



Community Assets & Open Spaces Committee 14th Jan 2026

Agenda Item 8 - Replacement Isuzu with New Tipper Truck

1) Introduction:

The Grounds Team current Isuzu vehicle is out of lease and need of renewal, the current model we lease is a Isuzu D-Max Pick Up. As the parish council is taking on more fly tipping, tree work, needing to move large equipment from site to site the Manager has decided that a larger vehicle with a tipper would be more practical for use.

To consider the comparison between the outright purchase of a replacement Isuzu tipper truck (Attachment A) and obtaining the same vehicle through a lease agreement (Attachment B), including the optional servicing package (Attachment C). The objective is to support the committee in determining the most cost-effective and operationally suitable option.

2) Option 1: Outright Purchase

Cost: £34,972 + VAT (one-off payment)

Servicing: Not included

Key Points

- Full ownership of the vehicle from day one.
- No ongoing monthly finance commitments.
- Servicing, maintenance, and repairs would be the responsibility of the council and funded separately.
- Depreciation and long-term maintenance costs fall entirely on the council.
- High upfront capital expenditure, which may reduce reserves significantly.

3) Option 2: Lease Agreement

Base Lease Cost: £749.67 + VAT per month

Optional Servicing Package: £67.39 + VAT per month

Total (with servicing): £817.06 + VAT per month

Lease Duration: Fixed 4-year term

Key Points

- No upfront cost; payments spread evenly over 48 months.
- Servicing package ensures predictable and controlled maintenance expenditure.
- Reduced risk of unexpected repair costs and improved vehicle reliability.
- Lease term clearly defined at four years, after which the vehicle is returned or a further agreement is made (no ownership at end of term).

- Total cost over 4 years:
 - **Without servicing:** £35,984 + VAT
 - **With servicing:** £39,219 + VAT

4) Considerations

- Budget Impact: Purchase requires immediate capital; lease spreads costs over 4 years using revenue budgets.
- Predictability: Lease with servicing provides fixed, reliable monthly costs.
- Operational Reliability: Included servicing may reduce downtime and support consistent delivery of open spaces work.
- Asset Strategy: Purchase secures long-term ownership; lease avoids long-term maintenance liabilities.

5) Budgets

- Current annual leasing budget for the parish council is £12,000 under 4614/450.
- Current ongoing lease is £323.39+VAT per month (existing vehicle) this is allocated within 4614/450. Allowances were made for a new increased budget / lease within last year's budget setting (2025/2026) and this is currently unspent.
- The lease of the new vehicle would be allocated to the existing budget totalling £9,804.72 per year:
 - Existing Budget = £12,000
 - New Vehicle Lease = (£9,804.72)
 - Remaining Budget for other use or additional further vehicle = £2,195.28
 - This should be increased within 2026-2027
- The outright Purchase of vehicle would need to be funded via CIL funds in Earmarked Reserves or added to the precept and budget demands for 2026-2027.

6) Recommendations

- a) That the Committee agrees to enter into the 4-year lease agreement with the servicing package, rather than purchasing the vehicle outright.
- b) The Service package at Attachment C is included.
- c) Gap insurance for the new leased vehicle is added via our existing insurers with the cost to be agreed once registration for vehicle available.

This recommendation is based on the financial predictability of the lease, reduced maintenance risk, and the avoidance of a large upfront capital expenditure.

This recommendation also allows for CIL funds to be spent on other capital items and not to increase the budget by a further estimated £40,000.