



Mobile Plant Replacement Policy

Approval date: 20/04/2026	Approved by: Board
Applies to:	Linked Documents: Finance Regulations Procurement Policy.
Frequency of review: 3 years	Next review date: April 2027

1. Policy Objectives

1.1 The purpose of this policy is to ensure that the Board’s mobile plant, vehicles, and mechanical equipment are maintained in good working order and replaced in a timely, cost-effective, and environmentally responsible manner.

1.2 The policy aims to:

- Apply lifecycle costing principles and defined replacement guidelines to inform decision-making.
- Involve operators and the maintenance team in the preparation of replacement proposals.
- Optimise the maintenance programme to extend asset life where feasible.
- Avoid unnecessary or repeated evaluation of plant that remains fit for purpose.
- Maintain and review a rolling 5-year replacement plan for high-value mobile plant and equipment, aligned with operational and financial needs.

2. Policy Statement

2.1 All replacement requisitions must include sufficient justification to support asset renewal, including reference to lifecycle costing and operational need.

2.2 Each requisition should include the following information:

- Asset category and reference to standard replacement cycle.
- Reason for replacement, especially if outside the expected cycle.
- Hours of use, mileage, or age (as applicable).
- Annual maintenance costs since purchase.
- Estimated lifecycle cost to date.
- Any safety-related concerns.
- Known or anticipated major repairs.
- Current purchase price or supplier quotations.
- Confirmation that Board approval is required for all Group A (high value) purchases.

3. Replacement Periods

3.1 Replacement cycles serve as guidance and may be varied based on asset condition, market value, usage, or operational need. The overriding aim is to ensure best value and reliability for the Board.



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- 3.2 Replacement periods will be determined to maximise economic return while meeting operational requirements and aligning with available financial resources.
- 3.3 All mobile plant (excluding small items) should be reviewed at least 12 months before the recommended replacement date, or earlier if usage or condition warrants.
- 3.4 Plant and equipment with limited or occasional use will be assessed individually. If a one-off repair is likely to exceed 60% of the asset's current market value, replacement should be considered.
- 3.5 The Works Manager, in consultation with the Clerk, will review the projected replacement needs annually as part of the rolling 5-year programme and present recommendations to the Board.
- 3.6 Consideration will also be given to plant with high levels of unplanned maintenance or poor reliability, even where usage or age thresholds have not been reached.
- 3.7 Where appropriate, extended warranties, service contracts, or buy-back arrangements will be explored to optimise value and reduce lifecycle risk.

4. Asset Types and Replacement Cycles

- 4.1 The Board's approach to plant replacement is based on practical asset types rather than formalised groupings. Each item is assessed on its individual use, hours, age, condition, and whole-life cost.
- 4.2 Plant and vehicles are replaced to ensure operational suitability, reliability, cost-effectiveness, and value for money. Assets are not replaced solely on age or trade-in value. Where performance remains strong and maintenance costs are low, items may be retained beyond the indicative lifespan.
- 4.3 The Works Manager, in consultation with the Clerk, will review the condition and expected lifespan of each asset annually and update the rolling 5-year replacement plan accordingly.



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4.4 A detailed schedule of replacement criteria by asset type is provided below and informs the Board's capital planning process.

Asset type	Indicative replacement period	Notes
Tractors	4–6 years or 2,000+ hours	Used approximately 250 hours/year. Five-year depreciation aligns with this window. Replacement to be based on condition, usage, and value for money.
4x4 trucks	4–6 years or 100,000 miles	Replacement based on condition and reliability. Oldest vehicle is typically sold first. Branding consistency to be maintained where possible.
Roboflail	10 years	Specialist cutting equipment. Reviewed annually based on performance and wear.
Mobile pumps	10–15 years	Later models expected to remain serviceable longer. Assessed based on maintenance history and operational reliability.
Light trailers	8–10 years	Replacement driven by safety compliance and structural integrity.

5. Financial Alignment

5.1 Mobile plant replacement planning will be aligned with the Board's capital programme and annual budgeting process to ensure affordability and prudent financial management.

5.2 Depreciation periods for key asset types are set as follows:

- Tractors: 5 years.
- Roboflail: 10 years.
- Trucks: 5 years.
- Mobile pumps: 5 years.

These periods reflect anticipated operational lifespan and inform the Board's capital replacement reserves and forward planning.

5.3 The replacement programme will be reviewed annually alongside asset condition assessments to ensure funding is available at the point of need. The Board may retain assets beyond the depreciation period where condition and performance remain satisfactory and continued use represents better value for money.



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6. Sustainability Considerations

- 6.1 While the Board does not yet have a formal Carbon Reduction Strategy, it recognises the importance of environmentally responsible asset management.
- 6.2 When assessing replacement options, the following will be considered:
- Fuel efficiency and emissions ratings.
 - Availability of low-emission or electric alternatives.
 - Lifecycle environmental impact.
 - Opportunities to reduce overall fleet size through smarter use of resources.
- 6.3 While budget and operational suitability remain primary factors, the Board will explore cost-effective, sustainable alternatives where these meet functional needs.
- 6.4 As the market for electric and hybrid plant evolves, the Board will review its replacement criteria and update this policy accordingly to support long-term environmental goals.

Version Control

Version	Date Approved	Summary of Changes
1.0	20/04/2026	Initial policy approved