

Dealing with car traders

Understanding car terminology, how to find an approved trader and how to deal with problems that may occur



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Consumer Education trainer notes

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Registered office: Citizens Advice, 3rd Floor North, 200 Aldersgate Street, London, EC1A 4HD

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Group session aims and objectives

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

- generate discussions on the topic
- test awareness of how to find reputable traders and how to deal with disputes
- raise awareness of the consumer service and how to get advice

The aims of the resources are to:

- build confidence when dealing with car repairs or problems
- know how consumer rights can help consumer with disputes when dealing with car repairs
- know where to get advice and access mediation/ dispute resolution

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

- understand the importance of using a reputable trader
- be able to check what is involved in the service provided and full cost
- know how to use the Citizens Advice template letters to deal with a dispute

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

Materials

- 'Client handout' worksheets - not essential as activities can be conducted as discussions.
- Access to the internet if possible

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
- how the consumer can pay for it
- consumer rights if things go wrong
- reputable trader schemes
- how to make an effective complaint

Checks

Stress the importance of always checking a car, its paperwork, history and identity thoroughly. If buying from a private seller at a distance (through a magazine or the internet) the consumer 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 (they are not the owner of the vehicle.)

Ensure that participants know that they should ask 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, check MOT status 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.

Consumers shouldn't engage if they don't get the information they need; they should take someone they know and trust that has a good knowledge of cars 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 and also repairs, services and maintenance.

The Consumer Rights Act (2015) states that products must be,

- Of satisfactory quality (SQ)
- Fit for purpose (FfP)
- As described

It doesn't matter if the car is new or second hand the consumer will still have rights to redress if there is a problem with the car. These include a range of remedies, 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.

(Specific criteria applies to each one, it is not a list the consumer can choose from.) Consumers should be referred to the consumer service or consumer pages for guidance.

The Which? Website also offer clear step by step guidance on a range of car issues and how to deal with them under the Consumer Rights Act

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 consumers have the right to cancel an order for goods made at a distance starts when they receive the goods.

So for example if a consumer buys a car from a dealership online and then change their mind they can cancel the order. However this is different for bespoke requirements, so if they 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...)

The right to cancel a service made at a distance starts the moment the consumer enters 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.

Reputable trader schemes

In a bid to combat rogues and poor practice in the car sales and repairs industry various different reputable trader schemes operate locally, regionally and nationally.

Reputable trader schemes have required codes of practice that their members must adhere to or risk being removed from the scheme. Some of the trader schemes also offer Alternative Dispute Resolution (ADR) when things go wrong. A couple of examples are provided here but this is not an exclusive list, as there will be local schemes, brand schemes and other marketing schemes.



The Motor Ombudsman provides consumers with information and advice on a range of different issues including recalled cars, dispute resolution, details of expelled members from the scheme and also has codes of practice for,

- Vehicle Sales
- Service and repairs
- New cars
- Vehicle warranties

All of these are approved by the Chartered Trading Standards Institute, which operates the Consumer Codes Approval Scheme. The scheme offers consumers confidence in dealing with traders before, during and after they buy a car. (Please note the scheme covers a range of sectors and is not exclusive to the car industry.)



Chartered Institute Trading Standards Consumer Code Approved

Some Trading Standards operate a Buy with Confidence scheme, where members have been vetted and approved in their business practices, to allow them onto the scheme. This is a national register but consumers can find local traders by using the Buy with confidence website or requesting a list from their local Trading Standards. (Please note Buy with Confidence may not have car traders in all geographical areas. The scheme also covers a range of sectors not just the car industry.)



Consumer Advice and consumer template letters

The Citizens Advice website provides a number of consumer resources to help consumers when they have disputes when buying a car or dealing with repairs. The problem with a used car tool on the Citizens Advice website will help guide the client through the process of establishing certain facts about the purchase in order to find out what their rights in the situation might be

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

Letter templates are available to help the client make a complaint. The client will need to present certain facts as part of their letter of complaint. The template will guide the client as to what this is and they can then fill in the letter, email or post the letter to the trader. It is recommended that this is done via recorded delivery.

Citizens Advice consumer helpline 03454 040506, Textphone: 18001 03454 04 05 06. Welsh-speaking adviser: 03454 04 05 05, textphone 18001 03454 04 05 05

Warranties and Guarantees

If the trader offers the consumer a warranty or guarantee with the car it is important to understand what that means and also how to use them if necessary.

A guarantee is given by the trader or manufacturer, it is usually free, to commit to repairing or resolving problems within the guaranteed time frame. The consumer may need to register for this to validate the guarantee

A warranty is similar to an insurance that covers problems with the product. There is usually a fee for this so it's worth finding out what the warranty covers before signing up for the additional cost.

Some checks the consumer should make when using warranties or guarantees are,

- to make sure you know which one it is - this sounds obvious but it is worth checking.
- check the small print in a guarantee or warranty and to know what is covered
- how long it is for and if it can be cancelled.
- if there will there be any costs involved in making a claim

<https://www.citizensadvice.org.uk/consumer/somethings-gone-wrong-with-a-purchase/claim-using-a-warranty-or-guarantee/>

Which? also has a Car warranties page to help consumers establish what their rights are and how to use a car warranty <https://www.which.co.uk/consumer-rights/l/car-warranties>

Basic guidance for trainers

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

The trader scheme details provided are not exclusive (nor endorsed by Citizens Advice), they are just examples of reputable schemes.

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.

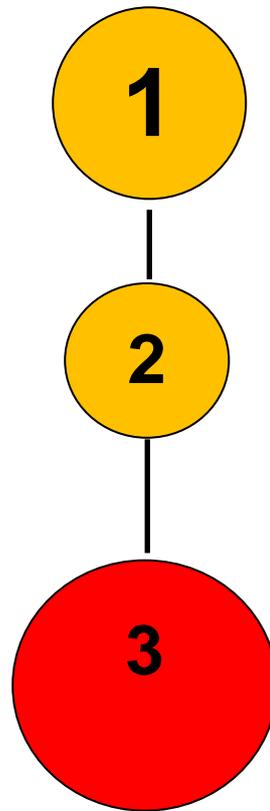
Session Plan

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 - Car abbreviation bingo

In many car advertisements there will be many abbreviations; this gives pieces of information in a small space. However it is not always obvious what these mean but it is important when buying a car you know what these mean. It will help you to make an informed choice and avoid buying something you didn't want or need. You may also need to know these for insurance purposes.

Look through some typical abbreviations and try to establish what they mean.

FSH	Full Service History. Completed services performed at manufacturer specific times.
HPI	Hire Purchase Inspection. This organisation looks into the history of the car.
LEV	Low emissions vehicle
MPG	Miles per gallon. Indicates how fuel efficient the vehicle will be.
RWD	Rear wheel drive
A/C	Air conditioning
FWD	Front wheel drive
LHD	Left hand drive
ONO	Or nearest offer
GC	Good condition
P/EX	Part exchange available

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

Activity 2 - How to find and use a reputable trader scheme

Discuss with participants the different types of traders there may be in the motor industry - private sellers, independent garages, dealerships and national repairs organisations.

There can be pro's and con's for using any of these and it is not the purpose of this resource to indicate a preference towards a certain one. The purpose of this activity is to look at the benefit of using an approved trader scheme, which any small, large, national, independent trader can be accredited to, provided their business practices are vetted and approved.

You will need to use the internet for this activity. Ask the participants to look at some of the following examples,

- Buy with confidence
- The Motor Ombudsman
- CTSI Consumer Codes of approval scheme
- Which? Trusted traders
- Checkatrade

Ask the participants to identify the following,

- Are there reviews of local businesses?
- What are the requirements to be on the scheme?
- Is there a complaints procedure?
- Is Alternative Dispute Resolution (ADR) available to help you deal with the trader? (ADR is not compulsory in the car industry but is for financial sector. For cars bought on finance or credit/debit cards used for deposits at least so Financial Ombudsman Service will be relevant)
- What are the consequences for a trader who doesn't comply with their code of conduct?
- How can I contact the scheme administration?

Participants can use the worksheet to record their findings or this can be done as a discussion activity depending on the group requirements and availability of internet access.

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

Activity 3 - How to make a complaint

Citizens Advice website provides a number of consumer resources to help consumers when they have disputes when buying a car or dealing with repairs. The 'problem with a used car' tool on the Citizens Advice website will help guide the client through the process of establishing certain facts about the purchase in order to find out what their rights in the situation might be.

Work through the online tool with either your own car or a made up scenario to familiarise yourself with how to use this resource.

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

Letter templates are available to help the participant make a complaint.

<https://www.citizensadvice.org.uk/consumer/template-letters/letters/>

You will need to present certain facts such as,

- what the issue is
- the name of the trader
- the date on which you bought the car and when the issue occurred
- the cost of the car/ service/ repair
- how you paid for the car/ service/ repair

Take a look through one or two of the letters and consider how easy it is to record this information. Create one or two 'dummy' examples to familiarise yourself with the process.

Remember if you do need to send a letter to a trader, it is recommended that this is done via recorded delivery and a copy kept.

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

Summary

Summarise the importance of understanding what information is provided when buying a car. If you're not sure then be confident to ask or take someone along who has good knowledge about cars.

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 information should be provided by the seller
- find resources to help resolve a problem, including the 'problem with a used car' tool and letter templates on the Citizens Advice website
- provide details of one or two of approved trader schemes
- know who to get advice from and know how to contact the Citizens Advice consumer service.

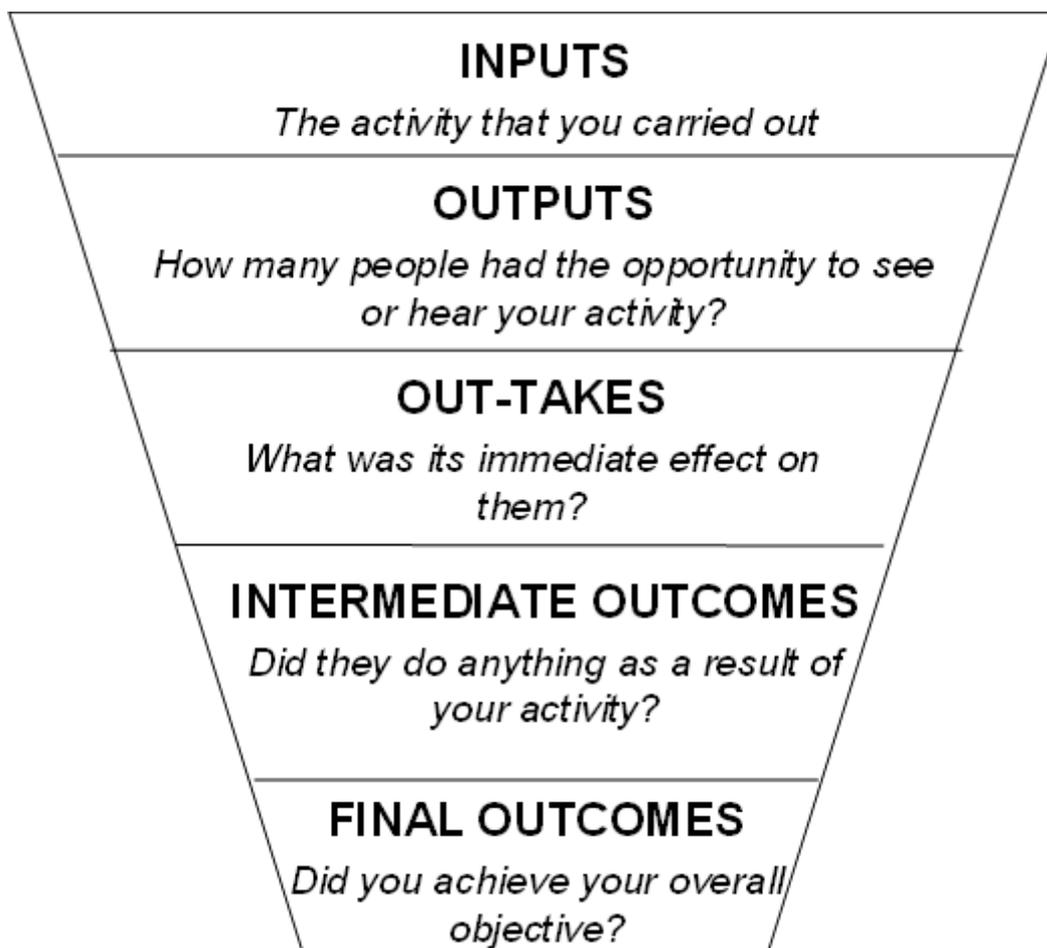
A list of topics that the participant is interested in should have evolved naturally out of the themes covered in the activities. The participant can choose from the list to decide what they would like to discuss next time. However, it may be beneficial to try to incorporate the basic consumer pack materials into a program with this resource which will encompass more detail around buying, running and repairing a car.

This 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.

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 facilitator 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

Alternative Dispute Resolution

<https://www.citizensadvice.org.uk/consumer/alternative-dispute-resolution/settling-out-of-court/using-alternative-dispute-resolution-adr/>

Buy With Confidence – Trading Standards scheme

<https://www.buywithconfidence.gov.uk/>

Checkatrade

<https://www.checkatrade.com/>

Check a used vehicle you're buying

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

Citizens Advice consumer pages

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

Citizens Advice claim using a warranty or guarantee

<https://www.citizensadvice.org.uk/consumer/somethings-gone-wrong-with-a-purchase/claim-using-a-warranty-or-guarantee/>

Citizens Advice consumer letter templates

<https://www.citizensadvice.org.uk/consumer/template-letters/letters/>

Consumer codes Approval scheme

<https://www.tradingstandards.uk/commercial-services/consumer-codes-approval-scheme-1/i-am-a-consumer>

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

www.citizensadvice.org.uk/consumer/different-ways-of-buying/buying-by-internet-mail-order-or-phone/how-a-distance-sale-contract-is-made/

Consumer Rights Act – full detail of the Consumer Rights Act
<http://www.legislation.gov.uk/ukpga/2015/15/introduction/enacted>

Misleading and Aggressive practices
<https://www.citizensadvice.org.uk/wales/consumer/changed-your-mind/if-you-were-misled-or-pressured-into-buying-something-you-didnt-want/>

The Motor Ombudsman
<https://www.themotorombudsman.org/>

Trusted traders
<https://trustedtraders.which.co.uk/>

Which? Cars and motoring rights
<https://www.which.co.uk/consumer-rights/cars>

<https://www.which.co.uk/consumer-rights/l/car-warranties>