

---

## RAC Used Vehicle Approved Consumer Code Audit September 2025

### Background information

The RAC Used Vehicle Code of Practice has 205 members. The code is underpinned by the RAC 82-point pre-sale vehicle check. A minimum three-month warranty and 12 months RAC Breakdown (including home start) and 12 months Accident Care cover is included free with every vehicle sold by a member.

### Audit Process

The audit was carried out remotely on behalf of the Chartered Trading Standards Institute by a Chartered Trading Standards Practitioner on 16<sup>th</sup> September 2025.

The audit focused on the following areas:

1. Member application process including checks carried out on prospective members
2. Member auditing-content and process (including general compliance with the code, staff training and dealing with consumer complaints)
3. Sanctions for non-compliant members
4. Marketing and advertising by member businesses - terms and conditions and pre-contractual information (including cancellation rights, deposits, delivery times and guarantees and warranties)
5. Customer service provisions (including support for vulnerable consumers).
6. Consumer complaints process (including ADR)
7. Customer satisfaction, information/complaints from enforcement agencies, and how this information is used to develop and improve the code.

### Audit Summary

The audit examined:

- The application process for new members
- The records of audit of existing members
- Complaint procedure including Alternative Dispute Resolution (ADR)
- Process for unauthorised use of the RAC logo/membership

## **MEMBER APPLICATION PROCESS**

RAC has a comprehensive member database, with all records kept electronically.

### **New Members**

A total of 16 RAC Approved Dealers have joined the network within the last 12 months.

The member application process has not changed since the last audit. An RAC Sales Agent meets with a new applicant business on site to complete an initial assessment. If the dealer is assessed as being suitable, they complete a full application form. RAC then completes a range of due diligence checks including a check on Exinger Insight.

RAC use an online e-sign contract to sign-up garages on the RAC Portal. In addition, the RAC take the company registration number and the driving licence details of the dealer principle. A check on dowjones.com is completed of the company name/dealer principle and a Companies House check is completed which validates the company is active and the registered name and address is correct.

All new applicants must pass a full site audit within two months of being admitted to the scheme.

Details of two new applicants were supplied and RAC stated that they had not yet been audited. One applied for membership in March and is using the RAC logo. The other applied for membership in January and is displaying their AA membership.

#### **Observation**

Both of the new member files supplied for this audit show that the RAC are not following their own processes for accepting companies into membership.

### **Existing Members Inspections/Audit**

The RAC aim to audit all members six times each year. These are on-site inspections carried out by an RAC Engineer to ensure the correct vehicle checks are being completed and the correct processes are being adhered to. Feedback is provided by the RAC Engineer where needed. Any concerns are picked up by the RAC Agent. Dealers are keen to display the RAC logo so generally no issues in relation to that.

Over the last 12 months 107 audits have been carried out with Approved Dealers. This represents 52% of dealers with an overall pass rate of 94%. A total of 1,933 vehicle inspections have been attempted or completed, with a pass rate of 98%. These figures are considerably lower than previous years.

### **Observation**

The RAC Inspections Team have lost a number of experienced staff this year, which has impacted on their workload. As approved dealers also have to be FCA compliant, the RAC consider them to be low risk, so they made the decision to put the approved dealer audits on hold and focus on more “at risk” groups. They now have a full team and the approved dealer audits are now top priority and they hope to be back on track with these by the end of November 2025.

### **Membership Withdrawal and Sanctions for Non-Compliant Member Businesses**

In many instances of non-compliance, the initial response from RAC is to attempt to assist the member to improve their business practices. In cases where this is resisted, the issues that have arisen are endemic in the business or are too fundamental to resolve, members face a range of sanctions including formal warning or expulsion.

In the year since the last audit 47 members have left. Three exit letters were examined and the websites for the ex-members checked, with none found to be still using the RAC logos.

No members are currently in the RAC disciplinary process.

### **Marketing and Advertising by Member Businesses**

RAC digital branding for approved dealers is available to order via The Engine (an online portal that only approved dealers can access). All other items are ordered by the RAC agent.

Online orders are authorised by the Agents manager, the RAC agent will monitor the use during reviews. The Client Support Team keep a record of any RAC approved dealers who have left the network and ensure all point-of-sale material has been removed by them.

RAC engineers will ensure the RAC branding is being used correctly as part of their audit checks. Any instances of the incorrect branding are picked up immediately.

If the RAC are made aware of a non-RAC Approved dealer falsely advertising as RAC approved, immediate action will be taken with the dealer concerned to ensure this branding is removed.

During the auditing of members, inspectors cross reference the descriptions given of cars in member's advertising/websites with the cars on the forecourt for accuracy.

### **Terms and Conditions and other Pre-Contractual Information**

Terms and conditions and other pre-contractual information is required by the code to be visible to consumers prior to contract, this is checked by RAC auditors as part of the regular onsite audits.

RAC have a set of standard terms and conditions for code members to use, these were agreed with Kent Trading Standards (previously Primary Authority for RAC). They are provided to the garage at the time of audit if they do not have suitable Ts&Cs.

### **Customer Service Provisions**

A high level of customer service is fundamental to the RAC and it places the same high expectation of customer service on its code members. If the RAC receives three or more complaints about any member this triggers a report and investigation. However, one single complaint that highlights issues about the customer care culture within the business can cause removal of the member from the RAC Code.

### **Consumer Complaints Process**

Complaints and ADR are managed by a dedicated Client Support Team at Assurant. They provide the RAC with monthly breakdown of complaint volumes. Assurant also provide the RAC with the number of complaints upheld in the consumer's favour issuing recommendations to the RAC Approved dealer where appropriate.

Over the last 12 months Assurant have received 58 requests for ADR for RAC Approved Dealers. Of these, 11 disputes were upheld for RAC Approved Dealers. Assurant has either assisted with securing a refund or repair work at no cost to the consumer. Each month one ADR case as managed by Assurant is reviewed by the RAC ADR Team.

### **Customer Satisfaction and Feedback**

RAC measures consumer feedback through it's review function. Every customer who purchases a vehicle from an RAC Approved Dealer is sent an invitation to leave a review to measure customer satisfaction. RAC use Net Promoter (NPS) to measure customer satisfaction and also ask a series of supplementary questions to gain more

insight into their experience of the RAC Approved Dealer. Customers also have a free text field where they can leave specific feedback.

Since March 2024 when a selling dealer registers the customer's warranty plan on the RAC system, the customer's details are then sent to Judge Service who email and text a link to the customer to leave a review. Currently the RAC's NPS score is 80.38%, with a total of 27,422 respondents, with the average NPS score for the last 12 months averaging 80.41%.

Any low scores are reviewed directly by Assurant and the RAC. The dealer is encouraged to leave a public response to help resolve any issues. A customer also has access to leave a review on the RAC Dealer Locator website when they search for the dealer.

## **CONCLUSIONS**

The RAC Inspections Team have lost a number of experienced staff this year, which has impacted on their work in relation to member compliance. They now have a full team again and the approved dealer audits are top priority. They hope to be back on track with these by the end of November 2025.

The RAC brand is an iconic name within the motoring industry and garages using the name gains instant credibility. The RAC works hard to protect its brand and this is demonstrated in their constant review and improvement in ways to ensure that the customer is treated well and fairly by its members.