

DAMAGE RECHARGE POLICY

Introduction

L Lynch Plant Hire & Haulage Limited recognises the importance of operating an effective maintenance and repair capability, both in our depots and on site supporting our clients. We remain committed to ensuring our plant equipment remains in excellent condition. This requires our Service departments to carry out repairs resulting from fair wear and tear. However, there are circumstances that result from client damage, neglect or carelessness and in these circumstances we expect clients to cover these costs including overheads.

Recharging

Charging for repairs caused by client damage, neglect or carelessness allows more money to be invested in maintaining and improving our machines. It also helps to pay for the overheads associated with machine repair. It is a vital component to protecting our net margin.

Strategic Aims and Objectives

Through client relationships and the conditions of hire contained in the CPA, L Lynch aims to encourage clients to take responsibility for keeping our machines in a good state. Our objective is to ensure that our service budget is spent wherever possible on repairs caused by genuine wear and tear and not used to pay for breakdown and minor damage.

Scope

This policy applies to all depots and their management staff. Adherence to it will be monitored through monthly budget reviews.

Definitions

- A rechargeable repair means any repair caused by client damage, neglect or carelessness. This includes deliberate or accidental damage and lost keys/fobs.
- Fair wear and tear means damage caused by everyday use. This requires experience and judgment supported by PDI photographs.

Responsibilities

Regional and Depot Managers are responsible for:

1. Determining whether rechargeable repair costs stand at the invoiced rate.
2. Determining whether rechargeable repair costs should be discounted at the agreed national rate.
3. Determining whether rechargeable repair costs should be discounted at an authorised rate that exceeds the agreed national rate.

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- Determining whether rechargeable repair costs should be waived.

National Discounted Recharge Rates

The table below offers guidance on any waiver that may be applied to any recharge. It should be noted that **only one waiver per contract may be applied.**

Over no. of months on hire	Approved waiver amount '£'	OR	Value of spend per month '£'	Approved waiver amount '£'
3	100.00		50,000.00	500.00
12	500.00			

- CRT staff will need to refer to a Depot Manager for advice if the customer challenges the recharge.
- If the damage caused at the customer's site is £2,000 or more, then a meeting between the customer and a Regional or Depot Manager must take place to discuss and negotiate the amount that will be recharged.

Process

See SP18 National Recharge Process for further detail.

This policy will be communicated to all employees and organisations working on our behalf and displayed at our offices and on our intranet. This policy is available to defined interested parties.

This policy will be reviewed annually or sooner by senior management to ensure its suitability. Where necessary it will be amended, reissued and communicated to all employees and people working on its behalf.



Liam Lynch, Managing Director

Date: 30/01/2020