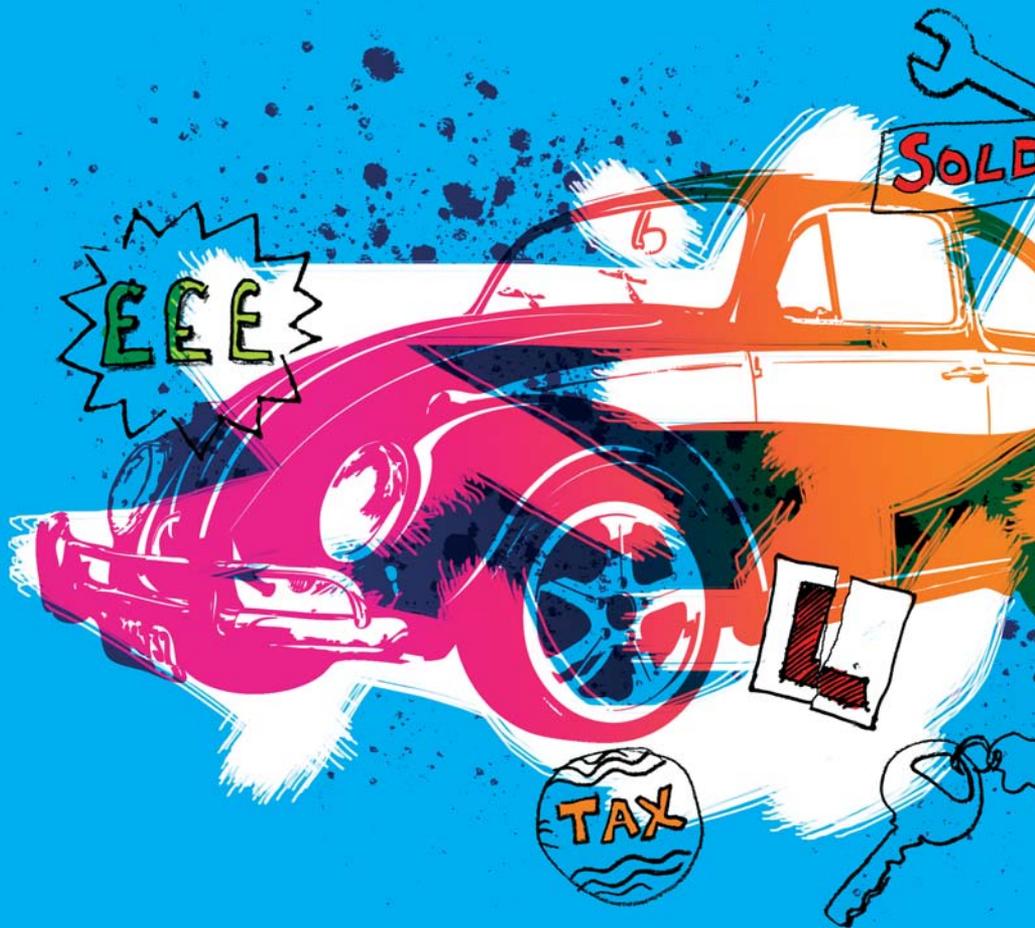


Your guide to... Buying your first car



www.consumerdirect.gov.uk
08454 04 05 06
clear, practical consumer advice
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Buying a car is a big decision.
It can be **exciting**, **confusing** and **costly**.

The information in this leaflet has been put together by Trading Standards professionals and **Consumer Direct** to help you make the right choices.

Buying a car is often one of the **BIGGEST** purchases you can make and it is not only the cost of the car, but all the other expense that comes with it like the **repairs**, **insurance**, **tax** and **fuel** that you need to think about.

Our easy to use guide is designed to give you a starting point on what to look for when choosing your car. Whether it is a second hand car from your local paper or a car from a garage or auction, make sure you know your rights.

By spending a little more time now, you could **save a lot more money!**

Before you buy the car

Did you know that the following factors can affect your rights when buying a car – regardless if it is new or used?

- **How you pay for the car (e.g. cash, credit card, finance etc)**
- **Where you buy your car from**
- **The cost of the car and how much you pay**

This can be a bit confusing, so you can call the Consumer Direct helpline that works in partnership with Trading Standards to ask us questions about your individual circumstances. Consumer Direct can advise on what to watch out for, buying a car from an auction, from a car dealer, over the internet, from a private seller and what to look for to make sure the car you are buying isn't stolen or has got outstanding finance on it. Consumer Direct's number is listed later in the guide.

How much should I be paying for the car I want?

By looking at a number sources for the car you want, you will start to get a feel for the price – so don't go for the first one you like, shop around!

There are a number of pricing guides that will give you a better idea of the value of a car based on its age and mileage. Glass's (www.glass.co.uk), Parkers guide (www.parkers.co.uk) free online guides (e.g. www.usedcarexpert.co.uk, www.visitcars.co.uk) and many more can also help. Ensure you know and can consider the cars mileage that you are looking to buy and its condition – as both of these will affect its price. All of these sources act as a guide, so there will be some variation.



**Call Consumer Direct on
08454 04 05 06 for more advice**

Before you buy the car

Consider the following points to guide you through the process when you are choosing which car to buy:

Do you want to buy a new or a used car?

Compare the price of the car you are interested in with similar ones of the same age, model, mileage etc. Examples of the pricing guides are listed on the previous page.

Do you already have a car in mind?

If so, do you have someone that can give you independent advice and help you check the car out? You can get independent advice from 'friendly experts' from companies such as the AA, RAC and Green Flag. They may charge a fee but they know what they are looking for. Does a friend/family member have a good working knowledge of cars? Maybe they use reputable garage that could help advise you. The Good Garage Scheme (www.goodgaragescheme.co.uk) and the Office of Fair Trading (OFT) Approved Codes scheme www.of.gov.uk can help you find businesses that have signed up to a code of conduct.

A 'HPI' or a **Vehicle History check** should always be done before you make a purchase. This is explained a little further on.

How much can you afford?

The table below will help you compare the costs of different cars. You should take the following things into consideration; the cost of the car, your insurance, tax (available for a six or 12 month period), MOT, servicing and average fuel consumption – the number of miles per gallon (MPG) a car averages can help you calculate this. Also consider breakdown cover. The table below can be used to help you compare the costs of your shortlisted favourite cars.

Sellers name and contact details:

Car make, model, engine size and year of manufacture:

Cost of the car	£
Cost to insure (3rd party or fully comprehensive cover?)	£
Cost of road tax (6 or 12 months)	£
Annual MOT + possible repair costs	£
Average use/fuel costs	£
Annual breakdown cover	£
Total	£

Preparing to buy your car – Key Actions

1 Examine the car – do this during clear daylight conditions, when the car is dry. Check the paintwork, condition of the car and its tyres, look for any rust, dents, marks or faults. The Consumer Direct car checklist will give you a starting point on what you should be looking for. Find it on the Consumer Direct web pages about cars under the ‘Goods and Services’ section at www.consumerdirect.gov.uk

2 Test drive the car – It is your responsibility as a buyer to beware so make sure you thoroughly test the car before you buy. Test driving the car is your opportunity to ensure that you are happy with the vehicle and to satisfy yourself that there are no mechanical problems or faults. Make sure you drive a reasonable distance to use each of the gears, the clutch, test the indicators, windscreen wipers, locking system etc.

3 Do some detective work and check out independent car reviews

It is always worth looking at a number of independent reviews about the make and model of the car you are thinking of buying. Sources such as the Which Magazine, Auto Trader and What Car Magazine are just a few sources that you can look at for independent reviews. This will help you find out the best bits and the worst bits about your new vehicle. This could include problems with the type of car you are thinking of buying, common faults, safety issues as well as handling, added extras, modifications etc.

4 Don't be afraid to try and negotiate with the seller for a reduction in the price or request additional extras as part of your bargaining. See if you can get them to supply the vehicle with a longer valid tax disk, check if the MOT has recently been done – if it's due to expire request that this is done before you make the purchase. The best advice is to buy a car with a new

Always check all documents and paperwork before agreeing to or signing anything.



Money matters

Dealing with money and finance when buying a car can be mind boggling, so listed below are some of the common terms you may come across. The Government's Financial Service Authority (FSA) has information to help you find your way through the maze of words and terms used when companies are talking about finance. The FSA's details are in the "Useful Information" section at the back of this guide.

What a deposit means

A deposit works in two ways.

- For you, it is a commitment to the person you are buying the car from to say that you want the car and that you are entering into a legal agreement to buy it.
- For the seller it is the guarantee that you will be purchasing the car and that they aren't able to sell it to anyone else.

Check the terms and conditions of the deposit carefully as it can be non-refundable in some cases.

Always get a receipt – even if it is just for a deposit. This is your proof that you have given the seller your money.

What to watch out for HP – Hire Purchase (sometimes known as Conditional Sale)

HP is a form of credit. With other forms of credit such as a loan or credit card, the goods you buy belong to you straight away. HP is different:

- You don't legally own the car/vehicle until you've paid back all the money you owe (this can be over a number of months or years). This means that you cannot modify or sell it them without the credit lender's permission.
- Your contract is with a finance company (not the retailer/garage) who will own the goods until the final payment is made
- The finance company can take the goods back if you don't keep up your repayments.
- If you want to hand the car back you will be liable for any damage caused to the goods during the contract period.



Call Consumer Direct on 08454 04 05 06 for more advice

or visit the 'Before you Buy' pages of the Consumer Direct website under the 'Money and Finance' section there is additional information about HP agreements

www.consumerdirect.gov.uk/before_you_buy

Useful websites and sources of information

Consumer Direct

Call 08454 04 05 06 or visit www.consumerdirect.gov.uk

This is an impartial advice service run by the Office of Fair Trading in partnership with Trading Standards. Specialist advisors are on hand to answer questions you may have before you buy or if you have a problem with a purchase you have made. Online there are template letters and top tips offering you clear, practical consumer advice.

TSI – Trading Standards Institute

www.tradingstandards.gov.uk

This is the professional body for Trading Standards nationally.

Direct Gov

www.direct.gov.uk

This website shows you a range of information issued by the Government. Search under 'motoring' for a range of information about owning a car, your license and road safety.

FSA

The Government's Financial Services Authority (FSA). Call the FSA on 0300 500 5000 or visit

www.moneymadeclear.fsa.gov.uk

This website has lots of useful information about loans, budgeting and managing your money.



DVLA – Driver and Vehicle Licensing Agency

www.dvla.gov.uk

This is the government Department responsible for driving licences, learning to drive, entitlement to drive, endorsements/disqualifications, driving abroad and what to do when you have changed your address and/or name. It also deals with information on registering your vehicle tax for your car number plates and registration marks (including personalised registration numbers), importing/exporting vehicles, fighting vehicle crime and advice on buying a used vehicle.

VOSA – Vehicle and Operator Services Agency

www.vosa.gov.uk

VOSA provides a range of licensing, testing and enforcement services. This includes things like MOT's.

Paperwork and information checklist

There are many important documents that you must be given when you purchase a car to show that you are able to drive it legally, prove that you are the registered keeper and ensure that the car is roadworthy.

Insurance and driving licence

To drive legally you need both of these and are legally obliged to show the information if stopped by the police.

Log Book/ V5 C

This is now known as a Vehicle Registration Certificate (V5C) with a distinctive blue front page. This should be one of the pieces of paperwork you receive when you buy the car and details information on the transfer of ownership. As the buyer, you should be given the green section known as the V5C/2 section. Ensure both the blue and the green sections contain the same information.

Full Service History (FSH) documentation

This can include the service log which details the number of times the car has been serviced and it's mileage. It should also include any paperwork regarding repairs or replacement parts that have been fitted to the vehicle.

VIN (Vehicle Identification Number)

This number is a unique number used by the motoring industry to identify individual vehicles. Check it matches the number inside the V5C registration certificate (described above) issued by the DVLA or DVLN and it can also usually be found in the service book. You can find the VIN in several places on the car. It is engraved on a metal plate usually found in the engine compartment. Be suspicious if it shows signs of having been tampered with such as rivets having been disturbed and if it has been removed ask why. The VIN is also stamped on the chassis of the vehicle, often under the bonnet or in the floor panel on the driver's side.

HPI check

This used car check tells you the truth about a used car and can highlight if your car has been written off, in an accident, is stolen or has outstanding finance. The check confirms many details about a car including the make, model, colour, door plan, and engine size. Their data checks that these match the descriptions recorded against the vehicle at the time of manufacture, protecting the interests of the motorist and helping car dealers meet their legal obligations. There are many companies that offer 'HPI' checks. Always make sure that the official logo is displayed, and that the cost of the report and the details of the company carrying out the checks are given to you. Other companies do the same checks as HPI such as Experian, Carfax, my car check etc.

MOT

The vehicle's MOT certificate confirms that your vehicle, at the time of its test, met the minimum acceptable environmental and road safety standards required by law. It is your responsibility to renew it annually.

Tax Disk

The car requires a valid tax disk to be displayed to be legal on UK roads.

Receipt

This is your proof of purchase, how much you paid and when you bought the car. If you are buying a car using credit or finance, make sure you have a copy of the signed agreement.

Full details of the person/garage/auction selling the car

Including full name, address (not a PO Box address) and landline telephone number. You will need this information if there is a problem later down the line.

Make sure you keep all this information in a safe place.

You will require this information as you renew things like your insurance, tax and the MOT, or if you choose to sell the car at a later date.

Thinking of buying a car for the first time? Seen one you like but don't know where to start?

Buying your first car can be a big decision and it can be a bit confusing. This guide offers you information to help you make the right choices when choosing which car to buy and is packed with a range of top tips and advice including:

- **what to look out for**
- **the true cost of a car**
- **managing your money**
- **useful websites and sources information**

It should make your journey to buying your first car a little easier.

Put together by Consumer Direct and Trading Standards professionals, this guide offers you clear, practical advice that is impartial – so by spending a little more time and reading our guide... it could save you money and time in the long run.

