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4 February 2026

Dear Chief Executive Officer

## **MOTOR FINANCE COMMISSION COMPLAINTS: MULTIPLE REPRESENTATION**

We are writing to motor finance lenders to set out the steps you should take to address the growing risk of harm relating to complaints where there is more than one professional representative (PR) appointed for the same motor finance complaint.

Lenders and PRs should work collaboratively to resolve this issue quickly and in a way that ensures good consumer outcomes. Today we issued a [joint statement with the Solicitors Regulation Authority \(SRA\)](#) setting out our expectations of PRs.

This letter reinforces the position we set out in our [Dear CEO letter](#) issued to lenders on 7 October 2025. We also communicated the same message in a [Dear CEO letter to Claims Management Companies](#) on the same day.

### **What is the issue**

We are aware that some customers have multiple representatives acting for the same complaint. In some instances, lenders have not informed PRs or customers promptly when they have identified multiple representatives and this has led to a significant volume of complaints where it is unclear who is acting for the complainant.

## Why this matters

As you are aware, there is currently a pause in place in relation to the handling of [motor finance commission complaints](#). This pause is due to end in May 2026. Separately, we have recently consulted on a proposed [Motor Finance Consumer Redress scheme](#) (CRS) and are considering the responses to this. We have said we will publish final scheme rules by the end of March 2026.

Complaints which do not fall within a finalised CRS will need to be progressed at pace in line with DISP timelines once the pause ends. Complaints which do fall within the scope of any finalised CRS will need to be handled in line with the timelines set within the scheme. We would not expect in either situation for there to be any delays in handling existing complaints due to the need to establish who is representing the customer. Failure to take action by lenders and PRs to identify who is acting for customers may increase the risk of unnecessary termination fees. There is also an inherent risk of delaying resolution of these complaints in a timely and efficient way.

## Steps to take

Lenders should identify where there is more than one representative for the same complaint and it is not clear who is acting for the customer.

Having considered your own circumstances, the facts of each multiple representation case, and where appropriate, sought legal advice, we suggest lenders:

- Contact all PRs associated with a complaint that has multiple representation to explain the issue and to establish who is the sole representative, with all correspondence copied to the customer.
- Provide all PRs associated with a complaint and the customer with sufficient information for them to reach a clear view on who is the sole representative.
- Communications should support constructive engagement between PRs and help customers understand the implications of appointing more than one representative, including any potential termination fees.
- Inform all parties and close any duplicate complaints, once the sole representative is confirmed.

- If, despite these reasonable efforts, the sole representative still cannot be identified, then you should ask the customer what they wish to do.

Further, throughout your communications, you must take care to ensure any information shared is limited to what is necessary to resolve professional representation status, observing applicable legal and data protection requirements.

### **Working collaboratively**

We consider adopting this approach should help progress the volume of complaints with multiple representatives, to enable them to be handled at pace when either the complaints pause ends or in line with any proposed finalised CRS if the complaint falls within its scope.

We will monitor how firms are dealing with this issue, and we may intervene where we see poor practice or unnecessary delay.

We hope that the steps set out in this letter will help resolve the matter effectively and efficiently.

Yours faithfully

Sheree Howard  
Executive Director of Authorisations  
FCA