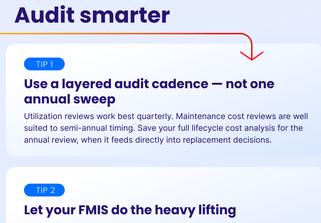
11 tips for smarter government fleet replacement

From reactive to proactive: the practices that save taxpayer dollars, protect public services, and make budget season easier for everyone.



Audit smarter

TIP 1

Use a layered audit cadence — not one annual sweep

Utilization reviews work best quarterly. Maintenance cost reviews are well suited to semi-annual timing. Save your full lifecycle cost analysis for the annual review, when it feeds directly into replacement decisions.

TIP 2

Let your FMIS do the heavy lifting

A fleet management information system centralizes asset registries, repair records, fuel data, and depreciation in one place. If you have one, build your audit reports from it — not around it.

TIP 3

Check oil to read engine health

Monitoring lubricating oil degradation and contamination is one of the most cost-effective ways to catch engine problems early — before a breakdown forces a costly emergency repair or unplanned replacement.

TIP 4

Right-size before you replace

Vehicles under 10,000–12,000 annual miles are likely underutilized. Eliminate them rather than replace them. Every vehicle you do not buy is insurance, depreciation, and registration you do not pay.



15–20%

average share of a government agency's operating budget spent on vehicle maintenance for fleets under 100 vehicles

Plan proactively

TIP 5

Score vehicles objectively before tiering them

Build a weighted scoring matrix using age, mileage (in context of duty cycle), maintenance-to-value ratio, condition, reliability, and compliance status. Weight compliance and reliability highest — they signal the most urgent risk.

TIP 6

Use TCO — never sticker price — as your benchmark

Two vehicles at identical acquisition costs can have dramatically different lifecycle costs. Fuel efficiency, maintenance requirements, parts availability, and residual value all belong in the equation before you make a procurement case.

TIP 7

Publish your multi-year replacement schedule

A shared, data-backed schedule tells drivers when their vehicle is due, gives finance time to plan, and gives fleet managers something to point to instead of fielding ad hoc pressure. It does not just organize the work — it diffuses the politics around it.

TIP 8

Engage stakeholders early — before budget season

Finance needs to build replacement costs into the budget. Procurement needs time to run bids. Department heads need to plan around vehicle gaps. Loop everyone in with the same document from the start and approvals move faster.

20–30%

for agencies with more than 100 vehicles



Operate efficiently

TIP 9

Standardize your fleet wherever you can

Fewer makes and models means fewer unique parts, simpler technician training, and better bulk purchasing terms. Standardization pays dividends every year you delay it.

TIP 10

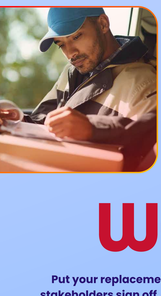
Use cooperative purchasing to cut procurement time

Partners like Sourcewell offer pre-negotiated, competitively bid contracts. You skip the independent bid process, reduce administrative burden, and often shorten delivery timelines significantly.

TIP 11

Keep maintaining vehicles until the day they are replaced

Deferring maintenance on vehicles queued for replacement is a common and costly mistake. A breakdown in a retiring vehicle can leave essential services without coverage and create unplanned costs.



3–5 years

the recommended rolling replacement planning horizon to smooth capital spending across budget cycles

Put your replacement strategy in writing, have stakeholders sign off, and seek formal adoption by your governing authority. A written policy outlasts any individual fleet manager and gives every successor a foundation to build on.