

Press release: Car hire sites investigated over hidden charges

The sites are being investigated due to concerns they are breaking consumer law by hitting customers with hidden charges and unexpected fees, such as for fuel, or late night pick-ups and drop-offs.

Over the last year the Competition and Markets Authority (CMA) has been working with car hire comparison sites to ensure their customers get clear and accurate prices.

As a result of this, there has been a significant improvement in the accuracy and clarity of information on car rental price comparison websites and, today, standards are much higher across much of the sector. For example, most comparison websites now clearly flag young driver surcharges and one-way fees in the prices they quote.

However, a small number of businesses have been identified which may have still not made adequate improvements.

This has resulted in the launch of 2 enforcement cases and prompted the CMA to publish advice to the sector on how to comply with consumer law, issuing letters to 40 companies, asking them to maintain standards and, where necessary, make improvements to comply with the law.

The advice makes clear the CMA's expectations, such as:

- including all extra charges in the price they first give their customers;
- clearly setting out fuel pricing policies to customers; and
- warning them about high excess or deposits amounts.

Today's announcement builds on the CMA's work with the European Commission into 'the big 5' car rental firms in 2015, which resulted in savings of an estimated £100 million for UK customers.

It also follows the CMA's year-long in-depth examination of online comparison tools, which set out clear ground rules for all sites. They should be:

- Clear on key issues such as how they make their money;
- Accurate in the information they provide;
- Responsible about how they use people's personal data; and
- Easy to use.

James MacBeth, Project Director, said:

For many people hiring a car is an essential component to days out, holidays and trips. No one should be misled or face unexpected charges, whether they choose to book directly with the car hire

company or through a comparison site.

While we have seen improvements in the way car hire comparison sites quote prices, we are still concerned that some companies may not have faced up to their legal obligations, and as a result we have opened 2 enforcement cases.

We expect this sector to provide clearer information about the true costs, and to explain upfront what customers will actually pay. Businesses must read our advice and make the necessary changes. If companies break the law they risk enforcement action, as these cases show.

People thinking about renting a car overseas should look at [our advice](#) and the [Citizens Advice top tips](#) to help you avoid being caught out when renting a car.

Notes to editors

1. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law. For CMA updates, follow us on Twitter [@CMAgovuk](#), [Facebook](#), [Flickr](#) and [LinkedIn](#).
2. The key pieces of consumer protection legislation relevant to the CMA's investigation are the Consumer Protection from Unfair Trading Regulations 2008 (CPRs) and Part 2 of the Consumer Rights Act 2015. The CPRs contain a general prohibition against unfair commercial practices and specific prohibitions against misleading actions, misleading omissions and aggressive commercial practices. Part 2 of the Consumer Rights Act aims to protect consumers against unfair contract terms and notices, and requires contract terms to be fair and transparent.
3. The CMA has not reached a final view on whether the practices it is concerned about breach consumer protection law, and will listen to the companies' responses to its concerns. If necessary the CMA will take action through the courts to enforce that law under Part 8 of the Enterprise Act 2002. Ultimately, only a court can rule that a particular term or practice infringes the law.
4. The CMA will continue to take steps to encourage and maintain compliance with consumer law in this sector. This will include conducting a review in early 2018 with further enforcement cases if necessary. It is also gathering evidence on complaints about problems that people have experienced overseas (in particular those relating to charges for damage) in order to build on the work we have already done with overseas regulators to tackle problems experienced abroad.
5. Media enquiries to the CMA should be directed to press@cma.gsi.gov.uk or 020 3738 6798.