

Your guide to understanding car hire



Hiring a car can be a daunting experience – language issues, local car rental laws, different driving rules, jargon and extra charges can all make life complicated. Daniel Smith from **Insurance4carhire.com**, a firm specialising in car hire excess insurance, clarifies some of the terminology used and offers useful tips on successful car hire.

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Let's start at the beginning... Choosing your car hire

There are plenty of car hire companies (agents) out there (e.g. Hertz, Avis), there are plenty of brokers out there (e.g. Holiday Autos, Carrentals). In fact if you go to Google.co.uk and enter some of the key search terms such as 'car hire', 'car rental', 'cheap car hire' you will be bombarded with plenty of options.

Let's start with the car hire companies (agents). These are the well known international brands




that we are all familiar with. Hertz, Alamo, Europcar, large multinational companies with a presence in most cities and airports. These also include local outfits, who own cars and operate them at the destination.



Brokers are actually middle men who buy car rentals en-masse from the car rental companies, and pass on the discounts to you, the consumer. They act in a similar vein to the big financial services comparison sites such as Confused.com and Comparethemarket.com,

by offering multiple quotes to you and letting you make the choice of which car you want. Some brokers will tell you beforehand who you are getting your car from, others however will not tell you until you have booked and paid for the car.

With so many firms offering car hire it can be a daunting experience of who to choose. The earlier you book, the cheaper it is likely to be. So check online, or use your Yellow Pages and get a few quotes and decide what the best option is for you:

-  Going directly to a multinational company (agents)
-  Dealing with a broker who has potentially negotiated good deals with the agents but might not tell you who the agent is until you have paid
-  Or leave it until you arrive at your destination and use a local company

Leaving it late doesn't guarantee you a car, and might work out more expensive, so do your research in advance!

When booking your car, especially if you are flying into your destination, think about what time you will arrive, and what time you will actually need the car from (i.e. how long will it take to collect luggage and clear customs?). Also, what time you will be getting back to the airport to check in for your journey home. Most car rental companies charge in 24 hour periods, so timing the collection and drop off times correctly

will ensure that you do not have to incur extra costs for keeping the car longer than necessary.

Finally, look at what you are paying for in advance and what you will have to pay when you get to the car rental counter. Even though you are giving the broker/agent your credit card details, they might only take a small deposit or no deposit at all, with the remainder of the booking paid at the end of your holiday. With all the extras that you might take, the cost of the rental could seem like a huge expense, so factor this in to your holiday budget.

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The Extras

It's a well known fact that all the extras can end up costing as much as the car rental itself!

There's a lot to consider, so really think about what it is you need when you hire the car.



Fuel

If an option, take the car with a full tank of fuel and return the tank with a full tank of fuel. Find out where the closest fuel station is when you collect the car so you know where to go on the way home. The reason that the rental company wants you to prepay for gas is simple. You will always return the car with gas in it. Nobody will take the chance of running out of gas by trying to run the tank empty.

Additional drivers and young/old driver surcharges

Think who will be driving the car and check the costs for adding an additional driver or more. An additional driver can usually cost an extra £3-£6 per day payable locally.

The minimum rental age is normally 21, though if under the age of 25 you are likely to incur an extra daily charge.

Child Seats

Infant/booster seats for children under 12 years are mandatory in most countries in the EU, so should be provided if requested. In Europe the charge is usually per rental, whereas in the US expect to be charged a daily rate. Even if you book in advance their availability is not always guaranteed so consider whether you wish to take your own, which you are used to using, making sure it fits in the vehicle you have hired.

Snow Chains/Ski Racks/Snow Tyres

If you are heading for the snow then think about all the equipment that you have and the size of car that you will require. As well as your clothes you might have ski boots, skis, snowboard and with a party of four there is no way you will fit it into an economy size car. Check out the price of a ski rack to save space.



Late return fees

Check exactly what the late return fees are. Often there is a grace period, but then there are charges per hour for the first few hours and then per day. If you want to extend your car booking then call up the agent to notify them.



Mileage

Unlimited mileage tends to be the norm. However, if you are leaving car booking until you arrive at the counter then there might be a mileage restriction, with an additional charge per mile payable over and above your daily allowance.



Excess Waiver

Excess waiver is the additional insurance that is sold to you at the counter when you collect your car to either reduce your excess in part or in total. **Depending on where you go and the type of car you take the excess you are liable for can be anything up to £1500, and the excess waiver can cost up to £10-£15 per day!** www.excess4carhire.com gives you an indication of what to expect in each country for the major car rental companies. For a full explanation of the Insurances see the Insurance Explained section.



PAI (Personal Accident Insurance)

Pays out if you kill or maim yourself or a passenger. Your own travel insurance should cover you for injury or death, plus medical expenses. Check the details of your travel insurance policy.



Personal Effects




Covers your personal effects such as baggage if stolen from your vehicle. This should be covered in with your travel insurance or your home insurance cover if you have opted to take cover for personal possessions away from home.

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Insurance Explained

What insurance is included and what is excluded is often the most difficult element to understand when hiring a car, so let's make it simple.

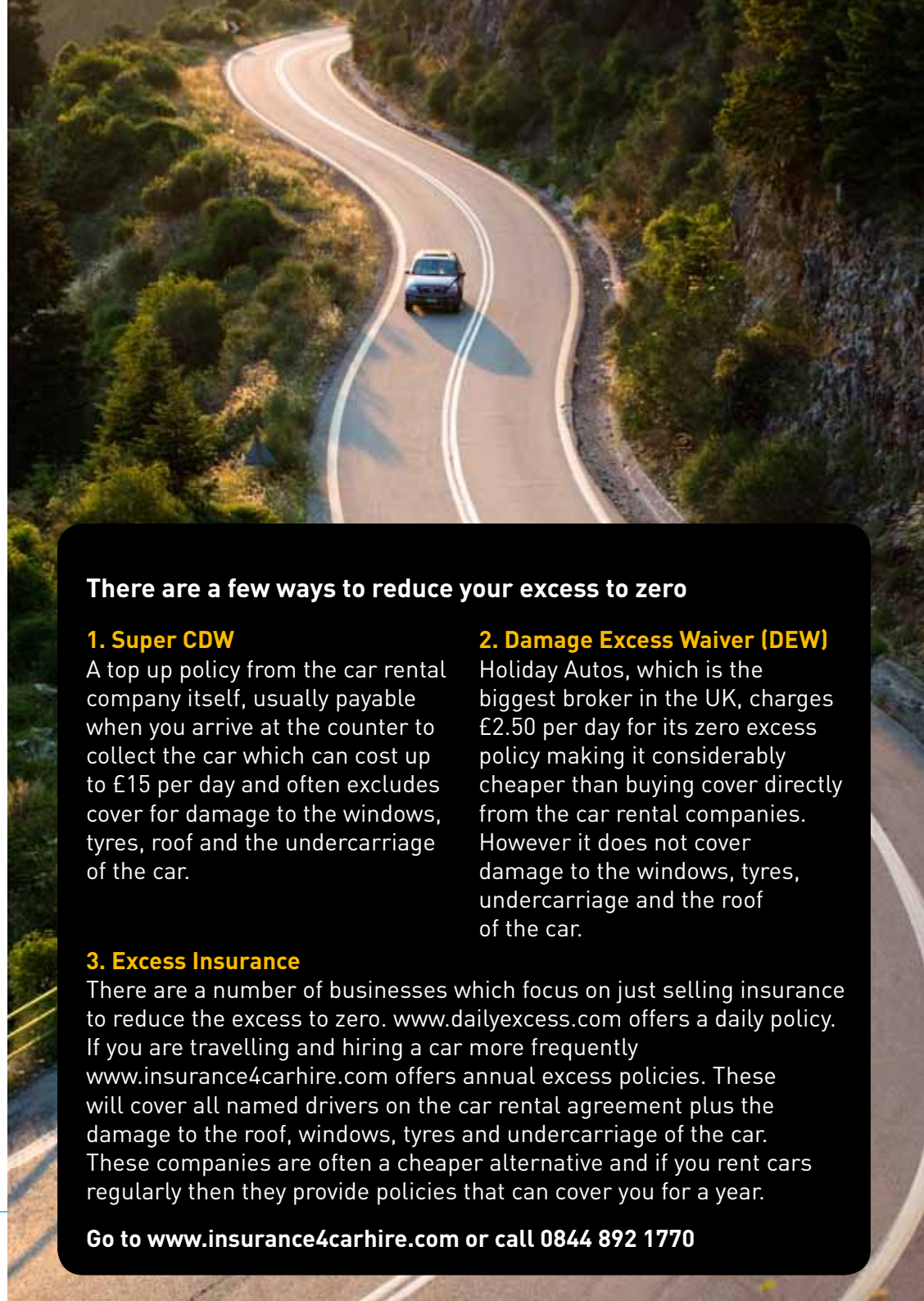
When hiring a car in almost all cases, your car rental will come with inclusive insurance to cover three areas:

-  LDW/CDW (Loss/Collision Damage Waiver). Basically insurance to cover damage to the car.
-  TP (Theft Protection)- In this case, if the car (or part of it is stolen or damaged during an attempted theft.)
-  Liability/SLI (Third Party Liability) – The minimum cover that's mandatory in most countries.

HOWEVER, on the Damage and Theft portions, the insurance is only reducing what you are personally liable for, and there is often an excess to pay in the event of having to make a claim. In Europe this can be a few hundred pounds. In other countries such as Australia it can be as much as £1500.

The final point to make clear is that **windows, tyres, the roof and the undercarriage of the car are usually excluded** (i.e. not covered). These are the parts of the car most prone to damage and often not covered by the car rental companies insurance.

Before you go, check your insurance, so you know exactly what you are liable for.



There are a few ways to reduce your excess to zero

1. Super CDW

A top up policy from the car rental company itself, usually payable when you arrive at the counter to collect the car which can cost up to £15 per day and often excludes cover for damage to the windows, tyres, roof and the undercarriage of the car.

2. Damage Excess Waiver (DEW)

Holiday Autos, which is the biggest broker in the UK, charges £2.50 per day for its zero excess policy making it considerably cheaper than buying cover directly from the car rental companies. However it does not cover damage to the windows, tyres, undercarriage and the roof of the car.

3. Excess Insurance

There are a number of businesses which focus on just selling insurance to reduce the excess to zero. www.dailyexcess.com offers a daily policy. If you are travelling and hiring a car more frequently www.insurance4carhire.com offers annual excess policies. These will cover all named drivers on the car rental agreement plus the damage to the roof, windows, tyres and undercarriage of the car. These companies are often a cheaper alternative and if you rent cars regularly then they provide policies that can cover you for a year.

Go to www.insurance4carhire.com or call 0844 892 1770

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Collecting The Car

You have just arrived at your destination and all you want to do is jump in the car and go. There's a queue, you have the kids with you and the temptation is to just rush everything. It's quite simple. **DON'T**.

To make the process a bit quicker and quite frankly for your own reassurance and safety, make sure you do the following:

- ! Have your documentation to hand. That's your passport, your drivers licence, a copy of your car rental agreement and your credit card.
- ! Check exactly what you are signing, and what the inclusions and exclusions are.
- ! Walk around the car and inspect the vehicle yourself. Even if you notice the smallest of scratches or dents, make sure that it is noted on the vehicle damage report before you leave. Take photos if there is existing damage.

Once you are in the car

Familiarise yourself with the vehicle: your seat position, lights, heating, wipers, warning lights.

Choose your radio station before you set off. Better still, take some CDs with you as most rental cars have a CD player as standard. You don't want to be driving down the autobahn flicking through radio stations and not paying attention to the road.

Have your map/directions to hand or hire a SatNav from the car rental company.

Know the laws of the country you are visiting. The AA gives some very useful advice and insight into European driving. Visit www.theaa.com/motoring_advice/overseas



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Returning The Car

The same principles apply when returning the car. **DON'T RUSH!** The main thing when returning the car is to ensure that there are no unforeseen costs that you might be charged for later and only notice when your credit card statement arrives in the post.

1. Try to avoid returning the car outside of normal office hours, as just leaving the keys means you have not gone through the full return process, and you are liable for the car until the car rental company opens the following day.
2. Inspect the car with a representative of the car rental company to ensure that there are no problems.

3. Wait for a printed copy of the final report.

4. Take photos of the car when you return it to show that there is no damage.

5. Check the seat pockets and seat wells for any items that you might have left in the car.

6. Finally keep the copy of the car rental agreement and any damage report until your next credit card statement arrives. That way if you need to claim on your insurance or dispute the transaction you will have the information to hand.

Top Tips

for car hire this summer

1. **Book Early:** do your research online and consider all the options available to you.
2. Consider the **type of car** you need: think of the amount of luggage you are taking and choose one that is most suitable. Don't go for the smallest because it is the cheapest and then try and squash four people and suitcases in there.
3. Remember your **important documents:** copy of the car rental agreement and your drivers licence (take both parts of your drivers licence as they are required when collecting your car).
4. **Take a credit card:** Most car rental companies might let you pre-pay with a debit card but will only accept a credit card when you arrive. Debit cards and cash deposits are not accepted by car rental companies.
5. Check the **excess** that you will be liable for and take out insurance before you go to get the cheapest deal.
6. Know the **traffic rules** when you are on the road.
7. Take **photos** of the car both when you pick it up and return it - we all have cameras on our mobile phones.
8. Thoroughly **check** the car when you collect it and when you return it.
9. Wait for the **final rental report** when you drop the car off and keep it safe at least until your credit card statement arrives in the post.
10. Ensure you keep the car hire company's **contact details** with you in case of emergencies. Check that there is breakdown cover and what to do or who to contact in the event.



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Cut out these top tips and keep them in your wallet

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