



Payemoji

FCA Motor Finance Redress Scheme

PS26/3 – Final Rules Published

Update March 30



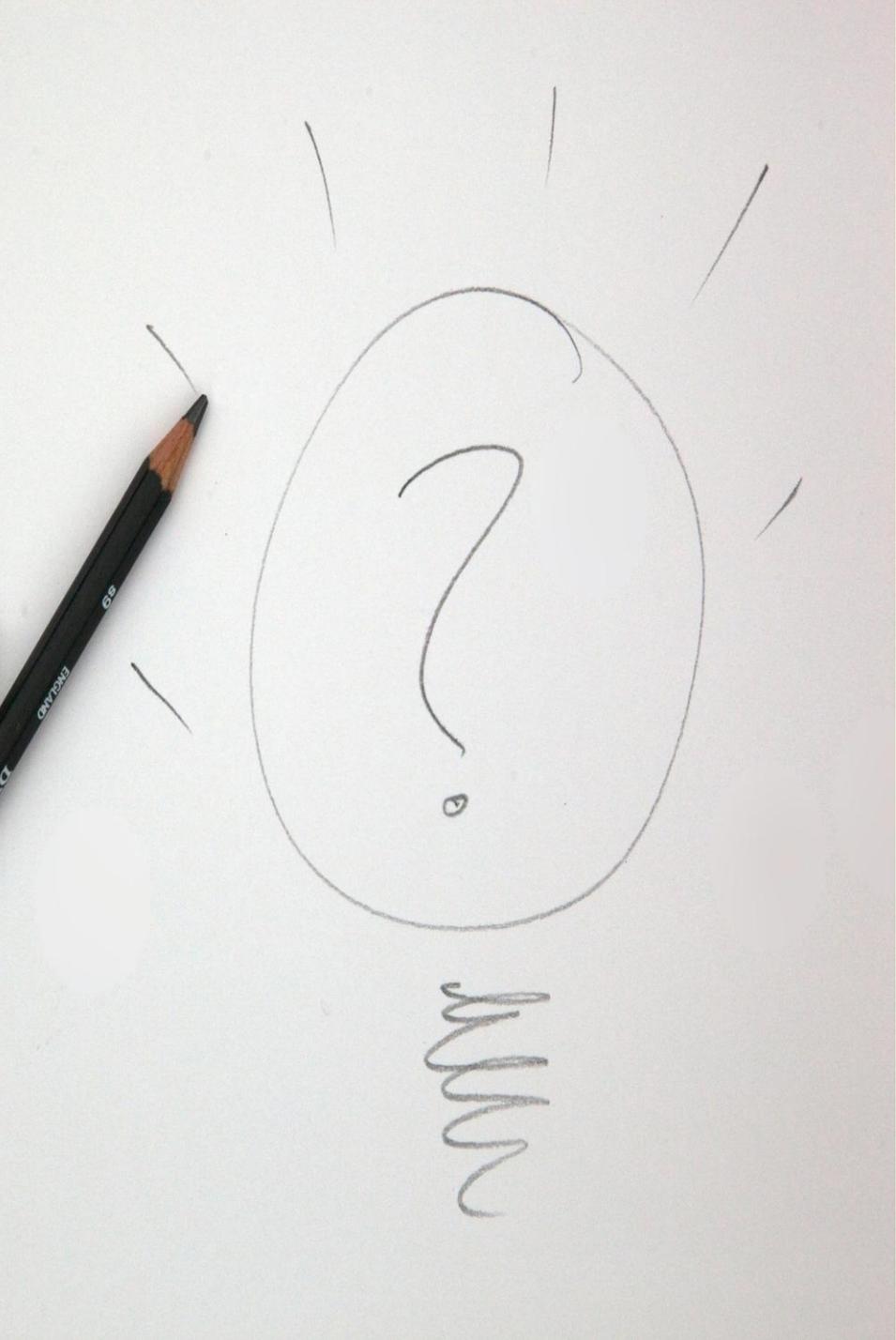
Who is Eligible?

12.1 million agreements qualify

- ✓ Car finance agreements (PCP, HP, etc.)
- ✓ Taken out between **6 April 2007 – 1 November 2024**
- ✓ Where commission was not properly disclosed

💰 How Much Will People Receive?

- ✓ Average payout: ~£829
- ✓ Total to consumers: £7.5B
- ✓ Total cost to firms: £9.1B



How the Redress Scheme Work

Firms proactively review agreements and contact customers.

Two main routes:

1. Customers who already complained
→ **automatically assessed**
2. Customers who haven't complained
→ **invited to opt-in**



Step-by-Step: How It Works

1. **Firm checks** agreement date & commission
2. **Assesses** if unfair (DCA, high commission)
3. **Invites** eligible customer to join the scheme
4. **Assesses** liability & sends provisional offer
5. **Consumer** accepts or challenges the offer
6. **Firm pays** redress + interest

Most payouts completed by end of **2027**



Important Dates

2026 →

Payouts start this year

30 June 2026 →

Contact begins for 2014–2024 agreements

31 August 2026 →

Contact for 2007–2014 agreements

End of 2027 →

Vast majority of payouts completed



What Impacted Lenders Must Do

Key obligations for finance providers:

- Review **all** relevant motor finance agreements
- Contact eligible customers by **30 June 2026** (2014–2024) or **31 Aug 2026** (2007–2014)
- Calculate and pay redress promptly with interest
- Prepare systems, communications & complaints handling
- Budget for significant costs (industry total £9.1bn)

Action now: Start programme planning, governance & resourcing immediately.

✓ Next Steps Consumers

- ✓ Watch for letters or emails from your lender
- ✓ Check your old finance agreements
- ✓ Avoid claims management companies (high fees)
- ✓ Lenders must use secure channels + unique reference numbers





✓ Summary

- ✓ The FCA's Motor Finance Consumer Redress Scheme is now final.
- ✓ Fair compensation for millions of drivers + regulatory certainty for the industry.
- ✓ Full PS26/3 See [Here](#)



Contact us for more details

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