



South Yorkshire Trading Standards Services

# Motor Trade Business Partnership

*Code of Professional Conduct*





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## MOTOR TRADE BUSINESS PARTNERSHIP

### *Code of Professional Conduct*

#### About the Partnership

The South Yorkshire Trading Standards Motor Trade Business Partnership, (the Partnership), exists to promote good practice amongst its members in relation to Trading Standards legislation and consumer related matters.

All members of the scheme are expected to adhere to the Code of Professional Conduct, (the Code), and to the spirit of the Code to the fullest extent possible.

The Code will be reviewed from time to time to have regard for changes in Legislation of Good Business Practice. When the code is amended, copies will be supplied to each member.

#### The Code of Professional Conduct

##### *General*

**The following terms and conditions constitute the Code of the Partnership. Compliance with this code is mandatory for all partner businesses.**

- The member will be a retailer of new and/or used vehicles from retail premises within South Yorkshire.
- Membership is conditional upon the satisfactory audit of business practices and procedures on a regular basis.
- The member (or any business applying for membership) must provide the Trading Standards Service when asked with full details of:
  - Legal ownership of the business,
  - Registered Office and / or trading address,
  - Management structure,
  - Gross annual turnover and
  - Such other information as may reasonably be required.



- Any changes in ownership or factors which might affect compliance with this code must be notified to the Partnership Development Officer as soon as practicable.
- Businesses with criminal convictions or a complaints history deemed to be incompatible with membership of the scheme will be excluded from eligibility. Any refusal or removal of membership is subject to an appeals procedure.
- Members must comply with the spirit of the law and demonstrate a commitment to fair trading and recognised good business practice.
- Members must ensure that all relevant staff are adequately trained in all relevant aspects of the business and applicable legislation.
- Members must ensure that all relevant staff are aware of this code and ensure compliance with it.
- A copy of this code must be retained by the member and be available to a consumer upon request.
- Members must comply with the 'Complaints Procedure' of this code.
- Members must ensure that the 'Complaints Procedure' is implemented and understood by all relevant employees.
- A member must not engage in any practice likely to be viewed as high pressure selling, this may include offers that depend upon the customer agreeing to purchase a vehicle within a limited period of time and/or the taking of deposits during pre-contract negotiations.
- As a member of the South Yorkshire Motor Trade Partnership, the business shall indemnify the four South Yorkshire authorities, their elected members, officers and agents in respect of any costs, claims or proceedings that may arise as a result of membership or approval by this code.
- Membership is subject to the payment of the annual fee. South Yorkshire Trading Standards Services reserves the right to amend the annual fee, subject to consultation with code members.
- Members must not engage in any unfair business practice which acts to the detriment of consumers.
- All code members shall have a user friendly and accessible, free or reasonably priced after sales service.



- Code members must ensure that vulnerable are afforded the necessary care and attention during all aspects of the transaction including any after sales service.
- Any Websites operated by the member must be designed with full regard to any legislative requirements.
- Members are required to display the scheme's "Consumer Guide" leaflets and feedback forms in a prominent position for potential customers. One of these leaflets is to be included with the information supplied with each vehicle.
- The Motor Trade Partnership requires its code members to display the Motor Trade Partnership Certificate in a prominent position within the dealership.

### *Advertising and Prices*

- Members will have the right to use the partnership logo on business documents and short-term promotional material.
- All advertising shall be legal, decent, honest, truthful, and shall not mislead.
- Advertising should comply with all relevant legislation, and requirements of regulatory bodies.
- Vehicle pricing shall be such that purchasers are fully aware of the total price (and in the case of new vehicles, the on the road price) prior to purchase.
- All prices shall include the current rate of VAT.
- All vehicle brochures must be current and accurate. If vehicle specifications have changed the customer should be made aware of this.
- All advertising will comply with the Committee of Advertising Practice's Code of Advertising, Sales Promotion and Direct Marketing.



## *Contracts*

- All contract terms must be fair, clear and legible, and must comply with all appropriate legislation.
- Guarantees or warranties must be additional to the customer's statutory rights.
- All code members must provide the customer with full details of the additional warranties and the nature of these.
- Pre Contract information must be provided in a clear legible, written format.
- The sale transaction must include a written contract, agreed and signed by both parties. Guarantees and warranties are to be itemised separately.

## *Retail Sales*

- Any potential purchaser shall be fully informed of the total price for the vehicle including, where appropriate, the value of any trade-in, discounts and additional sums.
- Sales staff will make customers aware of their rights and responsibilities in relation to their chosen method of payment.
- Any significant alterations to the contract shall be communicated in writing to the customer as soon as possible, and the customer shall have the right to penalty-free withdrawal.
- For New Vehicles:
  - Members must provide a clear defined delivery date and time.
  - Where changes or amendments occur to vehicle specification or their delivery arrangements, these changes must be communicated to the customer at the earliest opportunity.



- For Used Vehicles:
  - All vehicles sold will be roadworthy and where appropriate must have a current MOT certificate.
  - All information relating to the vehicle, including condition, status and history will be made available to any prospective purchaser.
  - Prior to sale, all reasonable steps will be taken to verify the recorded mileage of the vehicle. If this cannot be established with any certainty, then the member must effectively disclaim the recorded mileage. Any disclaimer must also be included in any sales documentation.
  - If within 12 months of a sale it is found that the recorded mileage for a vehicle is false to a material degree, the Member will offer to refund the full purchase price to the customer. Where there is any confusion as to 'full purchase price', the decision of the trading standards services will be final.
  - If a replacement odometer is fitted to a vehicle, the true mileage must be recorded and supplied in writing to the customer. At the point of sale, an indication of that mileage must be displayed on the vehicle.
  - Where a true record of the vehicle's mileage does not exist, an effective disclaimer must be used at the point of sale. Any such disclaimer must be as bold, precise and compelling as the mileage indication and be brought to the attention of the seller early in pre-contract negotiations.
  - Any un-roadworthy vehicle shall be kept separate from other vehicles. Any such vehicle shall have a notice clearly attached stating; 'This vehicle is un-roadworthy and should not be driven on the public highway until repaired and declared roadworthy'. This notice shall be repeated in any sales documentation. Members must ensure as far as is reasonably possible that the vehicle is not driven from the premises, and that no MOT Certificate or Road Fund Licence is provided with the vehicle.
  - All roadworthy vehicles shall be available for a test drive by the customer.



- Service books should only be replaced where proof of ownership is shown. If a replacement Service Book is provided, certain information must be recorded including details of the vehicle, ownership, mileage, date and the fact that the book is a replacement.

## *Consumer Complaints*

- All members must maintain a written Complaints Procedure. A copy of this procedure must be made available to any customer on request.
- A senior person for each Code Member will be designated as a nominated person for consumer complaints. In the event that minor complaints cannot be dealt with by other employees, the complaint must be actioned by the nominated person.
- Where a consumer makes a complaint about a member to South Yorkshire Trading Standards Services (or any partner organisation), they will be provided with the name and contact details of the member's nominated person.
- A complaint which in the opinion of Trading Standards involves the allegation of a criminal offence will be investigated in accordance with the enforcement policies of the service, irrespective of the business being a Code Member.
- All consumer complaints must be dealt with in a prompt, effective and courteous manner in accordance with that procedure.
- Code members will offer maximum co-operation to local consumer advisers or any other intermediary consulted by a consumer in relation to their complaint.
- A record of all consumer complaints must be kept for a minimum of 12 months (from the conclusion of the complaint) and be available for inspection by officers of the Trading Standards Services.
- The member's website must include a statement identifying their ADR provider and a link to their website.
- Where a consumer complaint remains unresolved after 14 days, the Partnership Development Officer shall be made aware of the complaint.



- Where a customer's complaint remains unresolved at the conclusion of a member's complaints procedure they must be notified in writing within 7 days that:
  - Their complaint cannot be resolved by the company, and
  - The name and contact details for an Alternative Dispute Resolution Service, (ADRS), to which they may refer their complaint.

A copy of this notification shall be sent to the Partnership Development Officer.

Members may use the South Yorkshire Trading Standards Services ADRS at no additional cost. A specimen letter is available from the Partnership Development Officer.