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# Most motorists unaware of new law which allows them a full refund for a faulty car within 30 days of purchase

Despite the introduction today (1 October) of the Consumer Rights Act 2015, new data from the RAC shows just one in 20 (5%)\* motorists are aware of the new law that gives anyone buying a vehicle significantly more protection if it turns out to be faulty.

The RAC believes the new law will strengthen the hand of buyers who think they have been mis-sold a used car or if a fault is revealed within the first 30 days. The new 'short-term right to reject' provision allows the buyer to demand a full refund – previously the dealer could simply replace or repair a faulty item or part.

Up to six months from the original date of sale, the dealer will be obliged to repair or replace the faulty part, and will only have one opportunity to fix the problem. If a repair or replacement is not possible or unsuccessful, the buyer will still be able to demand a reduced price or exercise their 'final right to reject', and demand full or partial repayment.

New research from the RAC's Opinion Panel found that 95% of respondents were unaware of the new law. Of those that did know about it, just 30% correctly identified that the law comes into force on 1 October 2015.

Despite the changes, four in 10 (39%) said they felt the new law would do nothing to change their confidence when purchasing their next used car, underlining the continuing deep-rooted mistrust of dealers.

RAC Cars spokesman Pete Williams said: "Car buyers have long felt they are

at the mercy of unscrupulous car traders, but the introduction of the Consumer Rights Act could finally turn the tables in their favour. Any licensed dealer must now refund the sale price in full if a buyer returns a faulty used car within the 30-day period.

"Over time, and subject to some successful test cases in the courts, the new law should begin to squeeze the most dishonest dealers content with selling sub-standard stock out of the market. There will be nowhere to hide for those actively selling vehicles to consumers that, frankly, are better off being sold for parts – if not sent to the scrapheap.

"On the flip side, those dealers who take the most care over their vehicles stand to gain, and we could see average used car prices increase as a result. What is clear is that the new law should have the very welcome effect of driving up standards among dealers, giving motorists much more confidence in their purchases."

However, the RAC warns that after six months the onus will be on the buyer to prove there is a fault with their vehicle, and that it was present at the time of sale. Motorists therefore need to be clear on their rights.

Pete Williams added: "After six months, the onus on proving a car had a preexisting fault shifts to the consumer – so the responsibility will lie with them if they are to benefit from the new law. This is likely to lead to some difficult disputes between dealers and buyers."

The RAC has prepared advice for anyone buying a vehicle on how the Consumer Rights Act 2015 affects them and what to look out for when buying a vehicle – a detailed guide will be available at <a href="https://www.raccars.co.uk">www.raccars.co.uk</a>.

As the motorist's champion, the RAC has long encouraged dealers to up their game when it comes to preparing a vehicle for sale. The RAC developed its 82-point 'BuySure' preparation standard for its Approved Dealer network to provide buyers total reassurance, and ensure cars are offered in the best condition possible.

The RAC also offers a range of services to help car buyers make the right choice and buy with confidence including <u>car data checks</u>, <u>free valuations</u>, <u>vehicle inspections</u>, as well as <u>RAC Cars</u>, the free-to-advertise search, buy and

sell website.

### **Ends**

\* Data from the RAC Opinion Panel, 2,240 respondents surveyed w/c 21 September 2015.

### **Notes to Editors**

### **About RAC Cars**

RAC Cars is the RAC's 'free to advertise' online marketplace for new and used cars. The motorist's champion waived the fees for both private sellers and dealers in response to demands for an alternative to existing used car websites that charge high advertising rates and currently has around 215,000 used cars for sale.

Research from the RAC shows that buyers, too, don't want to be stung by purchasing a dud – something the new RAC Cars website has been specifically designed to address. More than 7.4 million used cars sold in the UK every year, with around 2.8 million sold privately.

RAC Cars provides easy access to a range of products that can give buyers confidence that their next car won't turn out to be a 'lemon' – from an RAC Car Passport, the UK's most comprehensive vehicle check that is delivered to a user in seconds, to booking a full vehicle inspection by an experienced RAC engineer. The site also highlights the RAC's own Approved Dealer network giving total reassurance with a full history check, a thorough preparation to the RAC's 82-point BuySure standard, three months' RAC Warranty and a minimum of three months' Breakdown Cover.

RAC Cars has also partnered with <u>carwow</u>to give new car buyers absolute peace-of-mind removing the need for haggling or hassling phone calls. Buyers simply specify their car – including any options on the carwow portal – and it will liaise with approved dealers nationwide to get the best price on that car.

The site has also been refreshed with the 'We Love Cars' marketing campaign giving raccars.co.uk a compelling new look with 'retro-style' bight orange neon signs and an eye-catching orange sports car and the call to action: 'Find your perfect match and sell your car for FREE'.

### **About the RAC**

With more than eight million members, the RAC is one of the UK's most progressive motoring organisations, providing services for both private and business motorists. Whether it's roadside assistance, insurance, buying a used car, vehicle inspections and checks, legal services or up-to-the-minute traffic and travel information – the RAC offers a solution for all motoring needs. The RAC is committed to making motoring easier, safer, more affordable and more enjoyable for drivers and road users.

The RAC is the motorist's champion and campaigns to support the interests of its members and UK motorists at a national level, including advancing levels of road safety, supporting the needs of young drivers and voicing concerns about the increasing cost of motoring. The RAC's annual Report on Motoring – first published in 1989 – provides a clear insight into the concerns and issues facing today's motorists.

For the very latest news on UK fuel prices, check <u>RAC Fuel Watch</u> or follow <u>#racfuelwatch on Twitter</u>. This is a comprehensive guide to the latest UK unleaded petrol and diesel prices – both at the wholesale level and at the pump. RAC Fuel Watch analyses how prices changed through the previous month and compares the most recent prices with those from three, six and 12 months before.

The RAC supports and is a founding member of <u>FairFuelUK</u> which campaigns for fairer taxes on petrol and diesel.

# Key facts:

- RAC patrols fix four out of five vehicles at the roadside and on average within 34 minutes
- RAC vans carry more than 500 parts and tools to get members' vehicles going again

 98% of members would recommend RAC Rescue to their friends and family

## **Contacts**



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