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RAC launches car hire excess insurance to give drivers good value peace of mind

RAC Insurance has launched a [specialist car hire excess insurance policy](#) in a bid to give drivers a far more affordable way of protecting themselves against the high charges associated with renting vehicles.

Drivers often feel they have no alternative to taking out expensive excess insurance policies offered by hire car companies so they aren't left having to pay often exorbitant excesses of between £500 and £2,000 in the event their vehicle suffers some form of damage.

Customers are obliged to pre-authorise the excess amount on a credit card for the hire period. This is either taken by the rental company if the vehicle is damaged or not if it is returned undamaged. Traditionally, customers have to make a choice of whether to take out the hire car company's own expensive excess insurance or risk not doing so in the hope nothing will happen to the vehicle and they will not have to pay the excess.

The third – but least known – option is to take out a specialist, much cheaper and much more comprehensive excess insurance policy in the UK.

RAC head of insurance Marcus Latchford said: “Taking out the car hire company's excess insurance policy is usually very costly which leads to many travellers just taking the chance that nothing bad will happen to their hire vehicle and the excess will not be charged to their card.

“By far the best course of action is to take out specialist insurance to cover the excess amount and any additional damage repair costs that might be incurred via a specialist policy bought in the UK. The trouble is not enough people realise this is an option so they end up losing out financially by

buying expensive hire car excess insurance policies, often with a lower level of cover or, worse still, having to pay the excess.

“We need to make more people aware that very affordable UK alternatives exist so it becomes second nature to take out a policy before travelling. This is why we decided to enter the market as we believe a hire car excess policy with the RAC’s name on it will give people some much-needed peace of mind when renting vehicles.

“As the RAC aims to provide drivers with everything they need for their motoring lives, at home and abroad, having a straightforward insurance policy that removes some of the stress from hiring a car is a great addition to our broad range of insurance and motoring services products.”

In order to bring the product to market RAC Insurance has partnered with Zurich Insurance Group’s specialist car hire insurance company, Halo Insurance Services.

Ernesto Suarez, founder and chief executive of Halo Insurance Services, said: “The chance to work in partnership with the RAC to grow and develop this product is truly exciting. While we undoubtedly have one of the strongest products in the market, we know by joining forces with RAC Insurance the opportunity to make so many more people aware of the product and drive uptake is massive.

“Having a name that is so trusted among UK drivers will inevitably instil confidence to purchase based on the knowledge that customers will be better protecting themselves against a costly experience in the event of a hire car mishap.”

[RAC Car Hire Excess Insurance cover](#), which is available from just £2.99 a day or £42.99 for an annual policy, is available for: UK and Europe; USA and Canada, and worldwide. Its features include:

- Excess protection up to £6,000 sum insured
- Protection against fire, theft and vandalism
- Cover for bodywork, tyres, roof, windscreen and undercarriage –

something often not covered by car rental companies' excess insurance policies

- Cover for towing*, breakdown and misfuelling excess costs
- Daily single trip and annual multi-trip formats
- Up to 65 days' continuous cover on any one rental agreement
- The option to book daily single trip and annual policies up to 180 days in advance
- Cover for up to nine additional drivers as standard when named on rental agreement

RAC Car Hire Excess Insurance can be purchased [online](#).

Notes to Editors

About the RAC

First formed in 1897, the RAC has been looking after the needs of its members for more than 120 years.

Today it has approximately 10m members and is one of the UK's most progressive motoring organisations, providing services for both private and business motorists. Whether it's [roadside assistance](#), [insurance](#), [buying a used car](#), [vehicle inspections and checks](#), [legal services](#) or up-to-the-minute [traffic and travel information](#) – the RAC offers a solution for all motoring needs. The RAC is committed to making motoring easier, safer, more affordable and more enjoyable for drivers and road users.

The RAC supports the interests of its members and UK drivers at a national level. This includes voicing concerns about the increasing cost of motoring, particularly the price of fuel and the high level of tax levied on it, advancing levels of road safety, and supporting the needs of all drivers, from young to

old.

The RAC's annual [Report on Motoring](#) – first published in 1989 – is one of a kind and provides a clear insight into the concerns and issues facing today's motorists.

For the very latest news on UK fuel prices, check [RAC Fuel Watch](#). It provides a comprehensive guide to the latest UK unleaded petrol and diesel prices – both at the wholesale level and at the pump - and tracks these prices daily to help drivers check if the price they pay to fill up is a fair one.

For more information about the RAC, visit the [RAC website](#).

Contacts



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