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New car sales fall in Britain in 2017

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2017 has been a record year for Suzuki in the UK, with sales increasing by six per cent, but overall car sales in Britain have fallen...

Car sales dip and diesel sales dive...



Robin Roberts (and Miles Better News Agency) reports...

British new car sales last year recorded their biggest drop since the 2009 recession.

They slipped over 5% due to uncertainty over potential new diesel charges and weakening consumer confidence since Brexit and the SMMT expect a steeper slide this year of about 7%.

Registrations ended 2017 at around 2.54 million vehicles, while demand for diesel cars fell 17% as consumers were put off by potential new charges, pushing up average CO2 emissions for new cars for the first time in two decades as some switched to petrol.

The rise in petrol-powered models meant that average emissions went up last year in the UK to 121.04 grams of CO2 per km, up 0.94 grams from a year earlier. Britons bought 119,000 hybrid and fully electric vehicles in 2017, or 4.7 % of total sales.

Last year's drop in total sales is the biggest since 2009 in the wake of the financial crisis but comes after two years of record highs in 2015 and 2016 and with periodic renewals they could stabilise this year and even climb despite initial forecasts of worst sales.

Britain's automotive sector is also concerned its cars could face tariffs of up to 10% and be hit by customs delays if the government fails to strike the right Brexit deal.

But it's not all doom and gloom because Aston Martin yesterday revealed its sales have soared as it prepares to commission a new assembly plant in South Wales.

The St Athan plant is being fitted out for production of a new car next year and the company said full-year sales rose 58 per cent to 5,117 units in 2017, hitting their highest level in nine years as it rolls out its 'second century' plan.

The UK new car sales performance contrasts with other parts of Europe where sales rose. Some analysts believe the decline in British registrations is partly the result of the manufacturers' own doing and boosting personal leasing plans which are not so common on the continent.

The personal contract plans, or leasing schemes, have had a mixed press and high buy-out figures have put off ownership, leading to a slow down while the used models coming into the market have depressed second-hand values but made them more attractive to disgruntled buyers.

The result is more people buy nearly new or used models than order new cars from dealers.



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It also means that customers can shop around for the best deals and playoff showrooms against one another to drive away with the best new car price and other incentives. Some manufacturers have also extended scrappage schemes to bring buyers into dealerships to trade in their older and more polluting models for newer cars.