



**THE MOTOR
OMBUDSMAN**

Independent Compliance Assessment Panel (ICAP)

Annual Compliance
Report 2024



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TheMotorOmbudsman.org

Managing Director and Chief Ombudsman's foreword



Bill Fennell
Managing Director

Despite price rises slowing thanks to inflation returning to single digits, and interest rates falling, the cost-of-living crisis continued to form the economic backdrop in the UK throughout 2024, resulting in sustained pressures on household budgets, and a growing drive by consumers to make every penny count.

This means that when something goes wrong with a vehicle – a product that carries a notable financial and emotional investment, consumers may be more driven to pursue effective avenues to achieve a resolution which meets their satisfaction.

With The Motor Ombudsman today being a leading provider of ADR in the motor industry, and the first port of call for many consumers when they are unable to conclude a dispute with a business, demand for our service in this challenging climate once again reached record levels, as did the complexity of evidence submitted by individuals when putting forward their case. In 2024, we recorded over 175,000 contacts and accepted more than 11,500 new cases for adjudication, equating to a rise of around 40% versus the volumes seen the previous year – the largest annual increase we have seen since the establishment of The Motor Ombudsman in 2016.

To mirror this increasing use of our service, we grew our headcount to its highest-ever level, and implemented further rigorous assessments during the recruitment process to ensure that we always have team members joining our business with the right calibre, skillset and experience, in line with needs of our growing organisation.

The UK motor industry maintained an upward trajectory

Against this landscape of strained consumer finances, the UK motor industry witnessed a positive year, with close to two million new cars leaving forecourts. As the new ZEV mandate came into force for the first time in January, requiring vehicle manufacturers to sell a growing proportion of EVs, zero emission vehicles also saw their highest-ever sales volumes and market share in the UK (at nearly 20%) – a year which also witnessed the new Labour government restore the ban of new petrol and diesel vehicles to 2030.

In another boost for UK automotive, used car transactions grew nearly 6% year-on-year after eight consecutive quarters of growth, with over 7.6 million vehicles changing hands in 2024. Reflecting the trend seen in the new car sector, second-hand EVs equally saw a surge in demand as adoption grew amongst consumers, with purchases increasing by 60% compared to 2023, resulting in about 188,000 zero emission vehicles going to new owners.

A year of celebration for The Motor Ombudsman

During 2024, we marked two key milestones for our Motor Industry Codes of Practice – the first being the 15th anniversary of the launch of our Vehicle Warranty Products Code, which saw our portfolio of accredited businesses grow to 18 in 2024. We equally commemorated 20 years since our New Car Code gained full 'Stage Two' approval from the former Office of Fair Trading (OFT), which is today adhered to by a record number of vehicle manufacturers (46) – a portfolio which counts new UK market entrants, such as OMODA and GWM.

Building on previous achievements, we were delighted to be awarded Gold status from Investor's in People (IIP) – the international benchmark for workplace standards and people management. This underlines the continued investment in our staff, and our ongoing commitment to their development and career progression.

Finally, we saw the greatest number of businesses being nominated in the fifth year of our Star Awards contest, coupled with a record number of submissions from consumers – at close to 3,300. This reinforces the continued growth of the profile of the competition in the automotive sector.

Looking ahead to 2025...

After reporting a notable year-on-year increase in the number of cases and consumer contacts coming into our service, and against a backdrop of strained household finances and increased used car purchases during the year – one of the biggest sources of disputes, we expect a sustained level of high consumer demand in 2025, albeit at a slower pace of growth according to our latest forecasts.

As well as ongoing recruitment, coupled with the enhancement of back-office systems, to ensure that we have sufficient resource to assist with the resolution of motoring disputes, and maintain our high standards of service, our principal areas of focus as an organisation for 2025 will be to:

- ▶ Introduce A.I. to assist in summarising the increasing size of the case files we receive, thereby increasing staff productivity and case outcomes;
- ▶ Continue to reinforce our authority in the sphere of Alternative Dispute Resolution in the automotive sector, and to be the provider of choice for businesses and consumers;
- ▶ Further drive down enquiry-to-case decision timeframes, and enhance the quality of decision-making across key touchpoints;
- ▶ Introduce new training and development initiatives to enhance the learning of employees;
- ▶ Increase the volume of businesses accredited to our Codes of Practice; and
- ▶ Drive further awareness of The Motor Ombudsman amongst businesses and consumers.

A celebration of key anniversaries

In 2025, we will also be marking the 10-year anniversary of the introduction of the Consumer Rights Act 2015, and the Alternative Dispute Resolution (ADR) Regulations, which both sit at the heart of our service when delivering outcomes to consumers and businesses.



ICAP Chair's foreword



Tim Milsom
ICAP Chair



2024 has been a challenging yet transformative period for The Motor Ombudsman. Amidst economic pressures and evolving consumer behaviours, its commitment to resolving automotive disputes fairly and efficiently has remained steadfast. This report provides a comprehensive overview of achievements, and the positive contribution it has made to consumers and the automotive sector during the year.

Key highlights of 2024 are as follows:

Economic pressures on car maintenance

Due to the ongoing cost-of-living crisis, many car owners have been postponing routine maintenance and repairs to save money. This trend has raised concerns about increased mechanical issues and potentially higher repair costs in the future.

Support for garages

Garages have faced rising operational costs, taxes, and utility bills, which have significantly impacted their businesses. The Motor Ombudsman has worked closely with the industry to address these challenges. Its most recent surveys revealed that 89% of businesses identified rising operational costs as their biggest challenge, affecting their ability to recruit qualified technicians.

Consumer behaviour

The same study also indicated that 56% of garages expect consumers to continue postponing essential repairs in 2025 to save money. Furthermore, 48% of garages forecasted that vehicle owners would forgo routine maintenance to cut short-term costs. Despite these trends, 42% of garages are committed to absorbing increased expenses to protect consumer finances.

Vehicle longevity

With economic pressures, 68% of garages reported that customers are keeping their cars for longer periods, making looking after them with regular checks even more critical. The Motor Ombudsman

has continued to emphasise the importance of regular maintenance to ensure vehicle safety and longevity.

Dispute resolution and consumer protection

In 2024, The Motor Ombudsman continued to provide comprehensive dispute resolution services, in accordance with its Codes of Practice. This has been instrumental in maintaining consumer trust and confidence in the automotive industry. The Motor Ombudsman also handled a record number of cases, helping consumers and businesses resolve disputes effectively. Notable case studies published on its website highlighted issues, such as price discrepancies, repeated mechanical failures, warranty exclusions, and premature corrosion.

The remit of the Independent Compliance Assessment Panel

During 2024, the Independent Compliance Assessment Panel (ICAP) once again played its role in maintaining the integrity and transparency of The Motor Ombudsman's dispute resolution process. Comprised of members from various sectors, ICAP ensures that the processes by which The Motor Ombudsman reaches its outcomes, are fair, timely, and impartial.

The ICAP Panel is made up from representatives from consumer organisations, other Ombudsmen, Trading Standards, and industry professionals. This diversity brings a wide range of perspectives and expertise, enhancing the panel's ability to assess and improve The Motor Ombudsman's services.

The ICAP Panel meets three times a year to oversee The Motor Ombudsman's primary role of dispute resolution. Members also review a number of randomly selected cases that have been handled by The Motor Ombudsman to ensure that decisions are consistent, and based on sound reasoning in accordance with the relevant Codes of Practice.



Benefits of the ICAP Panel to The Motor Ombudsman are as follows:

- ▶ **Enhances fairness and transparency;**
- ▶ **Provides independent oversight;**
- ▶ **Reviews decision consistency;**
- ▶ **Improves accountability;**
- ▶ **Provides independent performance monitoring;**
- ▶ **Assesses the overall performance of The Motor Ombudsman:** Members offer valuable feedback and recommendations for improvement. This helps The Motor Ombudsman to remain accountable and continuously enhance its services;
- ▶ **Consumer satisfaction:** The inclusion of consumer satisfaction survey results within the annual ICAP Report provides valuable insights into the effectiveness of the dispute resolution process, and identifies areas where improvements can be made;
- ▶ **Delivers industry expertise:** With members from various sectors, including consumer organisations and other Ombudsman services, ICAP brings diverse perspectives and industry insight that help The Motor Ombudsman stay aligned with best practice; and
- ▶ **Reputation enhancement:** With its oversight role, ICAP ensures that The Motor Ombudsman's decisions are fair and just, thus enhancing the overall reputation of the organisation, and making it a trusted entity amongst businesses and consumers for resolving automotive disputes.

In conclusion, my role as Chair of the Panel has continued to be focused on ICAP's remit to review cases, monitor performance, and provide recommendations to The Motor Ombudsman. This independent oversight ensures that the organisation operates with the highest standards of fairness, transparency, and accountability, ultimately benefiting both consumers and businesses in the automotive industry.

As in previous years, I would like to take this opportunity to sincerely thank ICAP members for their time and commitment during 2024.

The following annual compliance report provides evidence that the work of The Motor Ombudsman is adhering to its set objectives, and is compliant with the requirements of:

- ▶ The Ombudsman Association Service Standards Framework; and
- ▶ The Chartered Trading Standards Institute (CTSI) to be an approved ADR body, and to be part of its Approved Code Scheme.

SECTION 1:

Introductions and annual survey results

- 1.1 The Independent Compliance Assessment Panel (ICAP)
- 1.2 The Motor Ombudsman
- 1.3 Annual consumer and business survey results
- 1.4 Customer service complaints about The Motor Ombudsman
- 1.5 Positive consumer testimonials about The Motor Ombudsman
- 1.6 Annual accredited business survey highlights



“The Panel is tasked with monitoring the effectiveness of The Motor Ombudsman.”

1.1 The Independent Compliance Assessment Panel (ICAP)

Panel members

Under the existing Constitution, and for the purpose of impartiality, only a quarter of individuals may be employed within the automotive sector.

The Panel consists of the following members:



Tim Milsom
ICAP Chair

Tim Milsom is an independent Trading Standards motoring consultant and an experienced automotive industry professional. Tim was formerly the director of an award-winning independent garage for over 27 years. He also specialised in Trading Standards and Regulatory Compliance within the automotive sector, and brings experience in product safety, compliance, risk management and stakeholder engagement. Tim has developed Trading Standards business support / business education initiatives, including guidance and advice, training and professional

development, and other business support programmes relating to regulatory activities.

Furthermore, Tim served as a Used Car Commission member, a government-commissioned project to examine the root causes of complaints in the used car industry. It involved the liaison with a broad spectrum of commission members, the gathering and analysis of their input, and contributing to the drafting and development of reports.



Sarah Terrey
Vice Chair

Sarah Terrey is a Senior Improvement Officer at the Parliamentary and Health Service Ombudsman, leading its Service Model and casework policy and guidance. She has been working at the office for almost a decade, initially across a range of casework roles, before moving into her current position five years ago.

Sarah has also represented her office at the Ombudsman Association's casework interest group for the past four years. As part of this role, she has presented with other association members on casework topics at two annual conferences.



Frances Harrison

Frances is a non-executive board member of The Motor Ombudsman. In addition, she serves as an Independent Advisory Member of the Commission for Local Administration in England, which oversees the Local Government and Social Care Ombudsman. Frances is also a board member of the Consumer Code for Home Builders, and a member of the Finance and Leasing Association's Lending Code Group. In a voluntary capacity, she is the Vice Chair of Brighton and Hove Citizens Advice, and represents Citizens Advice on the British Standards Institution Consumer Forum Council.

In the past, Frances has served as a member of the Legal Services Consumer Panel and the Financial Services Consumer Panel, and worked for the National Consumer Council as Head of Policy Research and Development, Citizens Advice providing support for local offices in consumer law and practice, and for local authorities where she managed consumer advice services. She chaired the Consumer Congress and the Institute of Consumer Affairs, and has represented consumers on a range of government and trade body working groups.

**Kate Hobson**

Kate has been involved in consumer advice since 2002 when she joined West Yorkshire Trading Standards Service as a consumer adviser. She led a team of consumer advisers in the Yorkshire and Humber Consumer Direct contact centre between 2004 and 2009, when she moved to quality assurance of advice within Consumer Direct. The Citizens Advice consumer service replaced Consumer Direct from 1st of April 2012, and Kate moved to Citizens Advice, where she began

monitoring performance and quality of contact centres, and then transferred to subject matter expertise. Focusing on consumer protection law and industry specific protections for energy and post, the priorities of Kate's current role are to research anything that affects advice given to consumers and accuracy, and to check Citizens Advice online consumer content, and to advise learning materials and campaign resources.

**Owen Kennedy**

Owen Kennedy is a Chartered Trading Standards Practitioner with nearly 40 years' experience in Trading Standards work. Nationally, he is the Lead Officer for the motor trade for the Chartered Trading Standards Institute.

The motor industry has been a constant theme throughout Owen's career, and he is currently working in Doncaster, overseeing the South Yorkshire Motor Trade Partnership,

which provides training and support to over 80 dealerships across four authorities and the associated ADR scheme. In addition, he manages Doncaster's Primary Authority scheme providing Trading Standards support to 10 motor groups.

**Duncan MacRae**

Duncan MacRae continues to work within the motor industry, currently as a member of the senior management team at Copart UK, as Head of Performance, Quality and Risk. Duncan previously worked for many years at The Automobile Association (AA), serving in a variety of positions. During his tenure, he oversaw various operations, including the management of the Supplier Network Management department, the Garage Approval programme within the UK, the

AA brand within the UK, Police National Vehicle Recovery Schemes, and the Dealership Quality Standards Programme.

Duncan also previously oversaw the Garage Inspection contract for The Motor Ombudsman prior to the introduction of the self-assessment, bringing insight to the panel of the operational activities.

**Tim Roberson**

Tim Roberson is a former senior economist at the Office of Fair Trading (OFT), which has now merged with the Financial Conduct Authority (FCA) and the Competition and Markets Authority (CMA). Previously he worked at HM Treasury, the Department of the Environment and the Department for Transport.

Employed for over 20 years at the OFT, Tim was involved in a wide range of investigations, including consumer credit, extended warranties, new car warranties, payment protection insurance, private medical insurance and

current account banking. Other responsibilities included assessing unfair contract terms and commercial practices and their relationship with influences on consumer behaviour, and the scope for self-regulation (Codes of Practice) to give added protection to consumers.

Since 2010, Tim has been a member of the National Consumer Federation's Executive and Legislation Committees. Between 2012 and 2015, he was a member of the Consumers' Association (Which?) Council of Trustees.

1.2 The Motor Ombudsman

1.2.1 Overview

Established in 2016, 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.



```

graph TD
    subgraph Stage1 [1 COMPLAINT TO BUSINESS  
(8 weeks to respond) unless mutual deadlock agreed]
        direction LR
        S1_1[Customer complains to TMO-accredited business] --> S1_2[TMO-accredited business considers the complaint and tries to resolve it]
        S1_2 --> S1_3[If a resolution is not reached, the customer can escalate this to TMO]
    end

    subgraph Stage2 [2 CONSUMER ENQUIRY]
        direction RL
        S2_1[Case is received by TMO*] --> S2_2[TMO notifies the business about the dispute]
        S2_2 --> S2_3[The business resolves the dispute]
    end

    subgraph Stage3 [3 CASE INVESTIGATION]
        direction LR
        S3_1[Case administrator collates evidence from the consumer] --> S3_2[Case administrator asks the business for a response]
        S3_2 --> S3_3[Business provides a mutually-agreeable 'early resolution']
    end

    subgraph Stage4 [4 MEDIATION]
        direction RL
        S4_1[Case checked for mediation suitability] --> S4_2[If both parties agree, a mediation session takes place]
        S4_2 --> S4_3[Mediation is successful]
    end

    subgraph Stage5 [5 ADJUDICATION]
        direction LR
        S5_1[Adjudicator reviews the complete case file] --> S5_2[Adjudicator provides their outcome]
        S5_2 --> S5_3[Both parties accept the outcome]
    end

    subgraph Stage6 [6 FINAL DECISION]
        direction RL
        S6_1[Ombudsman reviews the case] --> S6_2[Ombudsman may seek more information if required]
        S6_2 --> S6_3[Ombudsman makes final decision]
    end

    S1_3 -.-> S2_1
    S2_3 -- YES --> S3_1
    S2_3 -- NO --> S4_1
    S3_3 -- YES --> S4_1
    S3_3 -- NO --> S4_1
    S4_3 -- YES --> S5_1
    S4_3 -- NO --> S4_1
    S5_3 -- YES --> S6_1
    S5_3 -- NO --> S6_1
    S6_3 -- YES --> S6_1
    S6_3 -- NO --> S6_4[Case may be eligible to be reviewed by an ombudsman]
    S6_4 -- YES --> S6_1
    S6_4 -- NO --> S6_1
    S6_1 --> CC[CASE CLOSED]
  
```

1 COMPLAINT TO BUSINESS
(8 weeks to respond) unless mutual deadlock agreed

Customer complains to TMO-accredited business → TMO-accredited business considers the complaint and tries to resolve it → If a resolution is not reached, the customer can escalate this to TMO

2 CONSUMER ENQUIRY

Case is received by TMO* → TMO notifies the business about the dispute → The business resolves the dispute

3 CASE INVESTIGATION

Case administrator collates evidence from the consumer → Case administrator asks the business for a response → Business provides a mutually-agreeable 'early resolution'

4 MEDIATION

Case checked for mediation suitability → If both parties agree, a mediation session takes place → Mediation is successful

5 ADJUDICATION

Adjudicator reviews the complete case file → Adjudicator provides their outcome → Both parties accept the outcome

6 FINAL DECISION

Ombudsman reviews the case → Ombudsman may seek more information if required → Ombudsman makes final decision

Case may be eligible to be reviewed by an ombudsman

CASE CLOSED

1.2.3 Benefits of The Motor Ombudsman for consumers

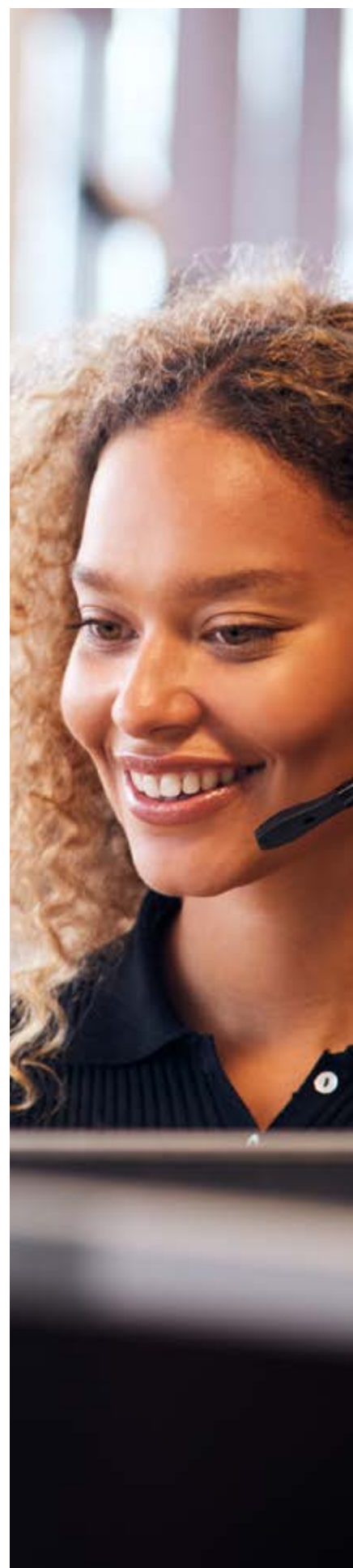
The Motor Ombudsman offers consumers the following key benefits:

- ✓ A clear channel and single point of contact for all motoring-related disputes
- ✓ Free access to the alternative dispute resolution (ADR) and ombudsman service, which is in-house from start to finish
- ✓ Guidance through the entire dispute resolution process to get a fair and impartial outcome
- ✓ The ability to participate in mediation as part of the early resolution process
- ✓ Avoids the need for increased detriment through costly legal and court appearance fees
- ✓ Increased confidence and peace of mind when buying or servicing a new or used car that the accredited business is meeting high standards of service and workmanship
- ✓ A [Code of Practice portfolio](#) that covers the entire customer purchase and vehicle ownership experience
- ✓ The ability to search for a local garage / dealership or bodyshop that is accredited to the Service and Repair and / or Vehicle Sales Codes
- ✓ First-hand customer reviews and ratings on the online [Garage Finder](#) to make an educated decision when choosing a garage
- ✓ The Motor Ombudsman website provides a valuable resource for motoring-related information on topics, such as vehicle maintenance and [electric vehicles](#)
- ✓ Access to an [online recalls database](#) on The Motor Ombudsman website to check whether a specific vehicle (by VIN) has been recalled
- ✓ Access to a library of online [case studies](#) to view previous adjudication outcomes and final decisions taken by The Motor Ombudsman
- ✓ The ability to consult over 200 informative articles across 11 different categories on The Motor Ombudsman's [Knowledge Base](#), which look at subjects such as, car ownership, distance sales, dispute resolution, mediation, and electric vehicles prior to submitting a case

1.2.4 Benefits of accreditation to The Motor Ombudsman for businesses

Accreditation to The Motor Ombudsman offers businesses the following key [benefits](#).

- ✓ Allows them to demonstrate their commitment to the highest levels of care and workmanship and an open and transparent way of undertaking business
- ✓ Unlimited and tailored information from a team of legally experienced and trained adjudicators, who are all in-house
- ✓ Guidance through the entire dispute resolution process to get a fair and impartial outcome
- ✓ The ability to participate in mediation as part of the early resolution process
- ✓ Avoids increased detriment through costly solicitor and court fees
- ✓ Full use of The Motor Ombudsman and CTSI Approved Code logos at their premises, and on their customer-facing literature and website
- ✓ A dedicated profile on the [Garage Finder](#) which can help to drive footfall, new business leads and revenue
- ✓ Valuable ratings and reviews from customers on their Garage Finder profile
- ✓ Amplified exposure through The Motor Ombudsman's marketing and PR activities
- ✓ Exclusive access to interactive and smart dashboards to allow accredited businesses to view the progression of customer contacts through the dispute resolution process, as well as the principal reasons for consumer complaints
- ✓ The DVSA will record whether a vehicle testing station (VTS) is a member of a Chartered Trading Standards Institute (CTSI)-approved Code of Practice during the MOT test centre inspection, which may help to consider a business as low risk, thereby resulting in reduced regulatory checks
- ✓ A certificate demonstrating commitment to one or more of The Motor Ombudsman's [Codes of Practice](#)
- ✓ The ability to enter The Motor Ombudsman's [Star Awards](#) to gain valuable exposure and recognition for the exceptional work and service provided to consumers



1.2.5 2024 activity highlights by month

January

- ▶ TMO released results of its [survey of service and repair businesses](#) revealing that operational costs were the main challenge in 2023.
- ▶ **Alpine** and **OMODA** gained accreditation to the New Car Code.

February

- ▶ TMO highlighted the considerations when consumers put down a **deposit** for a car purchase.
- ▶ TMO reported on the EV disputes seen in 2023.
- ▶ TMO passed its annual **Approved Codes** audit.

March

- ▶ TMO marked **International Women's Day** with Q&A-style interviews with females in the motor industry.
- ▶ TMO released results of a study about the **key drivers** behind used car purchases.

April

- ▶ TMO announced a new partnership with insurance broker **Howden**.
- ▶ TMO received **Gold** accreditation from **Investors in People (IIP)**.
- ▶ TMO introduced its new forum for **garages**.

May

- ▶ TMO hosted its **Annual Business & Law Conference**.
- ▶ TMO launched its fifth annual **Star Awards** contest.
- ▶ Members of **ICAP** met with TMO, and TMO published its **2023 ICAP Report**.

June

- ▶ TMO launched its '**Make Time for Tyres**' campaign at the **UK Garage & Bodyshop Event** in Birmingham.
- ▶ TMO attended the OA and TyreSafe conferences.
- ▶ **Händler Protect** joined the Vehicle Warranty Code.

July

- ▶ **INEOS Automotive** joined TMO's Codes of Practice.
- ▶ TMO marked **15 years** of the Vehicle Warranty Products Code.
- ▶ TMO hosted the second of the three **ICAP** meetings planned for 2024.

August

- ▶ TMO revealed the results of a study highlighting **generational 'Car Confidence'**.
- ▶ **BMW ORA** joined TMO's New Car Code.
- ▶ TMO highlighted the importance of a **valid MOT**.

September

- ▶ TMO marked the 20th anniversary of the **New Car Code** gaining full approval.
- ▶ TMO hosted a webinar on the **new car market**.
- ▶ TMO highlighted tips for added vehicle safety for the **school run return**.

October

- ▶ TMO was on show at the first **Aftermarket Event**.
- ▶ TMO presented the Customer Service trophy to Adam Green Motors at the **Servicesure Awards**.
- ▶ TMO marked **OmbudsDay** on **social media**.

November

- ▶ Members of ICAP met with TMO.
- ▶ TMO launched its '**Car-istmas**' campaign.
- ▶ TMO announced the winners of its 2024 Star Awards – the fifth edition of the competition.

December

- ▶ TMO presented the **National Garage Star trophy** to AJ Fleetcare at CTSI's **Hero Awards**.
- ▶ TMO handled over **175,000** contacts and accepted **11,500** cases in 2024 – a new annual record.

1.3 Annual consumer survey results

The Motor Ombudsman conducts annual barometer surveys of consumers and its accredited businesses, as a measure of awareness and the satisfaction of the services that it provides year on year.

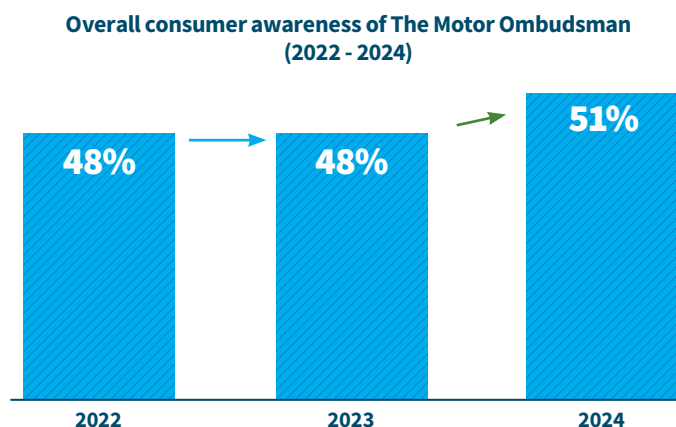
1.3.1 Consumer brand awareness survey highlights

Background

2024 was the eighth consecutive year that The Motor Ombudsman has carried out a consumer awareness study. A total of **1,001** individuals from across a representative sample of UK driving licence holders were surveyed for the study between 5th and 9th September 2024.

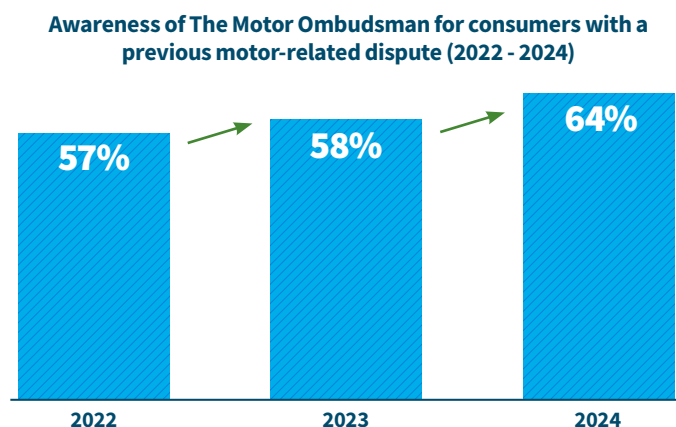
Key research findings

- ▶ **Overall consumer awareness of The Motor Ombudsman in 2023 has remained in line with the awareness score achieved in 2024**



In 2024, more than half of individuals surveyed (**51%**) said that they were aware of The Motor Ombudsman, which is a three-year-high when compared to the figure of 48% recorded in 2023 and 2022.

- ▶ **Awareness of The Motor Ombudsman for consumers who previously had a motor-related dispute has increased by six percentage points to 64% in 2024**

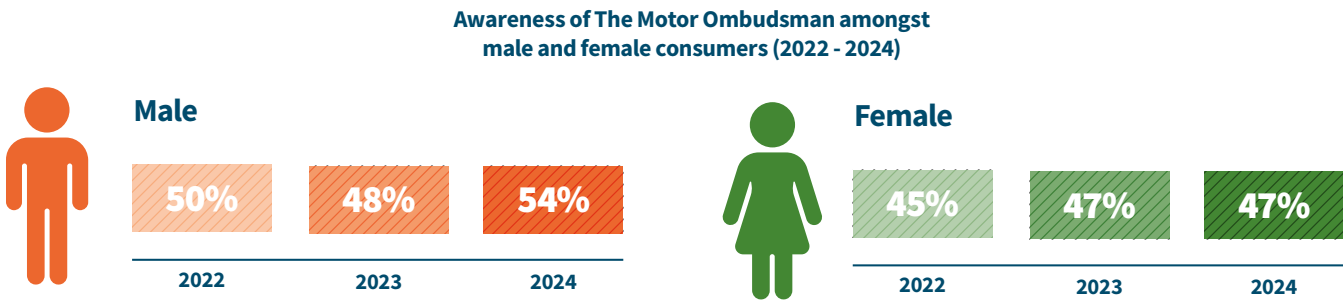


Similarly, in an encouraging trend, for those consumers who had previously had a motor-related dispute, awareness of The Motor Ombudsman also increased to a three-year-high, after rising by six percentage points year-on-year to 64% when compared to the level seen in 2023 (58%).

Assumptions for awareness being higher in 2024 compared to previous years, could be put down to the level of cases and contacts coming into The Motor Ombudsman rising by 40% year-on-year, driven by the backdrop of a cost-of-living crisis and ongoing financial strains on motorists. As well as increased media coverage, there was equally a greater number of consumers consulting The Motor Ombudsman's website during the year for assistance in resolving a motoring-related complaint, which was likely to be another factor contributing to the higher score in 2024.

For those who had not had a dispute relating to a vehicle, consumer awareness of The Motor Ombudsman rose slightly to 39% in 2024 (the same figure seen in 2022), from 37% in 2023.

► Overall consumer awareness of The Motor Ombudsman varied between female and male respondents



Gender is an important measurement within the survey metrics to gauge the level of awareness and engagement across the consumer landscape. This is because The Motor Ombudsman may sometimes see certain consumers under-represented in the cases brought to them. As such, information on gender breakdown may help steer awareness and activities where this may be lower.

When compared to 2023, and consistent with the other data presented previously, familiarity with The Motor Ombudsman increased amongst men to 54% in 2024, versus 48% the year before, and 50% in 2022. In contrast, awareness remained the same amongst female respondents as that seen in 2023 at 47%, which, as a positive, was still higher than the level of 45% witnessed in 2022 and 2021.

► Echoing the trend seen in previous years, 18 to 24-year-olds were the most likely to have heard of The Motor Ombudsman in 2024 when compared to individuals in other age groups

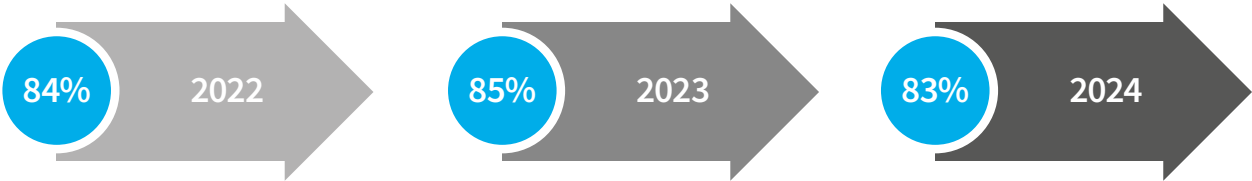
Awareness of The Motor Ombudsman by age group (2024 v 2023)

Age group	Percentage of age group who were aware of The Motor Ombudsman		
	2023	2024	2024 v 2023
18 to 24	58%	57%	▼
25 to 34	52%	67%	▲
35 to 44	57%	52%	▼
45 to 54	41%	48%	▲
55+	40%	42%	▲

Contrary to the trend witnessed in previous years, the research revealed that awareness of The Motor Ombudsman is now highest in the 25 to 34 age group during 2024. This is thanks to a year-on-year 15 percentage point jump in awareness, taking over from 18 to 24-year-olds – a group which saw a slight decline in familiarity with The Motor Ombudsman (from 58% in 2023 to 57% in 2024). This may be reflective of the increased pressures on disposable income for some of the UK’s youngest consumers due to the heightened cost of living, and delays in being able to take a driving test, meaning they may be possibly less likely to get behind the wheel of a car compared to individuals in other age groups, thereby lowering the chance of having a motoring-related dispute.

Awareness amongst 35- to 44-year-olds also reported a small annual drop, from 57% to 52% respectively, but rose amongst both the 45 to 54 age group, and the over 55s. However, according to the latest research, consumers in the 55+ category are the least likely to know about the Ombudsman for the automotive sector – at only 42% of people within this age group, although this is still an improved position versus the statistic recorded previously in 2023.

► **In 2024, 83% of consumers said that they would feel more confident using a Motor Ombudsman-accredited business for a vehicle purchase or repair**

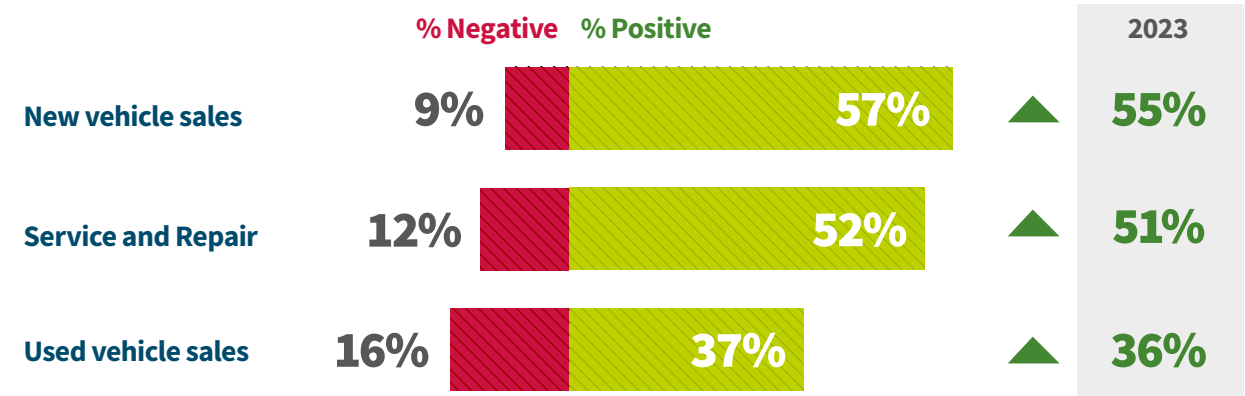


Similar to the figures recorded in 2022 and 2023, the 2024 study showed that just over eight in 10 consumers (83%) would feel more confident using a business that is accredited to The Motor Ombudsman for their vehicle purchase, service or repair. However, this was the lowest score during the past three years, and is two percentage points off the high of 85% recorded in last year’s research. This small fall could be attributed to less people, on a relative year-on-year basis, being aware of the benefits of using an accredited business amongst the respondents who participated in the study.

► **For the sixth year in a row, the new vehicle sales sector was seen by consumers as the most positive area of the automotive industry**

Reflecting the trend seen since 2019, the new vehicle sales sector once again emerged as the most positively viewed area of the automotive sector in 2024, with 57% of the consumers surveyed having a favourable opinion, up from 53% in 2023. This was also higher than the proportion of positive responses received for both the service and repair (52%) and used car sectors (37%) in 2023.

View of the automotive industry by sector in 2024
(Percentage of consumers who answered negatively and positively)



According to the 2024 study, a near-similar proportion of consumers viewed the new vehicle sales sector in a positive light compared to the previous year. The metric recorded a two percentage point rise from 55% to 57%, and was also up from the figure of 53% noted in 2021, highlighting the increasingly encouraging view of the new vehicle sales market.

When looking at the perception of the new vehicle sales sector by gender, male and female respondents shared a more varied view, with 51% of females holding a positive view (up from 48% in 2023 and 2021, but below the figure of 52% in 2022), versus 62% of males (compared to 57% in 2023, and 56% in 2022).

When viewing sentiment by age group, 18 to 24-year-olds and 25 to 34-year-olds emerged as the most positive about the new vehicle sales sector (at 64% of respondents in this category). This is in contrast to those in the 45 to 54 age group, where just 47% of the respondents held this part of the automotive sector in high esteem, which was also down from the statistic of 51% witnessed in 2023.

When it came to the sale of new cars, only 9% of respondents held a negative view overall, up from 7% in 2023. Adverse sentiment recorded in the study was driven by factors, such as the perceived high price of new cars, a feeling which may be amplified by the higher cost of purchasing an electric vehicle, delays to new vehicles being delivered, the rate of depreciation after driving a new vehicle off the forecourt, as well as high-pressure selling techniques by retailers.

The used vehicle sales sector in 2024

Positive sentiment in relation to the used vehicle sector remained relatively low with just over a third (37%) of respondents saying they shared this opinion, up only very slightly from 36% in 2023.

In terms of the perception held by each of the sexes, males (34%) and females (40%) were less encouraged by the used vehicle sector in 2024 than in the previous year (38% and 41% respectively). When it came to the different age groups, 18 to 24-year-olds emerged as being the most upbeat about the used vehicle sector at (60%) compared with 56% in 2023. At the other end of the scale, it was those aged 55+ (25% in 2024, and 26% in 2023) and between 45 and 54 (33% in 2024, and 31% in 2023) who emerged as the most downbeat.

However, overall, respondents were more likely to have a neutral view of the sector, at 47% in 2024 (versus 48% in 2023), and when looking at the proportion of respondents discouraged by used vehicle sales, 16% held a negative view of this part of the automotive sector (the same as in 2023, compared to 18% in 2022, and 16% for this metric in 2021).

Reasons for the negative ratings cited by respondents, related to people having a lack of trust, cars being expensive and needing to haggle to get a good price, having a negative perception of used car salespeople, and receiving low part exchange values when trading their car in for another vehicle.

The service and repair sector in 2024

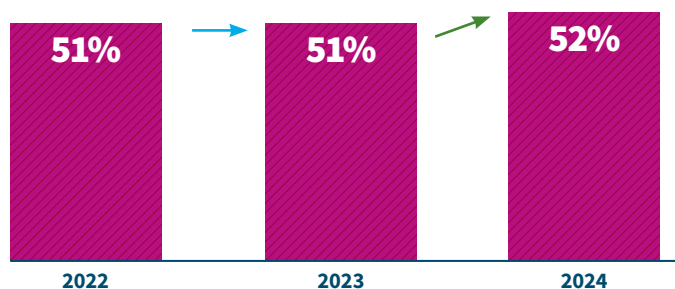
A mainly positive perception of the service and repair sector remained in 2024 with 52% of respondents sharing this sentiment, (compared to 51% in 2023). Furthermore, this score was significantly up from the statistic of 44% recorded in 2019.

When looking at the breakdown of opinion about the service and repair sector by gender in 2024, male respondents were once again more upbeat about this area of the automotive industry when compared to their female counterparts (57% versus 48%). For males, this is a 4% increase on the year before, but in contrast, this is a one percentage point drop for females.

For sentiment by age group, 68% of 18 to 24-year-olds felt optimistic about this area of the motor industry – the highest proportion of any age group surveyed, and up from 60% in 2023. They were followed by the 25 to 34s, where 60% of individuals in this category shared the same buoyant view, up very slightly from the figure of 59% seen in 2023. Conversely, the survey showed that over a third (35%) of 35 to 44-year-olds had a positive opinion about the service and repair sector, down from 52% last year.

Overall, just 12% had a negative view of the service and repair sector (12% in 2023), and 35% overall rated it as neutral. The research equally revealed 12% of males (a 1% decrease on 2023) and 12% of females (11% in 2023) shared negative sentiment. This could stem from individuals feeling as though they were being taken advantage of, high prices for maintenance and repairs, being overcharged, being told that unnecessary work was needed, as well as not knowing whether they could trust the proposed workscope by the business.

▶ **Percentage of respondents holding a positive view of the service and repair sector (2022 – 2024)**



Vehicle complaints made by survey respondents in 2024

For those that had a motoring-related complaint during 2024 (49% of the survey sample), the study revealed that:

- ▶ Almost a quarter (**27%**) were about a service or repair (up from 24% in 2023, and 25% in 2022);
- ▶ **12%** were in relation to a new car warranty (compared to 14% in 2023 and 2022);
- ▶ **16%** were about a used car purchase (staying consistent with the figure recorded in 2023, and up from 15% in 2022); and
- ▶ **4%** were in conjunction with a new car purchase (down from 5% in 2023 and 6% in 2022).

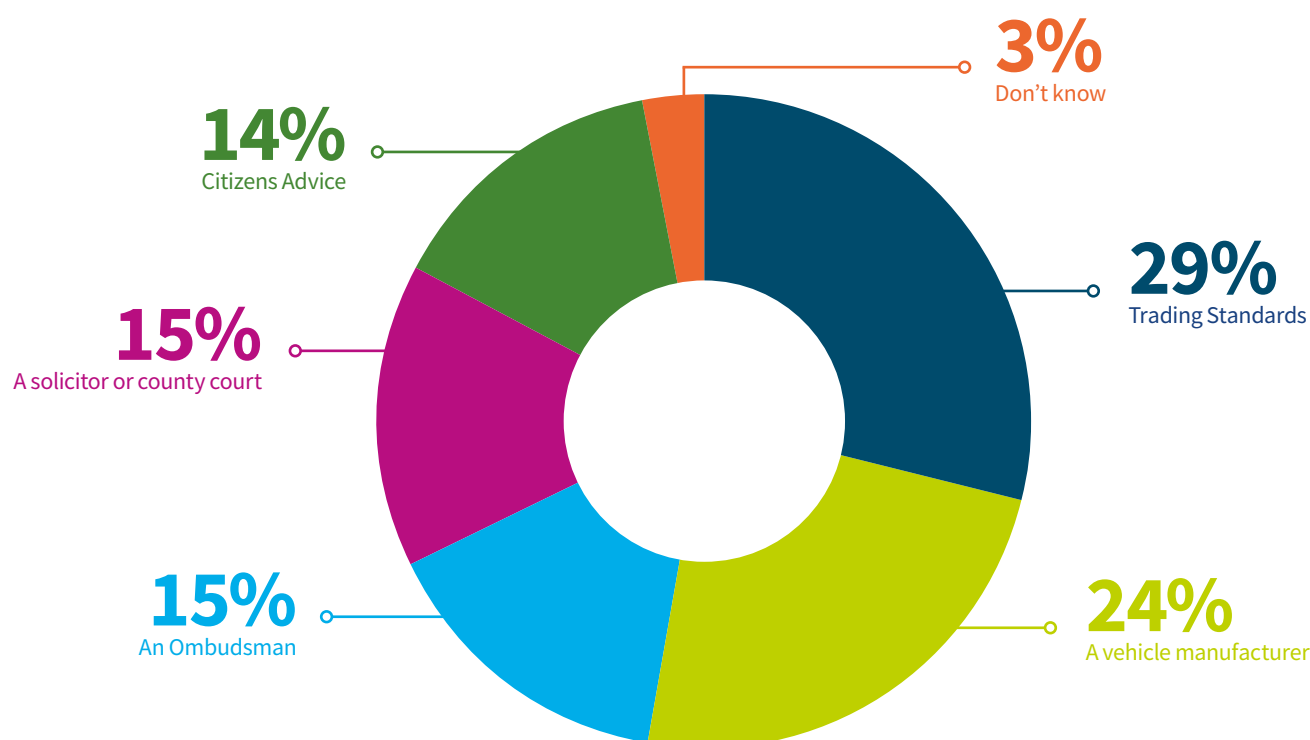
▶ In 2024, nearly 80% of people with a complaint about their vehicle, resolved it directly with a garage, service centre or dealership

How a respondent’s motoring complaint was resolved	Percentage resolved		
	2022	2023	2024
By the garage / service centre / dealership	72%	73%	77%
By the vehicle manufacturer	13%	13%	10%
Via a third party	4%	4%	3%
The complaint was not resolved	11%	10%	10%

For the survey respondents who had a motoring complaint in 2024, the majority – nearly 80%, had their issue resolved directly by the garage, service centre or dealership, a higher proportion versus that which has been seen during the last two years. The volume of disputes concluded with a vehicle manufacturer and via a third party, also fell very slightly year-on-year, whilst the level of unresolved complaints remained static at 10%.

- In 2024, and consistent with the trend last year, survey respondents explained that they were more likely to escalate an unresolved issue with a garage or car dealership to Trading Standards or a vehicle manufacturer, than to any other organisation

Where consumers were most likely to take their unresolved dispute with a garage or car dealership in 2024



If a complaint with a garage or car dealership remained unresolved, the 2024 study found that close to a third (29%) of consumers would refer their complaint to Trading Standards (down from 30% in 2023), whilst 24% would take their dispute to a vehicle manufacturer as the next point of call (compared to 25% in 2023 and 2022).

The study also highlighted that 15% of respondents would seek assistance with their unresolved dispute from an Ombudsman (down from 16% in 2023, and 14% in 2022), with the same proportion of consumers also stating that they would resort to legal action i.e. consulting a solicitor, the county court or a legal representative to help bring their complaint to a close (up from 13% in 2023 and 2022). A slightly lower proportion at 14%, would seek assistance with their dispute from Citizens Advice.

The importance of having an Ombudsman in the motor industry

- In 2024, **68%** of consumers deemed it essential for the motor industry to have an Ombudsman, because it provides a body to turn to if they can't resolve their issue directly with a garage or dealership (72% in 2023);
- Nearly two-thirds (**60%**) of respondents thought that it was important for the automotive sector to have an Ombudsman to help drive up standards (56% in 2023);
- **29%** felt it was important to be able to find out who the rated and recommended garages are their local area when they want to buy or service their car (30% in 2023); and
- A quarter (**25%**) of survey participants explained that it is important for the motor industry to have an Ombudsman, as it is not regulated (26% in 2023).

Key conclusions that may be drawn from the 2024 consumer awareness survey data, are as follows:

- ▶ Overall consumer awareness of The Motor Ombudsman increased to **51%** (the same level as in 2021), from 48% in 2023;
- ▶ Awareness of The Motor Ombudsman amongst consumers who had a dispute rose by six percentage points, from 58% in 2023, to **64%** in 2024;
- ▶ Individuals in the **25 to 34** age bracket, and **male** respondents, emerged as being the most aware of The Motor Ombudsman, taking over from 18 to 24-year-olds in 2023;
- ▶ Consistent with last year's trend, consumers were most likely to contact **Trading Standards** or a **vehicle manufacturer** if they had an unresolved dispute with a garage or car dealership;
- ▶ Over three-quarters of consumers (**77%**) said that they were able to bring their dispute to a close directly with a garage service centre or dealership – a slight rise from the statistic of 73% witnessed in 2023;
- ▶ Although slightly less in 2024 as a proportion of respondents, **68%** of consumers felt the most important reason for having an Ombudsman in the motor industry was because it provides someone to turn to if they can't resolve their issue directly with a garage or dealership. This was followed by having a body that promoted higher standards within the motor industry (**60%**).




1.4 Customer service complaints about The Motor Ombudsman

Since 2021, The Motor Ombudsman’s customer service complaints process has been divided into two distinct tiers to make the handling of service complaints clearer and more effective.

- **Tier 1 – Informal complaints** are described as informal expressions of consumer dissatisfaction, and are handled by team leaders. The Motor Ombudsman finds that the vast majority of issues can be resolved at this stage.
- **Tier 2 – Formal complaints** are those that then escalate to the senior ombudsman or the head of customer service and dispute resolution, and require a formal response.

Informal and Formal consumer complaints as a proportion of total contacts and cases (2022 – 2024)

	Total complaints as a percentage of total contacts received	Total complaints as a percentage of total adjudication cases accepted
2024	0.36*	5.5%*
2023	0.32**	5.3%**
2022	0.28***	4.7%***



- In 2024, The Motor Ombudsman handled **175,328** contacts and accepted **11,522** cases.

*2024: **Tier 1 Informal (607)** and **Tier 2 Formal (25) complaints** - a total of **632**.
2023: Based on **Tier 1 Informal (441) and **Tier 2 Formal (32) complaints** - a total of **473**.
***2022: Based on **Tier 1 Informal (262)** and **Tier 2 Formal (41) complaints** - a total of **303**.

► Informal and Formal consumer complaints by reason and stage

Complaint Tier	Case stage	Process	Delay	Outcome	Staff	Communication	Total
Tier 1 Informal complaints (2022 - 2024)	Enquiry (also known as Initial Assessment)						
	2024	5	23	19	2	13	62
	2023	9	1	7	5	9	31
	2022	8	0	2	4	3	17
	Early resolution						
	2024	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2022	0	0	0	1	1	2
	Mediation						
	2024	0	0	0	0	4	4
	2023	1	0	0	0	2	3
	2022	0	1	0	1	0	2
	Administration (formerly known as Investigation)						
	2024	14	197	19	3	20	253
	2023	9	85	19	9	23	145
	2022	4	29	2	7	11	53
	Adjudication						
	2024	5	119	23	5	26	178
	2023	14	22	25	21	22	104
	2022	4	25	25	10	20	84
	Final decision						
	2024	8	56	20	2	24	110
	2023	21	78	21	7	31	158
	2022	7	60	22	8	7	103

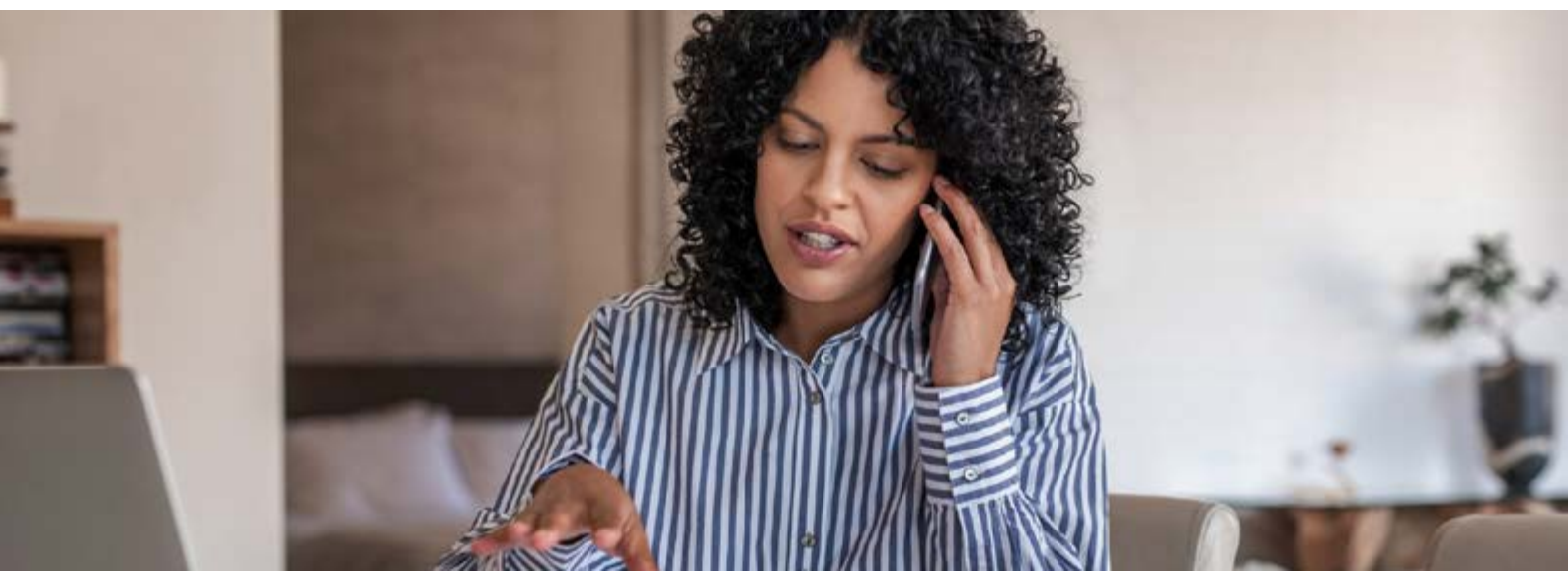
Complaint Tier	Case stage	Process	Delay	Outcome	Staff	Communication	Total
Tier 2 Formal complaints (2022 - 2024)	Enquiry (also known as Initial Assessment)						
	2024	0	1	1	0	0	2
	2023	0	0	1	0	0	1
	2022	0	0	0	3	0	3
	Administration (formerly known as Investigation)						
	2024	1	2	2	2	1	8
	2023	3	4	2	0	6	15
	2022	0	1	0	2	1	4
	Adjudication						
	2024	2	1	4	0	0	7
	2023	0	2	3	1	3	9
	2022	1	3	2	2	1	9
	Final decision						
	2024	0	5	3	0	0	8
	2023	1	0	4	1	1	7
	2022	3	6	10	4	2	25

When looking at the reasons behind the **607 Tier 1 Informal** complaints received from consumers during 2024:

- ▶ **14%** resulted from the level communication provided to consumers, an encouraging decrease versus the figure of 20% in 2023, and remaining similar to the level of 16% seen in 2022. Examples of communications issues cited by consumers included, not being told that their case was out of remit after waiting for a prolonged period following its submission, and not receiving calls back from Motor Ombudsman staff members.
- ▶ **18%** of consumer complaints occurred at the final decision stage, the lowest figure in the last three years - down from 36% in 2023 and 39% in 2022, highlighting the service level improvements that have been made in this area during the past 12 months.
- ▶ **29%** arose during the adjudication stage, up from 24% in 2023, but down from the figure of 32% witnessed in 2022.
- ▶ **42%** were seen at the case administration stage (formerly known as investigation), which was higher than the figure of 33% in 2023, and was over double the 20% statistic recorded in 2022.
- ▶ **65%** resulted from a delay in responding to consumers during the dispute resolution process, the highest figure in the last three years, and up from 42% in 2023, and from 44% in 2022. This likely stems from a continued backlog of older cases requiring decisions, coupled with the significant rise in the volume of contacts and cases that were received during the year against the backdrop of increased cost-of-living pressures for consumers.

When looking at the key drivers behind the **25 Tier 2 Formal** complaints received from consumers during 2023:

- ▶ **4%** resulted from the level of communication provided to consumers – a significant decrease from the figure of 31% reported in 2023 and 10% in 2022, showing the positive steps made in this area.
- ▶ **8%** related to the approach of staff, a further improvement compared to the figure of 6% in 2023, and continuing to remain far lower than the statistic of 27% in 2022.
- ▶ **28%** of complaints arose at the adjudication stage – a similar proportion to the final decision stage, and representing a slight increase versus 28% in 2023 and 22% in 2022.
- ▶ **32%** of complaints occurred at the final decision stage, up from the figures of 22% in 2023, but remaining far off the high of 61% seen two years prior in 2022.
- ▶ **32%** of complaints were equally reported at the case administration stage (formerly known as investigation), an encouraging decrease versus 47% in 2023, but remaining significantly up from 10% in 2022.
- ▶ **36%** stemmed from a delay in responding to consumers, the biggest driver of Tier 2 Formal complaints reported in 2024. This was nearly double the figure of 19% seen in 2023, and considerably higher than the 12% recorded in 2022.
- ▶ **40%** were caused by the outcome delivered to consumers, a marked rise of consumer discontent, when compared to 31% in 2023, and to 29% in 2022.



1.4.1 Negative consumer testimonials about The Motor Ombudsman

The following is a sample of negative testimonials from consumers who used The Motor Ombudsman's ADR service throughout 2024, and logged a complaint about the handling of their case on [Trustpilot](#). The table below also highlights the cause of the consumer's comments, as well as the response by The Motor Ombudsman in relation to their concerns.

Consumer / Month review left on Trustpilot	Extract of complaint made by the consumer on Trustpilot	Reasons for the consumer's complaint about The Motor Ombudsman's service	Response by The Motor Ombudsman
Mr. T January 2024	<i>"Terrible service, took over 12 months to come back with a weak reason as to why they would not uphold the complaint. They are clearly industry stooges and assume most people like myself are too busy/poor to pursue things through the courts."</i>	<ul style="list-style-type: none"> Mr. T logged a complaint on Trustpilot due to the extended delay to receive an adjudication decision, which was also not upheld in his favour. 	<ul style="list-style-type: none"> The adjudicator acknowledged the delay, which was due to the high volume of cases awaiting an outcome, and issued a decision in the fastest possible timescale based on the order of cases logged by consumers. Neither Mr. T, nor the business, responded to the outcome provided by the adjudicator, and the case was closed.
Mr. S March 2024	<i>"It's incredibly frustrating how unfair the system can be, always favouring big firms over individuals. I used to hear about this issue, but experiencing it first-hand really highlights the injustice."</i>	<ul style="list-style-type: none"> Mr.S questioned The Motor Ombudsman's impartiality in their Trustpilot review, as he did not think the adjudication was fair based on the evidence provided. He claimed that the business had given him incorrect information, and therefore chose not to proceed with the proposed repairs. 	<ul style="list-style-type: none"> The adjudicator highlighted that, based on the evidence provided, Mr. S had not incurred any losses due to not having further work carried out on his vehicle in line with the suggested course of action by the repairer. However, it was still acknowledged by The Motor Ombudsman that the evidence pointed to the supply of incorrect advice, meaning the case was partially upheld in Mr. S's favour. The adjudicator addressed the consumer's concerns about the decision when raised (i.e. that it was only a partial uphold), but no further response was received from Mr.S. The case was then closed.
Mr. P June 2024	<i>"Took far too long to respond, with no progress reports or any feedback."</i> <i>Waited since January for anything to happen. Promised someone would call me to discuss - nothing, no contact at all for four months. Then just an email."</i>	<ul style="list-style-type: none"> Mr. P. expressed dissatisfaction about the fact that he was expecting a call back from The Motor Ombudsman with an update on his case, but never received one after a prolonged wait. The consumer was also disappointed with the time it had taken to receive any news on the progress of their case. 	<ul style="list-style-type: none"> In response, the adjudicator explained that case notes and previous correspondence did not indicate a call back request, but had provided the required information by e-mail. The delay referenced by the consumer was due to The Motor Ombudsman needing to clarify the business that the consumer had a dispute with, and because a third-party authorisation form required completion, as the case was raised in the name of Mr.P's spouse. No response was received from Mr. P to either of these requests for information in the given timeframes, thereby leading to the case being closed.

Mr. R August 2024	<p><i>“Lack of impartiality, dismissal of many pertinent points/facts raised citing lack of evidence. Total belief of the manufacturer (the big corporation) lies, their denials of what actually happened. Dismissal of their complete lack of professionalism and respect. I suffered severe financial loss, Ombudsman wasn't interested. Would never use them again, or recommend them.”</i></p>	<ul style="list-style-type: none"> • Mr. R questioned The Motor Ombudsman's impartiality due to the adjudication outcome not being in his favour. • The customer's frustration also stemmed from the fact that he considered himself vulnerable, and explained that the business had misled him into buying a vehicle that offered a different driving experience to his previous car. 	<ul style="list-style-type: none"> • The adjudicator addressed Mr. R's concern about impartiality, and explained that The Motor Ombudsman provides an evidence-based service and that decisions are made based on the facts provided, meaning it had not sided with the business due to them paying an accreditation fee. • The adjudicator also highlighted the fact that The Motor Ombudsman cannot consider verbal conversations at the time of sale as part of the decision-making process. • Upon notifying Mr. R that the outcome was not in his favour, the adjudicator offered the consumer the chance for case to be escalated to an ombudsman for a final decision, as part of the options available to him. • The consumer resubmitted evidence, but no new information was supplied, meaning the adjudication outcome could not be reconsidered. • As Mr. R did not wish to take their case further with an ombudsman, it was closed.
Mr. C October 2024	<p><i>“Took 7 months to even begin dealing with my complaint. Completely pointless agency, I mean it's a great strategy from them, just do nothing until complaints resolve themselves and then pretend to be adequate at their jobs. In the future, if you're scammed or deal with a rogue trader, just take the loss on the chin and don't waste your time contacting anyone.”</i></p>	<ul style="list-style-type: none"> • Mr. C posted a complaint on Trustpilot due to being dissatisfied with the time it took to receive an outcome and the fact that the dispute was not upheld in his favour. 	<ul style="list-style-type: none"> • The adjudicator acknowledged the delay, which was due to the high volume of cases awaiting an outcome, and issued a decision in the fastest possible timescale based on the order of cases logged by consumers. • Neither Mr. C nor the business responded to the outcome provided by the adjudicator, and the case was closed.
Mr. R December 2024	<p><i>“Waiting time e.g. on hold waiting for someone to answer the call way too long. I was then informed it could take up to 6 months for an investigator / person to be allocated to my case. 6 months !!!!!!! that's crazy. All in all, very poor so far. Maybe they will redeem themselves once someone is assigned.”</i></p>	<ul style="list-style-type: none"> • Mr. R was frustrated about the time it took for his call to be answered, and was subsequently disappointed about the timescale for his case to be reviewed. This was due to the high volume of cases being handled by The Motor Ombudsman. 	<ul style="list-style-type: none"> • The Motor Ombudsman's Customer Contact Advisor explained that a case administrator would be allocated to them in the fastest possible timeframe, and sent follow-up information to confirm that a member of the team would be in touch once it had reached this stage. • No further correspondence was then received from the consumer in relation to this query.

1.4.2 How consumer complaints about The Motor Ombudsman's service are being addressed

The total number of complaints brought by consumers to The Motor Ombudsman about its level of service, increased from 473 in 2023 to 632 in 2024, a rise in volume of 34%. The cause of this dissatisfaction was principally due to the delays in individuals having their case reviewed by an adjudicator, accounting for 119 of the 173 informal Tier 1 service complaints (i.e. 68%) logged in relation this part of the process.

The Motor Ombudsman remains committed to working in line with the 90-day (complete case file-to-adjudication decision) timeframe stipulated by the Chartered Trading Standards Institute (CTSI). However, due to the 40% year-on-year jump in case volume between 2023 and 2024, coupled with the added factor that, in some instances, consumers are submitting much more substantial case files against the backdrop of a cost-of-living crisis, there can be occasions where motorists have reported a prolonged wait for their case to be looked at.

With an ongoing commitment to drive down decision times, and to further reduce the instances of delays, specifically at the adjudication stage, The Motor Ombudsman recruited an additional 13 members of staff solely within its dispute resolution team during 2024, leading to its highest ever headcount within this department.

Similarly, The Motor Ombudsman recognises that, with trends showing a continued upswing in annual case volumes, the focus for 2025 will be to invest further in the expansion of its dispute resolution team, coupled with staff training and development, to maintain its high standards of service, as well as the delivery of outcomes in the fastest possible timeframes. This will be complemented by additional investment to further streamline processes and back-office systems to drive greater efficiencies in a consumer's resolution journey with The Motor Ombudsman.



1.5 Positive consumer testimonials about The Motor Ombudsman

The following is a sample of positive Trustpilot testimonials from consumers who used The Motor Ombudsman during 2024.

***“Clear expectations given.
The operator was compassionate
whilst remaining neutral and
advised me of the next steps.”***

(Ms. S, January)

***“The Ombudsman did a thorough
assessment and listened to all
sides of my case and issued a
decision that was extremely just,
and took into account each of the
parties’ issues.”***

(Mr. W, February)

***“This is the first time that I have
used The Motor Ombudsman
and found them easy to contact.
I was given all the information
that I needed.”***

(Ms. S, July)

***“The gentleman I spoke to was
very precise and informative and
made me feel I was not alone
with my problem.”***

(Ms. K, October)

***“I was positively quite amazed by the sheer professional response and guidance I
received by my call handler at The Motor Ombudsman.”***

(Mr. P, December)

1.6 Annual accredited business survey highlights

Every year, a survey is sent to The Motor Ombudsman's network of accredited businesses to understand their views and level of satisfaction regarding various aspects of its service, and what is important to them.

The research was conducted via an e-mail survey, which was sent to Motor Ombudsman-accredited franchised car dealers and independent garages¹ between September and November 2024. Highlights of the findings are as follows.

▶ How businesses would describe The Motor Ombudsman in one word:



Overall, of the words used by respondents in 2024, **82%** were positive, down from the figure of **93%** the year before, but still up from the statistic of 86% recorded in 2022.

▶ The main benefits of accreditation stated by businesses were:

1. Being able to demonstrate that they are committed to the standards of an approved Code of Practice (stated by 91% of participants overall);
2. Consistent and fair adjudication outcomes (84%);
3. The credibility and reassurance provided for customers (83%);
4. Having access to The Motor Ombudsman's Information Line and dispute resolution service (79%); and
5. Being able to use the CTSI-approved Code logo (78%) and The Motor Ombudsman's logo (also 78%).

▶ Motor Ombudsman accreditation is valuable for businesses:

Out of the businesses surveyed, **80%** of respondents agreed that The Motor Ombudsman is valuable, which is down on 2023's figure of 87%, and mirrors the score of 80% last seen in 2022.

In 2024, 67% of respondents were satisfied with the overall value of their Motor Ombudsman accreditation – a drop from 75% in 2023, and remaining lower than the score of 83% in 2021. The 2024 survey results also revealed that **54%** of businesses stated that Motor Ombudsman accreditation gave them the edge over the competition, also a decrease compared to the figure of 75% seen the year before.

▶ Satisfaction with the dispute resolution service is good:

For businesses that had used The Motor Ombudsman's dispute resolution service in 2024, **71%** agreed that the process was easy to follow, versus 65% in 2023. Furthermore, 67% felt as though the case outcome was fair and reasonable – a lower score than in 2023 (69%) and 2022 (75%). The research also revealed that in 2024, less than half (42%) of businesses were satisfied with the time taken to resolve the dispute, which was lower than the figure of 56% recorded the previous year.

▶ Key areas identified for improvement in 2025:

The key areas identified for improvement by The Motor Ombudsman, and that need to continue to be addressed in 2025 are:



Quicker timescales to resolve disputes, and faster responses to business enquiries;



A greater degree of information about the reasons for adjudication and ombudsman decisions, to ensure businesses better understand why a case has not been upheld in their favour; and to demonstrate that The Motor Ombudsman is impartial;



An improved understanding of the value and benefits that Motor Ombudsman accreditation brings to businesses, as well as improved communication of the wide range of benefits for businesses that do not have disputes; and



Continuing to raise awareness of The Motor Ombudsman amongst consumers through ongoing marketing and PR initiatives.

¹Sample size of 362 respondents (independent garages and franchise dealers).

Action plans will be developed by The Motor Ombudsman to ensure that the enhancements listed above are implemented during the coming 12 months.

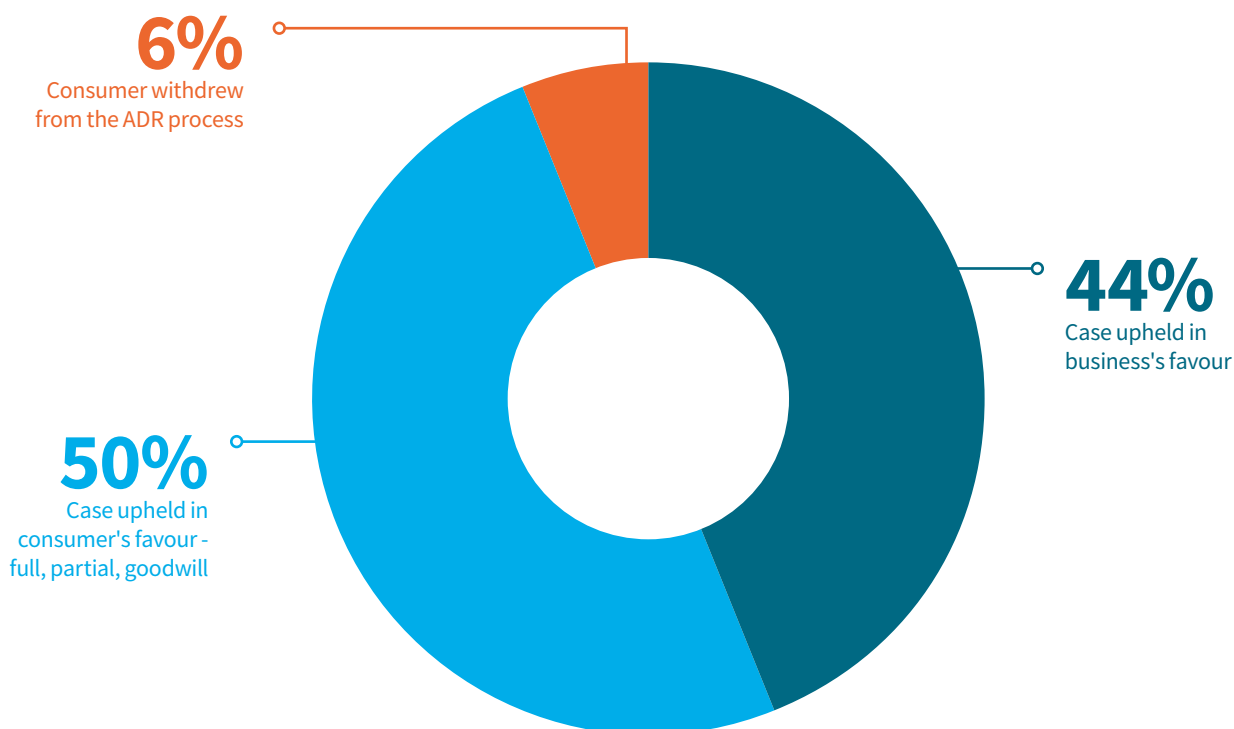
SECTION 2:

Breakdown of case outcomes in 2024



SECTION 2: Breakdown of case outcomes in 2024

▼ The proportion of case outcomes awarded / case withdrawals for all Codes



In 2024, it was a similar picture versus the breakdown seen in 2023, from the point of view that the majority (50%) of cases were upheld in the consumer's favour, although this was down by a percentage point versus the preceding 12 months. Cases upheld in favour of the business, based on the facts presented in the dispute, fell again slightly on an annual basis from 47% in 2023 to 44% in 2024.

Furthermore, the percentage of withdrawn cases increased year-on-year (from 2% in 2023 to 6% in 2024), which may once again be put down to delays in consumers receiving an outcome to their dispute, especially at the adjudication stage of the ADR process, thereby prompting them to pursue the resolution of their dispute via alternative avenues, such as the court system.

Case outcome summary:

In 2024, the total value of the preferred awards claimed by consumers as a resolution to their dispute reached £30.5 million, which is around double the figures of £14.9 and £16.4 million seen in 2023 and 2022 respectively.

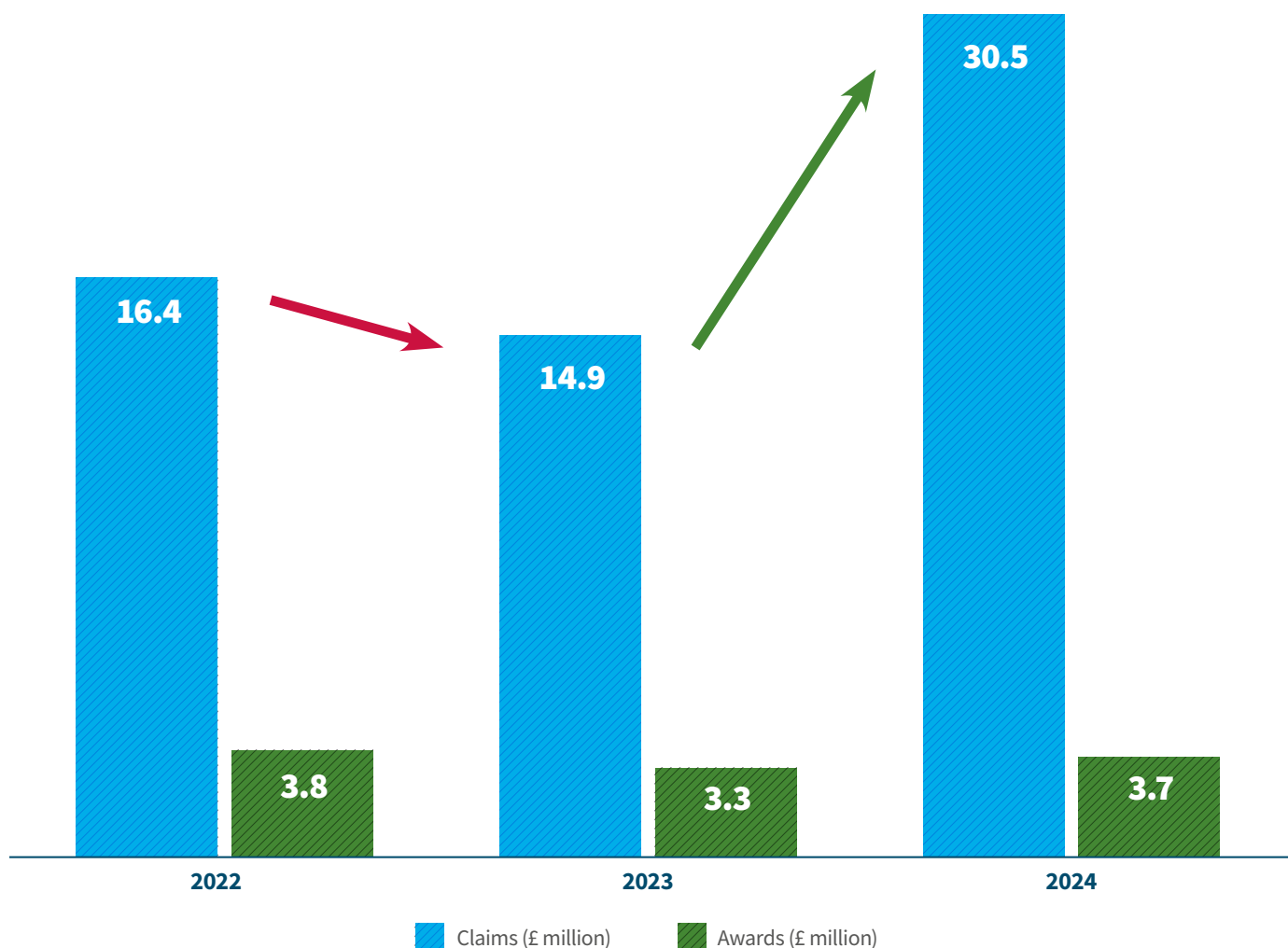
The greater difference between the claim value in 2024 compared to the two preceding years, may be put down to there being a greater case volume, coupled with a larger number of higher value vehicles being the subject of the dispute.

However, as seen in the middle column of the table below, the actual awards made to consumers tend to be lower, as individuals may over-claim to maximise what they feel they are entitled to, based on both financial and non-tangible loss. This may lead to the request of a higher remedy of rejection, a full refund, or a replacement vehicle.

However, in many cases, there is insufficient evidence, particularly technical, supporting the consumer's complaint, meaning a lesser remedy, such as a repair, will be awarded to rectify the problem, hence the often-wide disparity between the claim and award values, when a case is upheld in the consumer's favour. In 2024, the total value of claims awarded to consumers was £3.7 million, which was higher than the total in 2023, but nevertheless mirrors the figure seen in 2022.

▼ Total value of claims of consumer claims and awards (2022 – 2024)

Year	Total value of claims made by consumers when submitting a case	Total value of awards made to consumers when a complaint is upheld in their favour	Difference per year between consumer claim values and awards
2024	£30.5 million	£3.7 million	£26.8 million
2023	£14.9 million	£3.3 million	£11.6 million
2022	£16.4 million	£3.8 million	£12.6 million



SECTION 3:

Code of Practice performance summary

- 3.1 Service and Repair Code
- 3.2 New Car Code
- 3.3 Vehicle Warranty Products Code
- 3.4 Vehicle Sales Code



SECTION 3: Code of Practice performance summary



The following Code of Practice performance summary provides a year-on-year comparison of key metrics for each of The Motor Ombudsman's four CTSI-approved Motor Industry Codes of Practice.

The following is a glossary of terms used in this section:



CONSUMER CONTACTS are received by The Motor Ombudsman's Consumer Contact team, which can include a general query, and enquiries relating to live cases.



EARLY RESOLUTIONS are when complaints can be resolved simply with minimum intervention from The Motor Ombudsman.



ADJUDICATION CASES are raised if the business that a consumer has a dispute with is accredited to The Motor Ombudsman, the business has been given a maximum period of eight weeks to try to resolve the issue directly with the customer, and the complaint requires a formal decision (i.e. it cannot be concluded via early resolution).



FINAL DECISIONS are only ever issued by an ombudsman, and are the last stage of The Motor Ombudsman's involvement in a case if a consumer or accredited business does not accept the outcome of the adjudicator.

A final decision is made independently from the adjudicators by looking at all the facts of the case, and is binding if the consumer chooses to accept it.



ESCALATION RATE is the proportion of consumer contacts that become adjudication cases.

3.1 Service and Repair Code



The **Motor Industry Code of Practice for Service and Repair**, introduced in 2008, ensures that consumers receive an honest and fair service when visiting an accredited business's premises for work or repairs on their vehicle. It covers the use of clear advertising, open and transparent pricing, completing extra work only with prior agreement, and the use of competent and qualified staff. All businesses accredited to the Service and Repair Code can be found on The Motor Ombudsman's online Garage Finder.²

The **Service and Repair Code** covers the following principal areas:

- | | |
|--|---|
|  Advertising; |  Staff competency; |
|  The booking in of work; |  The standard of work; and |
|  Pricing; |  The handling of complaints. |

In 2024, no changes were made to the Service and Repair Code.

3.1.1 Service and Repair Code performance data

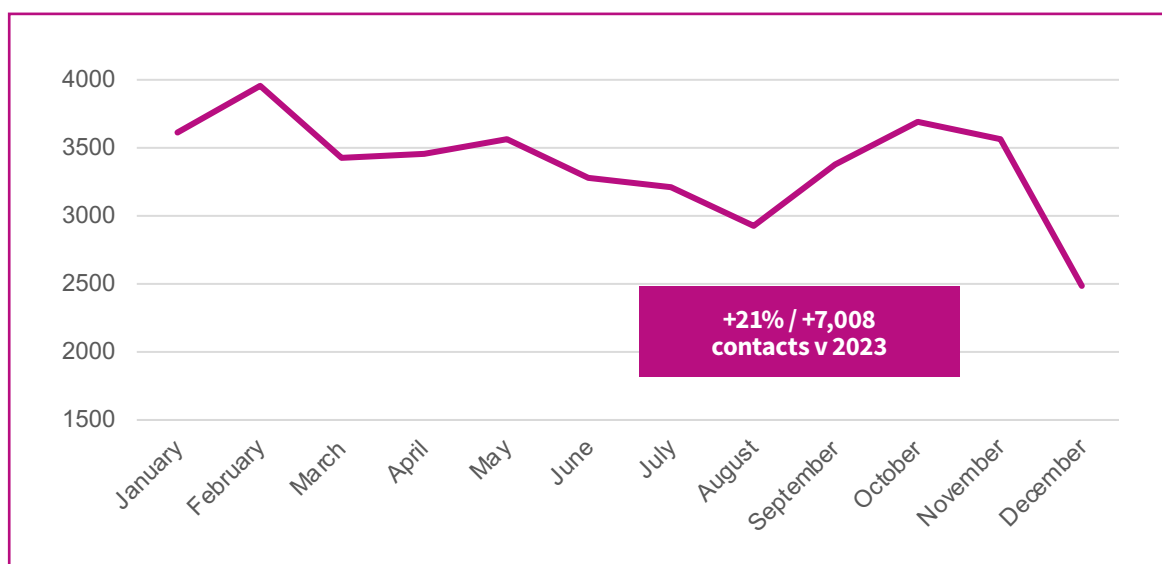
	2022	2023	2024	Trend (2024 v 2023)
Consumer contacts	15,690	33,520	40,528	▲
Early resolutions	81	61	80	▲
Adjudication cases*	1,821	2,430	3,034	▲
Ombudsman final decisions	207	379	234	▼
Escalation rate (Contacts to cases)	12%	7%	7%	—

* The adjudication cases figure relates to the volume of cases passed to adjudicators for review.

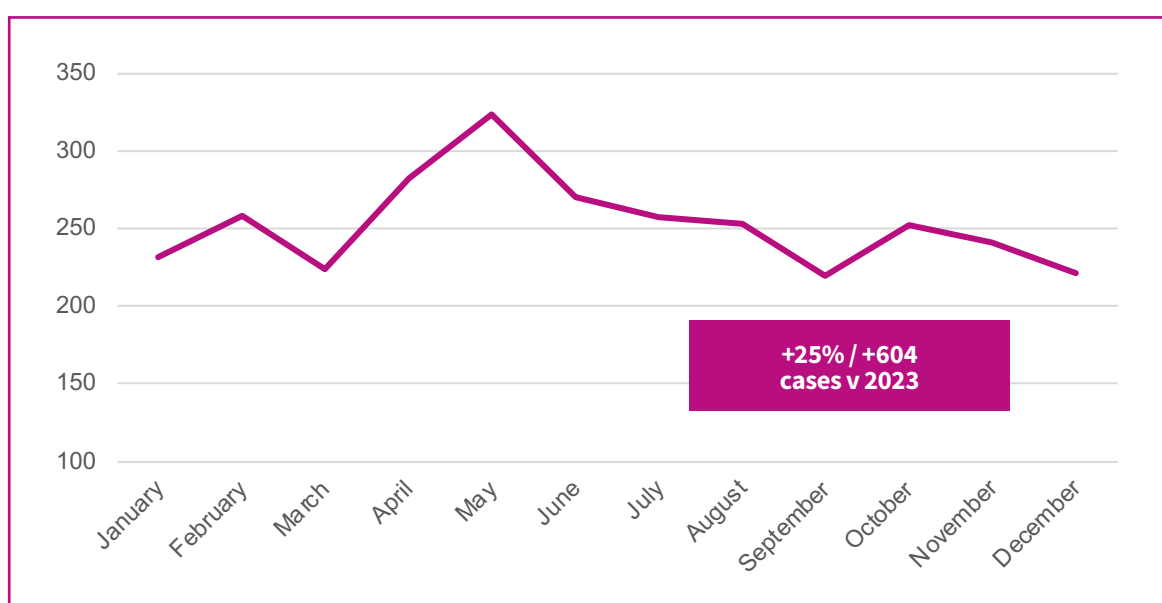
² www.TheMotorOmbudsman.org/garage-finder

3.1.2 Service and Repair Code performance charts

Service and Repair Code contact volumes by month (Jan - Dec 2024)



Service and Repair Code case volumes by month (Jan - Dec 2024)



3.1.3 Service and Repair Code performance analysis

Increased cost-of-living pressures on motorists, coupled with greater awareness of The Motor Ombudsman as a free and impartial point of assistance to resolve disputes in relation to routine and ad hoc maintenance issues, were factors driving increased consumer contacts for this Code, rising by around a fifth (21%) year-on-year, from 33,520 in 2023, to 40,528 in 2024. Monthly contacts during the year averaged nearly 3,400, peaking in February at nearly 4,000.

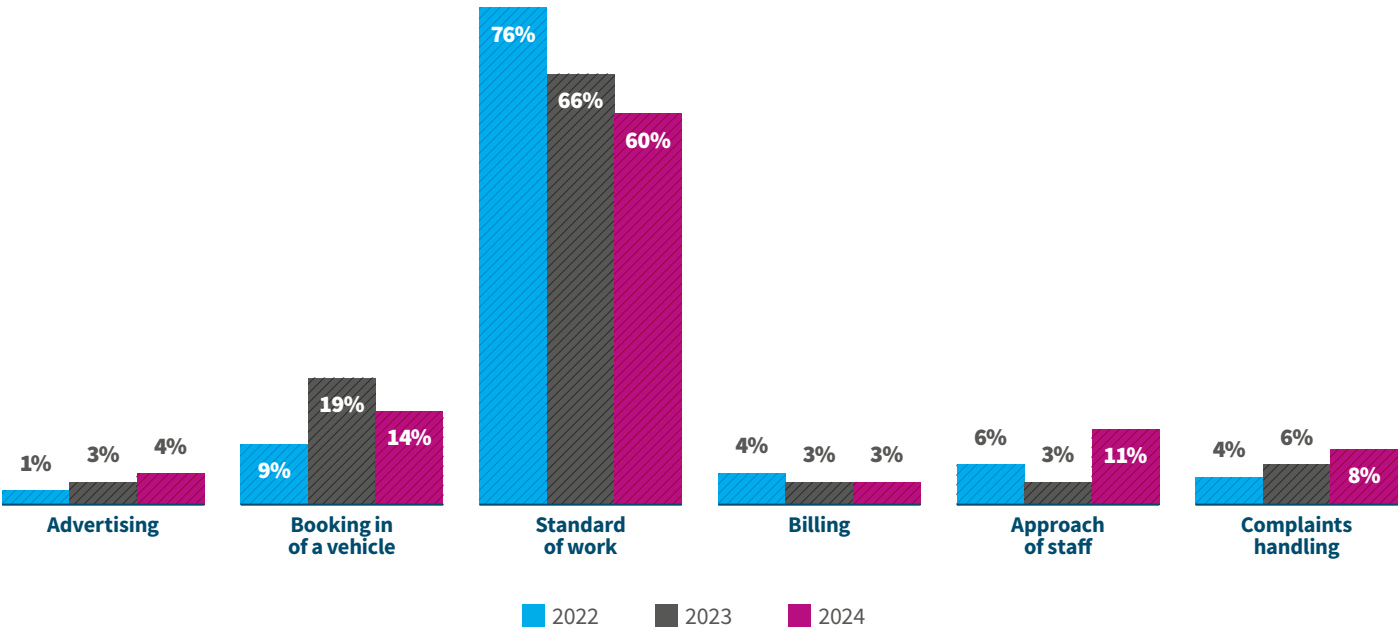
In addition, there was a similar 25% annual rise in the number of cases accepted for adjudication, with 3,024 in 2024 versus 2,430 in 2023, as more businesses joined The Motor Ombudsman, and a greater proportion fell within the organisation’s remit.

For the volume of ombudsman final decisions delivered, this fell to 234 in 2024, from 379 the year before, likely due to the growing complexity of cases impacting decisions. Early resolutions on the other hand, increased from 61 to 80, thanks to more disputes being settled without the need for formal adjudication.

3.1.4 Percentage of Service and Repair Code cases by Code breach

Source of breach	2022	2023	2024	Trend (2024 v 2023)
1.0 Advertising	1%	3%	4%	▲
2.0 Booking in of a vehicle	9%	19%	14%	▼
3.0 Standard of work	76%	66%	60%	▼
4.0 Billing	4%	3%	3%	▬
5.0 Approach of staff	6%	3%	11%	▲
6.0 Complaints handling	4%	6%	8%	▲

▼ Source of Service and Repair Code breaches (2022 - 2024)



Consumer complaints relating to the Service and Repair Code in 2024 resulted from the following principal breaches:

3.0 The standard of work (60% of breaches):

- The accredited business did not carry out the work within the agreed timescale, or exercise the expected reasonable skill and care [3.10]³;
- The accredited business did not act promptly and effectively in the response to consumer questions regarding the work completed, and swiftly investigate issues with the work [3.12]; and
- The accredited business did not contact the consumer for authorisation prior to the commencement of additional work [3.2].

2.0 The booking in of a vehicle (14%):

- The accredited business did not fully explain and give clear practical advice to the consumer to help understand the work required [2.3];
- The accredited business did not provide the consumer with flexibility and choice regarding dates and times for booking and completion, along with accurate information and advice to enable them to choose the service and repair work required [2.1]; and
- The accredited business did not confirm whether any additional or special requirements the consumer had, were included or required additional work, time and/or cost prior to the agreement of a completion date and time [2.2].

5.0 The approach of staff (11%):

- Staff did not abide by the Service and Repair Code, comply with applicable legislation, were not professional and polite, and did not treat customer property with respect and care [5.1];
- Staff were not competent to carry out the work within their responsibilities, or trainees were not supervised by someone who was competent. [5.3]; and
- Staff were not committed to completing work accurately and efficiently and were not attentive, especially when catering to the needs of vulnerable consumers [5.2].

³Numbers in brackets denote Code of Practice clause reference.



3.1.5 Service and Repair Code case studies reviewed by ICAP

The following case studies in relation to The Motor Ombudsman’s Motor Industry Code of Practice for Service and Repair were reviewed by members of ICAP to ensure that the adjudication outcomes and final decisions were delivered correctly.

Note:

- This a sample of the Service and Repair Code cases reviewed by members of ICAP during 2024.
- The vehicle age and mileage apply at the point when the consumer submitted their complaint to The Motor Ombudsman.

Case 1: Consumer’s claim

Vehicle age	13 years old
Vehicle mileage	Approx. 164,000
Outcome	Not upheld
Award	None

Mr A purchased a used 60-plate saloon in February 2019. In January 2023, the consumer had his vehicle recovered to his local dealership to diagnose issues with the engine. The workshop found faults with four injectors, and quoted around £1,400 for their replacement. Mr A agreed to the work, but after this repair had been carried out, the dealer said that the head gasket would also need to be changed at a further cost of £3,500. Based on this course of events, Mr A deemed the business to have initially misdiagnosed the issue, as a further part was needed versus what he had been told initially. He therefore requested that he did not have to pay for the replacement of the injectors, and to be handed back the vehicle.

Response of accredited business

The dealership explained that Mr A’s car was brought in as a ‘non-runner’, and was subsequently looked at by their master technician who found all four injectors were deformed and leaking and, as a result, the vehicle would not start.

The business then explained that, once they were able to get the engine running again, albeit poorly, it was clear that it was suffering from further issues. It was at this point that they conducted a test of the head gasket, which can only be performed on a powertrain that is operational, and discovered that this component had also failed.

When the dealership reported their findings back to Mr A, he then suggested that the issue had been misdiagnosed, and stated that he would only pay £200 for fitting the new injectors, rather than the cost of the components, which amounted to £1,100. The business responded by explaining that they needed to replace the injectors to be able to conduct further investigations into the cause of the faults.

As a gesture of goodwill, the dealership offered £500 towards the cost of the injectors, and would release the vehicle to Mr A for recovery upon receiving payment. Despite numerous attempts made by the business, the consumer refused to respond to the dealership.

Adjudication outcome

The adjudicator explained that there were two matters that needed to be considered in this case, the first being whether the dealership conducted a reasonable diagnosis of the vehicle’s engine issues. The second is if the business provided clear and practical advice to Mr A before any authorised repairs took place. The consumer had the burden of demonstrating that both of these had not occurred.

Diagnosis of the issue

The adjudicator noted that, when Mr A’s vehicle was inspected, it was evident that the fuel injectors were deformed and leaking. It was therefore considered reasonable for a technician to have advised to have them replaced regardless of whether they were the only fault with the vehicle.

In terms of the consumer disputing the fact that there had been a misdiagnosis, and that the injectors did not need to be replaced, the adjudicator remarked that Mr A had not provided anything that disputed the dealership’s course of action.

Whilst the adjudicator equally understood that the replacement of the injectors was not enough to resolve the faults with the vehicle, this alone did not suggest there was nothing wrong with the injectors or that the business had misdiagnosed the fault with the vehicle. Therefore, the adjudicator was satisfied that the dealership had used reasonable care and skill to determine that the injectors needed to be replaced. As a result, this element of the complaint was not upheld.

3.1.5 Service and Repair Code case studies reviewed by ICAP (continued)

The provision of advice

The dealership clarified that they would not have been able to inspect or test the head gasket in the vehicle’s condition on arrival, meaning the injectors needed to be resolved first.

Considering the necessary steps needed to investigate the faults with the vehicle, as well as the general increase in difficulty, based on the amount of mileage it had already accrued (i.e. over 163,000), it was therefore deemed unlikely that the business could have informed Mr A about the failure of the head gasket until the injectors had been replaced.

As such, the adjudicator was satisfied that the dealership had adequately advised Mr A of the faults with his vehicle, and remained transparent in the diagnosing of the issues with the car.

The adjudicator acknowledged the £500 goodwill gesture made by the business, and deemed this to be a fair offer, which they recommended the customer accepted.

Conclusion

Both parties agreed with the outcome, and the case was then closed.

Case2: Consumer’s claim

Vehicle age	3 years old
Vehicle mileage	27,000
Outcome	Not upheld
Award	None

Ms B bought a used 69-plate compact crossover SUV (registered in February 2020) with 16,000 miles on the clock in March 2021. In November 2022, Ms B took her vehicle to her local dealership to have a water ingress issue investigated prior to the expiry of the car’s warranty in March 2023, and provided photo and video evidence of what was occurring. When it rained for a long period of time or heavily, there was a leak straight into the electronic control system. However, the repairer could not replicate the issue, but the problem returned in both January and February 2023, but once again, the dealership could not mirror what was happening.

The issue, however, came back after this, and Ms B provided evidence of this to show the business what was happening. Her communications were subsequently not responded to and, as a resolution to her dispute, she was looking for the dealership to reimburse her for travel expenses, and to either repair the vehicle at no cost or to purchase the car from her if it could not be rectified.

Response of accredited business

The dealership responded by explaining that the water leak was coming from the interior light, and despite acknowledging the evidence brought by Ms B, and investigating the issue, they were unable to re-produce the leak, see any signs of entry or any stains to trace the passage of the leak.

The business stated that, with various potential entry points, they could not make a definitive diagnosis, and said that without the fault physically presenting itself, they would have difficulty repairing the vehicle. Despite not agreeing to pay for the customer’s travel expenses, as the business did not deem it their responsibility to do so, they did state that they had provided the customer with use of a courtesy vehicle when one was available, to help keep Ms B mobile.

Adjudication outcome

From the evidence provided, the adjudicator understood that Ms B considered it unacceptable that a three-year-old vehicle was suffering from water ingress issues. The adjudicator’s principal point for consideration was whether the dealership had exercised reasonable care and skill during the inspection of the water ingress and, stated that the only relevant financial aspect, were the costs to the consumer in relation to the dealership’s inspections.

In this case, it was the responsibility of Ms B to demonstrate that the business had misdiagnosed the fault, or misadvised her in terms of the repairs needed. The adjudicator said that the facts of the case were not in dispute, as the consumer had brought her vehicle to the dealership on several occasions to look at the water ingress concern, which could not subsequently be replicated. Combined with the videos and photos from Ms B as proof of what was happening, the adjudicator explained that there was a clear demonstration of water entry.

Similarly, they said that from the business’s point of view, they were unable to advise or repair an issue that they could not identify or replicate during their inspections, meaning they were not in a position to proceed with repairs.

As such, the adjudicator was unable to uphold the complaint in Ms B’s favour and provide any award.

Conclusion

Both the consumer and the business accepted the adjudication outcome, and the case was closed.

3.1.5 Service and Repair Code case studies reviewed by ICAP (continued)

Case 3: Consumer’s claim

Vehicle age	11 years old
Vehicle mileage	115,000
Outcome	Partially upheld
Award	Possible refund + apology

Mr C purchased a 62-plate hatchback (registered in February 2013) from a private seller in August 2021, which had done 103,000 miles at the time. In June 2023, the consumer took the car to his local dealership for its annual service and MOT.

Whilst the car was in the workshop, the business replaced a door latch, as planned. However, the dealership also advised that the one of the brake calipers was catching and would need changing, and asked Mr C to pay around £400 up front and return in a couple of weeks’ time in July 2023 once the part had arrived.

The day came when the part was due, but the consumer subsequently found out that the component had never been ordered, and proceeded to request a refund.

In October 2023, Mr C was involved in an accident, where the hatchback was written off, and at this point, when the documentation for the car was being reviewed, including the invoice received for the caliper, he contacted the business requesting a refund once again. However, they explained that they had no record of the payment ever being made, which Mr C disputed with the business’s customer service team, who were also reported as being rude to Mr C when on the phone.

As a resolution to his dispute, Mr C was looking for a full refund of the monies paid for the nearside rear brake caliper.

Response of accredited business

The accredited business responded to Mr C’s claim that he had already paid for the caliper to be replaced, saying that there was no evidence to support this, despite paying for other work at the time. The dealership explained that the brake caliper was freed, but there was no invoice or job cards to support the belief of Mr C that it was due to be replaced.

Adjudication outcome

There were three points for consideration in this case, namely the original appointment in mid-July not going ahead, whether the consumer had paid for the caliper to be replaced, and the standard of customer service received by Mr C.

The initial appointment not proceeding as planned

The adjudicator acknowledged that Mr C had booked an appointment to replace the caliper in mid-July 2023, but that it did not go ahead on this date. The adjudicator also stated that it was the dealership’s responsibility to re-book the repair if it could not be completed on the required date, but there was no evidence to show that this had been done or why the appointment did not go ahead. As a result, the adjudicator upheld Mr C’s complaint on this point, and requested that the business issued a formal apology.

Payment for the replacement brake caliper

When reviewing the evidence provided, there was a payment plan for a full bill for the work carried out on Mr C’s vehicle, but did not itemise individual costs. This made it difficult to determine how much the consumer was charged specifically for the brake caliper and the cost of labour to fit it.

As it was clear that the appointment to replace the caliper never went ahead, the adjudicator deemed it fair that Mr C was reimbursed solely for the cost of the caliper if a receipt for this specific cost providing clarity on how much he was charged could be provided. Without this, it could not be determined that Mr C was owed a refund.

The standard of customer service provided

For this aspect of Mr C’s complaint, the evidence showed differing accounts of what was said, meaning the adjudicator was unable to substantiate that the business spoke to the consumer in a rude manner, and was in breach of the Service and Repair Code. As a result, the adjudicator could not uphold this point in Mr C’s favour, or make any award accordingly.

Conclusion

The consumer did not respond to the adjudication outcome, and the case was closed.

3.2 New Car Code



First launched in 1976, and gaining full Stage Two approval from the former Office of Fair Trading (OFT) 20 years ago in 2004, the **Motor Industry Code of Practice for New Cars** ensures that vehicle manufacturers supply new cars and warranties to consumers responsibly. The Code helps to safeguard new car buyers from misleading advertising, and ensures that documentation supplied to consumers is easy to understand, that the terms of a warranty will be respected, and that any complaints will be handled swiftly.

In 2024, a total of **46** vehicle manufacturers were accredited to the New Car Code (versus 42 in 2023), meaning **98%** of all new cars sold across the UK were covered by it.

The **New Car Code** covers the following principal areas:

- ✓ Advertising;
- ✓ New car provisions;
- ✓ Manufacturer new car warranties;
- ✓ The availability of replacement parts and accessories; and
- ✓ Complaints handling.

No changes were made to the New Car Code in 2024.

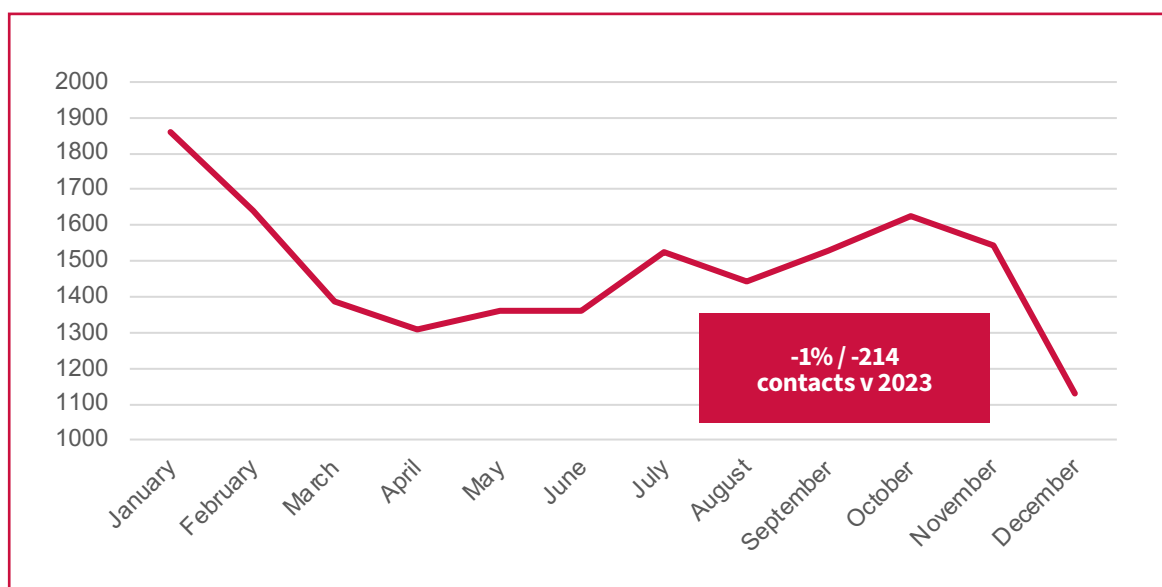
3.2.1 New Car Code performance data

	2022	2023	2024	Trend (2024 v 2023)
Consumer contacts	12,551	17,922	17,708	▼
Early resolutions	141	84	34	▼
Adjudication cases*	1,226	1,533	1,888	▲
Ombudsman final decisions	129	228	162	▼
Escalation rate (Contacts to cases)	10%	9%	11%	▲

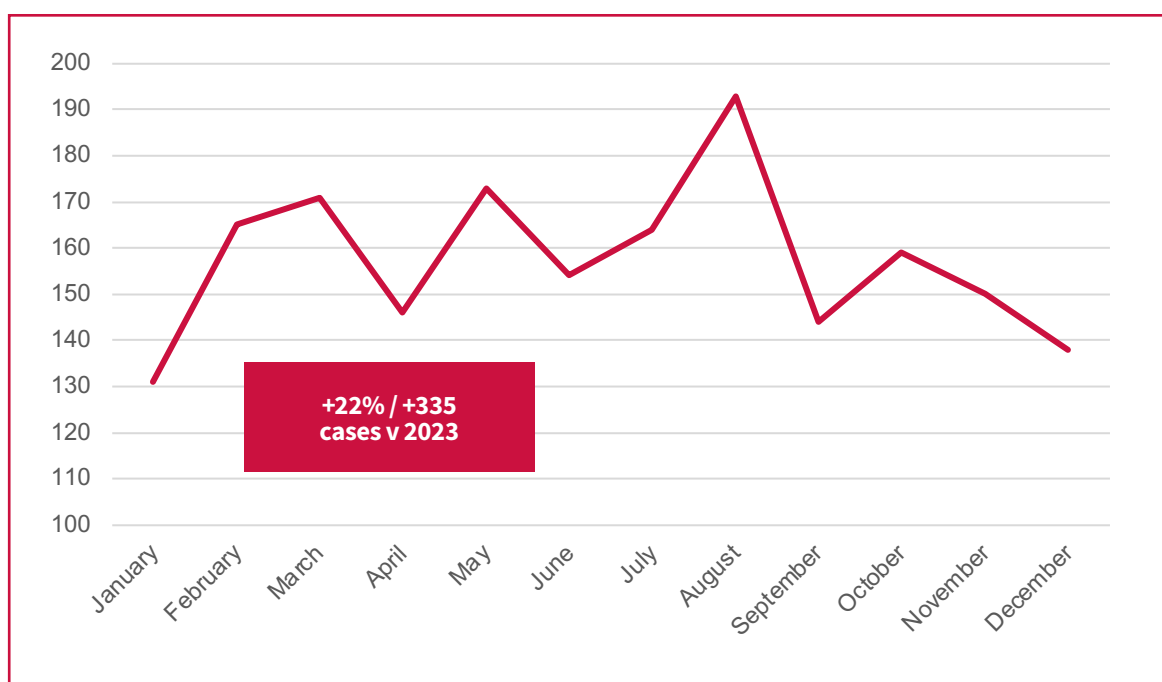
* The adjudication cases figure relates to the volume of cases passed to adjudicators for review.

3.2.2 New Car Code performance charts

New Car Code contact volumes by month (Jan - Dec 2024)



New Car Code case volumes by month (Jan - Dec 2024)



3.2.3 New Car Code performance analysis

Consumer contacts in relation to the New Car Code rose dipped very slightly by just **1%** in 2024 versus 2023, with The Motor Ombudsman receiving around 17,700 compared to over 17,900 the year before. Contacts peaked in January at 1,859, which traditionally follows the lower volumes over the festive season.

In contrast, the number of cases accepted for adjudication rose by around a fifth (22%) to its highest level in three years **1,888** in 2024 versus 1,226 in 2022), as more disputes fell within the remit of the New Car Code, and the number of accredited manufacturers equally increased over the 12-month period.

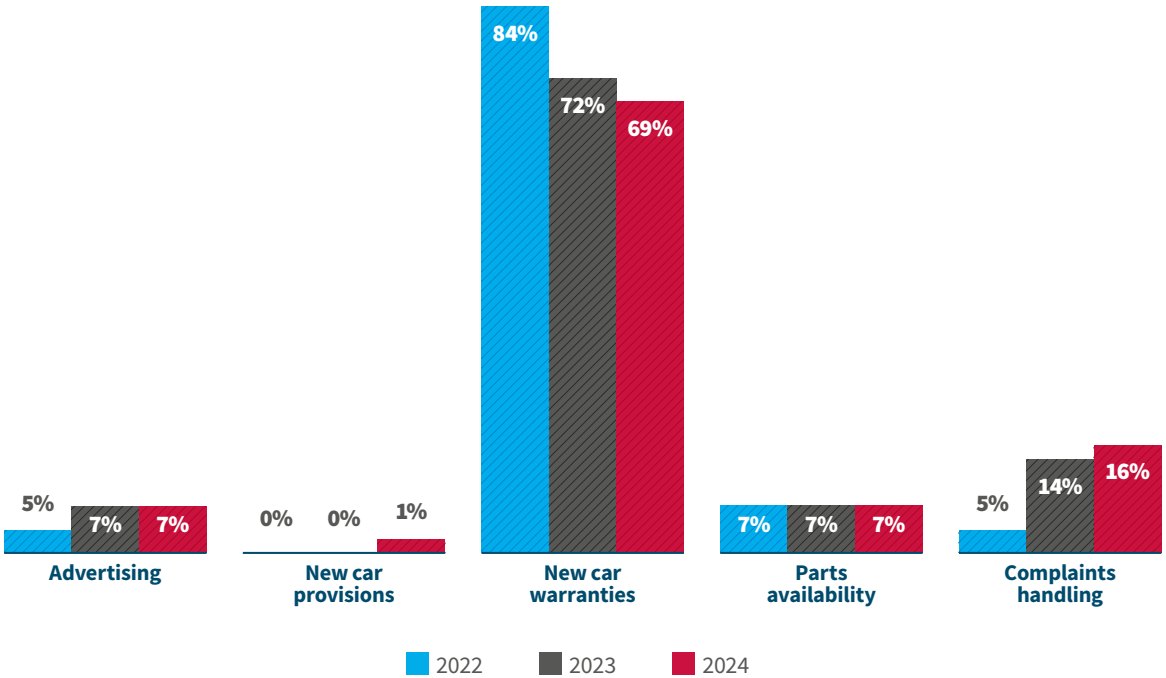
On a positive note, the volume of ombudsman final decisions delivered to consumers and businesses equally rose by close to 100 to **228** – the most in a 12-month period for the 2021 to 2023 timeframe.

The number of final decisions delivered by ombudsmen to consumers and businesses dropped on an annual basis by 29% to **162**, although this was still significantly above the figure of 129 reported in 2022. Similarly, the number of cases suitable for early resolutions equally decreased during 2024 to **34**, its lowest level in the last three years, and remains off the peak of 141 seen in 2022.

3.2.4 New Car Code cases by breach

Source of breach	2022	2023	2024	Trend (2024 v 2023)
1.0 Advertising	5%	7%	7%	▬
2.0 New car provisions	0%	0%	1%	▲
3.0 Manufacturers' new car warranties	84%	72%	69%	▼
4.0 Availability of replacement parts and accessories	7%	7%	7%	▬
5.0 Complaints handling	5%	14%	16%	▲

▼ Source of New Car Code breaches (2022 - 2024)



Consumer complaints relating to the New Car Code in 2024 resulted from the following principal breaches:

3.0 Manufacturers' new car warranties (69% of breaches):

- The terms of a new car warranty were not written in plain English, and did not clearly list items specifically included or excluded from its scope and the geographical coverage of the warranty provided [3.3]⁴;
- The consumer did not continue to benefit from the manufacturer's new car warranty whilst the car was serviced to the manufacturer's recommendations [3.1]; and
- The consumer's warranty claim was incorrectly dismissed [3.8].

5.0 Complaints handling (16%):

- The accredited business did not take effective, immediate action in order to ensure that the consumer received a fair response to their complaint [5.1]; and
- The accredited business did not have an accessible arrangement for the handling of consumer complaints, and details of the complaints procedure were not made available on request [5.2].

4.0 Availability of replacement parts and accessories (7%):

- Spare parts were not made available from the time a new model was launched, throughout its production and for a reasonable period thereafter [4.3];
- Where the accredited business's parts were supplied to their dealers, they were not of a satisfactory quality and fit for the purpose for parts of that type which were normally used [4.1]; and
- Where the accredited business offered promotions on parts and accessories, the terms of the promotion (in particular, any restrictions) were not clearly stated [4.2].

1.0 Advertising (7%):

- Advertisements, promotions or any other publications or communications, whether in writing or otherwise, contained content which was likely to have misled or be misunderstood by a consumer [1.1]; and
- Where a rust / corrosion-proofing process was advertised, information about the process and its limitations were not made freely available to consumers [1.7].

⁴Numbers in brackets denote Code of Practice clause reference.



3.2.5 New Car Code case studies reviewed by ICAP

The following case studies in relation to The Motor Ombudsman’s Motor Industry Code of Practice for New Cars were reviewed by members of ICAP to ensure that adjudication outcomes and final decisions were delivered correctly.

Note:

- This a sample of the New Car Code cases reviewed by members of ICAP during 2024.
- The vehicle age and mileage apply at the point when the consumer submitted their complaint to The Motor Ombudsman.

Case 1: Consumer’s claim

Vehicle age	3.5 years old
Vehicle mileage	Approx. 7,000
Outcome	Not upheld
Award	None

Mr D owned a 56-plate premium compact executive car, and took it to a manufacturer- authorised repairer to have the vehicle’s paintwork rectified. Following the work, he noticed some issues, but was told by the manufacturer that these concerns would not be covered under their anti-perforation corrosion warranty policy due to it not extending to panels which had been already subject to a smart repair.

However, according to Mr D, he was of the belief that when he purchased the vehicle, any repairs carried out by the manufacturer would not affect the warranty. In fact, the consumer was also sold a minor damage insurance policy by the manufacturer to ensure the warranty would not be invalidated in the event of repairs under their care.

In addition, Mr D stated that the vehicle had always been serviced on time by the dealership on time for the warranty to remain valid. He also acknowledged that the paint depths were higher than the factory readings, which was due to the repairs carried out by the vehicle manufacturer, meaning from his perspective, the corrosion warranty should be valid for the purposes of a claim.

Response of accredited business

The vehicle manufacturer acknowledged Mr D’s concerns with his vehicle, and explained that an aftermarket repair had been carried out, and that the paintwork had since corroded. The business also remarked that their perforation warranty covers corrosion from the inside out, which was not the case with the rust noted on the panels, and was the result of an external factor. Therefore, no further assistance could be provided to the consumer in terms of contributing towards the cost of the repair.

Adjudication outcome

The adjudicator remarked that both parties agreed that there was corrosion on Mr D’s vehicle, and that the burden of proof was on the consumer to demonstrate that the concerns raised were due to a build defect, and that they should be covered by the manufacturer’s warranty.

From the documentation provided, there was no evidence to suggest that the vehicle suffered from perforation corrosion, as the rust was assessed as surface corrosion, meaning it would not be covered under the warranty.

In terms of the smart repair, the manufacturer stated that, under its warranty, it is only obligated to correct defects due to the manufacturing of the vehicle, meaning any deficiencies resulting from aftermarket repair work were not covered. The adjudicator was therefore unable to uphold either points of the dispute in Mr D’s favour.

Mr D was unhappy with this outcome, and requested that his dispute was reviewed by an ombudsman, and that a final decision was provided. He also provided a copy of an independent inspection report which concluded that the smart repair had not been carried out to the highest standard, but had similarly not identified any areas of damage that they considered were a result of poor build quality, or were the manufacturer’s responsibility to rectify.

Ombudsman’s final decision

After reviewing the evidence, and the independent report provided by the consumer, which did not conclude that there were any manufacturing defects, the ombudsman agreed with the conclusion of the adjudicator in that the vehicle did not need to be repaired under the terms of the anti-corrosion warranty at no cost to Mr D, leaving the consumer’s claim not upheld.

Mr D was advised that he may be able to claim to have the work inspected and rectified by the repairer, but would need to contact the business about pursuing this.

Conclusion

In summary, no breach of the New Car Code by the vehicle manufacturer had been identified. Neither party disputed the outcome, and the case was closed.

3.2.5 New Car Code case studies reviewed by ICAP (continued)

Case 2: Consumer’s claim

Vehicle age	Nearly 6 years old
Vehicle mileage	36,000
Outcome	Upheld
Award	Possible goodwill

Ms E bought a used 67-plate compact crossover SUV (registered in December 2017) with 23,500 miles on the clock from a dealership in October 2021. In December 2022, she contacted the manufacturer to report issues with the vehicle’s gearbox. In their response to Ms E, the manufacturer explained that the vehicle was two days beyond the expiry of the manufacturer’s new car warranty period, but as a goodwill gesture, they offered to cover the cost of repairs subject to her taking it to an appointed franchise dealership.

She duly did this and had the rectification work undertaken, and was assured that she would be reimbursed to the sum of nearly £1,200 as the fault occurred during

the warranty period. After the repair, she followed up with the manufacturer to take advantage of the goodwill offer, but despite chasing them for nine months since January 2023, the point where she contacted The Motor Ombudsman to raise a case, no monies had yet been received.

Response of accredited business

The vehicle manufacturer did not respond to The Motor Ombudsman in relation to Ms E’s dispute in the allotted time, despite requesting an extension as they were awaiting a response from their dealership. Under The Motor Ombudsman’s Terms of Use, the case file was therefore passed to an adjudicator to deliver an outcome.

Adjudication outcome

The Motor Ombudsman adjudicator pointed out that, due to the absence of any conflicting evidence from the vehicle manufacturer, she found that there had been a breach of the New Car Code.

The adjudicator stated that Ms E had provided a timeline of events which seemed credible and seemingly relied on assurances from the manufacturer to carry out the repairs at a specified dealership, where the consumer paid close to £1,200 on the premise that this would be covered.

As the vehicle was now outside of manufacturer’s warranty, any goodwill was at the sole discretion of the manufacturer. Therefore, whilst the complaint was upheld in Ms E’s favour, the goodwill payment could not be enforced by The Motor Ombudsman.

Conclusion

Both Ms E and the vehicle manufacturer accepted the adjudication outcome, and the case was closed.



3.2.5 New Car Code case studies reviewed by ICAP (continued)

Case 3: Consumer's claim

Vehicle age	9 months old
Vehicle mileage	13,500
Outcome	Upheld
Award	Apology + Goodwill

Mr F purchased a brand-new 62-plate vehicle (registered in September 2022) from a franchise dealership for £35,000. In February 2023, the seat belt buckle on one of the rear seats failed, preventing him from using one of the seats. The rear seats were a key selling point, as the consumer had children.

Mr F contacted the vehicle manufacturer to report the issue, and they stated that the part could be retrofitted under warranty. However, the business was unable to source the replacement part to rectify the issue, and said to Mr F that they would have to wait for it to come back in stock.

In July 2023, five months after the initial contact with the manufacturer, there was still no indication of timing for the component's arrival or a repair, and no rationale as to why the part was delayed, or why the repair could not have been done sooner. This added to the frustration of Mr F, as he relied on the vehicle to transport his family.

As a resolution to his complaint, Mr F was looking for a courtesy vehicle whilst he was awaiting the repair to his vehicle, as well as £250 in compensation in recognition of the inconvenience that he had been subjected to. The consumer was equally seeking improved communication from both the manufacturer and the dealership on the issue behind the delay and the anticipated timescale and date for the repair to be carried out.

Response of accredited business

The vehicle manufacturer apologised for the inconvenience caused to Mr F due to the delay in providing replacements parts, and stated that the required component arrived at the dealership in mid-August 2023. The hold-up was put down to global events affecting component production, and that the vehicle manufacturer was committed to supplying parts as quickly as possible.

They added that three appointments had been made with Mr F to have the part fitted, but that he had subsequently cancelled each one. The dealership was therefore waiting for the consumer to get back in touch to make a new appointment.

In recognition of the course of events, and by way of an apology for the delay, and as a gesture of goodwill, the vehicle manufacturer offered Mr F a free-of-charge service.

Adjudication outcome

The adjudicator reviewed the evidence submitted by both parties, and addressed the consumer's three main concerns.

Delay to providing the replacement part

The adjudicator remarked that Mr F did not receive an explanation as to why the spare part could not be sent through sooner for the repair of the vehicle, nor was a timescale communicated to the consumer as to when the part would arrive – considered a breach of the New Car Code. This resulted in Mr F having to contact the manufacturer that was not providing appropriate updates to the consumer during the period that he was waiting.

The adjudicator equally noted that the manufacturer's response in this dispute highlighted that the part had arrived, and that they had offered Mr F a goodwill gesture of a free service for his vehicle in recognition of the delay. This was considered by the adjudicator to be a fair and reasonable response to Mr F's complaint.

Provision of a courtesy car

The adjudicator acknowledged that Mr F required a vehicle whilst he was waiting for the part to arrive, as the back seat could not be used. However, a vehicle manufacturer, nor a dealership, has a legal obligation to provide a courtesy vehicle. Therefore, no breach of the New Car Code had been identified due to the business not doing so.

Awarding of compensation

On this aspect of the complaint, The Motor Ombudsman stated that it could not award compensation for non-demonstrable losses, such as for inconvenience, distress, regardless of the case outcome.

Conclusion

The adjudicator remarked that there had been a breach of the Code, but had now supplied the necessary part for the repair. Nevertheless, by way of a remedy, it was advised that the vehicle manufacturer should apologise to Mr F in relation to the delay, and provide a full explanation as to why this occurred. Similarly, the adjudicator agreed with the offer of a free service as a gesture of goodwill. The outcome was not challenged by either party, and the case was closed.

3.3 Vehicle Warranty Products Code



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 Vehicle Warranty Products Code covers the following principal areas:

- ☒ Advertising;
- ☒ Point of sale obligations;
- ☒ The clarity of information provided to customers;
- ☒ The handling of claims;
- ☒ Service contracts, guarantees and non-insured products;
- ☒ Insured products; and
- ☒ Complaints handling.

No changes were made to the content of the [Vehicle Warranty Products Code](#) in 2024.

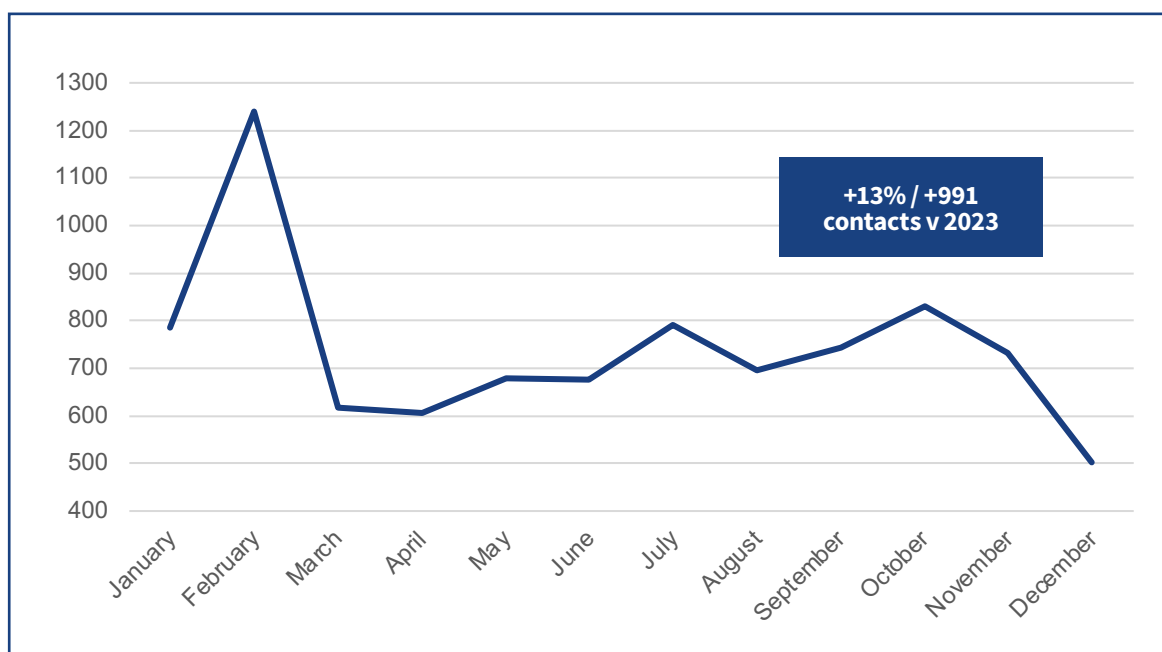
3.3.1 Vehicle Warranty Products Code performance data

	2022	2023	2024	Trend (2024 v 2023)
Consumer contacts	4,019	7,907	8,898	▲
Early resolutions	14	9	7	▼
Adjudication cases*	388	640	832	▲
Ombudsman final decisions	46	107	42	▼
Escalation rate (Contacts to cases)	10%	8%	9%	▲

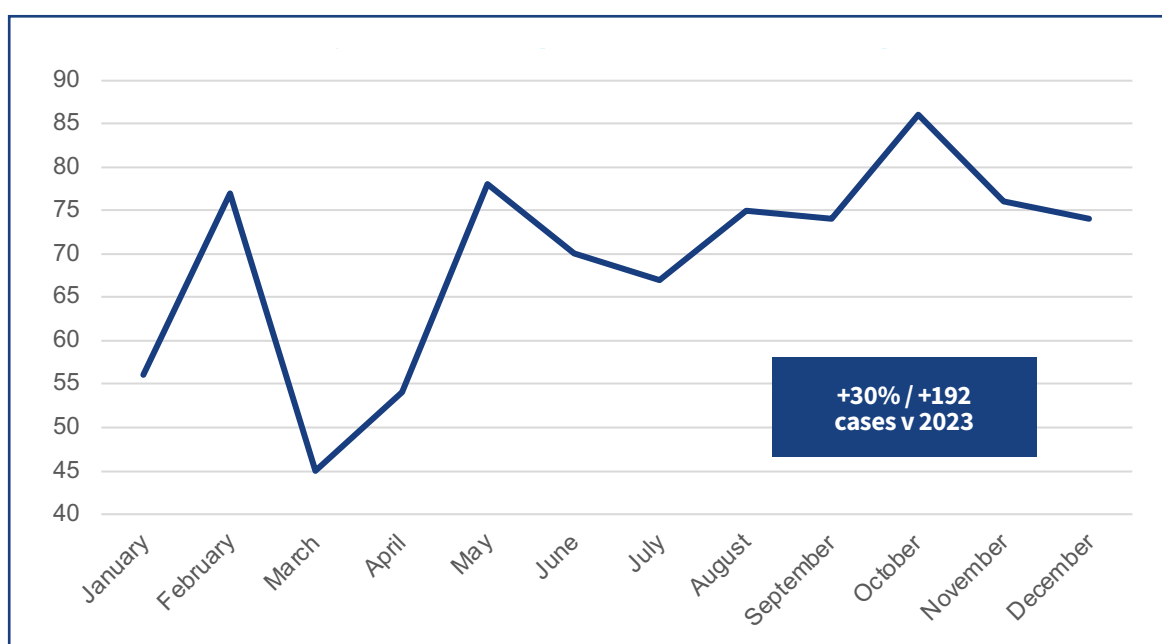
*The adjudication cases figure relates to the volume of cases passed to adjudicators for review.

3.3.2 Vehicle Warranty Products Code performance charts

Vehicle Warranty Code contact volumes by month (Jan - Dec 2024)



Vehicle Warranty Code case volumes by month (Jan - Dec 2024)



3.3.3 Vehicle Warranty Code performance analysis

Mirroring the trend seen across other Codes of Practice, consumer contacts in relation to an extended vehicle warranty policy rose by 13% year-on-year when compared to the volumes seen in 2023, with the 2024 figure of **8,898** marking a three-year high. This was also more than double the number of contacts seen in 2022 (4,019). This is likely due to the aforementioned rise overall in the use of The Motor Ombudsman’s free service during the course of the year, and the higher number of businesses accredited to the Vehicle Warranty Code.

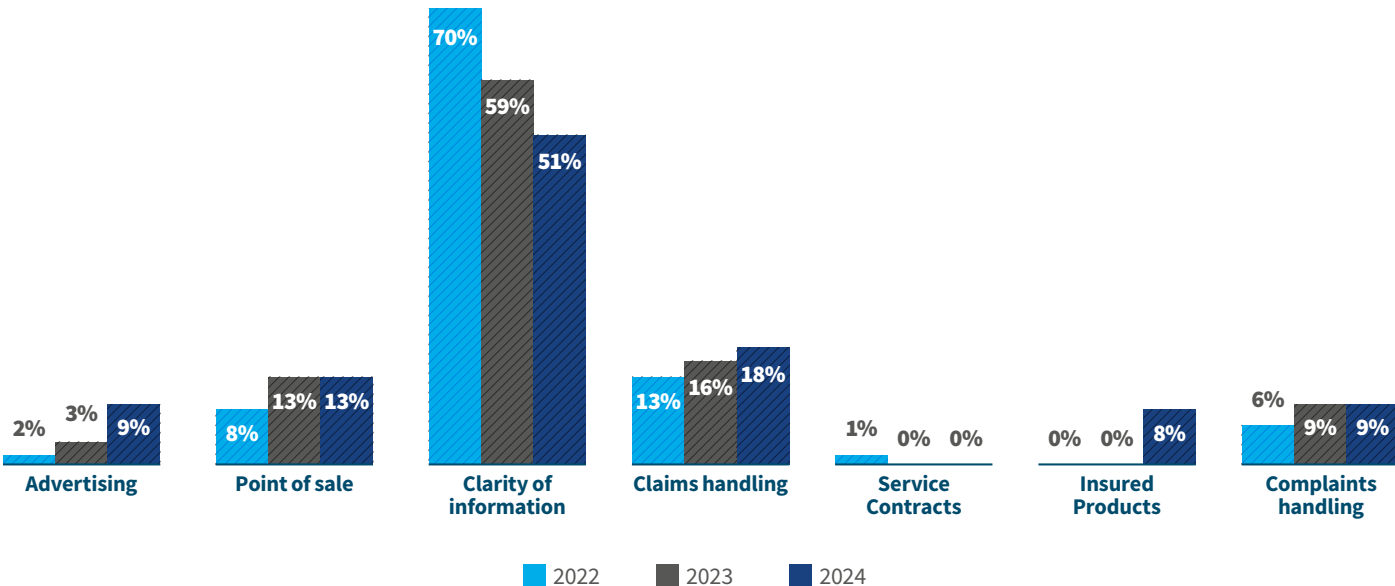
Similarly, there was a greater number of cases accepted that fell within the remit of the Code (up 30% to **832** in 2024 compared to the year before), and also equating to a three-year high. In contrast, the number of cases suitable for early resolution declined again slightly from 9 to **7** – half the amount seen in 2022 (14).

In terms of the delivery of ombudsman final decisions, these witnessed a 61% fall to **42** in 2024. With increased case complexity across the board, this has required a greater amount of time to be devoted to each dispute to fully assess the evidence, thereby slowing the output of decisions.

3.3.4 Vehicle Warranty Products Code cases by breach

Source of breach	2022	2023	2024	Trend (2024 v 2023)
1.0 Advertising	2%	3%	9%	▲
2.0 Point of sale	8%	13%	13%	—
3.0 Clarity of information	70%	59%	51%	▼
4.0 Claims handling	13%	16%	18%	▲
5.0 Service Contracts, Guarantees and Non-insured Products	1%	0%	0%	—
6.0 Insured Products	0%	0%	0%	—
7.0 Complaints handling	6%	9%	9%	—

↪ Source of Vehicle Warranty Code breaches (2022 - 2024)



Consumer complaints relating to the Vehicle Warranty Products Code in 2024 resulted from the following principal breaches:

3.0 Clarity of information (51% of breaches):

- The consumer was not fully informed about which components were and were not covered by the warranty product [3.4]⁵;
- Where products specify the use of a manufacturer-approved repairer for regular servicing or for warranty work, this was not stated clearly [3.3]; and
- Warranty terms and conditions were not written in plain English, and were ambiguous or difficult to understand [3.1].

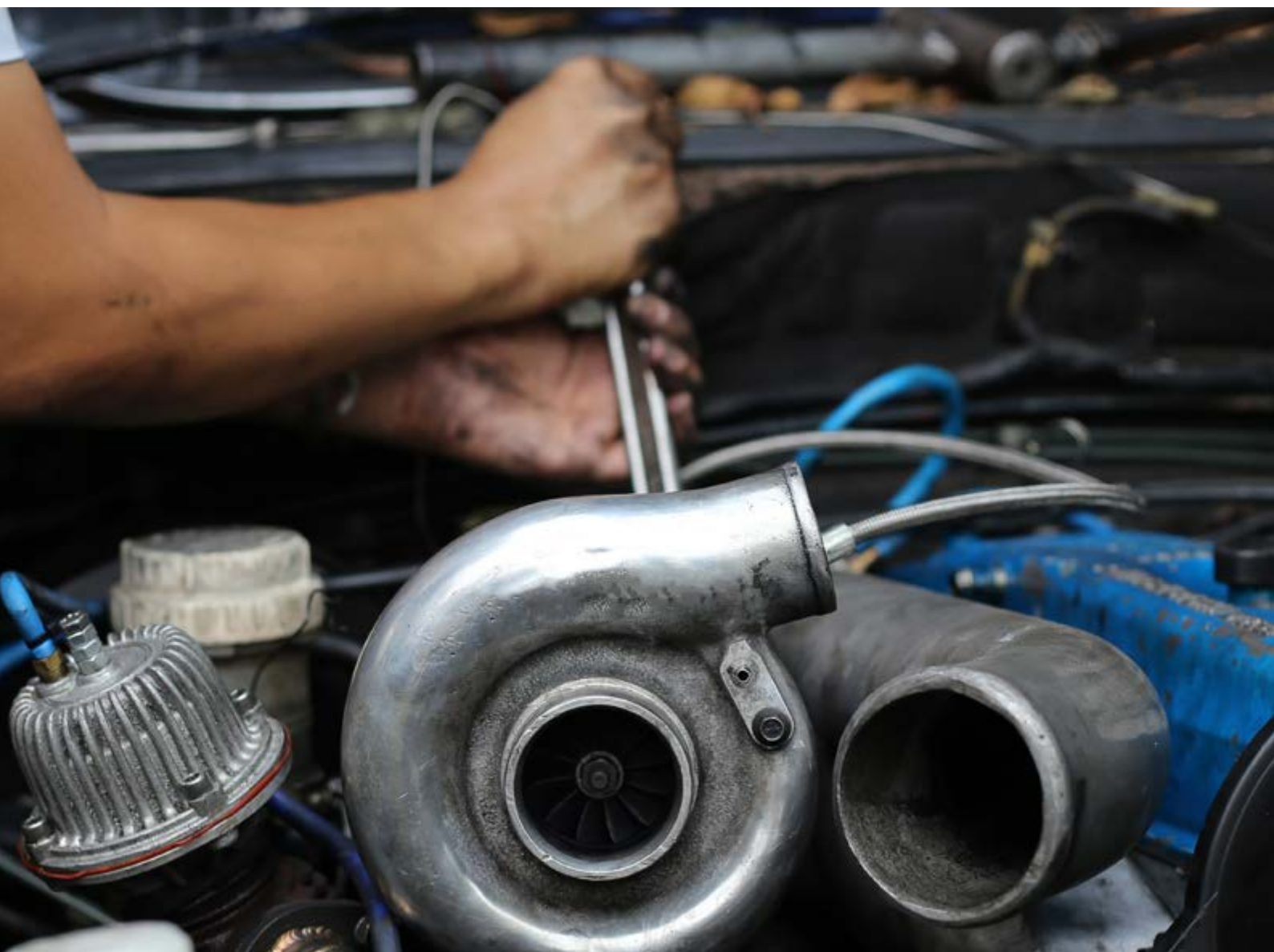
4.0 Claims handling (18%):

- The warranty provider took too long to make a decision on the claim [4.2];
- An inspection of the customer's vehicle by one of the accredited business's engineers or a third party, was not carried out as soon as practically possible [4.3]; and
- Labour costs for repairs were not covered, unless these had been specifically excluded, or a maximum labour rate was not stipulated to the customer [4.5].

2.0 Point of sale (13%):

- If it appeared to the accredited business or retailers that the customer may not have understood a particular point, either prior to purchase or when making a claim, the accredited business (and the retailer) did not take reasonable steps to help the customer understand [2.10];
- The customer was not provided with appropriate information regarding key terms of the product(s) and cover prior to them signing a contract [2.2]; and
- The accredited business did not ensure that the retailer offering the policy, provided sufficient and accurate product information to enable consumers to make an informed decision [2.9].

⁵Numbers in brackets denote Code of Practice clause reference.



3.3.5 Vehicle Warranty Products Code case studies reviewed by ICAP

The following case studies in relation to The Motor Ombudsman’s Motor Industry Code of Practice for Vehicle Warranty Products were reviewed by ICAP members to ensure that all adjudication outcomes and ombudsman final decisions were delivered correctly.

Note:

- This a sample of the Vehicle Warranty Products Code cases reviewed by members of ICAP during 2024.
- The vehicle age and mileage apply at the point when the consumer submitted their complaint to The Motor Ombudsman.

Case 1: Consumer’s claim

Vehicle age	9 years old
Vehicle mileage	63,500
Outcome	Not upheld
Award	None

Ms G purchased a used 64-plate city car (registered in September 2014) in August 2022) from a private individual, meaning the vehicle was around eight years old at the point of sale. Ms G also took out an extended warranty directly with the manufacturer in the event of mechanical or electrical problems.

In November 2022, shortly after buying the car, it suffered engine management problems, and she noted that engine management sensors were a listed component on the policy. Ms G made a claim to have these replaced, which was declined. She contacted the brand’s service centre team, and they directed her to the third party

responsible for administering the warranty Ms G had bought, and vice versa.

The consumer also tried to get in touch with the vehicle manufacturer’s customer service department, but was hindered by incorrect e-mail addresses on the brand’s website. When she finally got through in April 2023, Ms G requested an investigation into her claim, and subsequently found out in July of that year that it had never taken place. The consumer finally received a response from the vehicle manufacturer’s customer service team, but it failed to address Ms G’s concerns.

The consumer ended up paying in the region of £520 for the repair, which she sought as a refund to resolve her dispute, as she believed the warranty policy had been mis-sold.

Response of accredited business

The warranty provider explained that they did not believe the policy had been mis-sold, as Ms G had bought it online. As such, before agreeing to take out the warranty, she had the opportunity to review the associated terms and conditions, and also benefited from a further 14-day cooling off period following the purchase to give Ms G additional time to refer to the policy documents to ensure the extended warranty was suitable for her requirements.

Whilst stating that the decline of the claim to cover the repair of the engine management sensors would not be overturned, despite them being a listed component, they pointed out that failures caused by soot accumulation in the engine was not covered. This point was particularly pertinent, as the repairer confirmed the vehicle had not been serviced since 2018 as per the vehicle manufacturer’s recommendations, breaching the terms of the policy.

Adjudication outcome

When reviewing the documentation, the adjudicator noted that there was no contradicting evidence provided by Ms G showing that her vehicle had been serviced since 2018. As such, the adjudicator said that it could be established that the lack of regular maintenance contributed to the accumulation of soot in the engine, resulting in the engine management light illuminating, and the problems identified.

The policy also stated that costs resulting from a vehicle being kept in an unroadworthy condition, or not being serviced in accordance with the manufacturer’s recommendations, would not be covered. In addition, the adjudicator noted that, even if Ms G had provided evidence proving that the vehicle had been serviced, she would still have been unable to make valid claim under the warranty due to the soot build-up being classified as a failure not covered by the policy.

In terms of whether the agreement had been mis-sold to Ms G, there was no evidence of the warranty provider supplying inaccurate or misleading information, or failing to disclose important details to the consumer.

Having looked at the facts of the case, no awards could be made by the adjudicator in relation to either of these points, and the case was not upheld in favour of Ms G.

Conclusion

Neither party disputed the outcome, and the case was closed.

3.3.5 Vehicle Warranty Products Code case studies reviewed by ICAP (continued)

Case 2: Consumer’s claim

Vehicle age	6 years old
Vehicle mileage	53,000
Outcome	Not upheld
Award	None

Ms H bought a 67-plate saloon (registered in October 2017) with 37,000 miles on the clock from a retailer in August 2021, and took out an extended warranty agreement at the same time. In June 2023, the steering rack seized and the steering locked whilst she was driving. Unable to use the car, she had it recovered to an independent garage, and they diagnosed the issue as a faulty steering rack.

A claim was submitted to the warranty provider for the repair, but was only approved two months later, despite Ms H chasing several times for an update. The consumer considered this delay to constitute a breach of the Vehicle Warranty Code, and was compounded by the warranty provider negotiating for a further three weeks with the garage to fit a reconditioned part instead of one which was brand-new. In fact, when the reconditioned part was sourced and fitted, it was found to be faulty, leading to a further delay to the repair of Ms H’s car.

During this time, Ms H was left without a car, and incurred transport costs and having to pay temporary insurance cover on a family member’s vehicle during this period. She was also looking to hire a vehicle for a month whilst waiting for hers to be fixed, leading to a request for an award of £2,000 to resolve her dispute, in addition to compensation for the emotional strain it caused.

Response of accredited business

The vehicle warranty provider acknowledged the delay in the repair to the customer’s car, and apologised for the inconvenience caused to Ms H. They also added that, since Ms H had logged her case with The Motor Ombudsman, the vehicle was repaired in September 2023 at no cost to Ms H, and was returned to the consumer in full working order. Therefore, the business was not proposing any further award at this time.

Adjudication outcome

The adjudicator reviewed the evidence provided and came to the following conclusions:

The delay in approving the claim logged by Ms H

The adjudicator noted that the terms of the warranty stated that a response to the claim would be provided within an eight week-period, meaning the timescale was adhered to in the case of Ms H. The adjudicator also pointed out that the policy said that the warranty provider could request that reconditioned parts were used to create a more economical repair.

Reimbursement for the cost of a hired vehicle

It was noted that Ms H had requested the cost to be covered for the use of hire vehicle. However, there was no evidence that she went ahead with this, and incurred costs, meaning no award could be made on this point. The adjudicator equally highlighted that there was no legal obligation for the business to provide one or contribute to the fees for doing so.

Awarding of compensation

The adjudicator stated that The Motor Ombudsman does not award compensation for losses which are not demonstrable, such as inconvenience or stress, or for indirect losses in relation to earnings or travel costs. In this case, Ms H had not supplied any evidence to show any financial detriment, meaning no award could be made.

In summary, the warranty provider was not found to be in breach of the Vehicle Warranty Products Code, and the dispute was not upheld in favour of Ms H.

Conclusion

Both parties accepted the adjudication outcome, and the case was closed.

3.3.5 Vehicle Warranty Products Code case studies reviewed by ICAP (continued)

Case 3: Consumer's claim

Vehicle age	4 years old
Vehicle mileage	54,000
Outcome	Upheld
Award	£2,700 repair contribution

Mr I bought a 2016-registered executive car from a retailer in October 2020, and was kept in very good condition throughout his ownership. He took out an extended warranty a couple of years later in November 2022. In March 2023, Mr I's vehicle displayed random messages on the dashboard indicating that there was a communication issue.

Mr I contacted the warranty provider for the issue to be repaired and investigated. He was asked by the business to arrange diagnostics at any garage at his own cost, and was reassured by the warranty provider that he would be reimbursed.

However, after two months of waiting for a response from the business, Mr I was informed that the parts needed to carry out the repair were not covered under the

agreement, and pointed to the fact that the fault was pre-existing. As a result, the warranty provider said that they would not cover the cost of rectifying the issue or the diagnostics fee of approximately £150 that the consumer had paid.

Mr I disputed this decision, as he claimed that the faults were not already present and was unclear about how this conclusion had been reached. He also stated that he had read the policy literature in detail, and found the parts concerned to be included, therefore leading Mr I to believe that his vehicle should be repaired at no cost to him under the terms of the warranty.

Response of accredited business

The warranty provider explained that the consumer had taken out a policy designed to protect customers in the event of a sudden or unexpected failure of the major mechanical electrical components of their car.

The repairer submitted an estimate for the work needed to fix Mr I's car, which amounted to around £4,500 to replace the steering rack, the input and output shaft seals, and to replace some rusting exhaust nuts.

The warranty provider also commissioned an independent vehicle inspection report, and based on this, they explained that the fault with the steering rack was intermittent, insinuating that there had not been a sudden failure of a component, as is required by the terms of the policy. In addition, the remaining components, namely the input and output shaft seals, as well as the rusty exhaust bolts, were not listed components on the plan, according to the business, leading to the warranty provider declining the claim – a position which they maintained.

The warranty provider did however, agree that they had not addressed the inconvenience caused by the delay in responding to Mr I, which they acknowledged was not in line with their normal standards, subsequently issuing a formal apology. Nevertheless, no offer was made to Mr I to refund the cost of the diagnostics due to the claim being declined, and not being liable to cover the repairs needed.

Adjudication outcome

The adjudicator reviewed the evidence provided, and concluded that the rear differential was a part covered under the policy. This is because the damage had been caused by the failure of a shaft seal, which was a non-listed part. On this point, the agreement covered the failure of components caused by the wear and tear of non-listed parts.

Furthermore, the failure of the driveshaft was sudden and unexpected according to Mr I, meaning that this aspect of the consumer's claim was upheld. The steering rack, a covered part, suffered from an intermittent fault, which could also be sudden and unexpected, or due to wear and tear. On this point, no evidence had been presented that Mr I drove the vehicle ignoring the fault. The adjudicator also highlighted that, where there was a contradiction in the terms of the contract, they should be read in favour of the consumer. As such, the intermittent fault with the steering rack was covered under the terms of the policy, but damage caused by the shaft seals and rusty bolts was not covered.

In summary, the adjudicator explained that, as per the policy's terms, the warranty provider should be liable for around £2,700 of the total cost of the repairs. This was made up of the initial diagnostic costs that Mr I paid, labour and component costs. This left the consumer with the sum of around £1,800 to cover.

The consumer agreed with this outcome, but the business did not accept the adjudicator's conclusions based on the fact that the independent engineer's report highlighted that a sudden and unexpected breakdown of the driveshaft had not occurred, and requested a final decision.

Ombudsman's final decision

After reviewing the evidence, the ombudsman reached the same conclusion as the adjudicator for the same reasons, meaning the dispute was upheld in the consumer's favour, and directed the business to pay out the aforementioned amount for the diagnostics and repairs due to Mr I's vehicle.

Conclusion

The consumer accepted the final decision, meaning it was binding on the business, but did not provide any response to the request for evidence that repairs had been carried out on his vehicle, leading to the case being closed.

3.4 Vehicle Sales Code



Launched in 2016, the **Motor Industry Code of Practice for Vehicle Sales** focuses on the sale of both new and used cars at an accredited garage, dealership or used car outlet, as well as the supply of finance and warranties. It covers areas, such as the use of transparent wording of advertising and pricing, clear and transparent invoicing, and that the sale of a used car is supported by a vehicle provenance check to ensure that it has not been stolen, written-off and is free of any outstanding finance payments. Businesses accredited to the Vehicle Sales Code can be found on The Motor Ombudsman's Garage Finder.⁶

The Vehicle Sales Code covers the following principal areas:

✓ Advertising;	✓ The provision of warranty products;
✓ The presentation of used cars for sale;	✓ The provision of finance products;
✓ The presentation of new cars for sale;	✓ Aftersales support; and
✓ The vehicle sales process;	✓ Complaints handling.

No changes were made to the content of the [Vehicle Sales Code](#) in 2024.

3.4.1 Vehicle Sales Code performance data

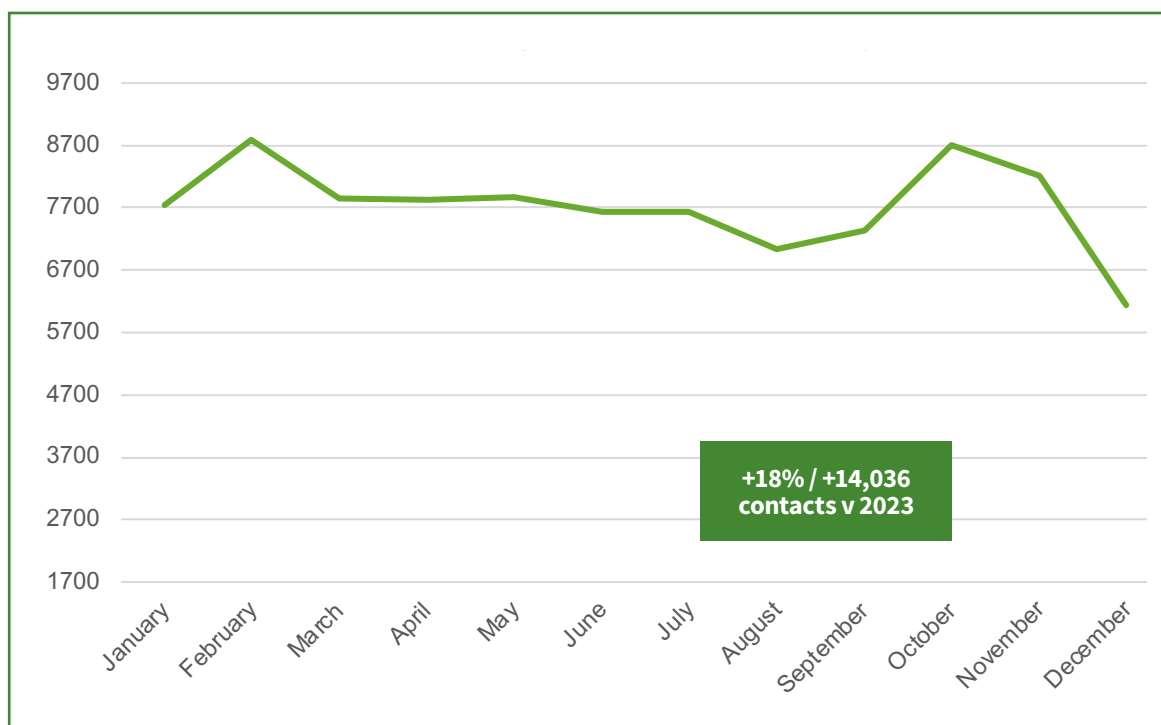
	2022	2023	2024	Trend (2024 v 2023)
Consumer contacts	27,305	78,759	92,795	▲
Early resolutions	181	116	112	▼
Adjudication cases*	2,958	4,289	5,768	▲
Ombudsman final decisions	316	634	447	▼
Escalation rate (Contacts to cases)	11%	5%	6%	▲

* The adjudication cases figure relates to the volume of cases passed to adjudicators for review..

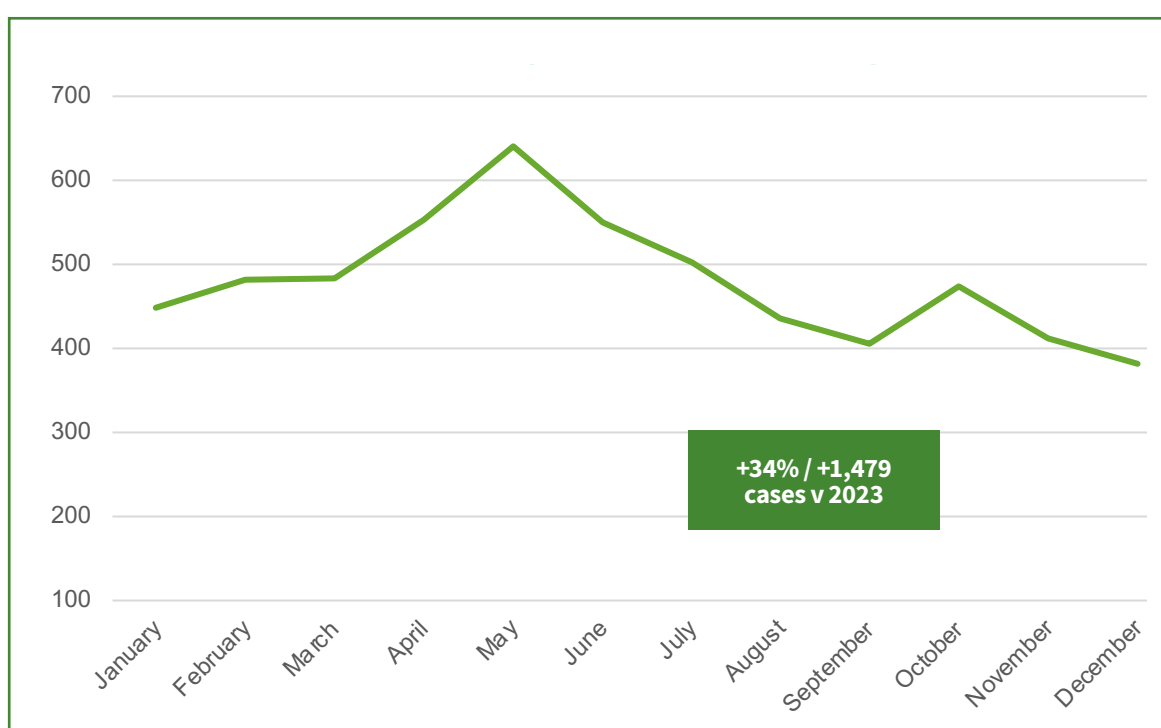
⁶ www.TheMotorOmbudsman.org/garage-finder

3.4.2 Vehicle Sales Code performance charts

Vehicle Sales Code contact volumes by month (Jan - Dec 2024)



Vehicle Sales Code case volumes by month (Jan - Dec 2024)



3.4.3 Vehicle Sales Code performance analysis

Consumer contacts received by The Motor Ombudsman in relation to a new or used vehicle purchase make up the highest proportion of contacts seen by the organisation on an annual basis. Mirroring the trend seen with the aforementioned Codes, and against a backdrop of increased cost of living pressures, consumer contacts in relation to the car buying process reached a three-year high, peaking at nearly **93,000** in 2024 – a near 20% rise versus the year before (78,759). These were primarily due to an issue with a used car purchase – one of the most prominent sources of consumer detriment in the motor industry.

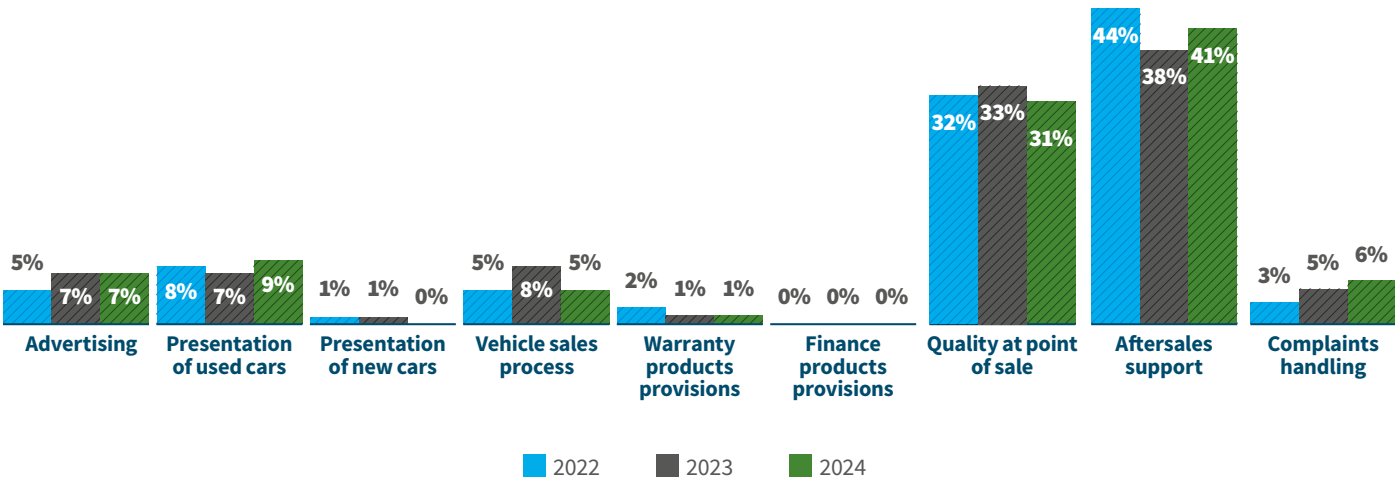
Similarly, the volume of cases accepted for adjudication and falling within the scope of the Code of Practice and The Motor Ombudsman’s remit, was also up year-on-year by around a third (34%), reaching a total of **5,768** in 2024 – also a new record for the organisation’s dispute resolution service. In contrast, the number of early resolutions fell very slightly again for a second year in a row, from 116 in 2023, to **112** in 2024.

As discussed previously for other Codes, Ombudsman final decisions delivered to consumers and businesses decreased by around 30% to **447**. This was however, encouragingly still above the volume of 316 decisions seen in 2022.

3.4.4 Vehicle Sales Code cases by breach

Source of breach	2022	2023	2024	Trend (2024 v 2023)
1.0 Advertising	5%	7%	7%	▬
2.0 Presentation of used cars for sale	8%	7%	9%	▲
3.0 Presentation of new cars for sale	1%	1%	0%	▼
4.0 The vehicle sales process	5%	8%	5%	▼
5.0 Provision of warranty products	2%	1%	1%	▬
6.0 Provision of finance products	0%	0%	0%	▬
7.0 Quality of a vehicle at the point of purchase	32%	33%	31%	▼
8.0 Aftersales support	44%	38%	41%	▲
9.0 Complaints handling	3%	5%	6%	▲

▼ Source of Vehicle Sales Code breaches (2022 - 2024)



Consumer complaints relating to the Vehicle Sales Code in 2024 resulted from the following principal breaches:

8.0 Aftersales support (41% of breaches):

- The consumer was not made aware of the aftersales support available by the vehicle retailer [8.1]⁷;
- The aftersales support and accredited business's facilities did not operate in line with The Motor Ombudsman's Motor Industry Code of Practice for Service and Repair [8.3]; and
- The accredited business did not meet its legal obligations to the consumer [8.5].

7.0 Vehicle purchase quality (31% of breaches):

- The seller of the vehicle did not meet its legal obligations to the consumer, and the car was not fit for purpose, of satisfactory quality, and as described [7.4];
- The consumer did not receive a full documented handover regarding the operation of the vehicle and associated documentation made available to the accredited business [7.2]; and
- When the consumer took delivery of their vehicle, they were not made aware of the aftersales service provisions available, including details of the accredited business's complaints handling procedure [7.1].

2.0 Presentation of used cars for sale (9% of breaches):

- The accredited business did not provide the consumer with any other information that could affect their transactional decision [2.13];
- Faults identified during the pre-sales inspection were not recorded and rectified prior to the sale of the vehicle, to ensure it was in a safe and roadworthy condition [2.10]; and
- The accredited business withheld information about a vehicle's history or usage that may affect a consumer's purchase decision [2.11].

⁷ Numbers in brackets denote Code of Practice clause reference.



3.4.5 Vehicle Sales Code case studies reviewed by ICAP

The following case studies in relation to The Motor Ombudsman’s Motor Industry Code of Practice for Vehicle Sales were reviewed by ICAP members to ensure that all adjudication outcomes and ombudsman final decisions were delivered correctly.

Note:

- This a sample of the Vehicle Sales Code cases reviewed by members of ICAP during 2024
- The vehicle age and mileage apply at the point when the consumer submitted their complaint to The Motor Ombudsman.

Case 1: Consumer’s claim

Vehicle age	9 years old
Vehicle mileage	8,000
Outcome	Not upheld
Award	None

Mr J purchased a brand-new SUV in June 2022. In February 2023, the vehicle suffered a steering rack failure. The car was recovered to his local dealership, where they suggested that it had occurred as a result of a manufacturing issue, rather than due to driver error, where damage would be readily visible. In the case of Mr J, he explained that he had driven the vehicle to work, parked it, and when he went to drive home, the issue occurred. As there was no evidence from his point of view as to any action that could have affected the steering rack, he was seeking a free-of-charge repair as a resolution to his complaint.

Response of accredited business

The dealership responded by explaining that when the vehicle was brought into them, it was due to an impact, causing the track rod end to snap. The business also stated that Mr J commissioned his own independent inspection, which confirmed what the repairer had found. Not wishing to proceed with the repair, the dealer explained that Mr J sold the car back to the dealership in an unrepaired condition at a reduced price agreed between the two parties in full and final settlement to resolve the consumer’s complaint.

Adjudication outcome

The adjudicator reviewed the documentation provided by both Mr J and the dealership, and stated that the consumer had the evidential burden of showing that the vehicle currently suffered from an inherent fault that was present at the point of sale.

When looking at the inspection report, the adjudicator noted that it said that there were scuff marks present, and it was also clear that impact damage had caused the track rod arm to snap, as the breakage was ‘distorted’. Had it been a manufacturing defect, there would have been a clean snap.

Therefore, the adjudicator deemed it reasonable that Mr J’s SUV was of satisfactory quality at the time of sale, and despite the consumer maintaining that there had been no impact, insufficient evidence had been provided by the consumer to suggest otherwise.

As a result, Mr J’s complaint was not upheld in his favour.

Conclusion

Neither party contested this outcome, and the case was closed.

3.4.5 Vehicle Sales Code case studies reviewed by ICAP (continued)

Case 2: Consumer’s claim

Vehicle age	2 months old
Vehicle mileage	2,000
Outcome	Upheld
Award	£300

Mr K ordered a brand-new hatchback from a dealership in June 2022, which was delivered three months later, and he received a handover prior to leaving the forecourt. After driving home however, he noticed that the wing mirrors did not fold in automatically when the car was locked. Mr K got back in touch with the seller, and they responded by explaining that they had forgotten to inform the consumer that this feature would need to be retrofitted, and that he would get an update from the vehicle manufacturer. The folding mirrors were vital for Mr K’s partner who had to frequently park in tight spaces, meaning putting the mirrors in manually was impractical.

Mr K followed up multiple times with the vehicle manufacturer to get the problem resolved, and was given two proposed dates. He also learnt that the sales brochure had been changed in January 2022 where the option of this feature was affected, and dealers were advised about this. However, Mr K said that this information was never communicated to him, and had he been privy to this at the point of purchase, he would have rejected the new vehicle and would have taken back his three-year-old car which he part-exchanged.

As a resolution to his complaint, Mr K was seeking looking for the electric folding wing mirrors to either be retrofitted at no cost, or to receive compensation of £2,000.

Response of accredited business

The retailer explained that they had been in touch with Mr K to attempt to agree a resolution, and was initially responsive to receiving compensation. However, the consumer subsequently had a change of mind, as his partner was adamant that she wanted electric folding wing mirrors.

The business stated that they sold Mr K the correct specification of vehicle at the time of purchase, as cars were being supplied at this time without folding mirrors due to the post-pandemic parts shortage. They equally referred to the fact that their salesperson incorrectly informed Mr K that this feature could be retrofitted, as the consumer’s car did not qualify for this.

Adjudication outcome

The adjudicator examined the documentation supplied by both parties, and noted that the advertisement supplied by the retailer indicated that the hatchback Mr K chose, came with electric mirrors.

It was nevertheless unclear if Mr K specifically asked about this feature at the point of sale. However, considering that the consumer wrote to the retailer about this aspect of the specification, it was deemed likely by the adjudicator that this point would have likely been raised at the time of sale, particularly as his email regarding this feature was sent on the same date that he collected the vehicle. If certain features were no longer available on a vehicle, these should have been pointed out to the consumer by the retailer prior to the completion of the sales contract. On the balance of probabilities, it was determined by the adjudicator that the vehicle was not sold ‘as described’.

In response to Mr K’s request for compensation, the adjudicator explained that it is not able to make such an award for non-demonstrable losses, regardless of the outcome.

In line with the Consumer Rights Act 2015, the first step in remedying Mr K’s case would be to have the mirrors fitted, but in this case, this was not possible. The next potential award was a partial refund, as there had been a demonstrable loss. An award of £300 was therefore made.

Conclusion

Both parties agreed with the outcome, and Mr K confirmed that he was in receipt of this sum. The case was then closed.

3.4.5 Vehicle Sales Code case studies reviewed by ICAP (continued)

Case 2: Consumer's claim

Vehicle age	3 months old
Vehicle mileage	800
Outcome	Upheld
Award	Recommendation of £350 goodwill

Ms L purchased a brand-new 72-plate compact crossover SUV from an independent car retailer in September 2022 for around £34,000. After three weeks of owning the vehicle, it developed a fault. The business agreed to repair the car, but it took a total of 65 days for the car to be handed back to Ms L. In light of what had happened, the consumer contacted the manufacturer with her complaint, and was offered several forms of goodwill, including two free services, followed by the offer of a free accessory, and a contribution towards finance repayments. However, all were deemed unsuitable by Ms L in accordance with her personal circumstances.

The final offer was therefore a shopping voucher to the value of £250, but Ms L was seeking an award that was greater than the cost of two services (around £600) as a fair resolution. The consumer did acknowledge that she had been provided with a courtesy vehicle to keep her mobile, but this however, did not match the quality and specification of her new car i.e. it was not an automatic model, and they could not tow a caravan or take their dogs away on holiday.

Response of accredited business

The retailer explained that they had always acknowledged that there was a fault with Ms L's car, and that they worked with the vehicle manufacturer's technical department to resolve the concern as quickly as possible. They added that there were delays receiving technical support from the brand, and to get the parts required to repair the vehicle, leading to it being out of use for a prolonged period of time.

The retailer said that they provided a courtesy car immediately to minimise inconvenience to Ms L, and offered her the use of the director's vehicle to tow her caravan. All complaints about the timescale of the repair were directed to the manufacturer, that offered Ms L the proposed remedies, which were subsequently turned down. The retailer nevertheless explained that, with Ms L being a valued customer, it remained committed to working with the brand to find an acceptable solution.

Adjudication outcome

The adjudicator reviewed the evidence provided, and remarked that both parties agreed that there was a fault. The adjudicator also stated that, on the balance of probabilities, it was likely that it existed at the point of sale. As such, this rendered the car not of satisfactory quality, meaning the complaint was upheld in Ms L's favour.

As it was also confirmed by both parties that the vehicle had been repaired, making it once again of satisfactory quality, this brings the condition back in line with the sales contract. Therefore, even though the complaint was upheld, no further action was needed by the retailer, as it had fulfilled their contractual obligation under the Consumer Rights Act 2015.

When looking at suitable award, the adjudicator pointed out that, while the manufacturer had been involved in terms of providing goodwill, the adjudicator nevertheless deemed it fair and reasonable that the retailer also provided a contribution based on the experience that Ms L had received.

When logging her case, the consumer requested a monetary award of £600, but had only received a final offer of a £250 shopping voucher from the manufacturer. The adjudicator therefore suggested that the retailer asked for the value of this voucher from the manufacturer as a monetary sum, and made up the difference of £350 to give Ms L what she was ultimately seeking as a resolution.

In delivering this recommendation for goodwill, which is voluntary, the adjudicator highlighted the fact that Ms L was within her rights to reject the vehicle for a full refund according to the law, but chose not to do so, meaning making up this £350 difference would show an appreciation for brand loyalty, and be seen as good customer service from the perspective of recognising the long delay in the repair of Ms L's vehicle.

Conclusion

Both parties agreed with the outcome provided by the adjudicator, and the case was closed.

SECTION 4:

Business compliance monitoring

- 4.1 Online self-assessments
- 4.2 Managing non-compliance
- 4.3 Suspensions of accredited businesses in 2024
- 4.4 Retrospective expulsions of accredited businesses in 2024
- 4.5 The enhanced compliance process
- 4.6 CTSI compliance
- 4.7 Compliance with the Ombudsman Association's Service Standards Framework
- 4.8 Delivery of online webinars and training programmes



SECTION 4: Business compliance monitoring

Business compliance monitoring remained a core focus in 2024. During the year, The Motor Ombudsman increased engagement with customers, businesses and regulatory bodies, such as the Chartered Trading Standards Institute (CTSI), to address and resolve non-compliance issues as and when they arose.

4.1 Online self-assessments

Once an independent garage or franchise car dealership has expressed interest in joining The Motor Ombudsman, the completion of an online self-assessment is required when applying for accreditation to the Service and Repair, and / or Vehicle Sales Codes to demonstrate that they are compliant with the requirements of the Code(s). The section below excludes any assessments in relation to Vehicle Warranty and New Car Code-accredited businesses.

The assessment asks businesses to complete information on subjects, amongst others, such as their staff training programme, their internal complaints process, as well as the advertising and sale of vehicles. The same self-assessment applies upon the renewal of the annual Code accreditation, and all businesses are asked to complete the assessment within 30 days of it being sent to them.

During 2024:

- ▶ **343** online self-assessments were completed for Service and Repair Code-accredited businesses (versus 643 in 2023).
- ▶ **72** online self-assessments for Vehicle Sales Code-accredited businesses were undertaken (compared to 271 in 2023).

In the event of incomplete self-assessments, further guidance is provided by The Motor Ombudsman to resolve any outstanding requirements and queries, in order for the evaluation to be completed by businesses.



4.2 Managing non-compliance

Penalty points are given to businesses for non-compliance and non-response with regards to a case at either the adjudication or final decision stage. In line with the terms and conditions of becoming accredited to a Code of Practice, it is a requirement that The Motor Ombudsman receives a satisfactory response from a business to any correspondence within five working days. Failure to respond means that the case is escalated as per the body's defined processes. Penalty points are issued and accumulated as per the flowchart, and a business can also be suspended at any point in the process for continued non-response or compliance.

Action taken by The Motor Ombudsman	Number of working days with no business response	Penalty points awarded to the business
	5	0
The adjudication team validates all contact details and communicates with the business. The Motor Ombudsman maintains contact with the business requesting a response	↓	↓
↓	11	6
↓	↓	↓
Case notes are updated by the adjudication team on actions taken to date. The Motor Ombudsman maintains contact with the business requesting a response	16	18
↓	↓	↓
The first written warning is issued to the business once 30 points have been accumulated		30
The adjudication team updates the consumer on the case, and points are logged against the business. A referral is made by the adjudication team to the compliance team if a response has still not been received or the business is not voluntarily responding or complying with an adjudication outcome or final decision	↓	↓
The compliance team contacts the business with the aim of resolving outstanding issues	21	42
↓	↓	↓
A second written warning letter is sent to the business and the compliance team updates the adjudication team accordingly		60
↓	↓	↓
The business is placed under Closer Scrutiny for continued monitoring**	Continued non-response / compliance*	70
↓	↓	↓
A formal referral is made to ICAP, and appropriate sanctions / further actions are reviewed by panel members at the scheduled meetings		80

*Continued non-response and non-compliance

The adjudicator and the compliance team will take further action as appropriate, such as suspension or a referral made to ICAP, if a response has still not been received from the business and issues remains outstanding.

In the event of non-response or compliance with a case, businesses will be supplied with a guidance response factsheet as necessary by the adjudicator. Once the case has been referred to the compliance team, they will attempt to contact the business through the following means:

By phone: If contact is reached with the business, the compliance team will notify the contact of compliance procedures and e-mail information confirming the phone call.

By e-mail: The contact at the business is emailed with a deadline, if appropriate, along with any further relevant information in regards to the case or non-compliance issue.

For continued non-response or non-compliance, the adjudicator will also update any penalty points that need to be logged, but can equally remove them from the record of a business if compliance is achieved.

**Closer scrutiny

Closer scrutiny has been devised to ensure each compliance area has the ability to highlight matters for improvement to accredited businesses. This means focusing on performance enhancements without necessarily issuing penalty points or taking further action. Matters can include:

1. Repeat complaints / breaches reported to the adjudication team;
2. Areas of concern highlighted on online self-assessments or the physical audits; and
3. Operational or customer service issues identified by TMO staff through internal or external sources.

Before an accredited business is added to the closer scrutiny register, all business activities are reviewed, including consumer concerns, call / case volumes, compliance checks, and customer satisfaction performance scores, to ascertain the extent of any overarching performance issues.

Once placed on the register at the discretion of The Motor Ombudsman, a business will be informed of any corrective action and the evidence required to remove them from it. If the concern is not resolved, suspension and / or a referral to ICAP may be required.

4.3 Suspensions of accredited businesses in 2024

Following a review of cases by the Independent Compliance Assessment Panel (ICAP), there were **no business suspensions** in 2024.

4.4 Retrospective expulsions of accredited businesses in 2024

Following a review of cases by the Independent Compliance Assessment Panel (ICAP), there was **one retrospective expulsion** in 2024.

4.5 The enhanced compliance process

Following an internal assessment of The Motor Ombudsman's compliance programmes, it was determined they continued to provide the required levels of oversight and intelligence. However, in an attempt to make these processes simpler to administer internally, and clearer for accredited business to follow, a cross-departmental working group was established in 2022, and its work has subsequently continued.

The overall objective of this initiative was to reduce the number of 'touchpoints' throughout the compliance process, and to cut the average time to resolve compliance escalations.

Whilst only resulting in slight changes to the way these escalations are managed, the greater use of The Motor Ombudsman's specialised contact team earlier in the process has continued to see positive results. This has equally helped prevent the need for referrals to The Motor Ombudsman's compliance department, and resulted in a clear increase in accredited business engagement throughout the ADR process.

In addition, disputes can be closed sooner, thereby allowing the compliance department to focus greater resource on a fewer number of escalations, and to turn their efforts to further improving The Motor Ombudsman's reporting and closer scrutiny protocols. This work will remain ongoing in 2025.

4.6 CTSI compliance



The Chartered Trading Standards Institute (CTSI) requires that all Motor Ombudsman-accredited businesses display the Approved Code logo on their website.

To significantly increase the volume of subscribers showing the Approved Code logo and that of The Motor Ombudsman, an electronic Smart Badge was developed, which allows consumers

to immediately verify that businesses are signed up to The Motor Ombudsman. In addition, they are also able to navigate to the trader's profile page on the Garage Finder directly from the Badge.

Emphasising the importance of featuring the Smart Badge to both new and existing accredited businesses, principally through targeted marketing communications, will be an ongoing focus during 2025.

4.7 Compliance with the Ombudsman Association's Service Standards Framework

The OA's Service Standards Framework came into effect in May 2017. It provides a 'roadmap' that members of the OA, such as The Motor Ombudsman, can use to raise their own performance, to embed good practice in their organisation, and demonstrate the quality of the service they offer. In meeting these standards, they can be more effective in supplying both individual redress and improving the service of organisations being complained about.

The Framework provides five key measures for members that specifically relate to the service supplied to both the complainants and to the organisations that are the source of the dispute. The individual metrics are as follows:

- 1 Accessibility;
- 2 Communication;
- 3 Professionalism;
- 4 Fairness; and
- 5 Transparency.



In 2024, The Motor Ombudsman (TMO) undertook the following actions in-line with the five measures detailed within the Service Standards Framework.

1 Accessibility	<p>TMO:</p> <ul style="list-style-type: none"> ✓ Introduced a new staff training initiative on the subject of consumer vulnerability to increase team member knowledge, and maintain the effective handling of consumer cases where this has been potentially identified ✓ Investigated the viability of undertaking a BSI Kitemark assessment for inclusivity (ISO22458) to improve the identification of consumer vulnerabilities ✓ Unveiled a policy and clear processes if a consumer should lose personal capacity whilst a case remains open with The Motor Ombudsman
2 Communication	<p>TMO:</p> <ul style="list-style-type: none"> ✓ Introduced a revised business response form to make it quicker and easier for businesses to supply evidence for a case file. ✓ Secured the funding for the development of an Artificial Intelligence (AI)-based communication tool ✓ Continued work with the telephony provider to further enhance existing processes to make it quicker and easier for consumers to speak to a member of The Motor Ombudsman's Customer Contact Team
3 Professionalism	<p>TMO:</p> <ul style="list-style-type: none"> ✓ Introduced new knowledge and skills-based assessments prior to interview when recruiting for new members of staff to further raise the calibre of individuals working for The Motor Ombudsman, to continue to ensure the highest standards of service provided to consumers and businesses ✓ Unveiled new team leads within the case administration and adjudication departments to mentor and develop team members to drive learning and quality standards
4 Fairness	<p>TMO:</p> <ul style="list-style-type: none"> ✓ Met with ICAP members on three occasions during the year to demonstrate the rationale behind the delivery of fair and impartial adjudication outcomes and final decisions based on the case evidence presented ✓ Undertook training on customer service and data protection, which highlighted the importance of being fair and approachable when interacting with consumers
5 Transparency	<p>TMO:</p> <ul style="list-style-type: none"> ✓ Added another 24 Code of Practice case studies to its website, giving even greater insight into its adjudication outcomes and final decisions, and approaches; and ✓ Ran webinars for manufacturers and franchise dealers, as well as in-person events, to improve understanding of consumer law and the effective management of disputes

4.8 Delivery of online webinars and training programmes

During the course of 2024, The Motor Ombudsman hosted online webinars and training courses for accredited and non-accredited businesses, touching on key subjects impacting the automotive sector. They were as follows:

- ▶ **March:** Consumer views and typical disputes relating to used cars.
- ▶ **May:** Annual Automotive Law Update (in partnership with Radius Law).
- ▶ **June:** Electric vehicles and workshop safety (in partnership with Autotech Training).
- ▶ **July:** Mechanical training for non-mechanical people.
- ▶ **September:** The new car market (key insights and dispute trends).
- ▶ **October:** Consumer law 101 training.
- ▶ **November:** Automotive and Business Legal Review webinar (in partnership with Radius Law and Grant Thornton).



SECTION 5:

ICAP member comments



SECTION 5: ICAP member comments

The Panel’s remit includes reviewing annual performance, case handling and sanctions. It also looks at resources and guidance produced by The Motor Ombudsman to assist consumers and accredited businesses.

After reviewing this report, the Panel remarked that:

Consumer awareness

- ✓ A survey conducted in 2024 revealed that 51% of respondents were aware of The Motor Ombudsman, marking a three-year high compared to 48% in both 2023 and 2022. Among consumers who had not experienced a vehicle-related dispute, awareness increased marginally to 39% in 2024, mirroring 2022 figures and improving from 37% in 2023. The highest level of awareness was observed in the 25 to 34 age group.

Service complaints

- ✓ The total number of complaints registered with The Motor Ombudsman increased significantly year-on-year. It also noted the correlation between the increase in consumer disputes and complaints about service delivery. In overall raw data terms, the breakdown including both informal and formal complaints over recent years is as follows:

2024: **Tier 1 Informal (607)** and **Tier 2 Formal (25) complaints** - a total of **632**.
2023: Based on **Tier 1 Informal (441)** and **Tier 2 Formal (32) complaints** - a total of **473**.
2022: Based on **Tier 1 Informal (262)** and **Tier 2 Formal (41) complaints** - a total of **303**.

- ✓ As in previous years, the delay in issuing decisions has been the biggest issue. Going forward, the Panel is aware that an increase in staffing levels should address this concern.

Case outcomes

- ✓ The outcome of case resolutions has remained largely similar to 2023, with 50% of cases upheld in favour of the consumer, though this was a slight decrease from 51% in the previous year. Cases decided in favour of the business fell from 47% in 2023 to 44% in 2024.

Business non-compliance

- ✓ It continues its monitoring of member business non-compliance, including enforcement of the Penalty Point System. It was noted in 2024 that there were no business suspensions. However, there was one retrospective expulsion of an accredited business.

Compliance with CTSI and OA Service Standards

- ✓ Compliance with CTSI and OA service standards remains a standing agenda item in ICAP meetings. Evidence presented by The Motor Ombudsman confirms and supports continuous monitoring and adherence to their regulatory requirements.

Panel members also noted the following for each of The Motor Ombudsman's four Motor Industry Codes of Practice:



- That disputes related to vehicle maintenance and repairs saw a 21% increase, rising from 33,520 in 2023 to 40,528 in 2024. Monthly contact volumes averaged 3,400, peaking at 4,000 in February.
- The number of cases accepted for adjudication increased by 25%, with 3,024 cases in 2024, compared to 2,430 in 2023, reflecting a growing number of businesses joining The Motor Ombudsman and falling under its jurisdiction.
- Final ombudsman decisions declined to 234 in 2024 from 379 the year before, likely due to increased case complexity. However, the Panel was pleased to see that early resolutions had increased from 61 to 80 cases.
- 60% of service-related complaints were linked to the business failing to complete work within the agreed timeframe or lacking due care and skill – a persisting year-on-year trend.



- That consumer contacts regarding new car purchases had declined slightly to 17,700 in 2024, versus 17,900 in 2023.
- 69% of these breaches related to warranty terms, including issues with clarity and other exclusions.



- That consumer contacts in relation to an extended vehicle warranty policy rose by 13% year-on-year when compared to the volumes seen in 2023, with the 2024 figure of 8,898 marking a three-year high. This was also more than double the number of contacts seen in 2022 (4,019).
- As discussed on numerous occasions by the Panel at its meetings the most complained about issue was clarity of warranty documentation, e.g. what constitutes a sudden mechanical breakdown - 51% of breaches including that the consumer was not fully informed about which components were and were not covered by the warranty product, the use of a manufacturer-approved repairer and warranty terms and conditions were not written in plain English, and were ambiguous or difficult to understand.



- Consumer disputes concerning new and used vehicle purchases comprised the largest proportion of Motor Ombudsman contacts. Volumes increased nearly 20%, reaching 93,000 contacts in 2024, up from 78,759 in 2023.
- As acknowledged in previous years, 72% of breaches stemmed from two main issues: 41% related to aftercare, including a failure to inform consumers about aftersales support or non-compliance with consumer legal obligations, and 31% pertained to vehicle quality, including unsatisfactory condition, and deficiencies in handover documentation and complaint handling.



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