

Policy Statement

PS25/18

Changes to handling rules for motor finance complaints

December 2025

This relates to

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Chapter 1

Summary

- 1.1** In October 2025 we published our consultation paper on a proposed motor finance consumer redress scheme (CP25/27) for motor finance customers who were treated unfairly. The consultation on the proposed redress scheme closes on 12 December 2025.
- 1.2** In Chapter 11 of CP25/27, we consulted on changes to the handling rules for motor finance complaints. This aspect of the consultation closed on 4 November 2025. This was to allow us time to finalise any changes and give firms notice of them before the current extension in the rules for handling motor finance complaints ends on 4 December 2025.
- 1.3** Our proposals included:
- excluding leasing complaints from any further extension, meaning that firms would need to start sending final responses to them from 5 December 2025
 - further extending the time firms have to send final responses to all other relevant Discretionary Commission Arrangement (DCA) complaints and non-DCA commission complaints to 31 July 2026
 - requiring firms to update their public facing communications to reflect the changes to the time limits
 - reverting back to the usual six months that consumers will have to refer a complaint to the Financial Ombudsman Service (Financial Ombudsman) for final responses sent after 29 January 2026
 - extending record keeping and retention requirements.
- 1.4** As we did in CP25/27 and PS24/18, we describe regulated consumer hire agreements as leasing agreements. This is to avoid confusion with hire purchase products, which are types of credit agreement.
- 1.5** We are proceeding with our proposals as consulted on, with one exception. We have decided to end the further extension on 31 May 2026, rather than 31 July 2026.
- 1.6** Some consumers have been waiting since January 2024, when we gave firms more time to send final responses to DCA complaints, for a response to their complaint.
- 1.7** We are consulting on a scheme with a broad scope and, should we proceed with a scheme, the date of 31 May 2026 will be superseded by the operational timetable set out in the final rules of the scheme for handling complaints about those agreements that will need to be assessed under it.
- 1.8** Although we have given firms more time to send final responses, they should be investigating complaints they have received and gathering information that will help with their resolution.

- 1.9** Ending the extension on 31 May 2026 will help ensure that consumers do not wait any longer than necessary for a response in cases where the complaint will not need to be assessed under the scheme or in the event we do not proceed with a scheme. In practice, this means lenders will have up to 8 weeks after 31 May 2026 to respond to complaints that were received since the relevant extensions were introduced.

Summary of feedback and our response

- 1.10** We asked 6 questions and received 544 responses in total, from a range of interested stakeholders.
- 1.11** There was broad support for our proposals. However, a range of respondents thought that we should align the end of the extension with the dates of any redress scheme, rather than having a fixed date such as the proposed date of 31 July 2026. Some said that the prospect of us consulting to end the pause early would create uncertainty.
- 1.12** Some trade bodies and firms were concerned about excluding complaints about leasing agreements from the extension. The reasons for this varied. Some felt strongly that response timelines should match those for other complaints to maintain operational consistency and prevent customer confusion. Others felt that firms will not have enough time to send final responses to leasing complaints once the current extension ends, due to the large number of complaints firms received since we started giving them more time to do so. However, the respondents who thought that we should give firms more time to respond to leasing complaints all agreed that they should be excluded from any potential scheme.
- 1.13** There was support for our other proposals along with general feedback that we should clearly explain any changes so that consumers can easily understand them.
- 1.14** In Chapter 2, we set out the feedback in more detail, and our response.

Who this affects

- 1.15** The rules in this Policy Statement are directly relevant to:
- consumers who have taken out motor finance agreements involving DCAs and non-DCAs
 - consumers who have taken out motor finance leasing agreements
 - motor finance providers, including those who provide leasing agreements
 - motor finance credit brokers, including motor dealers
 - professional representatives bringing complaints to motor finance providers, including claims management companies (CMCs) regulated by the FCA
- 1.16** This Policy Statement will also interest consumer organisations and trade bodies representing the motor finance and professional representative sectors.

How it links to our objectives

- 1.17** Our motor finance consumer redress scheme consultation closes on 12 December. While we finalise our position, these rules advance:
- our consumer protection objective, by ensuring consumers receive appropriate redress in an orderly, consistent and efficient way
 - our market integrity objective, by giving firms appropriate time to handle complaints under any scheme or outside of it, and in turn, ensuring the provision of redress to consumers does not increase the risk of disorderly failure and its consequences.

Outcomes we are seeking

- 1.18** Complaints are handled in an orderly, consistent and efficient way.
- 1.19** Extending the time firms have to send final responses to 31 May 2026 will ensure we can analyse the responses to the redress scheme consultation and confirm any potential redress scheme.
- 1.20** At this time we still consider that implementing a scheme is the right outcome. Extending to 31 May 2026 rather than 31 July 2026 will ensure that consumers do not wait any longer than necessary for a complaint response to cases that fall outside our scheme, or if the scheme is narrower in scope than in our consultation or in the unlikely event we do not proceed with a scheme at all. If a scheme is introduced, we will consider, at the point of introduction, how the end of the extension will interact with the complaints that will need to be assessed under it, and those that will not. For those complaints that will need to be assessed, the date of 31 May 2026 will be superseded by the final scheme rules.
- 1.21** Any such extended time limits do not prevent consumers from lodging relevant motor finance complaints with firms or taking legal action against firms.

Measuring success

- 1.22** We will measure the success of the extension to the time limit for complaint handling in terms of whether it allows us to ensure that affected complaints are resolved in an orderly, consistent and efficient way.

Next steps

What you need to do next

- 1.23** Firms affected by these changes must ensure that they continue to comply with the rules in Appendix 5 of the Dispute Resolution: Complaints Sourcebook (DISP App 5) that are relevant to their business. Read '[Information for firms on motor finance complaints](#)' for more information.
- 1.24** Firms dealing with complaints about leasing agreements must comply with the usual complaint handling rules in DISP, including, from 5 December 2025, the complaint time limit rules in DISP 1.6.
- 1.25** Where the further extension applies, and in line with what we have said previously, firms must continue to take reasonable steps to collate evidence and investigate complaints already received so they are in a position to resolve complaints promptly in line with the requirements in DISP, once the extension ends. This is subject only to any further relevant provision in our scheme rules in the event we decide to introduce a redress scheme. This information will be needed to resolve these complaints whether there is a redress scheme or not.
- 1.26** Consumers should be aware they can still complain to firms and that there are time limits for doing so. Consumers can check if our work applies to them and how to make a complaint. See '[Car finance claims](#)'.

What we will do next

- 1.27** The consultation on the potential consumer redress scheme closes on 12 December 2025. We will announce whether we will go ahead with a redress scheme in February or March 2026 (with final scheme rules unlikely before the end of February at the earliest).

Chapter 2

Our response and next steps

- 2.1** In this chapter, we summarise feedback and what we have decided in response.
- 2.2** There was a consistent theme in responses to all questions and from a range of stakeholders that we should align the end of the extension with any potential scheme. Where this feedback was specific to the particular questions, we have responded to it as part of our response to each one.
- 2.3** Our consultation on the redress scheme closes on 12 December 2025. To prevent firms from having to start sending final responses to all of these complaints from 5 December and ensure orderliness, we are making rules relating to the extension now. Linking the end of the extension to a date that is dependent on the as yet unconfirmed timings in any potential redress scheme would not give certainty to firms or consumers.

Whether we should further extend the time firms have to send a final response

- 2.4** Under the current rules, firms will be required to start sending final responses to relevant motor finance DCA complaints and non-DCA commission complaints from 5 December 2025. This means that firms could be required to start sending final responses before we have concluded our consultation and determined whether the redress scheme will go ahead and which complaints will be covered.
- 2.5** To avoid this, we proposed to further extend the time firms have to send a final response to relevant motor finance DCA complaints and non-DCA commission complaints that are not about leasing agreements. If we do not give firms more time to do this, we said it could risk undermining our objective that these complaints be resolved in an orderly, consistent and efficient way.
- 2.6** We proposed to exclude complaints about leasing agreements from the further extension. As the unfair relationship provisions in the Consumer Credit Act 1974 do not apply to leasing complaints, our proposals exclude them from the subject matter of the proposed redress scheme. As such, we considered it reasonable for firms to start providing consumers with final responses to these complaints.
- 2.7** We asked:

Question 83: Do you agree that we should further extend the time firms have to send a final response to motor-finance DCA and non-DCA complaints that are not leasing complaints? If not, please explain why

Question 84: Do you agree that leasing complaints should be carved out of the extension? If not, please explain why

Feedback to the consultation

- 2.8** Respondents understood and agreed with the rationale for further extending the time firms have to send a final response. Some respondents who agreed made the point that any extension should not, however, unduly delay consumers receiving a response. There were some requests to clarify the scope of the rules and the types of complaints they cover, e.g. if the complaint is not about commission.
- 2.9** Two firms queried whether a final response would be required if a complaint is within scope of any scheme.
- 2.10** Responses to the proposal to exclude leasing complaints were more mixed. There were 22 responses to this question and 15 of them agreed with the proposal while the other 7 did not.
- 2.11** Consumers and their representatives were generally supportive of the proposal while the objections came from firms and firm representatives. However, one consumer representative felt that leasing complaints should be included if there were similar harms, noting that consumers would find it difficult to distinguish between leasing agreements and credit agreements that are the subject of the proposed redress scheme.
- 2.12** All respondents who disagreed with the proposal agreed that leasing complaints should be excluded from the proposed redress scheme. However, they felt that requiring firms to start sending final responses to complaints about leasing agreements from 5 December 2025 could cause confusion for consumers and operational difficulties for firms. This is because of the complexities created by having different response dates and the increase in complaints since we first introduced the pause rules.
- 2.13** A trade body raised concerns about complaints about leasing agreements being referred to the Financial Ombudsman and urged the Financial Ombudsman and FCA to work together to resolve them promptly.

Our response

We are proceeding with our proposal to give firms more time to send final responses to relevant motor finance DCA complaints and non-DCA commission complaints.

We have previously acknowledged that our proposed rules can apply to motor finance complaints that are not expressly about commission. We opted for a broad definition because we wanted to make the rules as straightforward as possible and easy for firms and the Financial Ombudsman to implement.

For consistency with the current rules, we are applying the further extension to complaints that are covered by the current rules, with the exception of complaints about leasing agreements (see below).

We have responded to firms' requests about how the rules should be interpreted under the relevant headings in this chapter.

Leasing complaints

We are proceeding with our proposal to exclude complaints about leasing agreements from the further extension.

Our messaging to firms since we implemented the first extension to the complaint handling rules for motor finance complaints has been consistent: that they should continue to progress complaints they have already received by investigating and collecting evidence that could help with resolving them. This information would be needed regardless of how the complaint would be resolved. We also set out our expectations of firms with complaints about leasing agreements in our [Dear CEO letter](#) published in October 2025, alongside the redress scheme consultation.

Although consumers and their representatives may not distinguish between leasing agreements and credit agreements when making a complaint, we expect firms to be able to identify the type of agreement when they receive a complaint.

Firms will have up to 8 weeks from 5 December 2025 to send a final response to a complaint about a leasing agreement, less any time that had already elapsed when the extension to send a final response to a leasing complaint started in December 2024.

This means that if a firm received a leasing complaint between 26 October 2024 and 19 December 2024, the time it has to respond to it would be the difference between the 8 weeks it ordinarily has to send a final response under DISP and the number of weeks that had already passed before the extension started. In other words, if a complaint was received 3 weeks before the extension started on 19 December 2024, the firm would have 5 weeks from 5 December 2025 to send a final response.

For leasing complaints received on or after 5 December 2025, firms will need to send a final response within 8 weeks of the date they received the complaint— which is the normal period set in our complaint handling rules in DISP 1.6.2R.

For existing and new leasing complaints, if, by the end of 8 weeks, the firm is not in a position to send a final response, it must explain this in writing in accordance with DISP 1.6.2R(2), indicating when it expects to be able to do so and inform the complainant that they may now refer the complaint to the Financial Ombudsman. However, our guidance in DISP 1.6.7G explains that we expect firms to issue a final response that addresses almost all complaints within 8 weeks of receiving them.

If a firm sends a written response in accordance with DISP 1.6.2R(2), we encourage professional representatives to allow the firm the time requested in the holding response, before referring the complaint to the Financial Ombudsman. This is unless they consider the amount of time unreasonable or there is a particular urgency in the individual complaint and circumstances of the complainant.

We understand that some complaints about leasing agreements have already been referred to the Financial Ombudsman. We will (consistent with our respective statutory functions) work closely with the Financial Ombudsman to ensure a consistent and complementary approach to handling these complaints.

The length of the extension

2.14 With the exception of leasing complaints, we proposed to further extend the time firms have to send a final response to 31 July 2026. If, after considering the consultation responses, the FCA decides to implement a redress scheme, we thought an extension of time to 31 July 2026 should provide sufficient time for a) scheme rules to be made; and b) for firms to familiarise themselves with the requirements those rules impose on them in relation to any complaints that fall within the extension.

2.15 We reiterated that we expected firms to continue to progress complaints already received by investigating and collecting evidence that could help with eventually resolving them.

2.16 We asked:

Question 85: Do you agree with our proposal to extend the deadline for firms sending a final response for motor-finance DCA and non-DCA complaints that are not leasing complaints to 31 July 2026? If not, please explain why. Please include any views on the possibility of consulting to end the extension early

Feedback to the consultation

2.17 All firms who responded agreed that we should extend the time they have to send a final response but around half thought that the extension should be longer. Most of those who thought it should be longer said that the end date should be aligned with the timelines for communicating with consumers within any scheme. In arguing for a longer extension, firms referred to concerns about the timelines in our proposals for a redress scheme and difficulties they think they will face in assessing all existing complaints within 3 months of the scheme starting. There were 2 firms who thought the extension should be in place until the end of 2026 to provide an operational buffer and ensure that complaints are handled appropriately after the scheme is introduced.

- 2.18** There were 519 consumers who responded through the shortened consumer survey to the question asking whether we should further extend the time firms have to send final responses to 31 July 2026. All but 17 agreed with the proposed extension. Those that did not agree said that consumers had already been waiting too long for a response.
- 2.19** Other responses from consumer representatives included viewing the further extension as practical, accepting that a limited extension may be necessary but that it should not delay redress unduly. Another disagreed with the extension altogether, expressing concerns about potential document destruction by firms and rewarding them for deliberately delaying responding to complaints.

Our response

We have reflected carefully on our proposals and feedback we received. We have decided to implement the extension but with an end date of 31 May 2026, rather than 31 July 2026.

We are mindful that some consumers will have been waiting almost two and a half years for a response to their complaint. While at this time we still consider that implementing a scheme is the right outcome, if we decide not to go ahead with a scheme or implement a scheme with a more limited scope, we do not consider it fair for those consumers who will not be part of any scheme to wait until the end of July 2026 before firms have to start responding to their complaints. In line with the feedback received, we will, however ensure that, should we proceed with a scheme, the timetable for dealing with complaints that will need to be assessed under it will supersede the date of 31 May 2026.

An extension to 31 May 2026, rather than 31 July 2026, is consistent with the message we have been giving firms since the extension for responding to motor finance DCA complaints was introduced in January 2024. This message, as set out in our [Dear CEO letter](#), is that firms should be continuing to investigate and gather evidence that will help with the eventual resolution of complaints. This will also help all complaints get resolved promptly once any final announcement on a scheme is made. In practice, this means for complaints that will not need to be assessed as part of the scheme, firms will have up to 8 weeks after 31 May 2026 to respond to them. Where the complaint was received after the relevant extension was introduced, the deadline for sending a final response would be towards the end of July.

We considered whether we could set the end date of the further extension by reference to a date linked to any future redress scheme, if implemented. However, we think this increases uncertainty for both consumers and firms in terms of when final responses to complaints may need to be sent. A single, fixed date creates certainty for firms and consumers as does bringing the date forward now, compared to consulting to bring it forward at a later date. The date of 31 May 2026 will not be brought forward.

Ending the extension earlier than 31 July 2026 may also help address the scenario of a scheme going ahead with a more limited scope than being consulted on. For example, we are consulting on whether agreements entered into before 1 April 2014 (when regulation of consumer credit moved to the FCA) should be covered by the scheme. If we decided to limit any scheme to post-April 2014 agreements only, any agreement entered into before this date would not be included. In such cases, firms should be able to easily identify the date the agreement was entered into and therefore whether the complaint will need to be assessed under the scheme or not. If it will not, we do not want consumers waiting longer than we consider necessary to receive a final response. We think that ending the extension on 31 May 2026 (with up to 8 weeks after that date for firms to respond), rather than 31 July 2026 strikes the appropriate balance between allowing firms time to familiarise themselves with any rules if we announce a scheme and not making consumers wait longer than is necessary for a response.

Conversely, if we announce a scheme, we are aware that many complaints may have scheme and non-scheme elements. In this scenario it may be simpler for firms and less confusing for consumers to allow firms to defer sending a final response to any non-scheme elements until they are ready to communicate the outcome of any element encompassed under the scheme. In the event that we make scheme rules, we will revisit the date and look to align with relevant dates in the scheme taking account of the wide range of helpful feedback we are receiving in the consultation about the operational elements of the scheme. Under our current proposals, firms will have to write to consumers with existing complaints within 3 months of the scheme starting. This could be no earlier than 31 May 2026, taking into account that end February 2026 is the earliest point we are likely to make any final rules. In the event that the date changes, it will not be to bring the date firms have to send a final response forward from 31 May 2026.

We have already received much useful feedback in relation to the potential consumer redress scheme, and we will continue to engage on these issues as we conclude our consultation. In the meantime, firms should be actively preparing to respond to complaints, whether they will be in or out of any potential scheme.

Referring a complaint to the Financial Ombudsman

- 2.20** Under our current rules, consumers who are sent a final response to a DCA complaint between 12 July 2023 and 29 January 2026, and a non-DCA commission complaint between 21 June 2024 and 29 January 2026, will have until the later of 29 July 2026 or within 15 months of when they were sent their final response to refer their complaint to the Financial Ombudsman.

- 2.21** The extended referral period was introduced so that consumers wouldn't have to decide whether to refer a complaint to the Financial Ombudsman before we announced our approach to redress.
- 2.22** As we were consulting on a potential redress scheme at the same time, we did not see a need to further extend the referral period. We proposed that for final responses sent on or after 30 January 2026, the referral period would revert back to 6 months.
- 2.23** We acknowledged the change would create a significant difference in referral periods: a consumer receiving a final response on 29 January 2026 will have until 29 April 2027 to refer a complaint, while one receiving it on 30 January 2026 will have only until 30 July 2026.
- 2.24** We considered a staggered reduction in the referral period from 15 to 6 months but decided against it to avoid complexity and confusion. Not making further changes also means firms won't need to contact consumers who have already received a final response to tell them about having more time.
- 2.25** We asked:

Question 86: Do you agree that it is not necessary for the time to refer a complaint to the Financial Ombudsman to be aligned with the 15 months previously offered? If not, please explain why

Feedback to the consultation

- 2.26** Firms and their trade bodies were supportive of our proposals but some asked us to clarify how the current rules should be interpreted and applied to complaints that were not about commission.
- 2.27** There were objections to the proposals from two consumer representatives. One was concerned that consumers could run out of time to go to the Financial Ombudsman before understanding what the scheme means for them. The other thought it would be easier for all consumers to have one deadline and suggested that it be 29 April 2027 (which is the latest date a complaint could be referred to the Financial Ombudsman under our current rules). They also made the point that it could create incentives for firms to leave sending a final response until after 29 January 2026.
- 2.28** Some responses included comments that the Financial Ombudsman should only charge for complaints where any redress scheme was not applied correctly and that complaints that will need to be assessed under the scheme should not have referral rights to the Financial Ombudsman.

Our response

We are not departing from the proposals we consulted on. We remain satisfied that now we have published the redress scheme consultation, the policy rationale for giving consumers more time to refer their complaint to the Financial Ombudsman no longer applies.

Under our current plans we expect to have announced whether we are going ahead with a scheme (and hence its scope) in February or March 2026. Consumers with existing complaints should know whether they will have a complaint that could be assessed under the scheme before the 29 July 2026 deadline (which, under our current rules, is the earliest deadline for referring a DCA or non-DCA commission complaint to the Financial Ombudsman).

We acknowledge the drop-off in referral periods between a final response sent on 29 January 2026 and one sent on 30 January 2026. No respondents disagreed with our view that introducing additional dates could cause confusion.

We have considered having one, later deadline but we think this risks a large number of complaints being referred to the Financial Ombudsman at the same time, which could present operational challenges for it and firms subject to those complaints.

Clarification on existing rules

We understand the request from firms to provide clarity on how the existing rules should be interpreted, particularly in relation to complaints where they have sent final responses because they have felt able to respond to the complaint without considering the commission element.

The rules in DISP App 5.2.2 and App 5.2.2B mean that, where a final response to a (i) relevant motor finance DCA complaint is sent in the period beginning 12 July 2023 and ending 29 April 2025; or (ii) to a motor finance non-DCA complaint is sent in the period beginning 21 June 2024 and ending with 29 April 2025, the Financial Ombudsman is entitled to consider the complaint unless it was referred on or after 30 July 2026. For similar complaints where the final response is sent beginning 30 April 2025 and ending 29 January 2026, the Financial Ombudsman is entitled to consider the complaint unless it is referred to it more than 15 months after the firm sent the final response.

We provided tables in [PS24/11](#) and [PS24/18](#) to help show how long consumers who are sent a final response will have to refer their complaint to the Financial Ombudsman. Our rules reflect the content of these tables and require consumers who have been given more time to be informed accordingly.

Financial Ombudsman case fees

Case fees are ultimately a matter for the Financial Ombudsman. The Financial Ombudsman has consulted on its longer-term charging arrangements and is considering the responses. Separately, it is currently consulting on its 2026/27 plan and budget and if firms have comments on case fees, they should respond to that.

Communicating the complaint handling time limits

- 2.29** We proposed to require firms to update their published consumer-facing information about their complaint-handling procedures to reflect the changes to the time limits. We said that we would share information on our website to help them.
- 2.30** We did not propose requiring firms to tell existing complainants about the further extension to the time limits and the reason for it. We said that if we finalise these rules, our website will explain the reason for the extension.
- 2.31** However, where firms wish to use the proposed extended time to respond to a new complaint received on or after 5 December 2025, we said they should send an acknowledgement within 8 weeks of receipt to help prevent complaints being unnecessarily referred to the Financial Ombudsman and potentially incurring a case fee. We proposed requiring that the acknowledgement include an explanation of the extension to the time limit rules in DISP 1.6.2R

Requirements while the extension to time limits is in place

- 2.32** The rules in DISP 1.4 continue to apply. These require firms to, among other things, assess and investigate complaints properly and diligently and cooperate fully with the Financial Ombudsman.
- 2.33** In previous publications on changes to the rules for handling motor finance complaints since January 2024, and most recently, in our [Dear CEO](#), we have told firms that they should continue to collect evidence that could help with the eventual resolution of the complaint. In the majority of cases we think that it should be possible for firms to meet this expectation.

Record keeping and retention

- 2.34** DISP 1.9.1R requires firms to keep a record of each complaint received and the measures they have taken to resolve it. Firms should keep this record for 3 years from the date they received the complaint. We've previously said that the period of the extension will not contribute to the 3-year period. To maintain consistency, we proposed that the period of the further extension to 31 July 2026 will not contribute to the 3-year period. We expect firms to be able to give us the information collected in complying with DISP 1.9.1R on request.
- 2.35** We also introduced a rule to require lenders and credit brokers to maintain and preserve any records that are or could be relevant to handling existing or future complaints or civil claims for relevant DCA-complaints and non-DCA commission complaints. This is regardless of whether the customer has complained or not. We said that this rule would remain in place until 11 April 2026. We proposed extending this rule by a further 5 years to 11 April 2031 to maintain consistency with the 5-year period we are proposing firms retain records relating to redress scheme steps for.

2.36 We asked:

Question 87: For consistency of approach, do you agree with our proposal that the period of the extension should not contribute to the 3-year period that firms are required to keep records of complaints for? If not, please explain why

Question 88: Do you agree with our proposal that lenders and credit brokers must maintain and preserve any records that are or could be relevant to the handling of existing or future complaints or civil claims until 11 April 2031? If not, please explain why

Feedback to the consultation

2.37 Respondents to these questions supported our proposals.

2.38 Three firms highlighted a challenge with preserving a large amount of information and expressed concern about the broad definition of what could be relevant. Two firms felt that the date should be flexible, based on any final redress scheme rules.

2.39 One respondent said that we should make the Information Commissioner's Officer (ICO) aware of the record retention requirement.

Our response

We are proceeding to make rules but for consistency the period of the extension will end on 31 May 2026.

We think it preferable to give firms certainty by having a fixed date, rather than a date that is linked to a scheme that may or may not go ahead or may have a different scope.

We understand the request for clarity. These are relevant records for the purposes of the requirements:

- the regulated credit agreement
- records of the commission and/or remuneration arrangements (which could include tied arrangements) relating to the regulated credit agreement or the regulated consumer hire agreement
- records of the payment (directly or indirectly) of any commission, fee or other financial consideration paid or remuneration including a benefit of any kind paid to the credit broker in connection with the regulated credit agreement or the regulated consumer hire agreement, including details of its structure, amount and calculation

We consulted with the ICO as part of our consultation process and will continue to engage with it on changes to any rules relating to the retention of personal data.

Annex 1

List of non-confidential respondents

We are obliged to include a list of the names of respondents to our consultation who have consented to the publication of their name. That list is as follows:

Aaron Thomas Hayes	Abdulrahman Ali	Adam Briers Croft
Adam Lloyd	Adam Samuel	Adrian Estall
Adrian Road	Ahmed Ahmed	Ailsa Roberts
Aimee Kilkenny nee Booth	Akar Mahmood	Alexander McKay Hogg
Alice Mitchell	Allegiant Finance Services Limited	Andrew Cunningham
Andrew Hicklig	Andrew Paul Bush	Andrew Roger Reid
Andrew Stafford Smith	Andrew Wheeler	Angus Macsween
Anne Ringland	Annie Hefford	Anthony Christopher Grice
Arval UK Limited	Ashley James Smith	Badri Kurudi
Barbara Ann Whitehead	Barbara Remus	Barry Pearce
Bekim Bunjaku	Bellouere	Beverley Williams
Brendan Byrne	British Vehicle Rental and Leasing Association (BVRLA)	Carl Maidment
Carole McBryde McElroy	Cecilia Yvonne Norman	Charles Ramshaw
Charlotte Hanford	Christine Aldridge	Christopher James Griffiths
Christopher Pinnington	Ciprian Haican	Claims Management Association Limited
Claire Elizabeth Chapman	Claire Hart	Clare Taylor Aylward
Clive Martin	Close Brothers Limited	Colin James Chapman
Colin Love	Cristian Vieriu	Dale Heywood
Daniel Haynes	Daniel Mather	Danny John Hawkins
Darren Carter	Darren Jhon Thomas	David Bradley
David Green	David Hardy	David Harrison
David Hilley	David Keith Winter	David Mcconville
David Nash	David Salthouse	David Stuart Sharp
David William Thorpe	Denise Brush	Dennis Graham Bradford
Derek Anthony Wickens	Divorce Lifeline Ltd	Dr Syed I A Gilani
Edna Askew	Edward Neil Morris	Ekramul Haque
Elizabeth Ann Mallows	Elizabeth Anne McAneney	Elizabeth Gorman
Elizabeth Kelly	Emma Bradick	Emma Elizabeth Smith

Erik Ellis	Eugene Walsh	Financial Services Consumer Panel
Fiona Nicol	Focus Executive Ltd	Francis Gallagher
Francis Speirs	Gail Lesley Watts	Garry Elliot
Gary Griffiths	Gavin Richards	Geoffrey Alan Davidson
Geordie Barry James Miller	George Field	Gerald J McCormack
Gerard David Sharpe	Graham Leslie Richardson	Graham Proud
Hanna Rubinska	Howard Graham	Iain Richardson
Ian Bill	Ian May	Ian Wilson
Ian Witherley	Ionel Tilita Oprea	Isobel R Mitchell
James Connal	James Edwards	James Latchford
James Linton	Jean Berdou	Jessica Anna Eadie
Joanne Aspinall	Joanne Natasha Pegrum	Joaquin Thomas Quenet
John Costema	John Duddigan	John Ernest Glover
John Ferries	John Lee	John Wiltshire
John Wiseman	Jonathan Lewis	Julian Pike
Julie Burton	Julie Gibson	Juliet Matsa
Julija Petrovska	June Fitzpatrick	Justin William Poll Drane
Karen Faulks	Karen Lycett	Katarzyna Braszczyńska
Katharine Hedges	Katrina McMahon	Kay Warren Morgan
Keith William Duke	Kelechi Ajoku	Kevin Clark
Kevin Lester	Kevin Thomas	Kirsteen Lavin
Krista Anne Stephenson	Kristian Harding	Krzysztof Kwiatek
Krzysztof Wiszniewiecki	Larry Saunders Fern	Lawrence Spencer Mann
Lennox Haragaeb	Lisa Harker	Lloyd James
Louise Elizabeth Eckerman	Luisa Willis	Lyn Blanchard
Lynn Turner	Manjeet Marwhaya	Manuel Lucian Maniu
Maria Allard	Marian Calder Thomson	Mark Anthony Wheatley
Mark Straker	Mark Walker	Marnie A Mitchell
Marsh Group	Martha MacLeod	Martin Chambers
Martin Paul Stocking	Mary Ramshaw	Matthew Gwynn
Matthew Lucas	Megan Holly Muldoon	Michael Alexander Rae
Michael Barry	Michael Clayton	Michael Williams
Michelle Weston	Mihael Paval	MoneySavingExpert.com Ltd
Monica Harding	Mr Andrew Garnham	Muhammad Soodhoo
Nakeita Frater	Neil Charlton	Neil Douglas Davies
Neil Finlay Toulouse	Nicholas Dickson	Nick Entwistle
Nicola Dyke	Nigel Smith	Nitin S Sharma

Norman Dent	Novuna (Mitsubishi HC Capital UK Plc)	Olabode Samuel Obe
Paul Gardner	Paul Hardie	Paul Harding Williams
Paul Hutchinson	Paul Turner	Peter Taylor
Philip Derek Cook	Philip Hather	Philip Herbert
Philip Hunt	Philip Venables	Philip Williamson
Phillip Conteh	Prabhu Mahalingam	Radoslaw Matusz
Razvan Alexandru Jitaru	Richard Barham	Richard Graham Fox
Richard Newbery	Richard Rowlin	Robert Antrobus
Robert Rees	Robin McCullough	Robin Whyman
Rodney Howell	Ronnie McLean	Ryan Scott
Salim Patel	Santander Consumer (UK) plc	Scott Penfold
Secure Trust Bank Plc	Shahid Hussain	Shannon Osullivan
Sharon Rowe	Sheila Anderson	Simon Andrew Dawson
Sonia Mary Wood	Stephen Alexander Dingwall	Stephen Collier
Stephen William Parker	Steven Paul Fenn	Stuart Whitaker
Susan Amer	Susan Edmondson	Susan Francis
Tanya Nelson	Terence McGee	Terence Mortimer Jones
Thorsten Hendriks	Timothy Hughes	Tom Burden
Tracy Hancock	Valerie Mary Emery	Valerie Postins
Vanquis Banking Group	Victor Randall	Walter Limb
Walter Neilson	William David Pettit	William Doggett
William Gray	William Rea	Zoe Henderson

Annex 2

Other considerations

Equality and diversity considerations

1. We have considered the equality and diversity issues that may arise from the proposals in this Policy Statement.
2. Overall, we do not consider that the proposals materially impact any of the groups with protected characteristics under the Equality Act 2010. But we will continue to consider the equality and diversity implications of the proposals during the consultation period on the wider redress scheme, and will revisit them when making the final rules on the scheme or alternative complaint handling rules.

Environmental, social & governance considerations

3. In developing this Policy Statement, we have considered the environmental, social and governance (ESG) implications of our proposals and our duty under ss. 1B(5) and 3B(c) of FSMA to have regard to contributing towards the Secretary of State achieving compliance with the net-zero emissions target under section 1 of the Climate Change Act 2008 and environmental targets [under s. 5 of the Environment Act 2021]. Overall, we do not consider that the proposals are relevant to contributing to those targets.

Annex 3

Cost benefit analysis

1. The Financial Services and Markets Act (FSMA), as amended by the Financial Services Act 2012, requires us to publish a Cost Benefit Analysis (CBA) of our proposed rules. Specifically, section 138I requires us to publish a CBA of proposed rules, defined as 'an analysis of the costs, together with an analysis of the benefits that will arise if the proposed rules are made'. Section 138S(2)(f) imposes an obligation in relation to technical standards.

Background

2. We undertook a CBA of the proposals set out in [CP25/27](#), encompassing the following:
 - Extension to the pause deadline on 4 December 2025.
 - An industry-wide compensation scheme for motor finance customers who were treated unfairly.
3. We are still consulting on an industry-wide compensation scheme for motor finance customers who were treated unfairly. We expect to announce whether we will go ahead with a scheme in February or March 2026.
4. In this Policy Statement, we amended the final rules in relation to the extension of the pause deadline compared to the ones consulted in CP25/27. This change concerns rules that extend the deadline for firms to send a final response to motor finance DCA complaints and non-DCA commission complaints, excluding leasing complaints, to 31 May 2026.
5. In Chapter 11 of [CP25/27](#), published on 7 October 2025, we consulted on excluding complaints about regulated consumer hire agreements ("leasing agreements") from any further extension. The unfair relationship provisions do not apply to these agreements, so they will remain outside the proposed redress scheme.
6. Hire agreements, including PCH agreements, are outside the scope of the pause extension, as per the proposals we consulted on.
7. We have decided to further extend the time firms have to send final responses to motor finance DCA complaints and non-DCA commission complaints to 31 May 2026, which is earlier than the date of 31 July 2026 that we consulted on.
8. The consultation on the extension to the pause deadline closed on 4 November 2025. Chapter 2 of the Policy Statement discusses feedback received on extending the pause deadline. There were no responses relating to the CBA on the pause extension element from CP25/27.

Rationale for intervention

- 9.** We consulted on further extending the time firms have to send final responses to motor finance DCA complaints and non-DCA commission complaints that are not leasing complaints to 31 July 2026. However, we have decided to end the extension on 31 May 2026, which is earlier than the date we consulted on.
- 10.** This is to ensure that consumers whose complaints are outside the scope of any redress scheme do not wait longer than necessary for a final response in the event we do not proceed with a scheme. For cases that fall within any scheme, the operational rules and timetable of the scheme will supersede the 31 May 2026 date.
- 11.** We have assessed that the changes would not meaningfully affect the CBA and the assessment of proportionality. The proposals may marginally change the costs and benefits. We compare these costs and benefits qualitatively below. Overall, the benefits remain proportionate to the costs.

Options assessment

- 12.** Our options and preferred proposal for extending the pause deadline are:
- Extending pause to 31 May 2026 (preferred option): This option modestly shortens the extension compared to the consultation proposal. It gives firms until 31 May 2026 before they must resume sending final responses to paused complaints. They will typically have a up to 8 weeks after 31 May 2026 to send a response.
 - Extending pause to 31 July 2026 (consultation proposal). This option maintains the extension period as consulted on. It gives firms until 31 July 2026 before they must resume sending final responses.
 - Let the pause expire on 5 December 2025. This option would require firms to start sending final responses from 5 December 2025.
- 13.** We rule out letting the pause expire on 5 December 2025. As detailed in [CP25/27](#), allowing the pause to expire in December 2025 would risk disorderly and inconsistent outcomes, increased burden on the Financial Ombudsman, and operational disruption for firms.
- 14.** In Table 1 we provide a high-level comparison of extending pause to 31 May 2026 and extending pause to 31 July 2026.

Table 1: Comparison of ending pause on 31 May 2026 compared with 31 July 2026.

Options	31 May 2026	31 July 2026
Benefits	Consumers outside the scheme receive responses sooner. Firms have a clear deadline and incentive to progress complaints in line with existing rules.	Firms have more time to prepare for the scheme and to resolve complaints.
Costs	Some firms may face operational challenges in the unlikely event that the scheme scope is not confirmed before the pause ends or if there is no scheme.	Consumers outside the scheme may wait longer for responses.
Risks & uncertainties	May raise costs if firms must reassess complaints, especially if rules change between CP25/27 and final rules.	Firms may be less incentivised to progress complaints, increasing the risk of backlog.

Conclusion

15. We have decided to further extend the time firms have to send final responses to motor finance DCA complaints and non-DCA commission complaints that are not about leasing agreements to 31 May 2026. If we do not go ahead with a scheme it ensures consumers will not have to wait longer than is necessary to receive a response to their complaint. We recognise that bringing the pause expiry forward could increase operational challenges. We are seeking to mitigate this risk through clear messaging in this Policy Statement, including consistent communication of our continuing expectation that firms gather information now to enable prompt resolution of all complaints.
16. We consulted with the CBA Panel members of the Motor Finance Working Group on the implication of this change for our CBA. They reviewed the analysis above and provided no further comments.
17. We will continue to monitor firms' progress in resolving complaints and assess how effective the extension is. We will use supervisory engagement and intelligence to understand how firms are managing complaints.

Annex 4

Abbreviations used in this paper

Abbreviation	Description
CMC	Claims Management Company
DCA	Discretionary Commission Arrangement
DISP	Dispute Resolution: Complaints
ESG	Environmental, Social and Governance
FCA	Financial Conduct Authority
Financial Ombudsman	Financial Ombudsman Service
FSMA	Financial Services and Markets Act 2000
ICO	Information Commissioner's Office

Appendix 1

Made rules (legal instrument)

**DISPUTE RESOLUTION: COMPLAINTS SOURCEBOOK (MOTOR FINANCE
COMPLAINTS HANDLING) INSTRUMENT 2025**

Powers exercised

- A. The Financial Conduct Authority (“FCA”) makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 137A (The FCA’s general rules);
 - (2) section 137T (General supplementary powers);
 - (3) section 139A (Power of the FCA to give guidance);
 - (4) section 226 (Compulsory jurisdiction); and
 - (5) paragraph 13 (FCA’s rules) of Schedule 17 (The Ombudsman Scheme).
- B. The rule-making provisions listed above are specified for the purposes of section 138G(2) (Rule-making instruments) of the Act.

Commencement

- C. This instrument comes into force on 5 December 2025.

Amendments to the Handbook

- D. The Glossary of definitions is amended in accordance with Annex A to this instrument.
- E. The Dispute Resolution: Complaints sourcebook (DISP) is amended in accordance with Annex B to this instrument.

Citation

- F. This instrument may be cited as the Dispute Resolution: Complaints Sourcebook (Motor Finance Complaints Handling) Instrument 2025.

By order of the Board
27 November 2025

Annex A**Amendments to the Glossary of definitions**

In this Annex, underlining indicates new text and striking through indicates deleted text.

Amend the following definition as shown.

<i>motor finance non-DCA complaint</i>	(in DISP <u>DISP App 5</u>) has the meaning in <i>DISP</i> App 5.1.3AR <u>on or before 4 December 2025 and the meaning in <i>DISP</i> App 5.1.3BR on or after 5 December 2025.</u>
--	--

Annex B

Amendments to the Dispute Resolution: Complaints sourcebook (DISP)

In this Annex underlining indicates new text and striking through indicates deleted text.

App 5 Relevant motor finance discretionary commission arrangement complaint and motor finance non-discretionary commission arrangement complaint handling rules

App 5.1 Purpose, interpretation and application

...

Interpretation

App 5.1.2 R (1) A relevant motor finance DCA complaint is a *complaint* where:

...

(d) the *respondent*:

(i) received the *complaint* in the period beginning with 17 November 2023 and ending with ~~4 December 2025~~ 31 May 2026; or

(ii) sent a *final response* to the *complaint* in the period beginning with 12 July 2023 and ending with ~~29 January 2026~~ 26 July 2026.

...

App 5.1.3 G ...

Motor finance non-DCA complaint: 26 October 2024 until 4 December 2025

App 5.1.3A R A From 26 October 2024 to 4 December 2025 inclusive, a motor finance non-DCA complaint is a *complaint* where:

(1) the subject matter of the *complaint* relates, in whole or part, to a *regulated credit agreement* or a *regulated consumer hire agreement*;

(2) the *regulated credit agreement* or the *regulated consumer hire agreement*, in whole or part, financed the purchase of a motor vehicle, or a motor vehicle was bailed or hired under the agreement;

(3) there were arrangements between the *lender* or *owner* and a *credit broker* relating to the entering into of that agreement that provided for

the payment (directly or indirectly) of any commission, fee or other financial consideration or remuneration including a benefit of any kind to the *credit broker*;

- (4) the *complaint* is not a *relevant motor finance DCA complaint* as defined in *DISP* App 5.1.2R; and
- (5) the *respondent*:
 - (a) received the *complaint* in the period beginning with 26 October 2024 and ending with 4 December 2025; or
 - (b) sent a *final response* to the *complaint* in the period beginning with 21 June 2024 and ending with 29 January 2026.

Motor finance non-DCA complaint: 5 December 2025 onwards

App 5.1.3B R On or after 5 December 2025, a *motor finance non-DCA complaint* is a *complaint* which has the same meaning as in *DISP* App 5.1.3AR except that:

- (1) the references to a *regulated consumer hire agreement* in *DISP* App 5.1.3AR(1) and (2) are respectively omitted;
- (2) *DISP* App 5.1.3AR(5)(a) is substituted with: ‘received the *complaint* in the period beginning with 26 October 2024 and ending with 31 May 2026;’; and
- (3) *DISP* App 5.1.3AR(5)(b) is substituted with: ‘sent a *final response* to the *complaint* in the period beginning with 21 June 2024 and ending with 26 July 2026.’.

App 5.1.3C G (1) The definition of *motor finance non-DCA complaint* in *DISP* App 5.1.3BR does not include *regulated consumer hire agreements* on or after 5 December 2025.

- (2) Accordingly, a *motor finance non-DCA complaint* which relates to a *regulated consumer hire agreement* will on or after 5 December 2025 no longer benefit from the effect of the *rule* in *DISP* App 5.2.1BR and instead will fall to be considered in accordance with *DISP* App 5.2.1CR.
- (3) A *motor finance non-DCA complaint* which relates to a *regulated credit agreement* but not a *regulated consumer hire agreement* will on or after 5 December 2025 benefit from the effect of the extended pause in *DISP* App 5.2.1BR.
- (4) *DISP* App 5.2.1BR, among other things, stops time running for the purpose of calculating the 8-week period that is relevant to when a complainant can refer their *complaint* to the *Financial Ombudsman Service*.

...

App 5.2 Complaint handling rules in respect of a relevant motor finance DCA complaint and a motor finance non-DCA complaint

Time limits for a final response, ~~consideration by the Ombudsman and complaints records:~~ relevant motor finance DCA complaint

- App 5.2.1 R (1) This *rule* applies in respect of a *relevant motor finance DCA complaint*:
- (a) that is received by the *respondent* in the period beginning with 17 November 2023 and ending with ~~4 December 2025~~ 31 May 2026; and
 - (b) in relation to which a *final response* has not been sent.
- (2) For the purpose of calculating the eight-week period in:
- (a) *DISP* 1.6.2R;
 - (b) *DISP* 1.6.7G;
 - (c) *DISP* 2.8.1R(2); and
 - (d) *DISP* 2.8.1R(4)(a),
- time is to be treated as not running for the period beginning with 11 January 2024 and ending with ~~4 December 2025~~ 31 May 2026.
- (3) The three-year period in *DISP* 1.9.1R(2) (Complaints record rule) is to be treated as not running for the period beginning with 11 January 2024 and ending with ~~4 December 2025~~ 31 May 2026.

App 5.2.1A G ...

Time limits for a final response: motor finance non-DCA complaint

- App 5.2.1B R (1) This *rule* applies in respect of a *motor finance non-DCA complaint*:
- (a) that is received by the *respondent* in the period beginning with 26 October 2024 and ending with 4 December 2025; ~~and~~
 - (b) ~~in relation to which a final response has not been sent~~ where the complaint:
 - (i) relates in whole or part to a regulated credit agreement; and

- (ii) does not relate to a *regulated consumer hire agreement*; and
- (c) in relation to which a *final response* has not been sent.
- (1A) This rule also applies in respect of a *motor finance non-DCA complaint*:
 - (a) that is received by the *respondent* in the period beginning with 5 December 2025 and ending with 31 May 2026; and
 - (b) in relation to which a *final response* has not been sent.
- (2) For the purpose of calculating the eight-week period in:
 - (a) *DISP* 1.6.2R;
 - (b) *DISP* 1.6.7G;
 - (c) *DISP* 2.8.1R(2); and
 - (d) *DISP* 2.8.1R(4)(a),

time is to be treated as not running for the period beginning with 26 October 2024 and ending with ~~4 December 2025~~ 31 May 2026.
- (3) The three-year period in *DISP* 1.9.1R(2) (Complaints record rule) is to be treated as not running for the period beginning with 26 October 2024 and ending with ~~4 December 2025~~ 31 May 2026.

Time limits for a final response: motor finance non-DCA complaint which relates to a regulated consumer hire agreement

App
5.2.1C

- R (1) This rule applies in respect of a *motor finance non-DCA complaint*:
- (a) that is received by the *respondent* in the period beginning with 26 October 2024 and ending with 4 December 2025;
 - (b) where the *complaint* relates to a *regulated consumer hire agreement*; and
 - (c) in relation to which a *final response* has not been sent.
- (2) For the purpose of calculating the eight-week period in:
- (a) *DISP* 1.6.2R;
 - (b) *DISP* 1.6.7G;
 - (c) *DISP* 2.8.1R(2); and

(d) DISP 2.8.1R(4)(a),

time will continue to run on or after 5 December 2025.

(3) A respondent must send the complainant a final response in accordance with DISP 1.6.2R.

App 5.2.1D G (1) The effect of DISP App 5.2.1CR is that where the eight-week period for a respondent to provide a final response is, by virtue of the rule in DISP App 5.2.1BR, paused up to and including 4 December 2025, the time period for a response in respect of a complaint which relates to a regulated consumer hire agreement resumes on 5 December 2025.

(2) This means the respondent must send the final response to the complainant on or before the expiry of the eight-week period from receipt of the response, excluding any period beginning 26 October 2024 and ending with 4 December 2025 for which time was not treated as running by virtue of the rule in DISP App 5.2.1BR.

Time limits for referring a complaint to the Ombudsman: relevant motor finance DCA complaint

App 5.2.2 R (1) This rule applies where a final response to a relevant motor finance DCA complaint is sent in the period beginning with 12 July 2023 and ending with 29 January 2026.

...

(3) ...

(4) If a final response is sent on or after 30 January 2026, DISP 2.8.2R(1) applies.

App 5.2.2A G (1) DISP App 5.2.2R has the effect of extending the time in which a relevant motor finance DCA complaint can be referred to the Financial Ombudsman Service. This includes those complaints in relation to which a final response was sent between 12 July 2023 and 25 September 2024 where the six-month period in DISP 2.8.2R(1) was previously extended to fifteen months (see Dispute Resolution: Complaints Sourcebook (Motor Finance Discretionary Commission Arrangement Complaints) Instrument 2024 (FCA 2024/1)).

(2) In respect of a final response to a relevant motor finance DCA complaint sent on or after 30 January 2026, the usual six-month period in DISP 2.8.2R(1) will resume. The Ombudsman cannot consider a complaint if it is referred to the Financial Ombudsman Service more than six months after the date on which the respondent sent the complainant its final response.

Time limits for referring a complaint to the Ombudsman: motor finance non-DCA complaint

App 5.2.2B R (1) This rule applies where a *final response* to a *motor finance non-DCA complaint* (as defined in *DISP App 5.1.3AR*) is sent in the period beginning with 21 June 2024 and ending with 29 January 2026.

...

App 5.2.2C R (1) This rule applies where a *final response* to a *motor finance non-DCA complaint* (as defined in *DISP App 5.1.3BR*) is sent on or after 30 January 2026.

(2) *DISP 2.8.2R(1)* applies to a *complaint* falling within this rule.

...

Communicating with consumers

App 5.2.4 R (1) A *respondent* must update any information it has published pursuant to *DISP 1.2.1R(1)* as soon as is practicable to:

- (a) inform consumers of the pause to time limits for a *final response* to a *relevant motor finance DCA complaint* and a *motor finance non-DCA complaint* as set out in *DISP App 5.2.1R(2)* and *DISP App 5.2.1BR(2)*; and
- (b) refer them to fca.org.uk/carfinance, which explains the reason for the pause.

(2) This rule applies until 23:59 on ~~29 January 2026~~ 26 July 2026.

Communicating with complainants about a relevant motor finance DCA complaint received between 17 November 2023 and 4 December 2025

App 5.2.5A R (1) This rule applies where a *respondent*:

- (a) received a *relevant motor finance DCA complaint* in the period beginning with 17 November 2023 and ending with 25 September 2024; and
- (b) has not sent a *final response* in relation to that *complaint*.

(2) ...

(3) This rule applies until 23:59 on 4 December 2025.

App 5.2.5B G ...

App 5.2.5C R (1) This rule applies where a *respondent* receives a *relevant motor finance DCA complaint* in the period beginning with 26 September 2024 and ending with 4 December 2025.

(2) ...

(3) This rule applies until 23:59 on 4 December 2025.

Communicating with complainants about a relevant motor finance DCA complaint received on or after 5 December 2025

App 5.2.5C R (1) This rule applies where a *respondent* receives a *relevant motor finance DCA complaint* on or after 5 December 2025.

A

(2) When sending a written acknowledgement in accordance with DISP 1.6.1R(1), a *respondent* must:

(a) promptly inform the complainant in writing of the extension to the pause to time limits as set out in DISP App 5.2.1R(2); and

(b) direct the complainant to the information published at fca.org.uk/carfinance, which explains the reason for the pause.

Communicating with complainants about a motor finance non-DCA complaint received between 26 October 2024 and 4 December 2025

App 5.2.5D R (1) This rule applies where a *respondent* receives a *motor finance non-DCA complaint* in the period beginning with 26 October 2024 and ending with 4 December 2025.

...

(4) ...

(5) This rule applies until 23:59 on 4 December 2025.

Communicating with complainants about a motor finance non-DCA complaint received on or after 5 December 2025

App 5.2.5E R (1) This rule applies where a *respondent* receives a *motor finance non-DCA complaint* (as defined in DISP App 5.1.3BR) on or after 5 December 2025.

(2) When sending a written acknowledgement in accordance with DISP 1.6.1R(1), a *respondent* must:

(a) promptly inform the complainant in writing of the extension to the pause to time limits as set out in DISP App 5.2.1BR(2); and

- (b) direct the complainant to the information published at fca.org.uk/carfinance, which explains the reason for the pause.

App 5.2.5F G *DISP App 5.2.5ER means that a respondent who received a motor finance non-DCA complaint which does not relate to a regulated consumer hire agreement on or after 5 December 2025 should when sending a written acknowledgement inform the complainant in writing that the pause to the eight-week period to send a final response ends on 31 May 2026.*

Communicating the Financial Ombudsman Service temporary time limits for a relevant motor finance DCA complaint: where a final response is sent between 26 September 2024 and 29 January 2026

App 5.2.7 R (1) ~~This rule applies to a relevant motor finance DCA complaint where a final response was sent in the period beginning with 12 July 2023 and ending with 25 September 2024.~~

~~(2) A respondent must:~~

~~(a) promptly inform the complainant in writing that the time limit to refer the complaint to the Financial Ombudsman Service now ends with 29 July 2026; and~~

~~(b) direct the complainant to the information published at fca.org.uk/carfinance, which explains the reason for the extension. [deleted]~~

App 5.2.8 G ~~*DISP App 5.2.7R means that a respondent who sent a final response to a complainant in the period beginning with 12 July 2023 and ending with 25 September 2024 should update that complainant that the time limit to refer the complaint to the Financial Ombudsman Service pursuant to DISP 2.8.2R(1) has been extended to 29 July 2026. [deleted]*~~

App 5.2.9 R (1) ~~This rule applies to a relevant motor finance DCA complaint where a final response is sent in the period beginning with 26 September 2024 and ending with 29 January 2026.~~

~~(2) When providing a final response in accordance with DISP 1.6.2R(1), a respondent must:~~

~~(a) inform the complainant that the time limit to refer the complaint to the Financial Ombudsman Service has been extended in accordance with DISP App 5.2.2R;~~

~~(b) set out the date by which the complainant must refer the complaint to the Financial Ombudsman Service;~~

~~(c) explain that the six-month time limit contained in the Financial Ombudsman Service's standard explanatory leaflet does not apply; and~~

- (d) ~~direct the complainant to the information published at fca.org.uk/carfinance, which explains the reason for the extension.~~
- (3) ~~For the purpose of complying with *DISP* 1.6.2R(1)(e) and (f) (if applicable), the wording to include in a *final response* is modified so that:~~
- (a) ~~references to ‘within six months of the date of this letter’ in *DISP* 1 Annex 3R(1) and (2), are substituted with either:~~
- (i) ~~‘on or before 29 July 2026’ if a *respondent* sends a *final response* on or before 29 April 2025; or~~
- (ii) ~~‘within fifteen months of the date of this letter’ if a *respondent* sends a *final response* on or after 30 April 2025; and~~
- (b) ~~the reference to ‘is usually six months’ in *DISP* 1 Annex 3R(3) is substituted with either:~~
- (i) ~~‘is, in this case, on or before 29 July 2026’ if a *respondent* sends a *final response* on or before 29 April 2025; or~~
- (ii) ~~‘is, in this case, fifteen months’ if a *respondent* sends a *final response* on or after 30 April 2025. [deleted]~~
- App 5.2.10 R (1) ~~This rule applies to a *motor finance non-DCA* complaint where a *final response* is sent in the period beginning with 21 June 2024 and ending with 29 January 2026.~~
- (2) ~~Where, in accordance with *DISP* 1.6.2R(1), a *respondent* has on or before 19 December 2024 sent a complainant a *final response*, the *respondent* must promptly in writing inform the complainant that:~~
- (a) ~~the time limit to refer the *complaint* to the *Financial Ombudsman Service* has been extended to end with 29 July 2026;~~
- (b) ~~the six-month time limit contained in the *Financial Ombudsman Service*’s standard explanatory leaflet does not apply; and~~
- (c) ~~the information at fca.org.uk/carfinance explains the reason for the extension.~~
- (3) ~~Where a *respondent* has not on or before 19 December 2024 sent a complainant its *final response*, it must, when complying with *DISP* 1.6.2R(1):~~

- (a) ~~explain that the time limit to refer the *complaint* to the *Financial Ombudsman Service* has been extended in accordance with *DISP* App 5.2.2BR;~~
- (b) ~~provide the information contained in (2)(b) and (c); and~~
- (c) ~~modify the wording required by *DISP* 1.6.2R(1)(e) and (f) (if applicable) so that:~~
 - (i) ~~references to ‘within six months of the date of this letter’ in *DISP* 1 Annex 3R(1) and (2) are substituted with:~~
 - (A) ~~‘on or before 29 July 2026’ if a *respondent* sends a *final response* on or before 29 April 2025; or~~
 - (B) ~~‘within fifteen months of the date of this letter’ if a *respondent* sends a *final response* on or after 30 April 2025; and~~
 - (ii) ~~the reference to ‘is usually six months’ in *DISP* 1 Annex 3R(3) is substituted with:~~
 - (A) ~~‘is, in this case, on or before 29 July 2026’ if a *respondent* sends a *final response* on or before 29 April 2025; or~~
 - (B) ~~‘is, in this case, fifteen months’ if a *respondent* sends a *final response* on or after 30 April 2025. [deleted]~~

- App 5.2.11 R (1) *This rule applies to a relevant motor finance DCA complaint where a final response is sent in the period beginning with 26 September 2024 and ending with 29 January 2026.*
- (2) *When providing a final response in accordance with *DISP* 1.6.2R(1), a respondent must:*
- (a) *inform the complainant that the time limit to refer the complaint to the Financial Ombudsman Service has been extended in accordance with *DISP* App 5.2.2R;*
 - (b) *set out the date by which the complainant must refer the complaint to the Financial Ombudsman Service;*
 - (c) *explain that the six-month time limit contained in the Financial Ombudsman Service’s standard explanatory leaflet does not apply; and*

- (d) direct the complainant to the information published at fca.org.uk/carfinance, which explains the reason for the extension.
- (3) For the purpose of complying with *DISP* 1.6.2R(1)(e) and (f) (if applicable), the wording to include in a *final response* is modified so that:
 - (a) references to ‘within six months of the date of this letter’ in *DISP* 1 Annex 3R(1) and (2) are substituted with ‘within fifteen months of the date of this letter’; and
 - (b) the reference to ‘is usually six months’ in *DISP* 1 Annex 3R(3) is substituted with ‘is, in this case, fifteen months’.

Communicating the Financial Ombudsman Service time limits for a relevant motor finance DCA complaint: where a final response is sent on or after 30 January 2026

- App 5.2.12 R (1) This rule applies to a *relevant motor finance DCA complaint* where a *final response* is sent on or after 30 January 2026.
- (2) When providing a *final response* in accordance with *DISP* 1.6.2R(1), a *respondent* must:
- (a) inform the complainant that the time limit to refer the *complaint* to the *Financial Ombudsman Service* is in accordance with *DISP* 2.8.2R; and
 - (b) direct the complainant to the information published at fca.org.uk/carfinance, which explains why the six-month time limit contained in the *Financial Ombudsman Service* applies.

- App 5.2.13 G *DISP* App 5.2.12R means that a *respondent* who sends a *final response* in respect of a *relevant motor finance DCA complaint* to a complainant on or after 30 January 2026 must inform that complainant of the usual six-month time limit to refer the *complaint* to the *Financial Ombudsman Service* pursuant to *DISP* 2.8.2R(1) (see *DISP* 1.6.2R).

Communicating the Financial Ombudsman Service temporary time limits for a motor finance non-DCA complaint: when a final response is sent between 21 June 2024 and 29 January 2026

- App 5.2.14 R (1) This rule applies to a *motor finance non-DCA complaint* where:
- (a) the *complaint*:
 - (i) relates in whole or in part to a *regulated credit agreement*; and

- (ii) does not relate to a *regulated consumer hire agreement*; and
 - (b) a *final response* is sent in the period beginning with 21 June 2024 and ending with 29 January 2026.
- (2) When providing a *final response* in accordance with *DISP* 1.6.2R(1), a *respondent* must:
 - (a) explain that the time limit to refer the *complaint* to the *Financial Ombudsman Service* has been extended in accordance with *DISP* App 5.2.2BR;
 - (b) explain that the *six-month* time limit contained in the *Financial Ombudsman Service*'s standard explanatory leaflet does not apply; and
 - (c) direct the complainant to the information published at fca.org.uk/carfinance, which explains the reasons for the extension.
- (3) For the purpose of complying with *DISP* 1.6.2R(1)(e) and (f) (if applicable), the wording to include in a *final response* is modified so that:
 - (a) references to 'within six months of the date of this letter' in *DISP* 1 Annex 3R(1) and (2), are substituted with 'within fifteen months of the date of this letter'; and
 - (b) the reference to 'is usually six months' in *DISP* 1 Annex 3R(3) is substituted with 'is, in this case, fifteen months'.

Communicating the Financial Ombudsman Service time limits for a motor finance non-DCA complaint: when a final response is sent after 30 January 2026

- | | | |
|---------------|---|---|
| App
5.2.15 | R | <ul style="list-style-type: none"> (1) <u>This rule applies to a <i>motor finance non-DCA complaint</i> where a <i>final response</i> is sent on or after 30 January 2026.</u> (2) <u>When providing a <i>final response</i> in accordance with <i>DISP</i> 1.6.2R(1), a <i>respondent</i> must:</u> <ul style="list-style-type: none"> (a) <u>inform the complainant that the time limit to refer the <i>complaint</i> to the <i>Financial Ombudsman Service</i> is in accordance with <i>DISP</i> 2.8.2R; and</u> (b) <u>direct the complainant to the information published at fca.org.uk/carfinance, which explains why the <i>six-month</i> time limit contained in the <i>Financial Ombudsman Service</i> applies.</u> |
| App
5.2.16 | G | <p><u><i>DISP</i> App 5.2.15R means that a <i>respondent</i> who sent a <i>final response</i> in respect of a <i>motor finance non-DCA complaint</i> to a complainant on or after</u></p> |

30 January 2026 must inform that complainant of the usual six-month time limit to refer the *complaint* to the *Financial Ombudsman Service* pursuant to *DISP 2.8.2R(1)*.

App 5.3 General record retention

App 5.3.1 R (1) *Lenders and credit brokers* must retain and preserve records:

...

(2) The requirement in (1) applies:

- (a) regardless of whether a *relevant motor finance DCA complaint* has been made; and
- (b) in the period beginning with 11 January 2024 and ending with 11 April ~~2026~~ 2031.

App 5.3.1A R (1) *Lenders, owners and credit brokers* must also retain and preserve records:

...

(2) The requirement in (1) applies:

- (a) regardless of whether a *motor finance non-DCA complaint* or a *relevant motor finance DCA complaint* has been made; and
- (b) in the period beginning with 20 December 2024 and ending with 11 April ~~2026~~ 2031.

...

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Pub ref: 2-008534

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