

# VOLKSWAGEN Group Leasing

## Fair Wear & Tear Guide



## 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, or is to be sold on. Lack of attention to detail, abuse or neglect are the main reasons fleet vehicles suffer from excessive wear and tear.

Fleet operators 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 unrepaired;
- 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 fleet lifespan of three years or 60,000 miles, for examples, stone chips and minor abrasions to the 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 fleet to fleet.

The following procedures are recommended by the RAC to help ensure all the bases are covered:

### Fleet Manager's responsibility:

- Fleet Managers should ensure 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 fleet manager or local supervisor to ensure 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 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.



## General Fair Wear and Tear

### Servicing and documentation

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.

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.

### Appearance

Regular cleaning of both the interior and exterior of the vehicle will ensure a good cosmetic appearance.

### Additional equipment

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 properly repaired. All standard equipment must be returned at the end of the contract period.

### Badges and labels

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 or removal made good. Any paintwork colour fade due to the attachment of advertising would be chargeable to the user. Advertising should never be painted directly onto the vehicle.

### Keys and security

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.

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, ie. The Vehicle Security Installation Board (VSIB).



## Vehicle Exterior

### Body damage

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.

### Dents

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.

### Paintwork

Small areas of stone chipping, door edge 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.

Exterior paintwork should be free from major abrasions (more than 25mm) and have good gloss and colour. Colour mis-match between panels, or poorly fitting panels, are unacceptable. All repairs to the bodywork must be suitably re-rust proofed up to the manufacturers recommended standards.

### Bumper sections and rubbing strips

Provided these are not broken, cracked or deformed a limited amount of scuffing and score marks are acceptable.

### Window glass

Cracks or damage within the drivers 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 acceptable as fair wear and tear.

### Lamp glasses/lens

All lamps must be operational. Minor scuff marks or scratches are acceptable, but holes or cracks in the glass or plastic covers of the lamp units are not.



## Vehicle Interior

### Interior trim

The interior should be clean and tidy with no visible burns, tears or permanent staining to seats, headlining or carpets. Wear and soiling through normal use is accepted, as are any repairs that are not readily visible.

### Luggage area

Surface scoring and light blemishes that reflect normal use are acceptable, but floor coverings and surrounding trim panels should not be torn or split.

### Light commercial vehicles

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.

### Door aperture tread area

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.

### Controls

All original controls must be intact and operate correctly. If replacement has been necessary, eg, 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.

### Rubber seals

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.



## Vehicle Underside

### Underside

Minor dents and deformation, such as stone damage, are acceptable as long as they have 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.

### Exhaust system

The system should be properly suspended and in efficient working order, with no gas leaks or evidence of blowing from the exhaust system should be in a condition to meet MOT requirements in all aspects, particularly if fitted with a catalytic converter.

Catalytic converter failure is unacceptable and is preventable through;

- Using the correct fuel
- Regular servicing and maintenance
- Immediately investigating any poor running symptoms
- Not towing or bump starting the vehicle.

### Oil leaks

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.

### Wheels and wheel trims

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 be intact and properly attached. The spare wheel, jack and appropriate wheel tools must be stowed properly and be in a good working order.

### Tyre wear and damage

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.

## Mechanical Condition

Regular servicing and maintenance through an approved repairer and in accordance with the vehicle manufacturer's service programme should keep the vehicle in sound mechanical condition.

The following examples are conditions usually caused by vehicle neglect or abuse and therefore are not regarded as fair wear and tear;

### Brakes

- Grooved brake discs caused by metal to metal contact

### Engine

- Seized due to running vehicle with insufficient coolant, lubricating oil or with broken internal components

### Transmission

- Slipping, erratic gear changing, clutch slipping, noisy transmission or ineffective synchromesh.



## The Road Forward

All vehicle users should be aware of the principle of fair wear and tear, along with fleet 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 fleet vehicle is returned at the end of the contract period, or is to be sold on.
- Lack of attention to detail, abuse or neglect are the main reasons for fleet vehicles to 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 when monitoring, maintenance and repair of company vehicles is concerned – this will differ from fleet to fleet.
- 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 fleet 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 fleet managers keep track of any vehicle damage, problems or areas of worsening wear and tear.
- The vehicle user should be responsible of 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 fleet manager or supervisor.
- All documents must be intact and in the vehicle on its return to the contract hire company.

