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# The 20 secrets to saving money on your hire car – and avoiding the rip-offs



"Gone are the days when customers could simply present their voucher, sign a paper agreement and drive off with the car. It has turned into a battle of wills at the rental counter" CREDIT: PITRS - FOTOLIA



**When should you book Travel Insurance** ([http://www.telegraph.co.uk/financial-services/insurance/travel-insurance-online/when-to-buy-travel-insurance/?WT.mc\\_id=tmg\\_plr\\_fin-services-travel-ins\\_&utm\\_source=tmg&utm\\_medium=plr&utm\\_content=fin-services-travel-ins&utm\\_campaign=tmg\\_plr\\_fin-services-travel-ins\\_](http://www.telegraph.co.uk/financial-services/insurance/travel-insurance-online/when-to-buy-travel-insurance/?WT.mc_id=tmg_plr_fin-services-travel-ins_&utm_source=tmg&utm_medium=plr&utm_content=fin-services-travel-ins&utm_campaign=tmg_plr_fin-services-travel-ins_))

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**To help avoid the car hire pitfalls** (<http://www.telegraph.co.uk/news/2017/07/23/car-hire-scandal-europcar-staff-handed-4-time-spot-damage/>),

Gill Charlton, Telegraph Travel's consumer advice expert, has compiled an essential guide to every aspect of hiring a vehicle, from keeping costs down, to which insurance policy to buy and what to check before you drive away.

## How not to get ripped off by a car rental company

We hear more complaints from readers about problems with car hire companies than any other issue. Most often they relate to long queues, aggressive sales tactics, and a whole raft of additional charges which are made both at the pick-up and drop-off desks. The biggest bone of contention is the cost of additional insurance to waive the excess fee payable if you damage the car while it is in your care, but there are many others, such as fuel charges, the cost of additional drivers, child seats and so on.

When asked about this behaviour, the companies claim they need to bring in extra revenue as “headline” rental rates have been driven below operating costs by the competition to feature at the top of the “best buy” tables of the price comparison sites.



Don't let your summer holiday start badly at the car rental desk CREDIT: ©ALLCANADAPHOTOS.COM

This is a crazy business model which is leading to anger, upset and false representations by local agents. Gone are the days when customers could simply present their voucher, sign a straightforward paper agreement and drive off with the car. Instead it has turned into a battle of wills at the hire desk.





## Is this the world's worst car hire horror story?

Just getting sight of the contract before signing can be difficult. The experience of reader, George Macfarlane from Glasgow, is typical. “After entering my credit card pin number I was surprised to be asked to sign the electronic screen. Only afterwards was I presented with the rental paperwork which now bore a facsimile of my signature without my having even seen the contract, let alone being able to read and accept it”.

One car rental company that offers reasonably competitive rates and strives for clarity rather than obfuscation is **Sixt** ([sixt.co.uk](https://clkde.tradedoubler.com/click?p=254701&a=1404501&g=23468982) (<https://clkde.tradedoubler.com/click?p=254701&a=1404501&g=23468982>)). Its website makes it very clear what is included in the rental cost. It offers country-specific information (a rarity) displaying the various excesses, local terms and conditions and any extras. It also sends the customer an invoice if damage is noticed post-return instead of sneakily deducting an unexplained amount from the credit card left as security.

“We want to be 100 per cent transparent”, says Gary Coughlan, its customer services manager. “We don’t want to upset our customers. We spend a lot of money trying to get them to come to us in the first place so why would we dip into their pockets when they’re not looking? We want them to come back to us”.



Make sure someone gives your car the green light when you drop it off CREDIT: NITO - FOTOLIA

Sixt is the John Lewis of car rental firms while most of its competitors appear to be using a business model more akin to a no-frills airline. Last month I highlighted how Europcar staff are allegedly trained in hard-sell tactics (<http://www.telegraph.co.uk/travel/advice/car-hire-scams-europcar-employee-reveals-all/>), with sneaky tricks of the trade netting top-selling agents bonuses averaging £30,000 a year.

## “Sixt is the John Lewis of car rental firms while most of its competitors appear to be using a business model more akin to a no-frills airline”

“Counter staff are expected to sell extra insurances or vehicle upgrades to one in three customers”, an anonymous Europcar manager told me. “If they don’t meet their targets, they’re fired.”

Below is our guide to some of the key issues which are now part and parcel of hiring a car, plus our checklist to make sure you don’t get caught out.

### Full-to-empty fuel policy

The no-choice, full-to-empty fuel policy where you pay in advance for a full tank of petrol and return the car as near empty as you dare, is a nice little earner as the customer often pays double the price at the pump and doesn’t get to use all the fuel. It is particularly prevalent in Spain.

Good car hire companies will always give a full-to-full option - thought this may increase the basic rental cost.

### What does CDW really cover?

Collision Damage Waiver (CDW or LDW in the US) does not equate to comprehensive car insurance as we know it in the UK – even when it is advertised as “fully comprehensive”. A waiver is a contractual term where the rental company waives its right to claim compensation from the customer for damage to the rented vehicle. The consumer will still be liable to pay a hefty “excess”, often as much as £1,500... or even more.



As the wording implies CDW is principally designed to cover damage caused in a collision with another vehicle and not single-vehicle damage. In the past, both types of damage would have been covered – as long as the driver had not been particularly negligent. Today, as budget car rental firms look for savings, the scope of CDW cover has shrunk and new exclusions hide in the small print.



A good car rental firm will provide cover if, for example, the car is damaged by driving over a rock on a bend in the road, or if it skids on an oily road and hits a wall; a cheapskate company will try to claim negligence on the part of the driver and charge for the full cost of such damage, which can run into thousands of pounds.

In any event, the basic CDW cover usually excludes damage to tyres, wheels, wing-mirrors, windows, hubcaps, the undercarriage and roof of car. It also excludes towing costs in the case of breakdown and clutch failure – even if you have only driven a few miles.



## The Swiss car hire rule that's catching out hundreds

### Should I use a broker?

The majority of problems arise when the reservation has been made via a car rental broker advertising low prices on price comparison sites. The broker is only a sales agent; the customer's contract is always with the car rental company at the destination. When things go wrong many brokers just wash their hands of the problem and tell customers that they must deal with the rental agent direct.

There are a lot of new players in the online car rental game, including airlines and European-based online travel agents. It is always best to book direct with the UK website of a major car rental company, preferably a member of the BVRLA ([bvrla.co.uk](http://bvrla.co.uk) (<http://bvrla.co.uk/>)), European Car Rental Conciliation Service ([ecrcs.eu](http://ecrcs.eu) (<http://ecrcs.eu/>)), or with one of the better-known specialist brokers which have reasonably competent after-sales customer service teams, such as Auto Europe ([autoeurope.co.uk](http://autoeurope.co.uk) (<http://autoeurope.co.uk/>)) and Holiday Autos ([holidayautos.co.uk](http://holidayautos.co.uk) (<http://holidayautos.co.uk/>)).

### Should I buy an excess reimbursement policy in the UK?

These top-up policies are designed to refund excess CDW and theft protection charges levied by the car rental company. Cover bought at the time of reserving the car is often provided by an insurer in the UK and not by the car rental agency in the destination. This is why the supplier will still need a deposit on a credit card (if you buy its own top-up waiver no deposit should be necessary). Some agents pre-authorise an amount, ring-fencing it so it cannot be spent elsewhere; other providers process the deposit payment and refund it after the car is signed back in – often at a poor exchange rate.

### “No reputable rental company should ask you to pay for an upgrade if it can't provide the vehicle model you have booked”

If damage occurs, the rental company deducts the estimated cost from the deposit held. There is usually a standard charge per scratch or ding. To be reimbursed you must obtain an estimate of the cost of repair from the supplier – often difficult to extract – and lodge a claim with the insurer in the usual way.

If you are renting a car for a week or more it is cheaper to buy a separate annual excess recovery policy from an insurance broker: [moneymaxim.co.uk](http://moneymaxim.co.uk) (<http://moneymaxim.co.uk/>) offers a comparison chart of cover limits. Exclusions can hide in the small print, so check it carefully – [insurance4carhire.com](http://insurance4carhire.com) (<http://insurance4carhire.com/>), [worldwideinsure.com](http://worldwideinsure.com) (<http://worldwideinsure.com/>) and [icarhireinsurance.com](http://icarhireinsurance.com) (<http://icarhireinsurance.com/>) are among specialists with a good

reputation. A stand-alone excess recovery policy costs around £40 a year for rentals in Europe which compares very favourably with top-up cover bought from the supplier's rental counter, which can be as high as £15 a day.

## Should I have to pay for an upgrade?

Pick-up desks often try to sell you an upgrade to a bigger car. In the United States, in particular, agents will try to persuade you to upgrade saying the trunk (boot) is too small for your luggage. Refuse all attempts to get you to accept an upgrade and make sure an upgrade charge isn't sneaked on to the paperwork you sign, as it can double the cost of your rental in the US. No reputable rental company should ask you to pay for an upgrade if it can't provide the vehicle model you have booked.

## The car hire checklist - 20 tips to avoid a rip-off

### Before you book



Book as far ahead as possible for the best deal

1. Book as far ahead as possible for the best deal.
2. Check the levels of Collision Damage Waiver (CDW) and theft protection excesses. If they are high it is definitely worth taking out zero-excess cover. Compare the cost of the broker's own top-up waiver with an independent excess reimbursement policy.
3. If you buy an excess reimbursement policy from a broker make sure it is in the same name as the lead driver on the rental voucher otherwise it may not pay out.
4. The cost of adding extra drivers, and hiring child seats can be high and varies hugely so shop around.
5. Check the Driving section of the AA's website ([theaa.com](http://theaa.com/) (<http://theaa.com/>)) for advice on local driving regulations.
6. Make sure you have enough capacity on your credit card to stand a hefty deposit. Debit cards are not accepted because they have no pre-authorisation facility to ring-fence funds to cover damage.



7. Always enter the correct start time for the rental. If your flight is delayed by more than one hour you must let the rental office know otherwise your reservation may be cancelled, as cars are only held for two hours at busy times.

### **At the car hire desk**



Suppliers sometimes claim your card has been declined if you have refused their insurance CREDIT: PA/RUI VIEIRA

8. Make sure the credit card to be used is in the name of the lead driver on the rental voucher, otherwise you will have to pay again.
9. Suppliers sometimes claim the card has been declined if you have refused their insurance. Have a second card handy to put paid to this scam.
10. If you reject the local CDW top-up cover, the agent may try to sell you the Roadside Assistance cover covering vehicle recovery in case of breakdown, getting locked out, flat battery and misfueling. A UK excess reimbursement policy should cover this but not all do.
11. Once the contract is issued read it carefully before leaving the office, especially items that have been ticked as “accepted” or “declined”. If there are charges you don’t understand ask about them. If the total shown is more than that printed on your voucher you may, unwittingly, have signed up for optional insurances you do not need. You must dispute these items immediately otherwise you will have to pay for them.

### **Before you drive away**





Use your phone or camera to take photographs of all four sides of the car CREDIT: CREDIT: ROBERT HYRONS / ALAMY STOCK PHOTO/ROBERT HYRONS / ALAMY STOCK PHOTO

12. Check the fuel type (it should be noted on the agreement). Putting in the wrong fuel is regarded as negligence and all CDW cover is withdrawn.
13. Inspect the car thoroughly, make sure every tiny scratch is marked on the contract. As well as bodywork, you should check the windscreen, wheel hubs, the underside of bumpers and the edges of wing mirrors.
14. Open the boot and check that it has a warning triangle, high-visibility jacket, spare bulbs and any other items legally required in that country (the AA's website will tell you what these are) otherwise you may be charged for their loss.
15. Use your phone or camera to take photographs of all four sides of the car.
16. Check the clutch is not burning out. To do this, put the car into fourth gear, depress the clutch and slowly let it out while stepping on the accelerator. If it releases fully without stalling, ask for another vehicle.
17. If it's too dark to inspect the car, go over it with a fine-tooth comb the following morning and report any further scratches, noises or mechanical concerns immediately. Note the name of the person you speak to.

### **If you have an accident**



Call the police if another vehicle is involved – even if the damage is minor CREDIT: © DANIELE PIETROBELLI / ALAMY STOCK PHOTO/DANIELE PIETROBELLI / ALAMY STOCK PHOTO

18. Call the police if another vehicle is involved – even if the damage is minor. Fill in the legally-binding European Accident Statement form that all cars are required to carry in Europe. It will be in the local language so it's wise to print off a UK translation before you leave from [www.cartraveldocs.com](http://www.cartraveldocs.com) (<http://www.cartraveldocs.com/>). The form is split into two sections and each driver fills in their version of events. If you sign the report without ticking any of the boxes in section 12 you are effectively agreeing to the other driver's version of events.

### **When you return the car**

19. Keep the receipt from the petrol station where you filled up the car on the final day. Always try to get the vehicle signed back in. If this is not possible make sure you take a new set of photographs to prove it has been returned without new damage.

20. If you cannot resolve a dispute with a car rental company in the UK use the British Vehicle Rental and Leasing Association's conciliation service ([bvrla.co.uk](http://bvrla.co.uk) (<http://bvrla.co.uk/>)). For disputes over rentals in the EU contact the European Car Rental Conciliation Service ([ecrcs.eu](http://ecrcs.eu) (<http://ecrcs.eu/>)).

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