

Schedule 5 – The Motor Ombudsman - 1 October 2024 to 30 September 2025

(a) the number of domestic disputes the ADR entity has received;

Across the reporting Period, The Motor Ombudsman (“TMO”) has handled **249,053** total contacts through its online form, email, post, and telephone.

Continued cost of living issues generated another year of record volumes of consumer complaints during the reporting period of October 2024 to September 2025 period:

- Consumer contacts +20%
- Cases created +5%
- Cases accepted +15%

No. enquiries received (domestic)	No. enquiries received (cross-border)	No. disputes received (domestic)	No. disputes received (Cross-border)	No. disputes accepted (continued to case) (domestic)	No. disputes accepted (Continued to case) (cross-border)
37,331	0	37,331	0	12,542	0

(b) the types of complaints to which the domestic disputes and cross-border disputes relate;

TMO operates four Codes of Practice:

1. the Code of Practice for New Cars (“NCC”), covering manufacturers’ warranties.
2. the Code of Practice for Vehicle Warranty Products (“VWP”), covering extended warranties and other types of protection policies.
3. the Code of Practice for Service and Repair (“SRC”), covering issues ranging from workmanship to the booking process.
4. the Code of Practice for Vehicle Sales (“VSC”), covering new and used vehicles, from the sales process to the quality of the vehicle.

The Motor Ombudsman also provides information which we classify as “Non-Code” for the purposes of transparency.

The table below shows how many disputes were logged for each code and the number of disputes accepted for each code.

Code	No. disputes received (domestic)	No. disputes received (cross-border)	No. disputes accepted (continued to case) (domestic)	No. disputes accepted (continued to case) (cross-border)
NCC	3,016	0	1,886	0
VWP	1,356	0	942	0
SRC	6,768	0	3,215	0
VSC	20,614	0	6,325	0
Non-Code	5,577	0	138	0

(c) a description of any systematic or significant problems that occur frequently and lead to disputes between consumers and traders of which the ADR entity has become aware due to its operations as an ADR entity;

Used car sales are consistently the area where we see the highest level of consumer detriment. It is also the sector where we see the highest volume of enquiries about businesses that are not accredited to TMO or in most cases any ADR provider.

Unfortunately, this results in a proportion of consumers being unable to access any form of ADR. Although as part of our process we do provide information and refer them to either CTSI, Trading Standards or Citizens Advice. Where we can investigate, we find that used car sales can be difficult to navigate for both consumers and businesses. Specifically, we see:

Businesses do not always understand the information they must be disclosing to consumers at the point of sale or provide inaccurate information. Consumers' purchasing decisions are heavily influenced by factors such as the previous use of the vehicle, its mileage, servicing history and whether it has previously been in an accident. Where this information is not provided, or information is incorrect, it can lead to consumers losing out both in terms of the price paid and the opportunity to purchase a more suitable vehicle elsewhere with detriment sometimes being difficult to assess.

Consumer expectations are not always in line with the age or mileage of the vehicle. It is not always understood or appreciated that wear and tear items, such as brake pads, disks, clutches and exhaust systems may need replacing sooner after the sale than with a new vehicle, or that the vehicle may experience more unexpected defects. This can be exacerbated where this occurs soon after purchase or leads to a higher than anticipated bill with consumers feeling that they are entitled to some kind of remedy – even if the issue is age or mileage-related, and not covered by consumer rights legislation.

Businesses selling used vehicles may hesitate to cover repair costs, believing they're not liable. They may rely on limited warranties, causing confusion about consumer rights under laws like the Consumer Rights Act 2015 or Digital Markets, Competition & Consumers Act 2024. It's crucial for businesses to distinguish when a fault entitles the consumer to legal protection, rather than simply stating that a lowered price reflects the vehicle's condition.

Understanding approved used car schemes can be challenging due to varying terms and conditions between businesses. Issues can arise if a vehicle doesn't meet scheme requirements, like having a full-service history. Consumers often have higher expectations for these vehicles, leading to greater disappointment if standards aren't met. Businesses should ensure that vehicles meet all scheme criteria and manage consumer expectations effectively.

We continue to experience an increase in the number of claims being submitted to our service as well as an increase in the costs being claimed. While it is difficult to substantiate the exact reasons behind this, we feel that the current "cost of living" crisis is a continuing factor.

The volume of vulnerable consumers accessing our service continues to increase over the last reporting period, the majority of which are experiencing financial hardships, although we are seeing other categories of vulnerability such as mental wellbeing increase. Vulnerable consumers continue to be managed within TMO's vulnerability framework and we provide additional support with our reasonable adjustment's procedure to ensure that we can cater for all customers and their needs.

(d) any recommendations the ADR entity may have as to how the problems referred to in paragraph (c) could be avoided or resolved in future, in order to raise traders' standards and to facilitate the exchange of information and best practices;

The most significant issue we continue to experience is the volume of consumers who contact our service seeking help and assistance where the business is not accredited to TMO or any other ADR provider. While used car sales constitutes the biggest element, service and repair outlets also make up a significant number of these cases. In this reporting period alone 57% (13,805 Cases) were rejected due to the business not being part of The Motor Ombudsman. The result of this is that thousands of consumers are left with no channel for resolving their complaint other than the small claims or court system, with the majority of consumers being put off by the perceived costs or long waiting times.

For this reason, TMO continues to support ADR being mandatory across all sectors of the motor industry, with a single ADR service, preferably an Ombudsman providing free of charge dispute resolution to consumers across the sector.

The benefits provided by mandatory ADR via TMO are as follows:

All consumers would have access to a free of charge dedicated Automotive related ADR service

All Businesses would have access to a dedicated automotive ADR service that provides insight into the key areas of customer complaints and how to improve their levels of service and transparency,

All Businesses would be committed to providing higher levels of service through TMO's best in class Codes of Practice

The Ombudsman model is recognised as being best practice for ADR and would provide a single channel for consumers to submit their cases, reducing consumer confusion as to where to seek redress and

The Ombudsman model ensures that data and insight provided by channelling all cases through a single ADR provider enables key trends and issues to be identified more quickly across individual businesses, groups, brands and sectors as well as the industry as a whole.

TMO already engages with our accredited business network, to create constructive working relationships – allowing us to provide feedback to resolve the consumer problems presented to us, but also provide root cause analysis to prevent cases being brought to us in the first place. We do this in a variety of ways:

1. Formal 121 case trend review meetings with accredited businesses.
2. Providing accredited businesses access to their complaints data, including the volumes and types of enquiries and disputes considered, as well as more granular information this formatted via visual dashboards.
3. Regular webinars on a variety of topics, including external speakers where this may add value to the subject matter being presented.
4. Providing training to accredited businesses related to Consumer Rights
5. The introduction of thought leadership papers, showcasing our insights on multiple topics
6. Including “smart” recommendations where applicable in TMO’s case decisions to assist accredited businesses in enhancing their customer service levels to consumers.

(e) the number of disputes which the ADR entity has refused to deal with, and the percentage share of the grounds set in paragraph 13 of Schedule 3 on which the ADR entity has declined to consider such disputes;

Total no. of disputes rejected	24,117
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Reason	No. rejected	Percentage of rejected
a) the consumer has not attempted to contact the trader first	1,650	7%
b) the dispute was frivolous or vexatious	406	2%
c) the dispute had been previously considered by another ADR body or the court	188	1%
d) the value fell below or above the monetary value	5	0%
e) the consumer did not submit the disputes within the time period specified	44	0%
f) dealing with the dispute would have impaired the operation of the ADR body	26	0%
g) non-member	13,805	57%
h) non-remit	7,632	32%
i) referred to another ADR body	361	1%

(f) the percentage of alternative dispute resolution procedures which were discontinued for operational reasons and, if known, the reasons for discontinuation;

	No. discontinued	Percentage of discontinued
Discontinued for operational reasons	0	0%

Reasons for discontinuation: N/A

(g) the average time taken to resolve domestic disputes and cross-border disputes;

	Domestic	Cross-border
Average time taken to resolve disputes (from receipt of complaint)	353 (403*)	N/A
Average time taken to resolve disputes (from ‘complete complaint file’)	85 (132*)	N/A

* This is all cases including those that were deemed complex in nature.

(h) the rate of compliance, if known, with the outcomes the alternative dispute resolution procedures (amongst your members, or those you provide ADR for)

Businesses are obligated to comply with our decisions if they are accepted by the customer. Any instances of non-compliance are addressed through our compliance process and, ultimately, reviewed by our independent compliance panel.

We have recorded 154 instances of non-compliance this ranges from failure to engage with a case file request to failure to honour the award 82 of these have been successfully resolved, with the additional 72 ongoing.

For this current reporting period we have had zero businesses referred to our Independent Compliance Assessment Panel.

(i) This point has been removed in amendments on 1 January 2021

Please add any additional information or data you think might be useful or interesting at the bottom of this report.

We have made substantial investments to expand and strengthen our Dispute Resolution team. In 2024 the team grew by 30% and in 2025 we have continued to grow the team by a further 27%. In addition, we have prioritised system enhancements, process optimisation, and comprehensive staff training to ensure our capability to manage increasingly complex cases while consistently delivering service excellence.

Additionally, we introduced our revised and enhanced Motor Industry Codes of Practice, to address the evolving landscape, advancements in technology, and shifting consumer expectations. To facilitate adoption, we conducted 12 webinars, providing businesses with opportunities to become acquainted with the updated Codes, which are now accessible on our newly revamped website launched in July.

A significant investment this year was directed towards artificial intelligence, designed to improve the management of the increasing volume of cases and case evidence submitted by consumers. This includes the provision of summarisation capabilities and direct evidence querying, representing a key advancement in the efficiency and consistency of our services.

Looking ahead, our AI Assistant is scheduled to launch in early 2026, supporting our objective to deliver adjudication decisions within 90 days of case submission. Timely resolution remains a priority for both consumers and businesses, and will be a primary area of focus in the coming year.

Our commitment to technological advancement continues with the introduction of new Consumer and Business Portals. In conjunction with the AI Assistant, these portals will further streamline evidence submission and management enhancing speed, transparency, and consistency while ensuring that decision-making authority remains with our adjudicators and ombudsmen.

Useful Information

Across the reporting period, we have published a variety of reports on various subjects, providing a wealth of interesting information, data, and insight.

Press Released, Please Click [Here](#).

Case Studies, Please Click [Here](#).

Thought Leadership Papers, Please Click [Here](#).

Independent Compliance Assessment Panel Reports, Please Click [Here](#).

Annual Reports, Please Click [Here](#).