the Money Advice Service

HIGH CAR COSTS DON'T STOP AT THE FORECOURT

One in five drivers who bought a used car in the last two years spent at least £1,800 more than they intended, according to research from the Money Advice Service.

The up-front costs prove to be the tip of the iceberg, as running costs during the first year for a second-hand car typically come to £580 more than expected. Around one in four motorists (26%) admitted being caught out by maintenance and repairs costs, spending £421 on top of their predicted outgoings in the first 12 months. The outcome is many motorists having cars they can't afford to run.

Drivers are estimated to spend an average of £5,736 on a second hand-car, with the over 65s laying down the most cash, at £7,649. Young drivers may pay less, but at £4,197 they are likely to be spending a significant proportion of their income on a vehicle.

The Money Advice Service discovered that more than half of those who overstretched to buy their car opted for a vehicle that they 'just really liked'. Almost two in five realised they couldn't get what they wanted for their original budget.

Funding a car purchase also emerges as a tricky issue. The research shows 13% of people borrowed money from friends and family to pay for their new used car, while 10% opted for a car finance deal.

The Money Advice Service said: "*The purchase price of a second-hand car is just the beginning of the costs you may have to cover, so don't ever over stretch yourself. Plan ahead for running costs and unexpected expenditure by keeping a record of all your spending using the Money Advice Service budget planner*." To find out the real running costs of the car you want to buy visit www.moneyadviceservice.org.uk/car