GTA Frequently Asked Questions and Guidance (updated 8.12.25)

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1. Additional charges (added 23.7.07)

Q: Some CHOs are making additional charges on things like Sat Nav etc, even when these are standard with certain cars! This must be wrong.

A: Such additional charges are not currently allowed in the GTA and certainly it is not possible ever to charge as extras items provided as standard in a vehicle e.g. automatic.

2. Additional driver charges (added 1.6.08)

Q: Can a CHO add an extra charge in their GTA invoice where an additional driver is added?

A: No charge can be included for additional drivers unless they are a non-standard driver (see definition of non-standard drivers).

3. Administration fee for split liability cases (added 1.6.08, updated 15.6.12)

Q: What happens to the administration fee when there is a split decision on liability?

A: Where claims are settled on a split liability basis the administration fee should be apportioned on the same basis i.e. if the decision is 50/50 then half of the administration fee will apply.

4. Automatic vehicles (added 23.7.07)

Q: It must be wrong that some CHOs are charging £5 a day for vehicles that are only manufactured as automatic models. The vehicles are typically Mercedes and the majority of models are only available as autos as standard (although the purchaser can pay more to get the vehicle upgraded to manual). Also suggested that a vehicle being tiptronic means that a vehicle is available as a manual model.

Some CHOs are charging an additional £5 a day for an automatic when it is clear that the hirer did not possess an automatic.

A: The GTA is clear, and this is reinforced in the GTA groups and examples table:

“An additional £5 a day can be added for automatics (where this matches the customer’s vehicle) unless the model listed is an automatic.”

5. Bike hire extras (added 23.7.07)

Q: Some CHOs have suggested charging extra amounts for crash helmets/leathers. Is this correct?

A: No. There is no extra charge for any motorcycle extras in the GTA.

6. CHO Delays in answering insurer questions on the payment pack (added 1.6.08)

Q; If a CHO delays sending answers to reasonable insurer questions on the payment pack does the clock stop on payment of penalties?

A: if reasonable questions on the payment pack are asked by the TPI the CHO should reply promptly (i.e. within 10 working days) or accept they are responsible for any delay and the penalty clock will stop after the 10 days until the CHO has responded. Where the CHO is waiting for information that is beyond their control they should still notify the TPI within the 10 days so that the penalty clock continues but the TPI can then take action to try to resolve the delay.

This will not impact on the ability of a CHO to take a claim out of the GTA 90 days after the payment pack was first sent to the TPI.

7. Collision Damage Waiver recovery (added 23.7.07)

Q: Can a CDW be claimed under the GTA?

A: No, CDW is not claimable within the GTA.

8. Complaints against subscribers (added 28.8.07)

Q: Is there an agreed complaint resolution mechanism for alleged breaches of the GTA by an insurer or CHO?

A: Yes. The GTA Joint Technical Committee has set down the following mechanism for handling complaints of principle and substance about how an insurer/CHO subscriber is operating under the GTA:

- The mechanism can only be used after deadlock has been reached between the final dispute resolution contacts for the respective businesses.
- Formal complaints should be sent to The Independent Chair of the GTA at chair@thegta.onmicrosoft.com with supporting documentation.
- The *ndependent* Chair to check the complaint, ensure it is relevant to the GTA and refine it as necessary. He should agree a final version with the complainant and then send it to the subscriber being complained about with a request for a response in writing within a reasonable period (say 2 weeks).
- Either that would resolve the complaint or it would be clear there was no agreement between the two parties. They would be informed if this was the case and told it would then be sent to the Technical Committee for consideration.
- The complaint and response would be sent to the Technical Committee for views with the names omitted. Technical Committee members would be

asked for their comments within a set period (usually 2 weeks). If there was no clear view the complaint would go to a meeting of the Technical Committee to discuss.

9. Convertibles (added 23.7.07)

Q: What happens regarding rates for convertibles?

A: For customers with a convertible, unless the model listed is already a convertible, convertibles are treated by placing them into the group higher than the hard top version e.g. BMW M3 is in SP9. The convertible equivalent would be in SP10.

10. Credit repair engineer discounts (added 23.7.07)

Q: Engineers aren't negotiating any discounts from the garages as required by the GTA. What is the position?

A: The GTA is clear in that "The engineer should negotiate appropriate market discounts to the retail rates charged by a garage including ensuring that all standard market discounts and commissions are passed on to the insurer, including labour, parts, paint and materials and engineer's fee. The rates should not be out of line with the rates available in the locality in question."

A complaint should be made by the TPI to the CHO who should take action regarding the engineer in question. If they fail to do so and this seems to be part a deliberate ploy of the CHO, then a complaint should be made to the Technical Committee that the CHO is in breach of the GTA.

11. Definition of 24 hours (added 23.7.07)

Q: Some insurers maintain that if the hire is one day and 4 hours then this is just a one day hire. Is this correct?

A: No. The GTA states that the daily settlement rate is the amount paid for each 24-hour period e.g. 10.00 Monday 1 July to 17.00 Monday 8 July is eight days.

12. Delays by third party solicitors (added 28.8.07)

Q: There is a trend for some subscribers to use solicitors to process GTA claims. This often causes delay as the solicitors aren't aware of the facts or the protocol terms. Does the GTA still apply in full in such cases?

A: This applies to both insurers and CHOs and has been discussed recently by the Technical Committee. It was agreed that guidance should be issued to all GTA subscribers to the effect:

> "It was noted that some subscribers were passing claims direct to solicitors/claim management companies who knew nothing about the GTA. It was agreed that guidance should be issued to subscribers to ensure that any

‘agents’ acting for them on GTA claims should be aware of the GTA and how it operates and abide by its terms.”

13. Disabled driver vehicles (added 23.7.07)

Q: What happens regarding disabled vehicles?

A: Reasonable direct costs can be recovered plus an administration charge of £10 is acceptable in most instances. For any special adaptations then the CHO should discuss these with the insurer, preferably at the time the hire commences.

14. Disputes and removing claims from the GTA (added 27.2.08)

Q: There are cases where CHO's are trying to charge full commercial rates because late payment fees have been missed. Even when the insurer agrees to send payment for the late payment fee, they will only bank as an interim payment and continue to chase the difference between the amount paid, and their commercial rates. Are they are entitled to do this?

A: If for any reason a GTA claim is not fully resolved within 90 days (eg dispute over liability, dispute over length or hire, dispute over amount offered by the insurers such as on rate or failure to pay penalty charge) a CHO can remove it from the GTA.

15. Dual Controlled vehicle rates (added 23.7.07)

Q: Dual controlled vehicles - do the rates in the GTA itself para 5.3 (£12/£7) still apply i.e. are they added to the new maximum settlement rates.

A: Yes, the addition does apply.
An additional £12 per day add-on to the agreed daily settlement rate for dual control vehicles (£7 per day add-on if insurance cover not provided).

16. End of hire – meaning of 24 hours (added 27.2.08)

Q: The GTA states that the hire period ends not later than 24 hours after repairs to the customer’s vehicle have been completed. Should this not be working hours?

A: No, this was not the intention. If a repair is completed on a Friday the car should be off-hire by the Saturday.

17. Estate cars (added 23.7.07)

Q: Can £5 per day always be added for an estate car?

A: An additional £5 a day can be added for estate vehicles (where this matches the customer’s vehicle) unless the model listed is already an estate.

18. Excessive hire periods (added 23.7.07)

Q: We are seeing a number of claims where the hire period is excessive. There should an agreed review/referral to the insurer contacts after a pre agreed hire period has elapsed. Cases are regularly seen where the hire continues for 'a week or two' beyond which the car is repaired.

Also, should there not be an automatic hire review? If a vehicle is out on hire for a long time (say 40 days), it should be bought to the attention of management for reference to the insurer's GTA coordinator in a bid to prevent problems further down the line.

Private settlements/no repairs, but customer is still in hire. Also, cases where CHOs keep clients in hire because of parts delay while own vehicle is drivable. They argue that the client 'should not be inconvenienced' but this is invariably just a ruse to extend the hire.

A: The first two issues are covered in the GTA in that detailed monitoring and reporting is required. The issue may be more what does the TPI do with the information.

On the hire continuing for a week or two after the repair is completed the question must be why. If there is no satisfactory answer then the TPI should not pay.

Recent guidance given on this to one CHO was in response to the question "If a client is in hire and, after repairs are finished, is away on business (in our car) and so unable to return and collect his own vehicle for a period of 5-6 days, do you feel we would be able to recover this period?"

The answer given was:

"You are not entitled to the five days extra under the GTA. However, my personal view is that if this is a one off then I would raise it with the insurer and explain. Their attitude may depend on their relations with you and the length of the hire. However, what might be a compromise is to suggest a lower rate (almost an intervention rate) for the five days so the insurer sees you are not looking for profit just the best interests of your client."

19. First to a customer (added 23.7.07)

Q: I consider I was first to the customer but the CHO disagrees. What is the guidance?

A: The GTA is clear (and this was certainly the intention) that whoever is first to a customer of a suitable offer that they can understand normally wins. It was felt in the discussions that it was wrong for someone to have accepted an offer from, say, an insurer only for a bodyshop to then persuade them to accept something else. Likewise if a claimant had accepted a CHO offer then it was wrong for an insurer to try and persuade them to change their mind.

This is set down in para 3.1 and 3.2 of the GTA:

3.1 The overriding principle for the GTA is that whoever is first to a customer and obtains their agreement should provide the service and all subscribers should not seek to intervene. All subscribers must, therefore, not seek to transfer a customer who has agreed to accept a vehicle into an alternative replacement vehicle.

3.2 First to a customer is defined as the receipt by the customer of a suitable offer that they can understand. All subscribers communicating an offer solely by letter stand the risk of it not having been received, understood or being sufficient for the customer.

If a claimant receives a suitable offer from an insurer, that they can understand, and this is before an offer from the CHO, then this should be mentioned in the mitigation statement.

20. Geographic Coverage of the GTA

Q: In which territories does the GTA apply?

A: The GTA only applies to claims arising from incidents occurring in England, Wales, Scotland, Northern Ireland, The Isle of Man and the Channel Islands.

21. Hire continuing after repairs completed (added 28.8.07)

Q: CHO submitted a payment pack to ourselves on 22/03/2006. The hire period was from 23/01/2006 – 03/02/2006. However, we have confirmed with their client's garage that the vehicle was repaired and ready for collection on the 31/01/2006. As per section 4.8 of the ABI GTA hire should end no later than 24 hours after the completion of repairs. As such we paid the hire period of 23/01/2006 – 01/02/2006.

CHO then advised that their client could not collect the vehicle as they were away on business. We cannot see any section of the ABI that suggests that the hire period can be extended due to this reason and as such it is the responsibility of the CHO or their client to either off hire 24 hours after the completion of repairs or not to charge the at fault insurer for any hire past this period.

A: On the hire continuing for a week or two after the repair is completed the question must be why. If there is no satisfactory answer then the TPI should not pay.

A CHO is not entitled to the five days extra under the GTA. However, if this is a one off then the CHO should raise it with the insurer and explain. Their attitude may depend on their relations with the CHO and the length of the hire.

However, what might be a compromise is to suggest a lower rate (almost an intervention rate) for the five days so the insurer sees you are not looking for profit just the best interests of your client."

22. Hire days after total loss cheque received (added 23.7.07, amended pursuant to GTA Clause 4.14 July 2019)

Q: I am concerned about para 4.14 of the agreement that states:

4.14 When a vehicle is deemed to be a total loss then the CHO should check within 10 working days of the hire commencing, that the vehicle has been inspected and an offer made to the customer. If it hasn't then the CHO should inform the at fault driver's insurer. This can be extended by up to 4 working days where the CHOs procedures provide for an offer being agreed with the customer. The CHO should inform the at fault driver's insurer of any dispute on value so they can consider any appropriate action. The hire may continue until 5 working days (a week) after receipt of the final settlement cheque by the customer or their representative. The at fault driver's insurer will advise the CHO, at their request, as soon as possible of the date on which their total loss settlement cheque is issued. If any extension to these limits is sought then the CHO must contact the insurer and obtain consent that the additional period will be covered.

I am concerned of the wording underlined. I am informed by the company that is handling my no fault accident that the above said 5 working days starts from receipt of any payment from my insurer, even when such payment is agreed by all parties that it is an 'interim' cheque and 'without prejudice'. Yet the extract above clearly states different. My understanding with my insurer is that they make an 'interim' payment whilst we negotiate final payment based on whether I can realistically purchase an equivalent vehicle with an agreed settlement and when we reach a final figure then the 'final settlement cheque' is issued and the 7 days starts after receipt of that final cheque.

A: The GTA states "The hire may continue until 5 working days after receipt of the final settlement cheque by the customer or their representative." This is intended to be the maximum and not the norm. If a claimant buys a new car the day he/she receives the cheque they should come off hire immediately.

2. If an interim cheque is close to the final e.g. £3,000 cheque sent and then another £100 agreed, it would be unreasonable for the 5 working days to continue until after the extra £100 is received.

3. Negotiations between an insurer and claimant on value do not usually embrace "we negotiate final payment based on whether I can realistically purchase an equivalent vehicle". It is what the vehicle was worth and not what a claimant can find when they come to seek a replacement. They could cite advertisements for similar vehicles to their own to try and support a higher claim figure but it is not what they are able to purchase as there may be no similar vehicle on the market. It would be unreasonable for the claimant to stay on hire while they wait for one to be available to check on the price!

23. Incorrect payment packs (added 28.8.07)

Q: Payment packs are being presented with insufficient information to support the hire period (e.g. no loss of use dates, old vehicle groups, incorrect charges). CHOs then insisting that penalties have started to accrue from the date of the payment pack even though it's not properly completed. This can't be right.

A: The GTA is clear that:

6.1 The CHO will submit a Payment Pack in support of a single payment request to the at fault driver's insurer as soon as full documentation is available. The pack will set out all charges, with documentation and supporting evidence under an agreed covering letter (example attached, Appendix D) providing payment details.

If key information is missing or there are material errors in the Pack then the TPI should inform the CHO of these within 30 days as per para 6.4:

6.4 Insurers should check information and make any enquiries on the CHO Payment Pack within 30 days. Insurers accept it should be the rare exception, rather than the rule, that dates in the hire period validation form need to be checked with other insurers.

The dates for payments start when a correct payment pack is received.

24. Individual CHO daily hire rates (added 23.7.07)

Q: How can I find the daily hire rates for individual CHOs?

A: The GTA website)(www.gtacredithire.com) states that the individual rates for CHOs are not listed as individual CHOs may set their rates at any level up to and including the maximum for all groups. The maximum rates are listed.

CHOs are encouraged to use the new car, taxi, private hire vehicle, motorcycle and commercial vehicle group letters/numbers in submitting invoices. This should speed up the checking of invoices as far as settlement rates are concerned as claim handlers will just need to check that the invoiced vehicle is in the correct group and the daily settlement rate is no higher than the published rate for that group. All rates shown are excluding VAT.

25. Liability (added 23.7.07)

Q: Despite the wording of the GTA, more and more cases are being pursued when there is a real liability risk. This is creating issues with debt settlement and defeats the objective of low touch speedy settlements.

A: The GTA wording was revised in 2005 to read:

"1.3 The GTA is only intended to apply to situations where a CHO feels their customer has prospects of full recovery against an at fault driver's insurer, but in all other cases the subscribers may elect to follow the same principles, provided that they comply with the spirit and terms of the GTA, including the application of the relevant settlement rates."

26. Like for likes (added 28.8.07)

Q: Back when the GTA began, on like for like cases that were borderline, the CHO would ring the insurer and agree the class of vehicle and the rate. This no longer happens, causing delays regarding payment at the back end. It would be better for both parties for this to be brought back in. If the CHO does not agree on older vehicles, then they should accept the reasonable rate offered by the TPI.

A: Guidance is that it is preferable always to communicate with the TPI where there is any doubt e.g. over a vehicle group, old prestige vehicle, unusual vehicle etc. The sooner this communication starts in the process the better.

27. Loss of use dates (added 28.8.07)

Q: Some insurers ask for proof of loss of use dates for every hire. Surely this is wrong?

A: Yes, it should be the rare exception, rather than the rule, that dates in the hire period validation form need to be checked with other insurers.

28. (REMOVED)

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29. Mitigation – checking for insurer offer (added 28.8.07)

Q. Is a CHO required to check with their client that they have not received an offer for a replacement vehicle from the at-fault insurer?

A. Yes, the mitigation statement signed by the customer states:

'Prior agreeing to enter into the hire agreement my duty to keep my losses to a minimum have been explained to me and
I had not received an offer for a replacement vehicle from the at-fault insurer.
OR
I did receive an offer of a replacement vehicle but did not accept it because……'

30. (REMOVED)

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31. Motorcycle topboxes (added 1.7.10)

Q: Can a charge be made for a top box for a motorcycle hire where the client had once fixed to their damaged motorcycle?

A: Yes, in accordance clause 5.4 a charge of £35 plus vat can be made where need and regular use can be demonstrated.

32. Negotiation (added 23.7.07)

Q: We've tried to negotiate when we receive the first notification form on issues such as like for like. This would result in speedier payment to CHOs on presentation of the payment pack. CHOs are unwilling/not able to negotiate on these cases.

A: All insurers and CHOs are encouraged to communicate and negotiate as quickly as possible in the claim process. This must be in the best interests on both parties.

33. Non-standard drivers and additional insurance premiums (revised 1.2.11)

Q; How are non-standard drivers defined, what is the proof and what can be claimed?

A: An additional insurance premium may only be charged where either the hirer/driver or additional driver is considered to be a non-standard risk and would therefore normally attract a loading of insurance premium by insurers.

Non standard risks are defined without any exceptions as:

- Under 25 or over 70 years old
- Lack of driving experience (Held a full driving licence for less than 12 months)
- Occupation (Limited to: Professional - Sportsmen, Actors, Entertainers, Gamblers and Musicians, Publicans, Journalists)
- Convictions resulting in an unspent ban or 7 or more outstanding points in the last 4 years

The proof for a non-standard driver is confirmation in the mitigation questionnaire/statement of truth signed by the hirer.

The additional insurance premium per hire claim is set at £5.50 per day capped at £110 for all individual hire claims other than for bike hires where the cap is £148.50.

34. Parts delay (added 28.8.07)

Q: We currently have a situation with one of our claims where the third party insurers will not pay the extra days hire due to a delay in repairs. The part was damaged in transit to the repairers. They had to re-order and eventually they had to source the part elsewhere. Are we in a position to claim back the extra days hire due to these delays?

A: In para 4.12 the GTA provides "When a hire has been correctly monitored and reported, insurers accept responsibility for delays resulting from lengthened hire periods. This will include insurers not disputing unavoidable delays in repair times due to unavailable parts if the correct monitoring and reporting has been carried out by the CHO."

So if the CHO monitored corrected and reported back as required to the TPI, then the CHO is not responsible for the delay and can recover the lengthened hire.

If, however, the hire has not been correctly monitored by the CHO then para 6.15 applies:

> 6.15 Where there is a non deliberate breach of the GTA that results in material cost increases, insurers agree to pay GTA claims reduced only by the savings that would have been achieved or the lower costs that would have resulted had the breach not occurred. For example, if a CHOs reporting and/or monitoring falls down in some way (e.g. an insurer is not notified of increased hire due to garage delays in the repair as required in paragraph 4.11, CHOs should be paid in full but less any amount the insurer would reasonably have saved if the monitoring had been complied with fully).

35. Penalties on penalties (added 23.7.07)

Q: Some CHOs attempt to charge penalties on penalties. We make a payment in full but that isn't received until after 30 days we then get charged penalties (7.5%) which may not be received or dealt with for another 31 days and the CHO attempts to charge us 15% penalties on the original amount claimed.

A: The CHO is wrong. The GTA states sets out the current penalty rates in paragraph 6.8

6.8 Failure to settle within the period in paragraph 6.7 and subsequent one month periods will result in the following late payment additions to the total invoice:

Period between dispatch of claim to insurer and receipt of payment	**Late Payment Penalties (total additional %)**			
	Hire		**Repair (if applicable)**	
	Hire commencing before 15th June 2012	**Hire commencing on or after 15th June 2012**	**Hire commencing before 15th June 2012**	**Hire commencing on or after 15th June 2012**
Up to one calendar month	None	None	None	None
Between one and two calendar months	7.5%	12.5%	2.5%	2.5%

Between two and three calendar months	15%	20%	5%	5%

The percentages are not cumulative. If an insurer pays after 6 weeks the penalty is 7.5%. If they pay after 10 weeks it is 15%. If they pay after 3 months there is, in effect, just the 15% penalty unless you take the case outside the GTA and go for your commercial rates.

36. (REMOVED)

37. Penalty interest and the Admin Fee (added 23.7.07)

Q: Can penalty interest be charged on the administration fee?

A: Yes

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38. Penalty payments when liability not challenged within 21 days (added 27.2.08)

Q: Some insurers (on split liability cases) try not to pay late payment penalties when they have not challenge liability within the first 21 days submission of the payment pack, or indeed when challenged claims are eventually settled in favour of the credit hire organisation at 100%. Is this correct?

A: No, see para 6.10 of the GTA.

39. Penalty payments start date (added 20.2.09)

Q. Is the relevant date for late payment penalties the date an insurer actions the payment pack/authorises a cheque **or** the date the payment is received by the CHO?

A. It is the date the CHO receives the payment that applies (see para 6.8 of the GTA).

40. Private or commercial hire (added 23.7.07)

Q. My client drives a 1994 2.5 diesel Landrover Discovery. This is the only vehicle in the household and is privately owned. The vehicle is used for social and domestic purpose but also used to tow trailers and some occasional farm work as the client lives on a farm.

Given the age of the vehicle I would have suggested an F1 to be a suitable replacement. However it has been suggested the client is provided with a CP2 (commercial 4X4). I disagree with this as the client's vehicle is a privately owned vehicle and a Landrover Discovery is not classified as a commercial vehicle. Who is right?

A. On the one hand your offer does seem reasonable given the age of the vehicle and the fact that his vehicle is privately owned. However, given the use to which the vehicle will be put and the fact that the farmer is used to driving an old vehicle, are you happy for him to have a near new private hire vehicle? His use seems very mixed private/'commercial'. If you did provide a commercial hire vehicle have you not got something older and more 'used' that would be suitable?

41. Repair monitoring (added 23.7.07)

Q: Surely there needs to be evidence of repair monitoring. Ringing a garage and making a note that there will be delays but not doing anything to try to bring about a quicker resolution/getting to grips with the problem. CHOs should in these cases be seeking to reduce the hire period not simply recording that there has been a delay. The information provided is often insufficient, and in a standard format that gives insufficient information to decide whether any delay is reasonable.

CHOs should acknowledge their special responsibility for the hire/repair period when they are dealing with both hire and repair, often thought their nominated network. The GTA is clear about the monitoring responsibility but if there are problems with engineer or garage then all we seem to get is the full bill and reference to “Clark v Ardington”.

Some CHOs simply don’t monitor at all.

A: There are several issues here. First, if it is just a credit hire then the CHO is required:

4.10 The CHO will monitor the hire period throughout the period of the hire:

- CHOs will check with a garage that a repair has been authorised within 3 working days of the vehicle going in.
- CHOs will make a further check with the garage after the lesser of 5 working days or 3 working days before the hire should have ended.
- CHOs will check with the garage 3 working days before the hire should have ended.

4.11 CHOs should inform the at fault driver’s insurer in all instances where there are 'unreasonable' delays (defined as delays that are at least two working days longer than expected or over 20% more than the estimated hire period notified to the CHO) with a notification of the delay. If the repair is delayed beyond these periods then the CHO should undertake checks every 5 working days after the original hire period should have ended. Any further delays should be notified to the at fault driver’s insurer.

4.12 When a hire has been correctly monitored and reported, insurers accept responsibility for delays resulting from lengthened hire periods. This will include insurers not disputing unavoidable delays in repair times due to unavailable parts if the correct monitoring and reporting has been carried out by the CHO. Insurers

accept that comprehensive repair monitoring can be more difficult and CHOs can only monitor the information they receive from garages including estimated completion dates.

4.13 In particular, providing that the CHO has correctly monitored the repair, the CHO will not be responsible and the hire period will not be reduced, if an engineer fails to liaise with the at-fault driver's insurer if a significant delay is likely for required parts (paragraph 6.3(viii) of the Repair Protocol) or subsequently if the supply of parts is delayed (paragraph 6.2 of the Repair Protocol).

Thus "Ringing a garage and making a note that there will be delays but not doing anything to try to bring about a quicker resolution/getting to grips with the problem." Is in breach of para 4.11. Monitoring requires a report back to the at fault driver's insurer in all instances where there are 'unreasonable' delays (defined as delays that are at least two working days longer than expected or over 20% more than the estimated hire period notified to the CHO) with a notification of the delay. The reporting back should include a reason(s) for the delay. However, as noted CHOs can only "monitor the information they receive from garages including estimated completion dates."

Secondly, where the CHO undertakes hire and repair they are required to be even more diligent in their monitoring and reporting back. If they fail to do so, or delay inspections etc, they are responsible for any delays.

Finally, if a CHO fails to monitor then they are responsible for any delays subject to para 6.15:

6.15 Where there is a non deliberate breach of the GTA that results in material cost increases, insurers agree to pay GTA claims reduced only by the savings that would have been achieved or the lower costs that would have resulted had the breach not occurred. For example, if a CHOs reporting and/or monitoring falls down in some way (e.g. an insurer is not notified of an increased hire due to garage delays in the repair as required in paragraph 4.11) CHOs should be paid in full but less any amount the insurer would reasonably have saved if the monitoring had been complied with fully.

42. Roadworthy or not? (added 23.7.07)

Q: I have a claim where the vehicle was mobile and in use. The CHO provided a credit repair and hire service. The hire stated on the 17/05/06, vehicle was inspected 18/05/06, authorisation given 19/05/06, parts ordered 19/05/06. Parts received 23/05/06 and repairs completed that same day hire vehicle returned 24/05/06. As you can appreciate our concern here is that a one day repair effectively turned into an 8 days hire period. Can you please confirm if you believe that this is reasonable under the ABI GTA or if you are in agreement that if a vehicle is in use it should not be taken off the road until parts are available.

A: This is an example where the insurer and CHO should communicate more effectively. The key here is whether the vehicle was roadworthy. Para 4.6 states "

> The hire period commences when the customer both needs and takes delivery of the replacement vehicle. Where it was reasonable for the customer to believe the vehicle to be unusable and/or unroadworthy but the engineer subsequently confirms the vehicle to be usable, the hire will be paid up to the date the disagreement is resolved. 'Roadworthy' embraces 'usable and roadworthy' so as to include aspects such as deficient locks, panel damage or a need for a prestige vehicle. It is accepted that the position is different if the customer's objective seems to be to act in a wholly unreasonable manner.

If the vehicle was roadworthy then it should have been used until the garage was ready to take the vehicle for the repair. If the vehicle was not thought to be roadworthy then it should have been off the road for the entire period.

43. Selectivity in implementing the GTA (added 23.7.07, amended 1.1.13)

Q: I'm right in thinking a CHO can't pick and choose aren't I? They're either in or out - and can't seek additional payment for delivery/increase the daily hire rate just because the customer was in a slightly out of the way place?

A: Absolutely right. If you are a subscriber CHO you must comply fully for all your hires. The same applies to an insurer as to a CHO.

44. Sub-hired vehicles (added 27.2.08)

Q: Some TPIs are searching Experian/DVLA sites for details on the hire vehicles a CHO has provided to their client. Some of these vehicles have been sub-hired from elsewhere and they don't show up as being registered to the CHO. The insurers are then stating that we have no right to raise a hire invoice for use of a vehicle that doesn't belong to us. This cannot be right?

A: It is perfectly proper for CHOs to sub-hire vehicles in order to provide a client with a suitable replacement. The payment pack information should usually be accepted as proof that the CHO has provided the vehicle in question.

45. Taxi and private hire extras (added 23.7.07)

Q: Before the new groups and rates some CHOs were charging an additional daily hire extra amount for some things e.g. £5 per day for radio hire, £5 per day for hire of signage. Can a CHO now charge for extras such as provision of taximeters and roof signs?

A: The GTA is clear that "No extra additions allowed such as for signage, radio hire, taxi display etc."

There is a problem that insurers are interpreting this as no additional costs are allowed for such hires. There are, however, additional costs that need to be met for some hires because of different Council costs for replating vehicles, fitting of different radio etc. These are actual costs that need to be paid.

46. Taxi insurance clarification (added 20.2.09)

Q: For taxis and private hire vehicles there are different rates for insurance included and insurance excluded. When do these apply?

A: The CHO can decide whether to follow the insurance included or excluded route. If the CHO includes insurance for the client on their own insurance policy/arrangements, then the insurance included rates apply. If, however, they choose to arrange the insurance on the clients' own policy then a £10 administration cost can be charged but the insurance excluded rate applies.

47. Telephone lines (added 23.7.07)

Q: Has the Technical Committee agreed any guidance on telephone lines?

A: Yes. Premium rate telephone lines are not in the spirit of the GTA and where known changes are to take place, as much advance notice should be given to interested parties e.g. closure of a call centre, change in telephone numbers or claim centres.

48. Total loss and receipt of cheque (added 23.7.07)

Q: When does the maximum seven days start from for a hire to end for total loss claims?

A: The GTA Is clear “The hire may continue until 7 calendar days (a week) after receipt of the final settlement cheque by the customer or their representative.” It is after receipt of the payment and not when the payment is agreed by the insurer or the date they despatch payment.

49. Total losses - monitoring (added 27.2.08)

Q: CHOs are failing to notify the at fault insurer if an offer has not been made within the maximum 14 day maximum period. CHO takes the vehicle into a garage and if it is then written off passes the insured back to the insurer to deal with the third party. Insurer then takes on the claim some 2/3 weeks later and invariably insurer is landed with additional cost. What is the position?

A: A CHO is required to monitor the claim as per the GTA. For a total loss para 4.14 sets out the details. Where correct monitoring has been undertaken para 4.12 sets out the insurer’s requirement to pay. If the monitoring has fallen down in some way then para 6.15 is relevant.

50. Total loss – size of hire payment (added 27.2.08)

Q: Some insurers routinely refuse to meet credit hire claims when the total exceeds the pre-accident value of the vehicle. There is no justification or explanation given for their stance. Is this correct?

A: The size of the claim has no bearing so long so long as the GTA requirements have been met.

51. Unlimited Mileage (added 23.7.07)

Q: Do GTA rates include unlimited mileage?

A: Yes.

52. VAT (added 23.7.07)

Q: Do the daily settlement rates include or exclude VAT?

A: They exclude VAT.

53. Vehicle group dispute (added 23.7.07)

Q: What happens if there is a dispute about a hire vehicle group that is not listed as an example in the tables?

A: Where there is any doubt or dispute on the group of the CHO hire vehicle that applies e.g. for cars that do not appear as examples in the groups or commercial vehicles, then you can contact chair@thegta.onmicrosoft.com for allocation to the appropriate group.

This service is available to GTA subscribers only. You should use 'Vehicle group request' as the email subject heading, and please note that only requests using this form can be processed.

The grouping process is only to be used to ascertain the group of the CHO's hire vehicle, not the claimant's pre-accident vehicle. Enquiries are usually considered by a Vehicle Group Sub-committee once/twice a month so there may be a delay in providing clarification.

CREDIT REPAIR AGREEMENT EXTENSION

54. Credit repair protocol – application (added 27.2.08)

Q: If an insurer does not support the credit repair protocol can they maintain that they still benefit from its provisions and CHOs must abide by the standards, timetables and procedures set down?

A: No, this is a matter for the CHO to decide upon. They are under no obligation, other than to mitigate the loss.

55. Credit repair - Fraud checks and repair authorization (added 1.6.08)

Q: Can a CHO delay credit repair authorization of repairs in order to undertake further enquiries?

A: For credit repairs the agreement requires under Option 2 (Independent Repairer) that the “engineer will normally authorize the repair at the time of inspection” and issues like fraud checks should not delay authorization.

56. Credit repair – monitoring (added 27.2.08)

Q: We are raising issues within the confines of the GTA – engineer hasn’t inspected within required time frame for example. The CHO just won’t accept our shortfall in hire period and just lets claim moves into commercial rates notwithstanding the clear GTA breach.

A: The GTA is clear in that para 4.12 states “When a hire has been correctly monitored and reported, insurers accept responsibility for delays resulting from lengthened hire periods.” The converse is also true i.e. where a hire has not been correctly monitored and reported the CHO is responsible for any delays.

57. Credit repair – roadworthy vehicles (added 27.2.08)

Q: Where a vehicle is roadworthy there are some CHOs that book the car in the repairers and only then instruct an engineer when the car is in the garage. The engineer then takes 48 hours to inspect and this has the effect of adding a further 3 days to the hire period. Surely this procedure is wrong if the subscribers both support the credit repair extension?

A: The procedure should be to mitigate the hire period and instruct an engineer when the CHO receives the claim so that the inspection coincides with the day the vehicle is going into the repairers.

58. Credit repair – 66% rule (added 27.2.08)

Q: What happens when the 66% rule regarding damaged vehicles is not being adhered to?

A: The repair extension requires the CHO to advise the at fault driver’s insurer within one working day of receipt of the independent engineer’s report when a vehicle is a total loss or repair costs exceed 66% of the pre-accident value. The report must be faxed/e-mailed by the CHO to the at fault driver’s insurer

Failure to adhere to the 66% rule is a breach of the engineer’s service standards. The TPI and CHO should liaise so the engineer is made aware of any error. If it is repeated it should be suggested that the CHO discontinue using the engineer in question.

59. (REMOVED)

60. Excesses and Third Party Claims Handling Agents (Added 1.2.21)

Q: A GTA subscribing insurer is recorded on MID but the insurer has refused to consider our claim as they say our claim falls within their policyholder's excess and our claim thus needs to be referred direct to the policyholder. Is that the correct way to deal with these cases?

A: Yes, GTA terms only apply where an insurer's policy applies. At your discretion you can ask their policyholder (or their Handling agent) whether they are prepared to agree to apply GTA terms in respect of your claim.

61. Older prestige vehicles (Added 18.10.23.)

Q: Clause 4.5 of the GTA states "Where the vehicle owned is a prestige vehicle the CHO will make enquiries to ensure the customer has a need for such a vehicle. Where the vehicle is over 6 years old it is the exception, rather than the rule, that a similar prestige replacement is required. Need will then be determined by the make, model, value and use of the vehicle".

Does this rule only apply to vehicles within the "P" GTA Group or does it apply to all groups subject to the vehicle being of a prestige marque?

A: The GTA Technical Committee have considered this point very carefully and is of the view that "prestige" is not descriptive solely of vehicles in the "P" category but is reflective of any "prestige" marque of vehicle that is over 6 years old and includes all vehicle categories. The Technical Committee is of the view that this is already self-explanatory in the rules.

These comments should always be considered in conjunction with GTA clause 4.4 and FAQ 26 which if acted upon will increase collaboration and reduce friction – which is at the core of the GTA.

62. Submission of New Claims Advice Form from 17 March 2025 (added 26.2.25)

Q: As a result of recent changes to the GTA, clause 4.1 "The CHO must advise the at fault driver's insurer of a potential claim within one working day of the CHO agreeing services with the customer (using a New Claim Advice Form, Appendix A, or similar)". When does the clock start ticking if all the information that is asked for in the form is not yet available?

A: The CHO is to deliver the New Claim Advice Form within one working day of agreeing to provide the credit hire service. This is in line with clauses 3.1 and 3.2 of the GTA in effect that:

- the customer has received a suitable offer of hire they can understand, and
- the customer has understood and agreed the hire.

The “clock” for one working day begins once the agreement is reached and;

Where the Claimant/CHO is requesting the ‘at fault’ Insurer to deal with the vehicle damage, then the New Claims Advice Form MUST include contact information being;

- name,
- address and/or
- e-mail (if available) and
- phone number

of repairer/storage yard/recovery company (relevant information).

Where possible the CHO should provide availability/access requirement with permission and any estimate and / or photos (if available).

The above should be provided within one working day to the correct Insurer. Hire is not recoverable beyond one working day until this information is supplied on a completed New Claims Advice Form, sent to the email address on the GTA website.

This change is to give an insurer reasonable notice of an incident as soon as possible and is not intended to become an area of friction/dispute.

The contents of the NCA form must accurately reflect the position of all the information known to the CHO at the point of sending the form. Every effort must be made to provide all of the information that is relevant to assist with progression of the claim at the time that the form is sent.

Where relevant information is missing, that has a direct impact on the hire period, the hire charges will not ordinarily be recoverable beyond the one working day allowed, under the GTA to submit the NCA, until the date that the relevant information is provided to the insurer.

Where the CHO is asking the ‘at fault’ insurer to deal with the vehicle damage and the vehicle location in unknown at the time the NCA is submitted, the CHO and/or the Claimant need to provide an explanation, on the NCA, as to why they do not know where their vehicle is, rather than just “TBC”.

63. ABI Salvage Code of Practice and Total Loss Payments (added 26.11.25)

Q: Some CHOs refuse to accept or even facilitate the receipt of a Total Loss payment (for example by providing contact or BACS details) until after a physical inspection of the vehicle has taken place even when the amount offered is in line with the customer’s expectations in relation to value. The reason given is that the CHO believes that the ABI Salvage Code of Practice requires a physical inspection to be undertaken before the vehicle can receive a salvage categorisation code and that the Total Loss payment cannot be made until that has happened. As a result, hire durations are extended and disputes about recovery occur.

A: This is not in accordance with the requirement of co-operation, communication and transparency required under the GTA. Further, and in any event the ABI Salvage Code of Practice does not reference withholding Total Loss payments until an inspection has taken place. The purpose of the salvage categorisation by an appropriately qualified person is to provide potential purchasers with guidance on a vehicle's condition and potential suitability for use on public roads in the future. Any charge for a hire period caused by a CHO deliberately obstructing or failing to facilitate payment (for example by refusing to provide BACS details when Total Loss has been agreed) pending a physical inspection of the vehicle will not be recoverable.

It is most important that the interests of the customer who wishes to maintain personal mobility are put at the heart of all parts of the recovery process.

64. Making a complaint under the GTA (added 26 11 25)

Q: Some subscribers appear to be attempting to "weaponise" the GTA complaints procedure by making high volumes of complaints under the GTA. Very often these complaints are made because there is a simple dispute over the value of the claim. There have been instances of a subscriber programming its case management system to escalate unsettled cases at particular time intervals and then to making formal complaints to the GTA Chair on pre-set dates regardless of the nature of the issue, if any at all. Is that what the GTA complaints procedure is for?

A: This kind of conduct is not in accordance with the requirement of co-operation, communication and transparency required under the GTA.

The GTA complaints procedure is there to resolve disputes arising between individual subscribers on issues of principle or interpretation of operation or wording of the GTA. Such complaints can only be considered if the escalation procedure under GTA clause 2.7 (b) has been followed. It is not there to resolve simple arguments over the value of a claim.

Further, the GTA Technical Committee has considered these issues in the light of recent experience in relation to complaints handling. The Technical Committee has resolved to give the GTA Chair complete discretion to reject a complaint or batch of complaints if the GTA Chair has reason to believe that they arise out of a failure by the complainant to communicate and act collaboratively in order to resolve the issue. Making a complaint about a fellow subscriber in the environment that the Technical Committee seeks to foster should be the exception and not the rule and should be seen as a last resort.

Subscribers are reminded that the GTA authorises the Technical Committee to require an audit of a subscriber in appropriate cases.

65. Repair monitoring when hire & repairs are managed separately (added 25.3.26)

When a credit hire company (CHC) has no control over the repairs process (similar to when repairs are carried out by customer's own insurers) and is monitoring as best as it can and has told the insurer of the situation, should the CHC be penalised if hire duration appears excessive?

When a CHC is not managing the repairs directly and a repair agent not directly instructed by the CHC is involved, both the CHC and the claimant still have a responsibility to actively monitor the repair progress. This includes obtaining regular, meaningful updates, addressing any delays, and informing the Third Party Insurer (TPI) promptly when issues arise.

Even though the CHC may not control the repair process, it must show that it exercised effective oversight and challenged unnecessary delays where appropriate.

If the CHC can provide evidence that:

- regular repair updates were obtained and followed up by both the CHC and the claimant,
- any unreasonable delays were identified and challenged, and
- the TPI was kept informed of problems in a timely manner, including details if there is a parts delay

then the hire period should not be reduced *solely* because it appears long. This applies where delays were clearly outside the CHC's control and proper monitoring was demonstrated.

However, if monitoring was not proactive, or avoidable delays were allowed to continue without challenge, it is reasonable for the TPI to adjust the hire period.