations, to the effective handling of customer complaints
- A total of 18 organisations are currently committed to the Chartered Trading Standards Institute (CTSI)-approved Code – the largest number to do so at any one time
- Accreditation grants a suite of benefits to warranty providers, including all-important access to The Motor Ombudsman's in-house, impartial and automotive-specific Alternative Dispute Resolution (ADR) service

**London, 15 July 2024** The Motor Ombudsman, the Ombudsman dedicated to the automotive sector, is commemorating 15 years since its Motor Industry Code of Practice for Vehicle Warranty Products was unveiled to the public in 2009. The Code was launched with the principal aim of driving standards even higher in the provision of extended vehicle warranty products to motorists, and evolved from the former Code of Practice for Mechanical Breakdown Insurance Schemes.

Since its inception a decade and a half ago, the portfolio of businesses adhering to the Chartered Trading Standards Institute-approved Code has grown to a total of 18 organisations – the largest ever number to be accredited at any one time, covering around three-quarters of the industry's major providers. The scope of the Code of Practice spans both insurance and non-insurance backed extended warranties, but equally extends to service contracts, roadside assistance and insurance for items such as keys, alloy wheels and tyres.

The comprehensive Code, which is unrivalled in the sector, is comprised of 60 different guidelines, which organisations pledge their commitment to as part of their accreditation. These cover the publishing of clear, concise, jargon-free and accurate communications, including advertising and policy literature, offering tailored advice and information to vehicle owners according to their requirements, having an in-house complaints process which allows for the swift and fair resolution of customer complaints, and directing consumers to The Motor Ombudsman's independent and fully impartial automotive-specific Alternative Dispute Resolution (ADR) service should concerns not be resolved between the two parties in the first instance.

In the full calendar years that followed The Motor Ombudsman's foundation in 2016, the motoring authority has received in excess of 22,500 contacts from consumers up until the end of 2023, in relation to an extended warranty product. During the same period, over 2,200 new cases were accepted for adjudication i.e. those which fall within the remit of the Code of Practice, and which relate to an accredited business. Common breaches of the Code by businesses have related to potentially unclear information being provided to policyholders, and customers not having a full understanding of the terms and conditions at the point of sale and making a claim, due to the standard of material provided.

In addition to being able to call on The Motor Ombudsman for assistance with bringing disputes to a close, accreditation brings a number of exclusive benefits and opportunities for warranty provider head offices.

These include the ability to attend The Motor Ombudsman's Code committee and industry round-tables, exclusive webinars and events, and to be profiled on The Motor Ombudsman's popular website (TheMotorOmbudsman.org). Warranty providers are equally eligible to be nominated by policyholders for one of the coveted Motor Ombudsman Customer Service Star Awards, which are now open for submissions until mid-October. The accolades have been geared to put businesses and individual team members in the spotlight, after going above and beyond the call of duty in the eyes of consumers.

Bill Fennell, Chief Ombudsman and Managing Director of The Motor Ombudsman, said: "We are delighted to be celebrating this notable milestone for our Vehicle Warranty Products Code across our organisation, and with businesses. The Code of Practice has served as an important cornerstone of the extended vehicle warranty market since it was first unveiled 15 years ago, and has been paramount in driving standards even higher in the provision and management of these popular policies for today's motorists."

Bill added: "To be approaching a portfolio of nearly 20 accredited businesses, highlights the great value that many of the industry's key players place in being a part of the Code, and we look forward to expanding this portfolio going forward, so that it provides even greater coverage for consumers taking out an extended warranty."

To view The Motor Ombudsman's Vehicle Warranty Products Code, visit [www.TheMotorOmbudsman.org/consumers/our-codes-of-practice/vehicle-warranty-products-code](http://www.TheMotorOmbudsman.org/consumers/our-codes-of-practice/vehicle-warranty-products-code).

## **ENDS**

### **Notes to editors**

#### **About The Motor Ombudsman**

The Motor Ombudsman is the independent and impartial Ombudsman dedicated solely to the automotive sector, and self-regulates the UK's motor industry through its comprehensive Chartered Trading Standards Institute (CTSI)-approved Codes of Practice. Thousands of businesses, including vehicle manufacturers, warranty product providers, franchised dealers and independent garages, are accredited to one or more of the Codes, which drive even higher standards of work and service, and give consumers added protection, peace of mind and trust during the vehicle purchase and ownership experience.



For more information on The Motor Ombudsman, visit [www.TheMotorOmbudsman.org](http://www.TheMotorOmbudsman.org).

#### **About the Motor Industry Code of Practice for Vehicle Warranty Products**

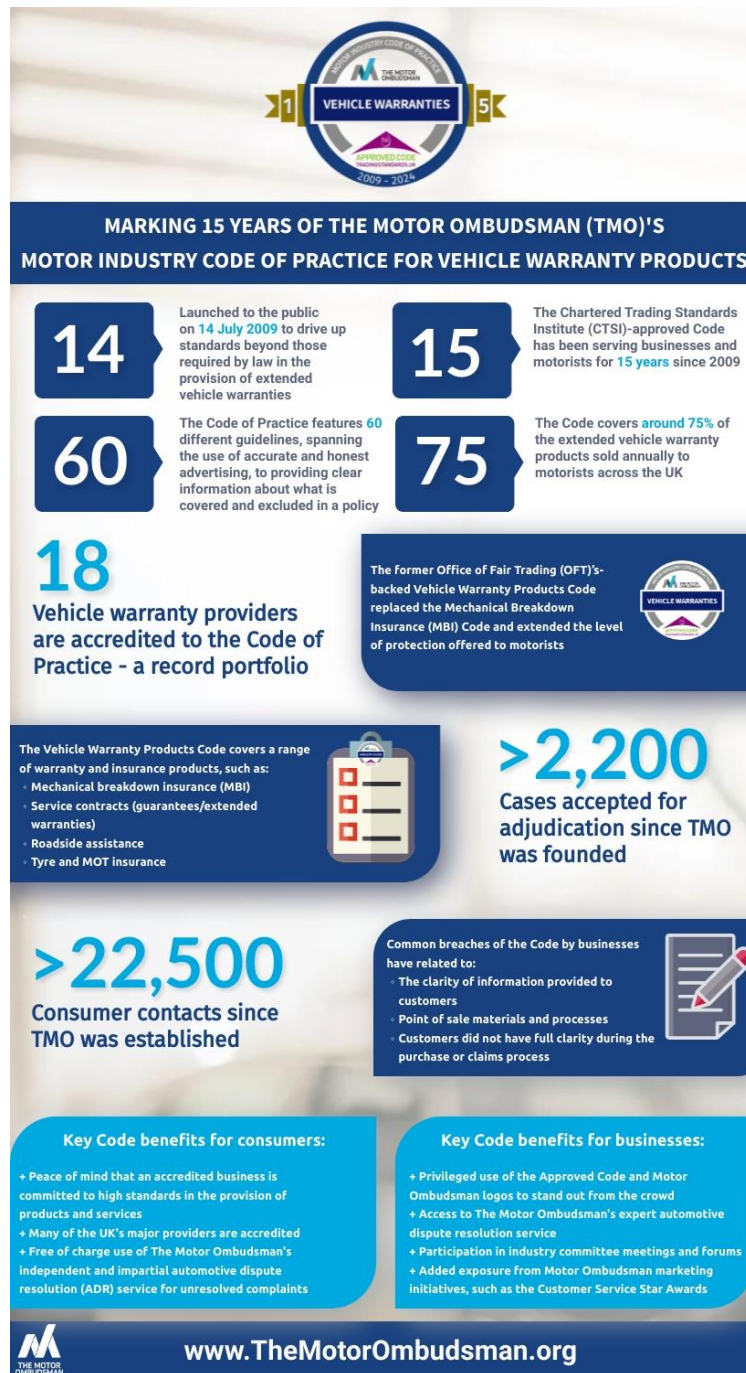
Unveiled in 2009, the Motor Industry Code of Practice for Vehicle Warranty Products aims to provide guidelines for the supply of automotive warranties, including coverage of both insured and non-insured products. The Code covers around 75% of the extended vehicle warranty products sold annually, providing consumers with additional protection when taking out a policy with an accredited business.

The Code covers the following automotive products:

- Mechanical breakdown insurance (MBI);
- Service contracts (guarantees / extended warranties);
- Roadside assistance;
- MOT insurance;
- Tyre insurance;
- Alloy insurance;
- Key insurance;
- Cosmetic insurance;
- Guaranteed asset protection (GAP);
- Vehicle replacement insurance (VRI); and
- Return to invoice insurance (RTI).

To view FAQs on The Motor Ombudsman's Knowledge Base in relation to extended warranties, visit [www.TheMotorOmbudsman.org/kb-cats/extended-warranties](http://www.TheMotorOmbudsman.org/kb-cats/extended-warranties).

### Infographic: 15 years of The Motor Ombudsman's Vehicle Warranty Products Code



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