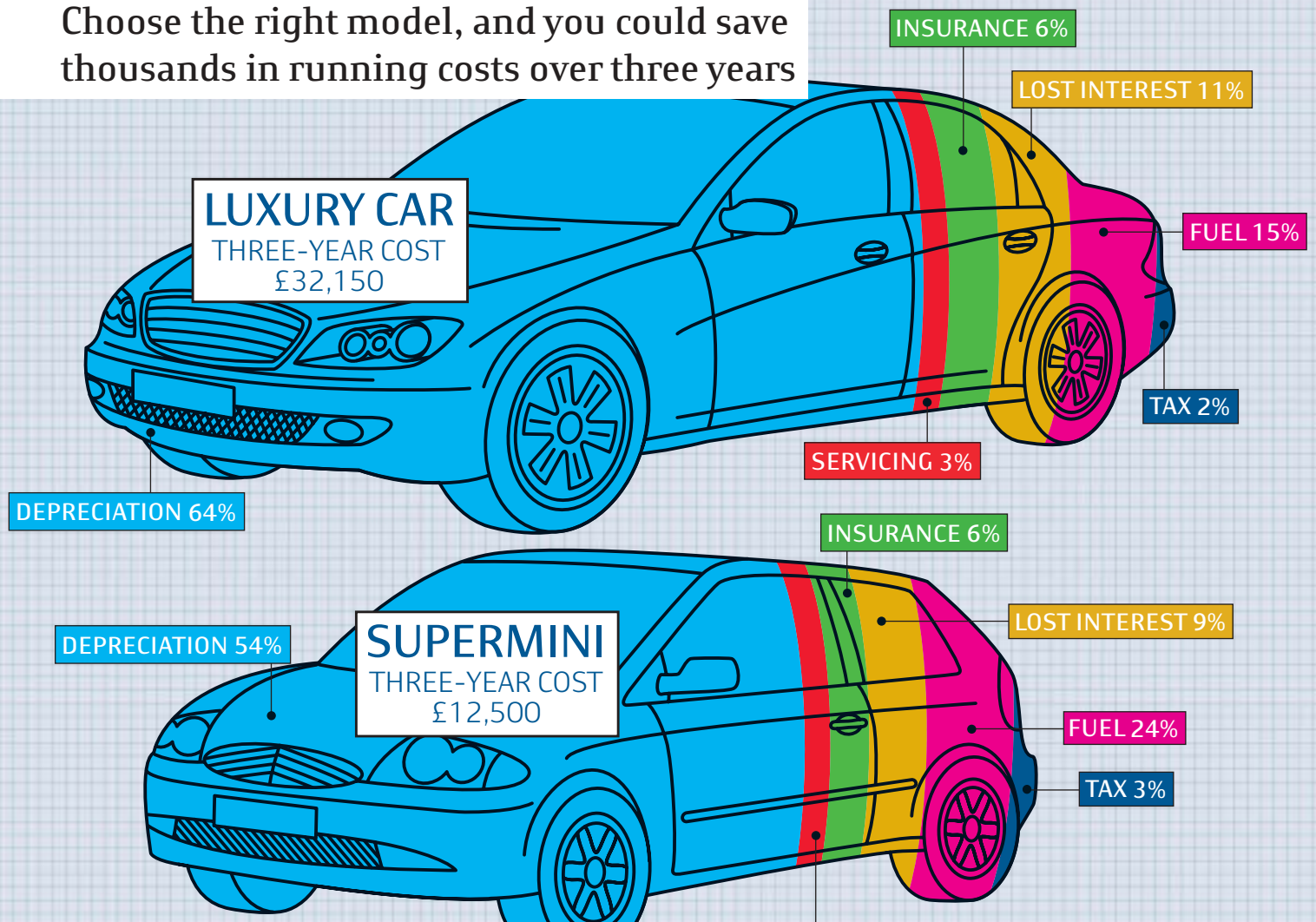


CHEAPEST CARS TO RUN

Choose the right model, and you could save thousands in running costs over three years



ADDING IT UP

The illustration above shows all the components that add up to overall car running costs. We've shown a price for the average luxury car and the average supermini, based on calculations from our database of more than 4,300 individual models. This includes **fuel**, **road tax** and **servicing** costs for the first three years, plus **depreciation** (how much value the car loses in three years) and **lost interest** (how much interest you forgo by spending the money on a new car).

Got £76,100 to spare? That's how much it could cost you to run a new BMW 760i for three years – and that's on top of the £79,000 it will cost you to buy the car. But even ignoring money-no-object luxury cars, running most new cars for three years can cost you as much again as you paid for the car in the first place.

We've compared the running costs of popular car ranges and scoured our running-cost database of more than 4,300 individual new-car models, to find the thriftiest and most expensive model in each sector. Our calculations cover a range of factors, including the obvious ongoing costs such as fuel, servicing and insurance.

We also include some of the less appreciated capital costs, such as depreciation (how much value your car loses), and the loss of interest on savings when you buy your car outright. This gives you a more complete view of not only what you'll be spending, but also what you'll be losing when you stump up for a new car.

Of course, 'cheap as chips' isn't always the same as good value for money, so when choosing a car, check out *Which Car?* for a broader view of the best cars in the showroom.

SERVICING 4%

HOW THE COSTS ADD UP

Few of us need reminding that fuel costs are rising, but other costs are harder to predict. Here's how we calculated the various components that make up our overall running cost figures.

What's it worth?

The depreciation figures we've used are based on our motoring industry expert's predictions of a car's value after three years. Depreciation typically accounts for 54 per cent of the running cost for a supermini, rising to 64 per cent for cars in the luxury sector. The best way to minimise this is to bargain hard upfront for a discount on the car, because a discount won't affect the car's residual value in three years' time.

Fuelling discontent

To calculate fuel costs, we've used official fuel consumption figures, which are weighted for typical driving habits. We've assumed that

you'll be driving 36,000 miles over three years. Fuel costs account for 15 per cent of the total cost of running a luxury car but 24 per cent for a supermini. Of course, that doesn't mean superminis use more fuel – it's just that other factors, such as depreciation, are more significant for luxury cars.

Crash course

Insurance costs are based on the car's insurance group and are calculated for a 45-year-old teacher and his wife, living in the Midlands, who park their car on a driveway overnight and who have a 40 per cent no-claims discount. Overall, insurance accounts for a fairly low 5 to 6.5 per cent of a car's running costs. But buying cheaper insurance is one of the easiest ways to cut running costs, so it's well worth shopping around at renewal time.

Lack of interest

We calculate loss of interest, assuming that, like many *Which?* members, you pay for your car with cash from your Best Buy savings account. Amazingly, lost interest accounts for between 9 and 11 per cent of the running cost – around £1,150 for the average supermini, up to £3,650 for luxury cars – so bargain hard for a discount to reduce your outlay.

At your service

We've calculated maintenance and repair costs according to the typical hourly labour charges and costs of parts for each brand. On average, these account for around 3 per cent of the running cost.

SECOND-HAND SAVINGS?

Buying second-hand can save you a bundle if you simply must have a particular car. For example, you could save £16,800 by buying a three-year-old Mercedes C-Class instead of new one – and then £11,500 over three years running it. Most of these savings come from avoiding the heavy depreciation that occurs in the first years of ownership.

But if buying and running a car for as little as possible is your chief consideration, buying second-hand isn't automatically your best option. That's because some of the cheapest ('entry-level')

Buying second-hand isn't automatically your cheapest option

versions of new cars cost so little that they are comparable with second-hand models of more well-known ranges. For instance, a brand new Kia Picanto, Perodua Kelisa or Daihatsu Charade could actually cost less to buy and run than a three-year-old Nissan Micra, VW Polo or Seat Ibiza.

Also, be wary of choosing a second-hand car based on information for current models: sometimes mpg and insurance figures can change when there's a change of design or specification. For example, a new Seat Ibiza costs less to buy and run than a new VW Polo. But a three-year-old Ibiza is of an earlier design, and it could cost you £850 more to run than a three-year-old Polo, which has fuel economy and insurance costs similar to the current model.

Reading the graphs

Our graphs show the average running costs, over three years, for popular car ranges in different classes of car. The figures in the graphs are an average of the various versions within a range. We've also picked out the most expensive single model and the cheapest model in each class, from our database of more than 4,300 individual models.

CAPITAL COST

This takes into account depreciation and the loss of interest on savings that you need to buy the car.

ONGOING COST

This includes insurance, fuel and maintenance and repair costs. See 'How the costs add up', starting on p27, for details of how we calculated the figures.

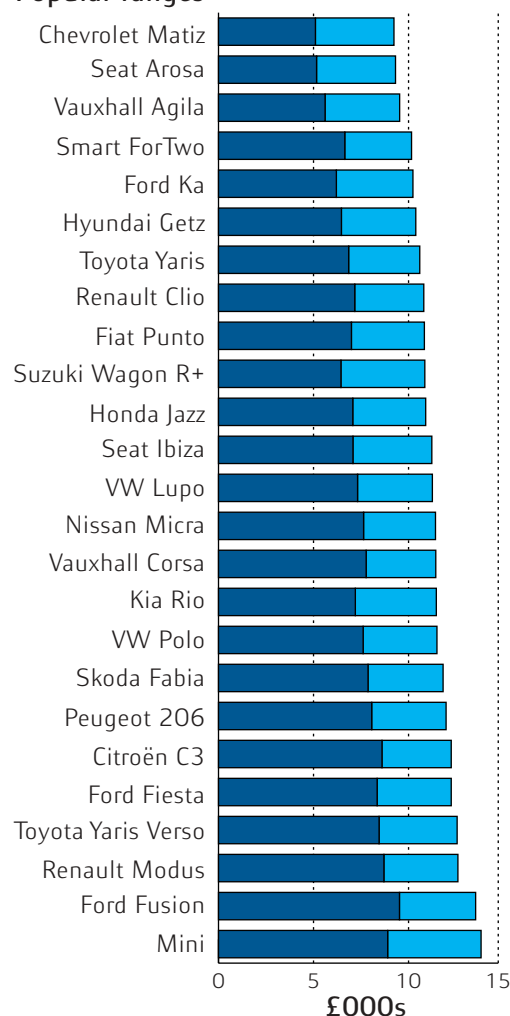
KEY



Superminis

The Chevrolet Matiz is the cheapest popular range of superminis, but prize for the cheapest car of all to run goes to the Kia Picanto 1.0 GS. Perhaps surprisingly, it beats the two-seater Smart ForTwo, despite the Smart's tiny size and economical engine. The sporty Peugeot 206 GTi 180bhp tops the list as the priciest supermini.

Popular ranges



Kia Picanto 1.0 GS: £7,200

Peugeot 206 GTi 180bhp: £19,050

WORST

BMW 760i V12: £76,100



BEST

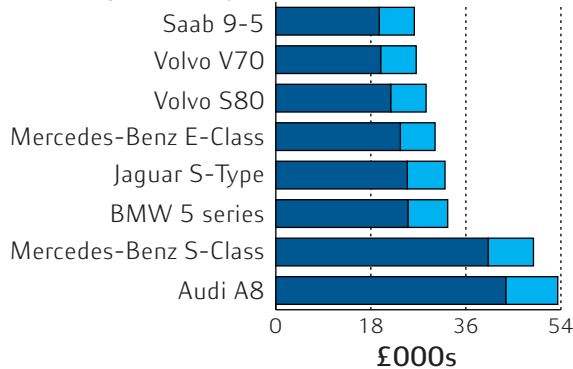


Hyundai Sonata 2.4CDX: £20,600

Luxury

Insurance is a killer cost in this sector. Fuel costs are also high, although not as much as for gas-guzzling offroaders. The Hyundai Sonata is the cheapest to run – but, though it might be luxurious, it's hardly prestigious. But you'll be up for huge depreciation losses if you go for a top-of-the-range BMW 7 series or Audi A8.

Popular ranges



WORST

Subaru Impreza 2.0 WRX STi: £31,700



BEST

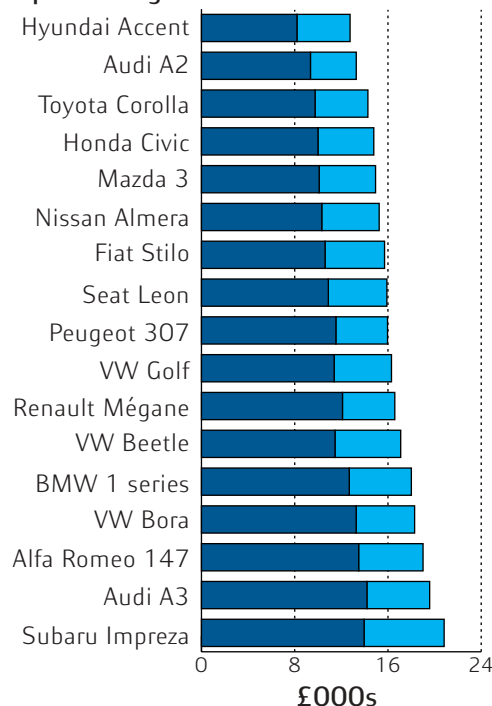
Hyundai Accent 1.3 GSi: £10,550



Medium

The cheap-and-cheerful Hyundai Accent range costs less to buy than other medium cars, with an average on-the-road cost of just under £10,000. The lower purchase price means that depreciation over three years is just £7,150, compared with more than £9,000 for popular medium cars such as the Nissan Almera and VW Golf. Most models in the Subaru Impreza range are close to being road racers, and as a result have high insurance costs and a thirst for fuel, so the Impreza is one to avoid for the thrifty driver.

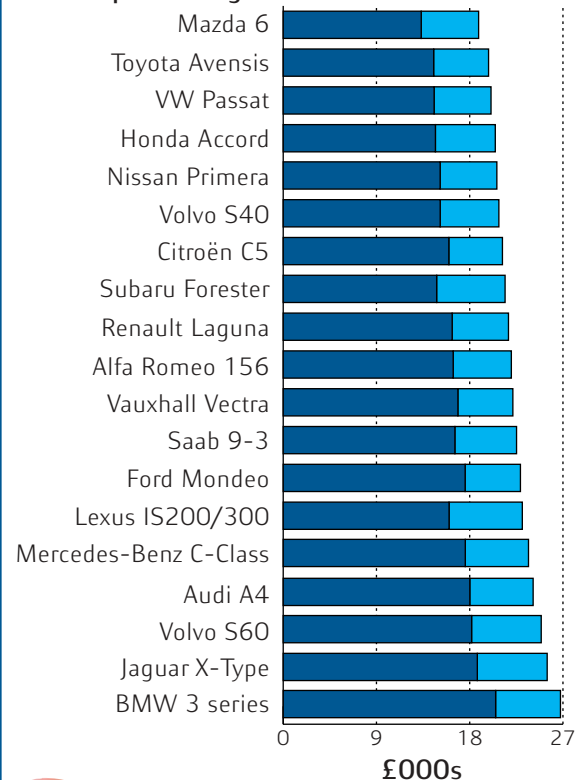
Popular ranges



Large

Even though depreciation percentages may vary, a car that doesn't cost much to buy is generally going to lose less in depreciation than more expensive models. The low on-the-road cost of the Skoda Octavia Classic 1.4 keeps its overall costs down. And, just to prove that fun doesn't come cheap, the 300bhp Volvo S60 R Geartronic loses more in depreciation alone than it costs to run many other large car ranges.

Popular ranges



BEST



Skoda Octavia Classic 1.4 75bhp: £13,250

WORST



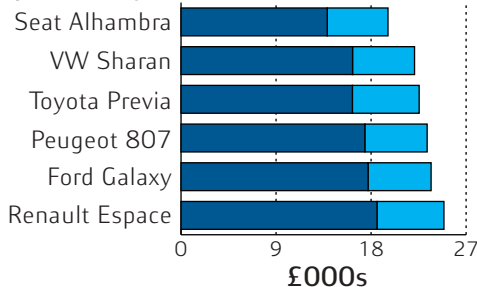
Volvo S60 R 300bhp Geartronic: £36,650

MPVs and small MPVs

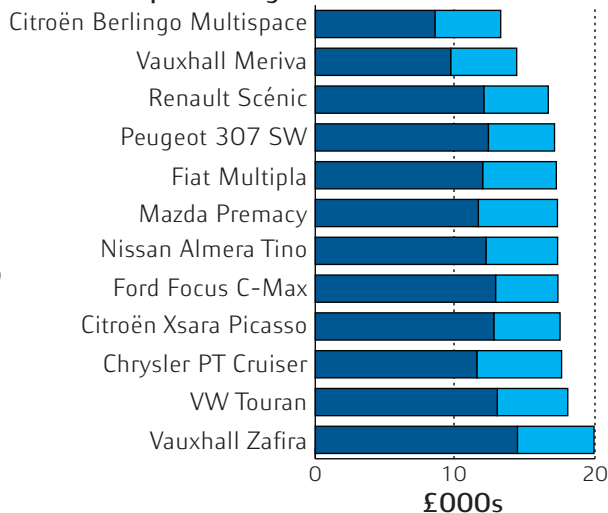
Full-sized MPVs tend to cost about the same to run as large cars, although their higher fuel consumption can push the costs up. The Renault Espace range is the most expensive of the most popular MPVs to run, and its top-of-the-range Grand Espace Initiale 3.5 V6 the most expensive MPV of all.

Running costs for small MPVs are more like those of medium cars than those of larger MPVs. The van-like Renault Kangoo Authentique 1.5 dCi comes in as the cheapest small MPV. The higher price and heavier depreciation of the Toyota Avensis Verso 2.0T Spirit makes it the most expensive – but the Vauxhall Zafira isn't far behind. However, these two cars do have space for two more people than the Kangoo does.

Popular ranges



Popular ranges



BEST



Seat Alhambra 2.0 Reference: £17,400

WORST



Renault Grand Espace Initiale 3.5 V6: £38,900

BEST



Renault Kangoo Authentique 1.5 dCi: £11,400

WORST



Toyota Avensis Verso 2.0T Spirit auto: £23,500

Off-roaders

The Suzuki Jimny easily wins as the cheapest-to-run off-roader, though this is perhaps not surprising, since it's much smaller than other off-roaders. The whopping Range Rover Vogue tops the running cost league table by a wide margin.

BEST



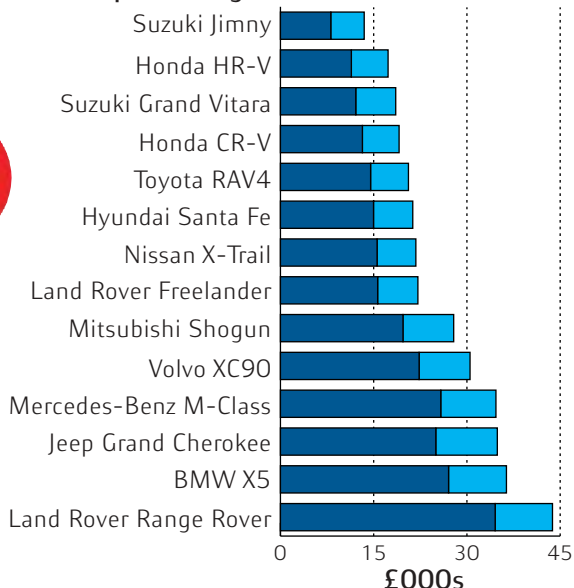
Suzuki Jimny 1.3 GLX: £12,750

WORST



Range Rover 4.4 V8 Vogue Steptronic: £56,050

Popular ranges



YOUR OPINIONS

If you own any of the following cars, we'd like to hear from you:

new BMW 3 series (from Mar 2005) or X3, Honda FR-V, new Mercedes A-Class (from Feb 2005), Peugeot 407, Renault Modus, Seat Altea, Smart ForFour, new Subaru Legacy (from Nov 2004), new Vauxhall Tigra (from Sep 2004).

Write to Nikki Lewrey with full contact details, and the exact model and age of car and when you bought it – see 'Contact us' on p58 for the address. We'll select ten owners of each model for phone interviews.