

Consumer Guide to Renting a Vehicle

If you are renting a car for the first time, whether in the UK or abroad, it can be a confusing experience, with many different companies often offering a wide range of different vehicles and different levels of insurance cover.

The following information has been put together in order to help you fully understand the processes involved in renting a vehicle, so you can have an enjoyable rental experience.

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Vehicle Rental Terminology

In any industry there are a number of words and phrases that are commonly used by people in the industry, but are not necessarily explained clearly to the consumer. In this section we have explained some of the UK car and van rental industry terminology to help you:

Common Vehicle Hire Terms

Basic Rental Charge	This is the term used to describe the cost of renting the vehicle, excluding insurances and collision damage waiver. It may or may not include unlimited mileage. Sometimes it is referred to as the time and mileage rate.	Limited / Unlimited Mileage	Some companies include unlimited mileage in their basic price enabling you to travel as many miles as you like without paying any excess mileage charges. Other companies however only include a limited number of free miles per day and if you travel over this daily allowance, you will be charged an extra amount on a pence per mile basis.
Insurance	In the UK, rental companies normally include insurance in their rates, insuring you in the event of an accident. Most companies will offer you fully comprehensive insurance with an excess, covering you for theft, any damage done to a third party, and any damage done to your own vehicle. Damage to tyres and windscreens are sometimes included in the insurance and sometimes excluded depending on the rental company so check this at the time of enquiry.	Insurance Excess	This is the amount that you are liable for in the event you incur damage to your own rental vehicle. If the excess is £500, then you will be liable for the first £500 of damage to your vehicle, howsoever caused. Some companies will not reduce this excess; others will offer you the ability to reduce this excess, sometimes down to zero, by purchasing collision damage waiver or excess waiver. Normally, the larger and more expensive the vehicle, the larger the excess will be.
Collision Damage Waiver	Some companies will offer you the ability to reduce your excess by paying CDW or an excess waiver. This is a	Theft Protection Waiver	Most companies include cover for theft in the standard insurance package quoted in the basic rate.

(CDW) or Insurance Excess Waiver

daily charge on top of the basic rental. It is not insurance as this is covered in the basic rental. Some companies will also offer you a range of CDW options, giving you the choice over the level of excess you want.

Example: - Excess is £750

CDW Bronze – for £5 per day you can waive your excess down from £750 to £300.

CDW Silver – for £7.50 per day you can waive the excess down from £750 to £150.

CDW Gold – for £10 per day you can waive the excess down from £750 to nil.

Some companies will also include damage to tyres and windscreens if you purchase their full CDW package.

Personal Accident Insurance (PAI)

The insurance you purchase as part of the rental is insurance for damage to the vehicle and does not cover you or your passengers for any costs you incur as a result of any personal injury. Some companies therefore will offer you Personal Accident Insurance to cover costs such as hospital charges and loss of earnings.

Goods in Transit Insurance

If you are renting a van and transporting commercial goods, the insurance you purchase as part of the rental does not cover you for damage of loss to these commercial items. Some companies therefore will offer you Goods in Transit insurance to cover such items.

Road Fund and Registration Fee Tax (RRFT)

Rental Companies have to tax the vehicles they rent. To recover their costs, they either will include an amount in the normal basic rate, or they will make a separate charge. Usually the major international brands make a separate charge and this charge is known as Road Fund and Registration Fee Tax, abbreviated to RRFT.

Additional Driver Charge

The basic rental quote normally only covers the insurance costs for one driver. If you intend to have more than one person to drive the vehicle, you may be charged a daily rate or a one off rate for an additional driver.

(TPW)

However some companies charge a theft excess which is payable in the event the vehicle is stolen and not recovered. This excess is not waived by purchasing CDW. You may be given the opportunity to reduce this theft excess by paying Theft Protection Waiver which, like CDW, is a daily charge.

Example:

Excess in the event of Theft is £750. However for £5 per day TPW can be purchased to reduce this excess to zero.

Personal Effects Insurance (PEI)

The insurance you purchase as part of the rental is insurance for damage to the vehicle and does not cover you or your passengers for any items that are stolen from your vehicle, or damaged as a result of an accident. Some companies therefore will offer you Personal Effects Insurance to cover such costs.

Insurance Premium Tax (IPT)

If you buy an insurance product from the rental company, you will also be charged tax by the government. This tax is called Insurance Premium Tax ("IPT") and is charged at 17.5%.

Pre Paid Fuel / Re-fuelling Charges

Some rental companies will give you the opportunity to buy a tank of fuel up front, to save you having to re-fuel the vehicle before returning it, or incurring higher than pump prices re-fuelling charges levied by the rental company. If you do not bring the vehicle with the same amount of fuel as there was at the start of the rental, you will be charged for re-fuelling the vehicle back to this level and this is normally at a significantly higher rate than charged by the garages.

Security Deposit

Some rental companies will require that you leave a cash deposit or credit card deposit at the start of the rental. This deposit is normally equal to the excess payable by you in the event of damage to your vehicle. It will also be used to cover any re-fuelling costs you

may incur.

Choosing the Right Vehicle

Rental companies will rarely guarantee to provide you with a precise vehicle. They will offer you one of a number of vehicles from a particular category. If the exact type of vehicle is important to you, then it is worth checking the range of vehicles that are offered from that group to give you an idea of the vehicle you will end up with. For example the category might be small vehicles and this group may include the Ford Fiesta, Vauxhall Corsa, Renault Clio, Nissan Micra etc.

If you are renting a Multi Purpose Vehicle (MPV), it is very important you check whether or not this is a small MPV or a full sized MPV. A small MPV does have seven seats but often has limited luggage space. A large MPV has 7 or 8 seats and a larger amount of luggage space.

If you are renting a van to transport a particular item, double check with the rental company that the item can fit into the rental vehicle. If the item is especially heavy, check the payload of the vehicle.

Comparing Prices

Understanding what is and what is not included in your price quote is vital as sometimes you may think you have a fully inclusive quote only to find when you show up at the counter that there are significant other charges to be paid to get the level of insurance you require for your peace of mind. This is an extremely important area for the customer to understand and therefore we recommend you carefully check what is and what is not included in the quote, when telephoning or searching on the web for prices. Prices can vary enormously so it is worth shopping around and checking for any current deals of the day.

Telephone prices and web prices may differ so it is worth checking prices both on the telephone and on the web, even with the same company. Normally web prices are more competitive but not always so, as rental companies often change their prices according to supply and demand. At busy city and airport locations, prices can even change daily.

We recommend you ask the following questions:

Does the quote include fully comprehensive insurance?

Does the quote include Collision Damage Waiver, if not what is the cost?

Does the quote include Theft Protection Waiver, if not what is the cost?

What is the collision damage excess?

What is the excess in the event of theft?

Is damage to tyres and windscreens included in the insurance?

Does the rate include RRFT?

Does the rate include VAT?

What is the PAI rate?

What is the additional driver rate?

What is the re-fuelling rate?

What security deposit do I need to leave at the start of the rental?

Does the rate include unlimited mileage, if not, how many miles per day can I drive and what is the excess mileage charge?

If you are renting overseas, we recommend you obtain a quote with all insurances included with nil excess and normally it is cheaper to pre pay this in the UK.

Reserving Your Vehicle

By Telephone

If you are reserving your vehicle on the telephone, you may be asked to give your credit card details in order to secure your reservation. You should check with the rental company what the charge will be if you do not cancel your reservation and up to what time you can cancel or amend the reservation.

Always double check what is and what isn't included in the price to make sure it is the same you have been quoted.

On the Web

If you book your vehicle on a website, make sure you understand the cancellation and amendment policy of the company. These policies vary dramatically between companies and range from getting all your money back to getting none of it back if cancelled. Bookings on the web normally involve you paying for the vehicle up front on-line whereas with telephone bookings you normally pay upon collecting your vehicle.

Identification

When you turn up to collect your vehicle you will normally need:-

- Your Driving License

- One or two other forms of ID with your home address on it (e.g. utility bill)

- A credit card (only a few companies accept cash nowadays for security reasons)

Always check what identification is required by the company you are renting from when you reserve your vehicle. If you have any endorsements on your License, check with the rental company that they will still allow you to rent a vehicle. Restrictions vary by company but if you have a large number of speeding points and /or have been guilty of drink driving, it is unlikely you will be able to hire a vehicle.

Home Delivery and / or Pick Up Service

Getting to the rental company premises can be difficult for some customers and so some rental companies will offer to deliver the vehicle to you and collect it at the end of the hire, for an extra charge. Other companies will offer to pick you and bring you back to their location to rent the vehicle. If you haven't been offered this service and would like it, then check at the time of reserving your vehicle.

Picking Up Your Vehicle

When you go to collect your vehicle the main things you will be asked to do are:

- Provide identification and your Driving License

- Sign a rental agreement

- Check the condition of your vehicle

- Pay for the rental if you have not pre-paid for it on the web.

Providing Identification

At the start of your hire you will be asked to provide your Driving License, one or two forms of identification and your credit card. Without these documents you will not be able to rent your vehicle.

Signing the Rental Agreement

The rental agreement is a long and detailed contract between you and the rental company. It is always recommended that you read all the terms and conditions of the agreement, which are normally on the reverse of the of the rental agreement. However rarely do any customers do this and in reality, the rental company will not change their terms and conditions even if you were not happy with them. Most rental agreements are approved by the industry governing body called the British Vehicle Rental and Leasing Association (BVRLA) and if you felt a particular clause was unfair, you could refer the matter to them for a third party expert view. Reading all the Terms and Conditions would take about 15-20 minutes. If you are especially concerned about this area, you should ask the rental company to send you a copy of their rental agreement in advance of the date you are planning to rent so you can read it beforehand.

Checking the Condition of your Vehicle

Depending on the company you rent from, you may have an insurance excess which means you will be responsible for the first £x of damage to your vehicle. It is very important therefore that you thoroughly check the vehicle at that of hire to ensure all damage that is on the vehicle is noted on the vehicle condition sheet so that you are not accidentally charged for damage that was already on the vehicle when you collected it.

At the start of your hire you should check for:-

- Windscreen chips
- Stone chips
- Cracked glass
- Dents in the body work
- Scuffed bumpers
- Scuffed or broken wheel trims

Always keep a copy of the vehicle check sheet to compare with the end of hire vehicle check sheet. Also always ensure that the fuel reading is correctly marked on your rental agreement so you are not wrongly charged for any fuel.

Paying for your Vehicle

You will be asked to pay for your rental at the start of the hire, and will also be asked to leave a deposit to cover any end of hire damage or re-fuelling charges. If you have pre-paid for your vehicle on the web, you will need to bring this voucher with you.

Breakdown and Accident Procedures

Before you leave the rental location, make sure you are fully aware of what procedures to follow in the event of a breakdown or an accident.

On Rent Issues

Road Traffic Offences

When you are driving a rental vehicle, you must adhere to all traffic laws, just as if it were your own vehicle. Any parking fines and congestion charges that are unpaid will be sent to the rental company who will pay them on your behalf and re-charge you, with an administration fee on top, or they will forward it to you for you to pay. Speeding fines will also be forwarded to you, normally with an administration charge. You should be aware that you will not escape being charged just because it is a rental vehicle and indeed your costs will be higher due to the administration charges being made by the rental companies.

Vehicle Accidents

If you are involved in an accident with another vehicle which was not your fault, you must obtain all the insurance details of the third party. Failure to do so will result in you being charged your excess. If the accident was your fault, then you must also report it so that the rental company is aware that a third party claim will be coming in to them. Always obtain third party details and immediately report the accident to your rental company. Even if the accident was not your fault, it is normal practice for the Rental Company to keep hold of your damage deposit until they have recovered all costs from the third party, a process which may take several months.

Vehicle Breakdowns

If your vehicle breaks down, always ensure you follow the procedures provided to you by the rental company. If you do not use their preferred supplier, you may be liable for the costs you incur.

Returning your Vehicle

Returning the vehicle should be a simple easy process. The rental company will check the vehicle for damage, mileage and fuel. If there has been any damage, or any excess mileage, or any fuel used, then you will be charged accordingly for these. You will be then given a final copy of your bill.

Resolving Customer Complaints

If you have a complaint then these should be raised as soon as possible. For example, if you are not happy with the quality of the vehicle provided, then ask for an alternative at the point of pick up.

If you are cannot get your complaint resolved, then you can report the matter to the BVRLA (British Vehicle Rental and Leasing Association) who will help you try and resolve the matter if the rental company is a member of their organisation.

Special Issues to Consider when Renting Abroad

The principles are generally the same when you rent a vehicle abroad. However there are a few issues which you need to be especially aware of: -

Using a Broker

If you use a broker to handle your booking, it is important to understand that you are entering into two contracts. The first contract is with the broker who will take payment from you and will then make your booking with the actual rental company, the second contract will be between you and the rental company, with whom you will enter into a rental contract. If you use a broker, always make sure you know who the actual renting company is and if you have any issues during your hire with regard to the quality of the vehicle, then make sure you resolve it locally. Part of the responsibility of the broker is to make sure that you are happy with your rental so if you do have any problems, they should help you to resolve them to your satisfaction.

Pre-Paid Fuel

It is more common overseas to be given the opportunity to buy the tank of fuel up front and then return it empty. Make sure you understand the options for fuel purchase at the counter before you travel. Sometimes pre paying for a full tank of fuel is compulsory.

Foreign Language Rental Agreements

In some countries the wording of the rental agreement will be in a foreign language. Check with your broker if the rental agreement will be in English or a foreign language and if possible, obtain an English version before you travel so you are aware of the terms and conditions.

Insurance Options

The range of insurance options is different in each country and can be complicated. We therefore recommend you always buy fully inclusive insurance with nil excess in your pre-paid package so you know what you have bought giving you peace of mind that you are covered for all circumstances. Check with the rental company or broker what additional insurances may be offered locally at the counter.

Checking your Rental Voucher

Always check what is and isn't included in your rental by double checking your rental voucher before you travel. You must have your rental voucher with you in order for you to pick up your vehicle.

Driving Off Road

You should be aware that in nearly every country, you are not insured by the rental company if you take the vehicle off road. If you have an accident, for example, on an unmade road by a lake or in a forest, or in a safari park, it is unlikely you will be covered.

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