
Motor Codes Limited Service and Repair Audit March 2016

Background information

The Motor Codes Limited Servicing and Repair Consumer Code was launched in 2008. The Society of Motor Manufacturers and Traders had been asked by the Government to lead on a motor industry and Government group looking into how the motor servicing and repair sector could be improved. The Servicing and Repair Consumer Code was drawn up after extensive consultation, and gained Office of Fair Trading Approval in 2011.

Motor Codes now has 5512 subscribers to the Servicing and Repair Code, with 505 applicants in the last 12 months, it was reported that there was a relatively high turn over to subscribers to this code.

Motor Codes has applied to the Ombudsman Association for approval to trade as an Ombudsman. Initial approval has been granted and final approval is expected shortly. The plan is then to migrate all codes across to the ombudsman business with current subscribers subscribing to the ombudsman business. The physical garage inspection monitoring will be gradually replaced by an on line self assessment.

Audit Process

A qualified Chartered Trading Standards Practitioner from the Chartered Trading Standards Institute (CTSI) completed a desktop audit.

The audit focused on the following areas:

Advice to members including general compliance and staff training.

Marketing and advertising by member businesses- Terms and conditions and contracts including cancellation rights, deposits delivery times, guarantees and warranties.
Customer service provisions.

Consumer complaints process including ADR.

Customer satisfaction and how this information is used to develop and improve the code.
Sanctions against members for non-compliance with the code.

There are various sanctions for non compliance ranging from the penalty points system for failures on timescales and closer scrutiny including review of complaint history. Sanctions range from warnings to expulsion. There is an automated email sent to members who fail to renew their subscription detailing what must be done in relation removal of logos etc and how to reinstate membership.

Audit Summary

New Members/Existing Member Inspections/Audit

New members are required to complete a self assessment questionnaire, once this has been completed they will be accepted into a “temporary” membership. The AA then complete a physical audit of the site as soon as possible. Sites not passing the AA audit are held as pending until corrective actions can be proved or membership is refused.

The application process is moving to all “on line” with a smaller number of sites being physically audited as a new member. There is however a new process approved by CTSI as follows.

The new scheme extends the on site audits so that all code premises are covered. Approximately 75% of the current code members are already audited on at least an annual basis. Under the revised scheme audits will be extended to cover all of the code premises. The remaining 25% of code members will be audited by the AA on a five year rolling programme. Therefore 80% of all members will have a comprehensive on site audit annually. The scheme will be further strengthened by the introduction of an annual self assessment audit with documentary evidence being provided to Motor Codes. All members will be asked to sign their continuing commitment and adherence to the code on an annual basis.

Five recently completed audit sheets were examined, where deficiencies were highlighted premises were flagged as requiring closer scrutiny.

The Independent Compliance Assessment panel carries out annual reports the full year report for 2014 dated February 2015 was examined. This showed that 2837 garage inspections were carried out. The report for 2015 was expected to be published in April 2016

Membership Withdrawal and Sanctions for Non Compliant Member Businesses

There is also a penalty point system based on a failure to comply with response times in relation to the management of a complaint. The accumulation of penalty points over a 12 month period can result in a written warning up to suspension/expulsion and referral to the Independent Compliance Assessment Panel(ICAP).

In the 2014 report 11 garages were subject to closer scrutiny of these 6 were resolved, 2 cases moved to monitor only and 2 led to suspension. One garage was reported to CTSI and expelled from the code.

Marketing and Advertising by Member Businesses

Three members' websites were checked and were compliant and listed on the CTSI directory.

Part of the audit process for both new and existing members examined letterheads other relevant documents and websites where appropriate.

New applicants are subject to independent audit by the Automobile Association who will check contract documentation as part of the process.

Customer Service Provisions

Contact can be made by post, email or a 0843 number, call back was tested and made within 30 minutes. There are dedicated trained teams who are all experienced in complaint handling and they keep the complaints process moving to specified time scales. Failure to adhere to the timescales results in penalty points being applied to a member.

Consumer Complaints Process

The complaints process operated by Motor Codes has in effect been an ADR process complying with the free or nominal provisions of the ADR regulations. Motor Codes is now an authorised ADR provider by CTSI and now provides free “in house” ADR. The ADR is operated by an independent “in house” consumer team in compliance the ADR regulation requirements for independence of the ADR provider. There were 5997 reported consumer contacts in 2014.

Customer Satisfaction and Feedback

Customers can take an on line survey or complete a hard copy survey from leaflets displayed at all subscribers (displaying leaflets is a code requirement).

Motor Codes is now receiving manufacturer and dealer group survey information which is uploaded to the Motor Codes Website. During 2014 a total of 146,684 Consumer Surveys were received. Any issues that are highlighted are used to modify and strengthen the code where appropriate.

The returns for 2014 showed an overall satisfaction level of 98%

Conclusions

Motor Codes Ltd is fulfilling its obligations as a code sponsor and its member base is compliant with the CCAS core criteria and the Motor Code Ltd Code of practice for Service and Repair.

Motor Codes Ltd is now an approved ADR provider and bringing this “in house” has further strengthened their consumer protection and redress provisions.