

Buying a car

Raising awareness of finding out information about the car and its costs before you buy



**citizens
advice**

**Consumer Education trainer notes for
points to consider when buying a car**

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Introduction

The education resources have been produced to raise awareness of key consumer topics and the importance of knowing you have consumer rights.

Activities are based on key consumer issues or problems people face when buying goods and services or resolving disputes.

The purpose of this basic pack is to introduce the topic to the client/ participant and to raise awareness of some of the important factors which should be considered when buying a car. The resources aim to provide a discussion tool with which to engage your audience and to raise their awareness.

The activities have been developed as a resource to help to discuss awareness of car terminology and consumer rights with participants (for the purpose of the education resources, the term participants includes clients/ students/ service users) or at events.

Resources can be used as discussion tools, but try to encourage the participant to fill in the answers and take the resource away with them to reflect on.

Ensure clients have details of the Citizens Advice consumer service and **do not** advise clients/ participants on specific issues.

Resources are not designed as advice tools and where necessary clients/ participants should be directed to the appropriate advice organisation.

Content

Group sessions aims and objectives	4
Session specific guidance	5
Session plan	9
Activity 1 Which car suits your needs?	10
Discussion to focus on practicalities and affordability when buying a car	
Activity 2 What to look for in the advertisement	11
Raising awareness of the importance of what information is given in a car advertisement.	
Activity 3 What's your budget?	12
Discussion to cover different costs in running a car.	
Summary	13
Evaluation guidance	14
Reference section	15

Session Aims and Objectives

The **education pack** is designed to assist adviser (and also campaigns) by providing a number of activities that can be used to:

- generate discussions on the topic – including affordability, car checks and other practical issues when buying a car
- test awareness of the subject matter and familiarity of car terms
- empower participants to be more aware of where to buy and the different rights that go with buying privately or from a trader
- raise awareness of the consumer service and how to get advice

The aims of the resources are to:

- recognise key terms in car adverts and what you should know
- buy from safe or reputable traders
- know what costs should be factored into your car budget

The objectives are that by the end of the session learners will be able to:

- understand the importance of keeping within your budget
- know the importance of checking the information provided is correct
- know how to get advice or guidance to check the car and to get advice if there is a problem

If you are limited with time you may wish to focus on one or two activities to cover the objectives you feel most important.

Materials

- 'Client handout' worksheets - not essential as activities can be conducted as discussions.
- Examples of car advertisements - both online, newspapers, car magazines
- Access to the internet if possible

Session specific guidance

Introduction

There are many things to consider when buying a car (used or new) including whether you like the colour, how good the stereo system is but there are some essential points that consumers should take time to look into before buying any car and shouldn't be rushed or pressured into making a purchase. This could have a financial detrimental effect, including the risk of being scammed but also poses a safety risk if checks aren't made. Some of the key pieces of information to check before a purchase should be:-

- safety of the vehicle
- cost
- how you are going to pay
- consumer rights if things go wrong

Costs

When working out a budget to buy a car, remember the final overall costs can include:

- the upfront price of the car
- the cost of any required extras
- the affordability of the running costs
- repairs and replacements of parts
- fuel - diesel/ petrol/ electric, costs but also fines for low emission zones
- parking permits - are these a requirement in the consumer's location?
- Tax
- MOT
- Insurance - check before you buy the car that you can afford the insurance on it for yourself and any named drivers
- interest on a payment plan/ loan – other possible costs such as default payments

<https://www.citizensadvice.org.uk/consumer/buying-or-repairing-a-car/buying-a-used-car/>

Payment methods to consider,

- Cash
- Bank transfer
- Personal loan
- Loan purchase
- Hire purchase

- Personal contract purchase
- Part exchange

The Money Advice Service pages will help you to help the participant to navigate their way through different payment options when considering buying a car

<https://www.moneyadviceservice.org.uk/en/articles/whats-the-best-way-to-finance-buying-a-car>

Checks

Stress the importance of always checking a car, its paperwork, history and identity thoroughly. If you are buying from a private seller at a distance (through a magazine or the internet) you should check the seller is genuine and that the car actually exists and is safe before you make any payments. There are scammers who pretend to sell 'non-existent' cars or cars they are not permitted to sell.

Ensure that participants know that they should traders for evidence of checks that they have done on a vehicle such as mechanical checks and history checks Use gov.uk to run necessary safety checks and to ascertain tax bands for the vehicle <https://www.gov.uk/checks-when-buying-a-used-car>

It is important to inspect the interiors of cars carefully, arrange a pre-sale inspection independently.

Don't engage if you don't get the information you need, take someone you know and trust that has a good knowledge of cars with you to look at a vehicle and don't be rushed into making a decision.

The log book should be evident, do not buy a car without one.

<https://www.citizensadvice.org.uk/consumer/>

Consumer Rights Act 2015

Consumers will have rights when they buy a new or used car from an official trader, these rights do not apply to buying from a private seller. The CRA covers rights when purchasing, repairs, services and maintenance.

The Consumer Rights Act includes a range of rights for consumers, such as:-

- a 30-day time period to return faulty goods and replacement rights
- clear and honest information before they buy
- goods being fit for purpose, and services being performed with reasonable care and skill
- faults will be put right free of charge or a refund or replacement provided.
- There are clear rules for what should happen if a service is not provided with reasonable care and skill or as agreed. For example, the business

that provided the service must bring it into line with what was agreed with the customer or, if this is not practical, must give some money back.

- unfair terms in a contract

Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 (CCRs)

The trader must provide the consumer with information before they buy goods or services. How much information businesses will have to provide will depend on where or how the contract was made:-

- in a shop, garage or business – this is called an ‘on-premises’ contract
- in your home, on the street or away from the business address – this is called an ‘off-premises’ contract
- over the telephone, online or by mail order – this is called a ‘distance’ contract

The regulations lay out what the consumers’ responsibilities are and what the traders’ responsibilities are. Consumers should be encouraged to check what is involved before entering into a purchase. Information can be found via the Citizens Advice website, local Citizens Advice and the Citizens Advice consumer service.

(These requirements only apply where businesses are dealing with customers who are consumers, not other traders.)

Under the CCRs you have the right to cancel an order for goods made at a distance starts when you receive the goods and lasts for 14 days.

So for example if you buy a car from a dealership online and then change your mind you can cancel the order. However this is different for bespoke requirements, so if you order a car to a bespoke specification you will not have the same rights. (This does not include when they give you options to choose colours, interior covers etc...)

Your right to cancel a service made at a distance starts the moment you enter into the contract and usually lasts 14 days starting the day after the car is received. The trader must give the consumer this information before they enter into the purchase.

Consumer Protection from Unfair Trading Regulations 2008 - Consumers should be able to make informed choices; if ads or offers are misleading or there are omissions of details the consumer may be able to undo the contract.

Whilst this training pack provides this basic information on the **Consumer Rights Act** and the **Consumer Contracts Regulations** some of the activities may require further investigation by participants; time and resources will need to be determined by the trainer.

Further information on consumer rights can be researched on the Citizens Advice website with relevant weblinks in the reference section. This will allow for more detailed learning provision in formal education.

The trainer may also wish to contact their local Trading Standards or Citizens Advice to see if they can support the session.

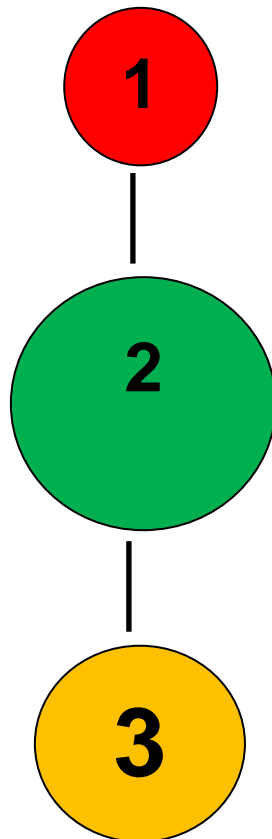
Session plan

The session plan has been designed to show trainers how they can use and manage the resources within the pack.

All activities can be delivered separately or as part of a longer session depending on the time resource available to the facilitator.

It is for the facilitator to determine which activities will be most relevant for their participants.

Activities will require some of the session specific guidance content.



Red activities – Are **essential** to any session on this topic

Amber activities – Are **highly recommended** but not essential

Green activities – Are **optional** activities, if time allows

Activity 1 - What car suits your needs?

Many of us would love a sports car or classic car but we should consider if the car is practical and meets our needs. Buying a car is a costly business so it is important to consider whether it will be a practical purchase.

Discuss with the client/ participant:-

- Who is the car for?
- How many passengers will be using it?
- Who will be the main driver?
- Can you afford the insurance?
- Do you have somewhere to park the car?
- Do you need a resident's permit?
- Do you live in a low emission zone?
- Can you safely secure child car seats if required?
- Is it a high maintenance car? If so do you have the time, money or expertise to manage this?
- Where can you get expert advice or who you know and trust to look over a car with them?
- How are you going to check an online seller is genuine?
- Have you considered the benefits/ differences between buying from a private seller and a trader?
- Have you got the Citizens Advice consumer service contact details?
- Don't be rushed into making a purchase.

Use the checklist worksheets to make notes on these points that you and the participant have discussed.

Encourage the participant to record the consumer service details and look at the consumer advice pages for buying or repairing a car

<https://www.citizensadvice.org.uk/consumer/>

Check the gov.uk details for checking a car is safe, it's MOT status and its tax band.

<https://www.gov.uk/vehicle-tax-rate-tables/rates-for-cars-registered-on-or-after-1-march-2001>

<https://www.gov.uk/checks-when-buying-a-used-car>

Activity 2 - What to look for in a car advertisement

It's really important that when a seller is advertising a car that they are being honest and accurate about the description of the car and the claims they are making, so that you can make an informed decision.

Use the examples from car magazines, local newspapers and car websites (such as autotrader, motors.uk, local traders) to ask the participants to find the following information:-

- What year is the car registered?
- What fuel does it use?
- How many miles has it done?
- Is the seller a private seller or a trader?
- Where is the car located?
- What is the price? Is this negotiable?

Discuss with the participant how accurate they think the description of the car might be and then discuss

- How can they check this? Who can help?
- What are the consequences of not running a check?
- What consumer rights do you think you might have?
- Who can help with your consumer rights if you think you have been mis-sold?

Vehicle checkers are likely to charge a fee but this might be a cheaper option than buying a faulty car. Demonstrate these examples to the participant if you have internet access:-

<https://www.theaa.com/vehicle-inspection/#/mini-details>

<https://www.rac.co.uk/buying-a-car/vehicle-inspections>

<https://www.mycarinspections.co.uk/>

Free checks about the car's safety and legality can be made at the gov.uk site

<https://www.gov.uk/checks-when-buying-a-used-car>

Activity 3 - What's your budget?

When we start looking into buying a car we generally have an idea of what we can afford or what we want to spend. It is important to remember though that the cost of the car will not be the only expense - there will be additional costs including:-

- Road tax - the cost is dependent on various factors including fuel emissions, engine size and when the car was registered. You can look this up before you buy the car <https://www.gov.uk/calculate-vehicle-tax-rates>
- Maintenance - get an idea of service costs, tyre costs etc.
- Parking permits - do you need one where you live?
- MOT test - what is the cost of this? Also flag the importance of remembering when it is due!
- Payment method -How are you paying for the car? Are there any fees or interest to pay?
- Insurance - get quotes before you buy the car. You could find that it is unaffordable to insure the car.
- Are there any other costs the participant can think of or are concerned about?

Use the worksheet for participants to record their own budget when buying a car. If time allows to check back with the participant ask them to find out the costs of tax and insurance for a car they are interested in, or give them an example, and then feedback in the following session.

Provide participants with the Citizens Advice consumer service contact details 03454 04 05 06, Welsh-speaking adviser on 03454 04 05 05

Summary

Summarise the importance of understanding the need to check the car is safe and as described and also within budget. Ask participants to create a short list of things they have learnt from the session.

Ensure that the participant can:-

- offer at least three points of learning
- understand what costs are part of buying a car
- be confident to ask key questions relating to the checks required when buying a car
- know who to get advice from and know how to contact the Citizens Advice consumer service.

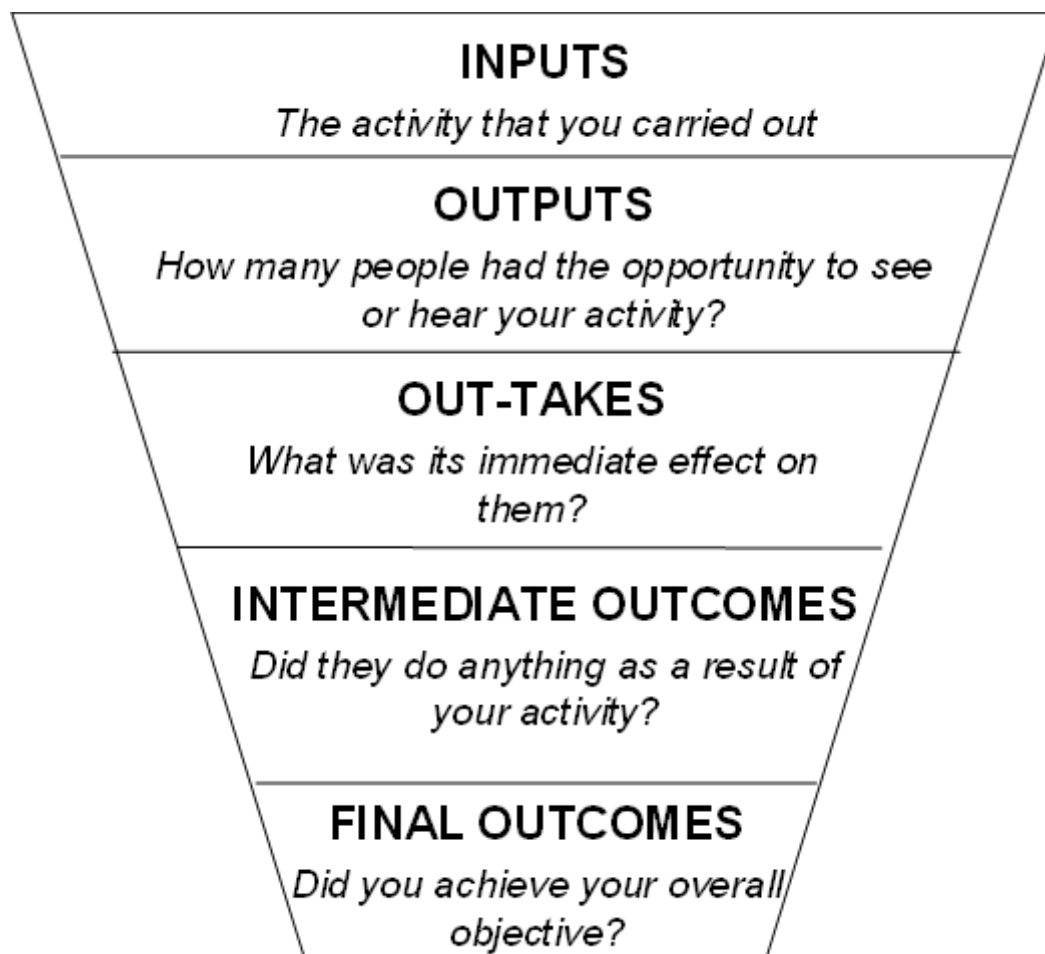
A list of topics that the participant is interested in should have evolved naturally out of the themes covered in the activities. The participant can choose from the list to decide what they would like to discuss next time. This not only provides very useful information for Citizens Advice, it also increases the likelihood that the participant will return.

If you have concerns about a participant entering into a potentially risky contract, strongly encourage them to visit their local Citizens Advice or contact the Citizens Advice consumer service.

As with many consumer issues it may be useful to signpost the participant to the Citizens Advice **financial capability offer**, to get more information topics such as budgets, payment options and debt.

Evaluation

The framework offers the facilitator questions that will enable a more in-depth analysis of the session. This can be done as a post-session analysis by the trainer or can be discussed with the participants. This will be dependent on the timescale available and also the engagement of the participants.



The trainer should feedback their experience of the resources with specific comments about:

- o the ease of use of the materials
- o the effectiveness of the activities
- o any recommended top tips
- o any other recommendations for the resource
- o any interest from participants for other resource topics

Reference section

Citizens Advice Buying or repairing a car section

<https://www.citizensadvice.org.uk/consumer/buying-or-repairing-a-car/buying-a-used-car/>

<https://www.citizensadvice.org.uk/consumer/>

Consumer Contract Regulations

<https://www.which.co.uk/consumer-rights/regulation/consumer-contracts-regulations>

Consumer Rights Act

<https://www.which.co.uk/consumer-rights/regulation/consumer-rights-act>

Money Advice Service

<https://www.moneyadviceservice.org.uk/en/articles/whats-the-best-way-to-finance-buying-a-car>

Vehicle Tax rates

<https://www.gov.uk/vehicle-tax-rate-tables>

<https://www.gov.uk/vehicle-tax-rate-tables/rates-for-cars-registered-on-or-after-1-march-2001>

Car checks

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