

VRA Certification – lessons so far

TIM BARKER, OPERATIONS DIRECTOR AND RYAN STEVENS, Lead Auditor at Interface NRM run through the key issues that have been identified in the initial VRAC audits and provide advice and guidance.

In the first six months of VRA Certification we’ve audited over 45 vehicle recyclers and are grateful to them all, big and small, for taking the time to show us their businesses and help us learn about the world of reclaimed parts.

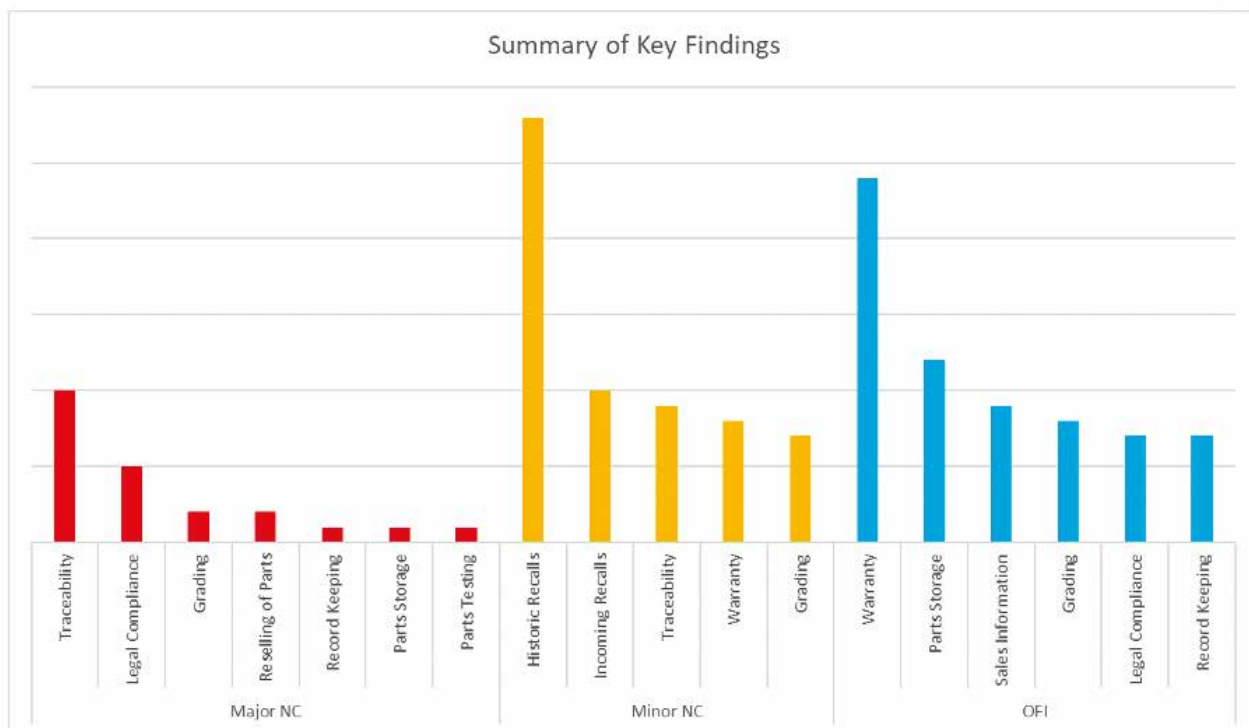
We’ve tried to audit in a way that is thorough but fair, recognising that the standard is new and that recyclers may need a bit of help to get up to speed and understand the requirements.

Now that we’re moving beyond the pilot phase, we’d like to share what the most common issues have been and provide an auditor’s perspective of what good practice looks like.

The purpose of a certification audit is for us to check whether you meet the requirements of the VRA standard, based on what you tell us and the supporting evidence that we see. If things aren’t compliant, we raise ‘audit findings’, so that you can make improvements. At Interface-NRM, we have three levels of findings: Major Nonconformances are significant problems that need to be put right before we can issue certification; Minor Nonconformances need to be addressed by the next audit but don’t prevent certification; while ‘opportunities for improvement’ are just that – suggestions to add value to your business and avoid nonconformances in the future.

The most prevalent major issue that we’ve seen scupper certification, or at least delay it, is a lack of traceability – an inability to trace parts on the shelf back

to the vehicles they came from. This is a key requirement of the standard, and certification is not possible without addressing this. Legal compliance is of course essential too and there have been instances where failure to issue Certificates of Destruction, or the lack of a Scrap Metal Dealer’s Licence, has prevented certification. Another significant issue is the grading of parts depending on their quality. Lack of any reliable grading, even a helpful description of the quality, has also led to some Major Nonconformances. In a few cases we have had to raise majors related to reselling parts from uncertified suppliers, poor storage practices (meaning that parts could not be properly identified or were prone to damage), lack of proper testing and generally poor record keeping.



CERTIFICATION



Less serious, but still significant, are Minor Nonconformances and by far the most common issue here has related to parts subject to recalls. Almost everyone has struggled with how to manage recalls on parts already in stock or recently sold, though hopefully some software solutions are becoming available that will help address this. To a lesser extent, reliably checking for recalls on incoming vehicle parts has also been a problem. Improving the traceability and grading of parts (and extending this to all parts sold, not just through eBay) has also featured. Another reason for Minor Nonconformances being raised, is the lack of a warranty offered in line with the requirements of the standard.

Tweaking warranty terms has also been noted as a common opportunity for improvement. Enhancing parts storage so as to minimise damage, clarifying sales information, fully aligning parts grading with the standard, issuing CoDs promptly and improving record keeping have also featured amongst our suggestions. But there have been many more as we've tried to offer as much guidance as possible and share the benefit of the experience we've gained visiting so many ATFs.

Here, Ryan Stevens – Lead VRAC Auditor at Interface – gives his thoughts on the good practice he has seen.

I must say I have been pleasantly surprised by the level of professionalism I am widely observing at my audits. I wouldn't say I've been to a single "scrap

yard", as they are all clearly above what you would expect from that stereotype. The majority of clients have in place a series of such robust and well-thought-out processes that they can't be considered as anything but highly professional vehicle recycling companies.

One thing I've been particularly impressed with is the technology, whether it be the use of Pinnacle, Breaker Pro or a custom in-house management system, the vast majority of the companies I've visited have systems in place which allow for a very detailed recording of vehicles coming to site and subsequent parts from that vehicle. This is of course highly beneficial to being certified to the VRA Standard, as it checks the box related to traceability, but I think most recyclers would agree it is hugely beneficial to the business in general as it integrates and automates a lot of the crucial processes and thus frees up a lot of time to dedicate elsewhere.





Customer care is also stand-out in a lot of the companies I've visited. The attention to detail when marketing parts - making sure that everything is imaged properly, part numbers are included, and all fitment details are provided – is backed up in a few places with an “at point of sale” phone call to ensure that the customer is going to get exactly what they want. I thought this was really clever and a nice touch. It ensures the company isn't going to be drowned in returns on a Monday morning, and projects a personality and trustworthiness that means the customer will likely end up coming back when they need another part.

The attention to detail in sales also extends in some

places to the overall presentation and evaluation of parts. I have observed in the process of assessing parts for grading, people meticulously turning parts this way and that to ensure they've picked up on every possible detail. Some places go so far as to clean parts multiple times: at arrival with a power wash, upon dismantling to get it looking great for images, and then again at dispatch to make sure it is in the best possible shape for the customer. Not everyone is quite so meticulous, but the ones that are gain benefits from the level of customer satisfaction in the quality of parts they send out.

While I don't want to be negative, there are a few commonly occurring issues that have cropped up. Recalls is a very common one, grading and warranty as well. I think though, that these nonconformances are born mostly out of the vehicle recycling marketplace moving forward in professionalism so rapidly that many recyclers haven't quite caught up yet. That being said, it is rare that I come across a client who isn't ready and willing to move in line with the standard as they can clearly see where the future of vehicle recycling is going.

So far, we have audited over 45 companies with 33 being successfully certified already, with more in the process of becoming certified, while 12 have non-conformances that will take a little time to address. ●

We hope it's clear from this article that being certified to the VRA Standard by Interface-NRM is not the impossible task you may have thought it would be. The standard is not in place to catch you out, and neither are we. We remain impartial in our auditing of your company, yes, but as helpfully impartial as we can be!

