

Schedule 5 – RAC – Used Vehicle Code of Practice - 2021

Alternative Dispute Resolution (ADR) annual activity report

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

No. enquiries received (UK)	No. enquiries received (cross-border)	No. disputes received (UK)	No. disputes received (cross-border)	No. disputes accepted (UK)	No. disputes accepted (cross-border)
217	0	45	0	45	0

Cross-border disputes relate to service outside the UK. The Used Vehicle Code of Practice only operates within the UK and as a result we haven't received any cross-border disputes or worked with any European ADR entities in the last 12 months.

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

Types of disputes received:

- Condition of vehicle
- Conduct of dealer/handling of complaint
- Vehicle advertisement
- Warranty sale

(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;

- Condition of vehicle – fault with vehicle after purchase
- Condition of vehicle – not prepared to RAC standards

(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;

All RAC Approved Dealers are audited six times a year. During these audits, the auditor will check the condition of vehicles that have been prepared for sale to ensure they meet RAC standards. If any issues are found, these are highlighted to the dealer immediately for them to rectify prior to the sale of the vehicle.

Where we receive a complaint about the condition of vehicle and the dealer hasn't prepared the vehicle to RAC standards, a recommendation will be issued to the dealer to resolve the dispute to the consumer's satisfaction. The Approved Dealer will then be monitored closely going forward.

Where we receive a complaint about a fault with the vehicle after purchase and we determine the fault was inherent at the point of sale, a recommendation will be issued to the Approved Dealer in order to resolve the dispute to the customer's satisfaction. The Approved Dealer will then be monitored closely going forward.

If we receive more than one complaint for the same Approved Dealer, additional checks are implemented and additional support is provided to the dealer to bring them up to the correct standards. A full internal review into their suitability as an RAC Approved Dealer is also undertaken. Our aim is to support the Approved Dealers to bring them up to our standards, but where this isn't possible, the dealer will be removed from our network.

(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	0
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Reason	No. rejected	Percentage of rejected
a) the consumer has not attempted to contact the trader first		
b) the dispute was frivolous or vexatious		
c) the dispute had been previously considered by another ADR body or the court		
d) the value fell below the monetary value		
e) the consumer did not submit the disputes within the time period specified		
f) dealing with the dispute would have impaired the operation of the ADR body		

(f) The percentage of ADR procedures which were discontinued for operational reasons and, if known, the reasons for discontinuation;

	No. discontinued	Percentage of discontinued
Discontinued for operational reasons	2	4%

Reasons for discontinuation:

- Dealer no longer trading
- Customer declined to provide further information

(g) The average time taken to resolve UK disputes and cross-border disputes;

	UK	Cross-border
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Average time taken to resolve disputes (from receipt of complaint)	17 working days	n/a
Average time taken to resolve disputes (from 'complete complaint file')	3 working days	n/a
Total average time taken to resolve disputes		17 working days

(h) The rate of compliance, if known, with the outcomes of the ADR resolution procedures:

- 56%