

Buying a new car?

Check the warranty before you sign...



All new cars come with some sort of warranty covering parts failure. In almost all cases your car warranty stays valid no matter where you get your car serviced but terms and conditions attached to warranties can vary.

When you're looking for a new car it's worth comparing warranties as well. Make sure that the warranty gives you what you want and doesn't include conditions that will cost you money later.

Types of warranty

All new cars sold in the UK include a basic warranty, called the **manufacturer's warranty**. These usually last for one, two or three years. Most manufacturers with a one or two year basic warranty also offer at no extra charge a **dealer based extended warranty**. This can extend the total period of cover to three years, or longer. It is also possible to **buy** other types of extended warranty once you have bought your car.

But beware – the manufacturer's warranty, the dealer-based warranty and other warranties you can buy can be quite different. The dealer-based warranty and warranties you can buy can have more limitations, like mileage. See the back page for examples of what to avoid.

Servicing

Where you get your car serviced is an important consideration. Following action by the OFT in 2004, all major makes of new car in the UK are sold without servicing ties as part of their warranties. This means that the **manufacturer's warranty** and any extension offered **free**, such as the **dealer based extended warranty** are covered by the Society of Motor Manufacturers and Traders Limited (SMMT) OFT Approved code of practice (see www.smmt.co.uk). The code from the SMMT, who represent all sectors of the automotive industry in the UK, says that you are free to get your car serviced anywhere in the UK and still benefit from the manufacturer's new car warranty, as long as the service is carried out to the car manufacturer's recommendations, even if this service is carried out by an independent service or repair outlet. However, any additional warranty which you have **bought**, may contain restrictions on where your car can be serviced and for **bought** warranties this restriction has to be obeyed (as well as any others) for the warranty to be valid. The code also has procedures for dealing with complaints concerning your new car.

Aftersales costs, such as services, can represent around 40 per cent of the whole life cost of the car and many independent garages can offer the same quality of service as franchised dealers, who tend to be more expensive than independent garages. It is important to shop around for the best deal and only use reputable garages that will carry out servicing work in line with the car manufacturer's service schedules.

Your legal rights

A warranty adds to your legal rights, it is not a substitute for them. In law if the car develops a fault in the first six months, it will usually be assumed that the fault was there when you bought it. In these circumstances you can ask the dealer to repair the car free of charge or replace it.

Before you buy ask the salesperson these questions

- Is the warranty covered by the SMMT code which permits servicing by independent garages?
- How much will the servicing costs be?
(Compare them to other garages in your area)
- How much leeway is there if I cannot get the car serviced in accordance with the approved servicing schedule?
- How long does the manufacturer's warranty last?
- What does it cover?
- When does the dealer's warranty start and what does it cover?
- Is every fault covered by the manufacturer's/dealer's warranty?
- What isn't covered by the manufacturer's /dealer's warranty?
- Is the warranty restricted by the amount of mileage I do?
- If I have an accident but I get the car repaired, is the warranty affected?

When you're thinking of buying a new car it's worth comparing warranties as well as cars – it can save you a lot of time and money later.




Examples of restrictive conditions in warranties

Most manufacturers allow you to service your car wherever you choose so long as certain standards are met. But some warranties place restrictions on you. Watch out for the following restrictive conditions:

'Only an authorised (make of car) repairer services and maintains your vehicle in accordance with the manufacturer's recommendations.'

'This warranty is dependent upon the manufacturer's recommended servicing being carried out by an authorised (make of car) dealership at the time or distance intervals specified in the (make of car) Warranty and Maintenance Record booklet, subject to the vehicle being driven less than 60,000 miles since first registration.'

'The vehicle must be regularly serviced by an Authorised (make of car) Dealer in accordance with the (make of car) service schedules using (make of car) approved parts during the 3 year warranty period.'

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For further information:
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