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FAQs PS24/11 Temporary Rules for Motor Finance



FAQ: Motor Finance Complaints FAQ

Q1: What are the temporary changes to motor finance complaint handling rules?

A1: The Financial Conduct Authority (FCA) has extended the temporary pause on the requirement for motor finance firms to provide a final response to complaints about discretionary commission arrangements (DCA complaints) within eight weeks. This pause, initially set to end in September 2024, is now extended to 4 December 2025.

Q2: Why did the FCA extend the pause on DCA complaint handling?

A2: The FCA extended the pause for several reasons:

To allow sufficient time to complete their investigation into the past use of DCAs and determine the best way to provide redress to consumers who may have been overcharged.

Delays in data collection from firms involved in the review.

To consider the outcome of ongoing litigation, particularly the Barclays Partner Finance judicial review, which challenges the Financial Ombudsman's decision on a DCA complaint.

Q3: I have a DCA complaint. What does the pause extension mean for me?

A3: While the pause is in effect, you can still lodge a DCA complaint with your motor finance provider. However, the firm will not be required to provide a final response within the standard eight-week timeframe. It's crucial to understand that this pause does not prevent you from taking legal action against the firm.

Q4: Will I still be able to refer my DCA complaint to the Financial Ombudsman?

A4: Yes, the FCA has extended the time limit for referring DCA complaints to the Financial Ombudsman. The new deadline depends on when you received your final response from the firm. Refer to Table 1 in the source document for specific timeframes.

Q5: How will I know if I have more time to refer my complaint to the Financial Ombudsman?

A5: If you received a final response to your DCA complaint between 12 July 2023 and 29 January 2026, your firm must inform you in writing that the deadline for referring your complaint to the Financial Ombudsman has been extended. The FCA website will also be updated to reflect these changes.

Q6: Why are firms required to keep records related to DCA complaints for a longer period?

A6: Firms are required to retain records related to DCA complaints for an extended period to ensure that all necessary information is available for the FCA's review and any potential redress process. This ensures thoroughness and fairness in addressing consumer complaints.

Q7: When will the FCA announce its next steps regarding DCA complaints?

A7: The FCA plans to announce its next steps in May 2025. This announcement will likely include information about whether firms will return to the usual complaint handling process or if an alternative approach, such as a consumer redress scheme, will be implemented.

Q8: Where can I find more information about my rights regarding motor finance DCA complaints?

A8: For the most up-to-date information, visit the FCA's dedicated webpage for car finance complaints at [fca.org.uk/carfinance](https://www.fca.org.uk/carfinance).

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