

## **What is it?**

Taking into account a vehicle's age and mileage and covering overall condition, from the mechanics and the electrics through to the bodywork and the upholstery, fair wear and tear summarises the degree of deterioration judged to be reasonable when a fleet vehicle is returned at the end of a contract period, to be sold on.

Lack of attention to detail, abuse or neglect are the main reasons vehicles suffer from excessive wear and tear. Customers can expect to incur refurbishment charges from contract hire or leasing companies if a vehicle is returned with an unreasonable level of wear and tear at the end of a contract period. The top causes of unreasonable wear and tear in a fleet vehicle are:

- Lack of regular checks by the vehicle user and/or fleet manager, leading to faults and damage going undetected and un-repaired;
- Not adhering to the vehicle manufacturer's recommended maintenance and servicing schedule;
- Drivers not taking responsibility for the day to day care and maintenance of the vehicle;
- Poor quality of body repairs, leading to general neglect.

## **Where the Buck Starts – and Stops**

Some amount of wear and tear damage may occur through normal, everyday business use, especially for high mileage fleet vehicles.

After a typical life span of three years or 60,000 miles, for example, stone chips and minor abrasions to a vehicle's paintwork would be deemed fair wear and tear for its age and would not adversely affect the disposal price.

If the stone chip damage had exposed the base metal, however, and failure to touch it up had caused penetrating rust to set in, the deterioration would not be acceptable as fair wear and tear.

The main question then becomes one of responsibility - where the buck starts and stops.

## **Taking Responsibility**

Responsibility for the monitoring, maintenance and repair of company vehicles will vary from customer to customer. However, the following procedures are recommended by the RAC to help ensure all the bases are covered:

### **Manager's Responsibility**

- Managers should ensure that maintenance and servicing of the vehicle follows the manufacturers recommended schedule, using only approved servicing agents.
- Regular spot checks, possibly related to mileage and use, should be carried out by the manager or local supervisor to ensure that any current problems with car or driver are identified at an early stage.
- Initiate a vehicle log book system for each car.

### **User's Responsibility**

- Note any damage, mechanical problems or areas of worsening wear and tear in the vehicle log book.
- A minimum weekly check on oil, water and tyre pressure should be the responsibility of the vehicle user, with the result of each check noted in the vehicle log book. This will also help keep tabs on vehicles which may be losing oil or water or have a slow puncture.
- Regular cleaning and valeting of both the interior and exterior of the vehicle should be recorded in the log book by the vehicle user, according to a schedule laid out by the fleet manager.

"A reputation built on service"

## General Fair Wear and Tear

<b>Servicing and Documentation</b>	<p>Regular maintenance and servicing should be carried out by a franchised dealer or approved servicing agent according to the manufacturer's guidelines. Any defects or damage that occur during normal vehicle use should be rectified as soon as authority for the repair has been granted.</p> <p>The vehicle instruction book, full service record and any other documents relating to vehicle equipment are the responsibility of the vehicle user and must be intact and available. All documents must be in the vehicle on its return to the contract hire company - including any details of radio codes.</p>
<b>Appearance</b>	<p>Regular cleaning of both the interior and exterior of the vehicle will ensure a good cosmetic appearance.</p>
<b>Additional Equipment</b>	<p>If accessories such as car telephones, radios or other non-standard equipment have been installed and then removed, any holes or damage should be made good to a professional standard. Aerials must be left in place or the hole repaired. All standard equipment must be returned at the end of the contract period.</p>
<b>Badges and Labels</b>	<p>Non-standard badges, labels or advertising fitted to the bodywork or glass of the vehicle should be removed, with any damage caused by their attachment of advertising would be chargeable to the user. Advertising should never be painted directly onto the vehicle.</p>
<b>Keys and Security</b>	<p>A full set of keys should be available along with a note of their numbers. If the locking system is remote, the appropriate key fobs should be available and functioning. Return of the master key which controls the vehicles engine management system is mandatory.</p> <p>If the vehicle was originally supplied with a security system, this should be intact and fully operational, including any key or key fob necessary for operation. Any additional, non-standard security system should be fitted according to a recognised standard, i.e. The Vehicle Security Installation Board (VSIB).</p>
<b>Body damage</b>	<p>Any damage must be repaired as and when it occurs. All work should be completed to a professional standard, with any applicable anti-corrosion guarantees taken into consideration. Obvious evidence of repair such as colour mismatch or misalignment between panels is unacceptable.</p>
<b>Dents</b>	<p>Minor dents (up to 10mm) are acceptable as long as the paint surface has not been penetrated so that bare metal is visible or corrosion has set in. If multiple dents occur on a single panel, no matter how small, the panel should be repaired or replaced.</p>
<b>Paintwork</b>	<p>Small areas of stone chipping, door edge chipping and light scratches (up to 25mm) are acceptable, relative to the vehicle's age and mileage, as long as they have not penetrated through to the base metal and caused corrosion. If stone chippings have penetrated through the metal, suitable touching up should be carried out immediately to prevent further paint deterioration.</p> <p>Exterior paintwork should be free from major abrasions (more than 25mm) and have good gloss and colour. Colour mismatch between panels, or poorly fitting panels, are unacceptable. All repairs to the bodywork must be suitably re-rust proofed up to the manufacturer's recommended standards.</p>
<b>Bumper Sections and Rubbing Strips</b>	<p>Provided these are not broken, cracked or deformed a limited amount of scuffing and score marks are acceptable.</p>
<b>Window Glass</b>	<p>Cracks or damage within the driver's sight line are not acceptable and would require windscreen replacement or, if relatively minor, repair using resin impregnation to MOT standards. Light scratches and minor chipping around the periphery of the windscreen is accepted as fair wear and tear.</p>

"A reputation built on service"

## Fact Sheet 5- About Fair Wear & Tear

<b>Lamp Glasses/Lens</b>	All lamps must be operational. Minor scuff marks or scratches are acceptable, but holes or cracks in the glass or plastic covers of lamp units are not.
<b>Luggage Area</b>	Surface scoring and light blemishes that reflect normal use are acceptable, but floor coverings and surrounding trim panels should not be torn or split.
<b>Light Commercial Vehicles</b>	For light commercial vehicles it is recommended that a lining be fitted in the load area to prevent serious damage to the vehicle's interior.
<b>Door Aperture Tread Area</b>	A reasonable amount of scuffing to the door and luggage area treads and sills is acceptable providing paintwork has not been damaged down to bare metal and aperture seals are not torn.
<b>Controls</b>	All original controls must be intact and operate correctly. If replacement has been necessary, e.g. due to theft, then equipment of a similar value and specification, preferably of the same manufacture as the original, should have been fitted. All odometer alterations must be reported and any evidence of unauthorised odometer changes is unacceptable. Missing parts and items will be recharged.
<b>Rubber Seals</b>	Normal wear will cause a certain amount of damage and splits to rubber door and other seals, but any evidence of neglect or abuse is unacceptable. If a seal becomes displaced it should be refitted immediately to avoid it becoming trapped or torn.
<b>Underside</b>	Minor dents and deformation, such as stone damage, is acceptable as long as it has not caused major corrosion. Any suspected impact damage should be investigated and dealt with professionally, as significant damage or distortion to chassis components is not acceptable.
<b>Exhaust System</b>	<p>The system should be properly suspended and in efficient working order, with no gas leaks or evidence of blowing from the exhaust system joints and in an undamaged condition. The exhaust system should be in a condition to meet the MOT requirements in all aspects, particularly if fitted with a catalytic converter. CAT failure is unacceptable and preventable through:</p> <ul style="list-style-type: none"> <li>• using the correct fuel</li> <li>• regular servicing and maintenance</li> <li>• immediately investigating any poor running symptoms</li> <li>• not tow or bump starting the vehicle</li> </ul>
<b>Oil Leaks</b>	Any serious oil leakage should be rectified at the earliest opportunity. Some minor oil misting or dampness around seals or gaskets is acceptable, providing oil drips are not present.
<b>Wheels and Wheel Trims</b>	Dents or damage to the rim or main body of the wheels are not acceptable. All four wheel trims must be intact, with no more than minor scuffing due to everyday use. If mudflaps are standard equipment they must all be intact and properly attached. The spare wheel, jack and appropriate wheel tools must be stowed properly and be in good working order.
<b>Tyre Wear and Damage</b>	All tyres, including the spare, must be in a legal condition and comply with the vehicle manufacturer's recommendations of tyre type, size and speed rating. There should be no obvious damage to sidewalls or tread caused by "kerbing" or other heavy abuse.

"A reputation built on service"

### *The Road Forward*

All lease vehicle users should be aware of the principle of fair wear and tear, along with managers and supervisors. On the vehicle's return, it is to be inspected and a formal agreement document signed. In instances of dispute an independent assessment should be made. In brief:

- Fair wear and tear summarises the degree of deterioration judged to be reasonable when a lease vehicle is returned at the end of a contract period, or is to be sold on.
- Lack of attention to detail, abuse or neglect are the main reasons lease vehicles suffer from unreasonable levels of fair wear and tear.
- Some amount of wear and tear damage may occur through normal, everyday business use which could be deemed acceptable if reflective of the vehicle's age, mileage and overall condition.
- All parties should be aware of their responsibilities where monitoring, maintenance and repair of company vehicles is concerned - this will differ from customer to customer.
- When repairs are carried out, long term guarantees should be sought to avoid future problems.
- Maintenance and servicing should follow the manufacturer's recommended schedule and be carried out by approved servicing agents.
- Regular spot checks by managers or local supervisors will help ensure any problems with the vehicle (or driver) are identified at an early stage.
- A vehicle log book system will help both drivers and managers keep track of any vehicle damage, problems or areas of worsening wear and tear.
- The vehicle user should be responsible for a minimum weekly check on oil, water and tyre pressure.
- A schedule of regular cleaning and valeting should be worked out between the vehicle user and manager or supervisor.

All documents must be intact and in the vehicle on its return to the contract hire company.

"A reputation built on service"