

# FleetNews



The most comprehensive insight and analysis of the UK's largest contract hire and leasing companies

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# WELCOME

Just as we were putting the finishing touches to the 2025 FN50 came news that URA Ventures, parent of GKL Leasing, had acquired Total Motion.

The move brings together two leasing companies that are placed No 38 and No 23 in this year's FN50 to create an organisation with a funded asset book of 12,493 vehicles – good enough for a place inside this year's top 20, in 18th.

Total Motion acting MD Claire Timms, one of just five women leaders in the FN50, will continue to manage the business, although Robert Sayers will be interim MD of the combined operation.

The purchase came too late to be reflected in the FN50 table and the subsequent commentary running throughout this report.

Talking of commentary, there's good news and bad news.

As already publicised by the BVRLA in its latest quarterly outlook, the leased asset book is in rude health. FN50 companies are now funding more cars and vans than ever before – almost 1.9 million in fact, up nearly 60,000 year-on-year – and revenues are at record levels.

Salary sacrifice is buoyant, second life leasing is picking up pace, there is stability in the group, with just two new members (one coming as a result of the creation of Lloyds Transport – bringing together Lex Autolease and Tusker figures), and progress towards national fleet decarbonisation continues to accelerate.

And the latter point is where we hit the bad news: leasing company profits have been decimated, primarily due to the two-year-and-going slump in electric residual values.

We noted last year how leasing profits had dropped from 2023's record high of £2bn to £1.39bn, with £645 million wiped off the bottom line.

Well, this year pre-tax profits sit at a measly £122 million. Worse still, one-in-five leasing companies reported a loss.

It is putting immense pressure on a sector that is vital for the transition to electric, which provides funding to enable critical organisations to carry out their essential services, and which is facing growing demand from fleet decision-makers for greater support in tackling rising costs.

Yet, we remain optimistic. This is a sector full of resourceful and innovative people.

Leasing companies are already taking matters into their own hands. Take, for example, the significant increase in the number of second-hand EVs being leased via business contract hire and salary sacrifice.

Leasing companies reported a 7,000% year-on-year rise in sal/sac leases for used cars and a 174% increase in business contract hire.

The volumes might be relatively small, but the message and the direction of traffic is clear.

The industry's ability to evolve and identify new areas of opportunity will ensure leasing companies ride out this bumpy period and result in businesses even better prepared for a successful future.



**Stephen Briers,**  
group editor,  
*Fleet News*

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**FN50 BY NUMBERS**

**1,888,959**  
FN50 total funded fleet size

**1,388,565**  
number of funded cars

**474,323**  
number of funded vans

**26,071**  
number of funded trucks

# Funded fleet hits record high after five successive years of growth

Combination of fleet figures puts new name at top of the list. *Stephen Briers* studies the numbers

**T**he FN50 funded fleet has increased in number for the fifth consecutive year to hit a new record of 1,888,959 vehicles. For the first time, the figure incorporates cars, vans and trucks, resulting in a like-for-like rise of 58,748 compared with 2024's total.

Both cars and vans are up on last year's totals (by 53,641 and 7,120 respectively) but trucks fell slightly, from 28,084 to 26,071.

The same number of leasing companies as last year – 13 – provided truck figures, with the list dominated by Zenith (13,888) and Novuna (5,956). Just two other leasecos (Holman and Close Brothers) hit four figures.

It marks the second consecutive year that both cars and vans increased in number. The FN50 are now funding 1,388,565 cars and 474,323 vans.

The big news is the reshuffle at the top. After just two years as the UK's largest leasing company – following the merger of ALD and LeasePlan – Ayvens has been toppled by Lloyds Transport, after the banking giant took the decision to combine its Lex Autolease and Tusker fleet figures.

Lloyds sits on 348,321, which represents genuine growth on the 332,394 Lex/Tusker combined figures from last year, although most of that is via the latter's salary sacrifice business.

In contrast, Lex Autolease has shrunk in size as the successes enjoyed by Tusker gave it the headroom to "reduce our activity" in the broker market, according to commercial director Paul Hyne.

"Some of that business has been de-fleeted which will protect margins," he adds.

Nevertheless, this represents the company's largest funded fleet since 2019, which marked the end of a record three-year run during which its fleet peaked at 387k, still the highest ever total by a solitary FN50 organisation.

Consequently, the biggest year-on-year growth in volume is among the top five leasing companies, which increased their combined funded fleet by almost 77,000 units to 1.2 million vehicles.

This accounts for 64% of the FN50 total, up two percentage points on last year, and returns the UK's biggest leasing companies to the record share seen in 2023.

Lloyds isn't the only company to merge numbers. Marshall Leasing, owned by Bank of Ireland, has bundled in figures from its Northridge Finance partner following a "corporate simplification process" in 2024. The additional vehicles sit on the same balance sheet under parent NIIB Group.

As a result, the company has boosted its asset size by 4,386 year-on-year, to 16,765, moving it two places up the table to 16th.

Greg McDowell, Marshall Leasing managing director, adds that part of the uplift was down to "continued organic growth".

As for the new No2, Ayvens, its fleet of 276,981 represents a 6% dip on last year and a 36,168-vehicle reduction on 2023.

Speaking to *Fleet News*, UK managing director

Tim Laver says there had been a "strategic re-set" which saw the company exit some of the lower margin and more transactional business, particularly on the broker side.

"There was some realignment of the business that we want to go for," he adds, while stressing that indirect broker remains a key channel for the company.

Just two companies enter the FN50 this year, the lowest for some time (for context, last year five entered).

Van funder Adept Vehicle Management returns after missing out last year, while KR Fleet Solutions – a family-owned broker moving into own-book funding – enters for the first time in 50th place.

One company that remains absent is Octopus Electric Vehicles, the salary sacrifice specialist.

Last year's FN50 noted a fleet size of at least 14,000 based on media reports earlier that year; then, in a *Fleet News* interview in March, Oliver Boots, Octopus Electric Vehicles commercial director, said that the company was funding 27,000 cars with 3,500 on the order books and a plan to double in size over the subsequent 12-18 months.

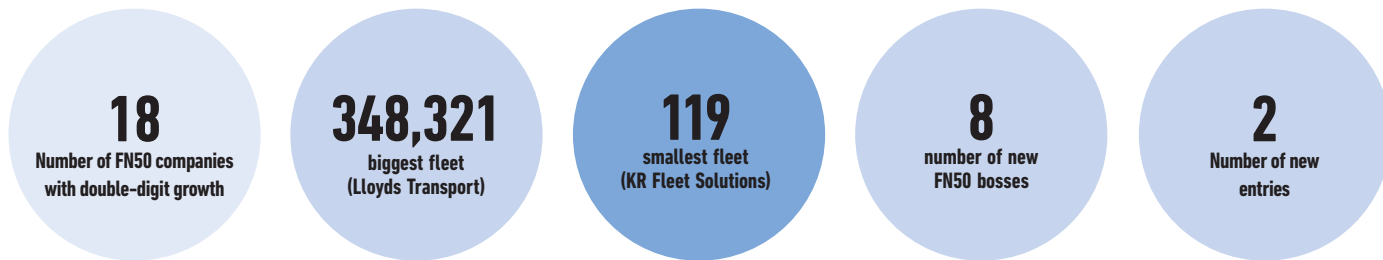
Using 30,000 as a benchmark would place Octopus in 13th position this year and elevate the FN50 funded fleet size above 1.9 million vehicles.

"There's a lot more we can do in B2B and direct B2C across new and used cars. And we're slightly ambivalent of the financial product that sits underneath it," Boots told *Fleet News*.

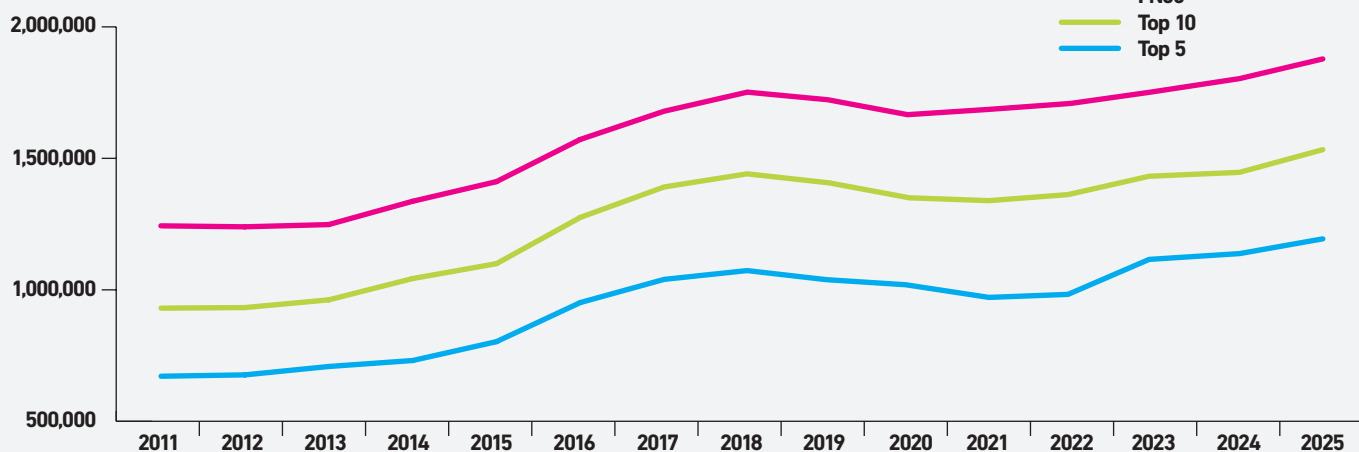
"What we want to do is make it simple and easy

## FN50 YEAR-BY-YEAR

Position	2022		2023		2024		2025		Change 2024/25	% Change 2024/25
	Combined size	% of FN50	Combined size	% of FN50	Combined size	% of FN50	Combined size	% of FN50		
1 to 5	967,105	57%	1,116,868	64%	1,124,283	62%	1,201,119	64%	76,836	6.8%
6 to 10	455,132	27%	320,574	18%	322,531	18%	339,818	18%	17,287	5.4%
11 to 20	184,721	11%	199,851	11%	232,884	13%	216,610	11%	-16,274	-7.0%
21 to 30	68,268	4%	70,999	4%	75,450	4%	84,648	4%	9,198	12.2%
31 to 40	28,092	2%	30,282	2%	35,402	2%	36,237	2%	835	2.4%
41 to 50	7,340	0%	7,952	0%	11,577	1%	10,527	1%	-1,050	-9.1%
<b>TOTAL</b>	<b>1,710,658</b>	<b>100%</b>	<b>1,746,526</b>	<b>100%</b>	<b>1,802,127</b>	<b>100%</b>	<b>1,888,959</b>	<b>100%</b>	<b>86,832</b>	<b>4.8%</b>



## MOVEMENT IN FLEET VOLUME 2011-2025



for people to make the switch out of an ICE car into an EV – that’s our mission.”

Should it achieve its stated growth target, Octopus would enter the FN50 next year in eighth. In less than six years, it would’ve gone from start-up to one of the UK’s 10 biggest lenders, a performance that is without precedence.

Across the entire FN50, an incredible 41 companies increased their funded fleet size while just seven saw numbers reduce.

Three of those in the minus column are in the top 10: the aforementioned Ayvens, plus Arnold Clark Finance and Santander Consumer Finance. It should be pointed out that 76% of the latter’s business is retail.

Santander is one of three companies more heavily involved in retail than fleet: Select Lease by Mobilize (almost 78% retail) and Drivalia Lease (81% retail) are the others (of those supplying figures).

One company which saw its fleet decline is anticipating a return to growth after making an acquisition since the data for this year’s FN50 was compiled.

Independent leaseco Jurni, currently sitting at No42 on 1,788 vehicles (a 12% drop on last year), has acquired broker and EV salary sacrifice provider Drive Electric.

Neil Fox, CEO of Jurni Leasing, says: “Together, we can help businesses and individuals with a joined-up approach to electrification – making the transition smoother, more cost-effective and future-proof.”

Eighteen FN50 companies achieved double-digit growth, twice as many as last year, indicating a strong performance in the fleet sector.

The most notable is BMW Financial Services, traditionally powered by retail finance via the

manufacturer’s franchised network. After several years in the low thousands, a 288% surge in business has seen its funded fleet rise to just more than 11,000 – all bar 70 are cars.

Mike Dennett remains CEO of both BMW FS and multi-brand sister company Alphabet.

Meanwhile, Northern Ireland-based Radius Vehicle Solutions has pushed hard into the car market, which is almost solely behind its 81% growth in fleet.

In contrast, the inclusion of trucks has boosted Close Brothers Vehicle Hire’s fleet, adding 3,000 assets to its 3,828 total.

Last year, we said we’d monitor the impact of several newly-appointed MDs, including Phil Wilbraham at Pendragon Vehicle Management and Chris Nightingale at TCH Leasing.

Wilbraham has overseen a near 13% rise in fleet size, fuelled primarily by cars, but with some growth also in vans. It’s a reversal on last year’s 10% reduction in fleet size, putting the company marginally above its 2023 total.

Following the launch of a new salary sacrifice scheme in the summer, Pendragon is likely to see more growth in its car funding.

“We are focused on simplifying salary sacrifice for all parties,” Wilbraham says.

TCH Leasing has, on paper, had a static 12 months under Nightingale with a 0.8% rise in fleet size compared with 2024. However, that apparent stagnation is belied by moves to change the funded mix, with vans up year-on-year from 1,888 units to 2,562 and cars correspondingly down.

Wilbraham and Nightingale were two of eight changes at the helm of FN50 leasing companies last year, which we noted as being unprecedented.

This year, it’s decidedly precedent, with another eight new FN50 leaders.

Richard Jones, previously managing director at Lex Autolease, is the new chief executive at Zenith, following the departure of long-time incumbent (and Hall of Famer) Tim Buchan, who stepped down to become chairman of workforce software solutions provider Cognexo.

Nick Hardy becomes managing director of Ogilvie with Gordon Stephen taking the role of chairman, while Chris Woolwough assumes the same position at Radius Vehicle Solutions (NI), replacing Ben Thompson who became group operations director at parent company Radius Payment Solutions.

Tim Duckers’s temporary stewardship at Sogo Mobility following previous MD Karl Howkins’s departure in 2024, has ended with the appointment of former Octopus Electric Vehicles director of commercial operations Chris Joyce. Duckers remains group MD at car dealer parent Cambria.

Shane Coomber is promoted from marketing director to MD at Leasys, another woman taking charge of an FN50 company. However, with the departure of Alice Altermaire from Select Lease by Mobilize (succeeded by Brian Williams), the number of women remains unchanged at five.

Peter Hinniford is the new fleet sales manager at Fleet4You, with former fleet director Stephen Lowry joining Simply Asset Finance as area sales manager.

■ Thanks to all the FN50 companies who supplied figures this year, enabling us to produce this report into the latest trends. The data was collated by Fleet News and analysed by the Fleet News editorial team.

# FN50 firms lose millions of pounds despite achieving record revenues

Prices of used EVs, cost of borrowing and inflation blamed. *Gareth Roberts* reports

**J**ust two years ago, the FN50 was reporting record-breaking profits – smashing the £2 billion mark for the first time.

Last year, a collapse in used battery electric vehicle (BEV) values negatively impacted

performance, with pre-tax profits down by almost a third (31.6%) year-on-year, reaching £1.39bn.

With residual value (RV) price pressure continuing during the previous accounting period, and leasing companies facing high inflation and increases to the cost of borrowing, figures for FN50 2025 make

bleak reading. One-in-five leasing companies registered a loss for the year, with the FN50, collectively, reporting pre-tax profits of just £122 million\* – a dramatic 91.2% year-on-year decline.

This was despite the FN50 achieving record-breaking revenues, beating last year's high of



£13.6bn to reach an incredible £13.9bn\* – a year-on-year increase of 2%.

Record revenues not being matched by increasing profits have therefore negatively impacted the FN50's average profit margin – a ratio derived from a company's profit divided by its revenue. FN50 2025 figures suggest it has fallen from 10% in 2024 to just 0.9% this year. It stood at 17% in 2023.

Lex Autolease and Tusker – part of the FN50's largest leasing operation, Lloyds Transport – both reported losses before tax for year-ending December 2024.

Lex Autolease reported a £10.6m loss before tax in its annual accounts, just three years after pre-tax profits hit more than half a billion pounds.

The vehicle leasing giant blamed the decrease in reported profit on a combination of factors.

They included an increase on underlying depreci-

ation charges on the funded fleet, lower profits on the disposal of vehicles, particularly BEVs, and an increase in borrowing costs from interest rate rises.

Tusker, meanwhile, also blamed a larger than expected loss on the disposal of vehicles and an increase in the cost of borrowing for reporting a £34.2m loss. It followed a loss of £710,000 the previous year.

Revenues for the growing salary sacrifice provider increased significantly, however, up to £559.6m from £337.6m on the back of a funded fleet that has risen from 22,000 to more than 70,000 cars in just two years.

### LEASING FIRMS FACING A LOSS ON EVERY ELECTRIC CAR

The British Vehicle Rental and Leasing Association (BVRLA) says the weakness of BEV RVs consumes the majority of boardroom bandwidth, with leasing firms facing a loss on every electric car that ends its lease this year.

Its latest leasing outlook reported how used BEV values had fallen by two-thirds (67%) since September 2022, and if the market appears occasionally to stabilise, prices soon slip again as supply increases month-on-month.

The rapid transition to BEVs in the fleet market has taken the average list price of company cars well above £40,000. However, used car buyers do not have the tax incentives, which made these cars affordable to company car and salary sacrifice drivers, or the budget.

It has resulted in used BEVs fetching the same (and frequently less) than their internal combustion engine (ICE) equivalents at trade, despite having cost up to 50% more when new three years ago. This has led to five-figure depreciation losses on some higher priced BEVs.

The outlook remains uncertain, particularly without some sort of incentives for the used BEV market and with volumes continuing to rise.

Earlier this year, *Fleet News* said fleet managers were reporting discounts of 45%-55% on new electric cars and vans as manufacturers attempt to grab market share (fleetnews.co.uk, July 24, 2025).

June's *Fleet News* at 10 webinar heard that 'buy one get one free' promotions are not unusual, particularly with larger fleet orders.

Much of the pricing reduction is being driven by the Zero Emission Vehicle (ZEV) Mandate, with new market entrants, particularly Chinese brands, offering aggressive pricing to gain fleet traction.

Both actions trigger a domino effect that undermines nearly new BEV prices and cascades down through the market, says the BVRLA.

In some instances, leasing companies say they can now buy a new BEV for less than the price they are trying to sell the same car at three years old.

As a result, the monthly rentals of some two-year leases are now cheaper than four-year contracts for the same car, due to concerns over longer-term used values.

### SECOND-HAND EV LEASING GROWTH

Second-life leasing solutions offer a way to postpone depreciation pain, with Zenith becoming the

“ADJUSTING THE TAXABLE AMOUNT BASED ON THE VEHICLE'S CURRENT VALUE – NOT STILL TIED TO ITS INITIAL RRP – WOULD IMMEDIATELY MAKE USED EVs MORE AFFORDABLE TO MORE HOUSEHOLDS”

TOBY POSTON, BVRLA

latest leasing company to launch a used EV salary sacrifice scheme last month (October).

In July, it reported how profitability had been hit by continued lower RV profits on the disposal of vehicles. While underlying adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) excluding RV profits was up 14.2% year-on-year, adjusted EBITDA was £42.2m, down 34% year-on-year when the values of the vehicle disposals were taken into account.

Zenith has previously reported that one-in-three BEV contracts have been extended as part of Project Volt, the group's lease extension programme to address the decline in used plug-in prices, creating £10.8m of value since its inception in 2024.

“For the used EV market, the potential solutions are varied,” explains Toby Poston, chief executive of the BVRLA. “Examples include a Government-backed consumer campaign, and a consistent approach to battery health certificates. Both would help to educate consumers and equip them to make informed decisions.”

However, he says a more tangible, financial incentive would be to reconsider how benefit-in-kind (BIK) tax is applied to used EVs.

“Adjusting the taxable amount based on the vehicle's current value – not still tied to its initial RRP – would immediately make used EVs more affordable to more households,” he says.

“The risks of leaving the used market to fend for itself are stark. Low demand creates a bottleneck of supply when new registrations will only increase, intensifying the risk being taken on by those leading the way.

“Ultimately the cost to source a new EV will have to rise to cover that risk, putting the brakes on adoption at the front end too.”

There has been a significant increase in the number of second-hand EVs being leased via business contract hire and salary sacrifice.

Leasing companies reported a 7,000% year-on-year rise in salary sacrifice leases for used vehicles (to 3,990 cars) in the three months to June 2025.

There was also a 174% increase in business contract hire (to 33,131 cars) for used EVs.

*\*The combined pre-tax profit and total turnover figures are estimates based on the reported figures for 84% of the risk fleet.*

# Rising cost and 'inept governments' cited as major challenges facing fleet professionals

Electrification remains high on the agenda, but fleets are wrestling with the need to control expenditure in the face of escalating cost pressures, say leasing bosses. *Stephen Briers* reports

**C**ost management is emerging as the principal challenge facing fleets over the next 12 months, according to the UK's biggest leasing companies.

While electrification and regulation remain high on the agenda – similar to the past two FN50 reports – and are clearly not to be ignored, for the first time in a number of years, leasing company bosses are converging on a solitary major issue. They say their fleet customers are consumed by the need to make savings and reduce the cost of the fleet operation to the business.

Fleet professionals are facing rising leasing rates, sparked by falling residual values (RVs) – particularly for electric vehicles (EVs) – and interest rates that remain much higher than three years' previous. In addition, there are the challenges of escalating parts prices, insurance premiums and downtime management concerns. As a result, fleet managers are tasking their leasing partners with finding solutions to ease their budgetary pressures.

Paul Hyne, commercial director at Lloyds

Transport, which incorporates the assets of Lex Autolease and Tusker, explains: "Lease rentals have surged compared with the previous replacement cycle, more drivers are returning to company cars and supply chain issues are increasing vehicle downtime expenses.

"Adding to the complexity is the volatility of the used EV market, which creates uncertainty around RVs and impacts forecasting and decision-making for future fleet strategies."

The UK's second largest leasing company, Ayvens, agrees but adds that fleets are also juggling electrification as part of a twin-track priority.

"Over the next 12 months, fleet operators will continue to face one overarching challenge: managing rising costs while progressing the transition to cleaner, more compliant vehicles," says Ayvens' UK managing director Tim Laver.

"On one side, acquisition prices, fuel/energy volatility and insurance premiums are stretching budgets. On the other, regulatory pressures around emissions zones, sustainability targets and

corporate Environmental, Social and Governance (ESG) commitments are accelerating the shift to electrification."

Fleets, therefore, are caught between the need to control operating costs and the requirement to invest in cleaner, more sustainable vehicles with the associated issues around charging infrastructure and integrating new technologies.

However, spotlight on the latter is intensifying on the cost implications of running EVs, with companies becoming less willing to simply surrender to an ESG need to change.

"Strategic fleets are approaching this challenge by reviewing total cost of ownership (TCO) across all funding options and phasing electrification in line with operational readiness," Laver says.

"The next 12 months will be about finding the balance – ensuring financial resilience while laying



the groundwork for long-term sustainability and compliance.”

Arval UK managing director Lakshmi Moorthy references the leasing giant’s most recent Arval Mobility Observatory Barometer research, which revealed that inflationary increases in business expenses is fleet’s number one issue, cited by 48% of respondents.

“Our observation in customer reviews is that there is a closer scrutiny of costs, and businesses are looking for both rigour and imagination from supply partners in delivering ways that they can continue to run fleets in the most cost-effective manner possible,” says Moorthy.

This is being exacerbated by the accelerated rate of adoption of EVs, which is causing cost and transition concerns.

“BEVs still have higher prices than internal combustion engine (ICE) vehicles – even if this is fast decreasing – and sticky interest rates are adding upward pressure on rentals for fleets,” she adds.

“From an operational perspective, the ability of

the (dealer) network to adapt quickly enough to the BEV adoption, in terms of availability of parts and labour, is also causing some issues in terms of the ability to repair and maintain fleets and keep them on the road.”

Almost three-quarters of FN50 companies cited cost as either the single biggest issue or one of two or three primary fleet concerns. And often, those other considerations also had cost implications, such as downtime management and managing reductions in RVs.

The introduction of the Electric Car Grant could also have unintended consequences on cost and

subsequent demand, according to Alphabet chief sales officer Ian Turner.

“While the grant is designed to help more fleets transition into an electric vehicle, it could see some manufacturers reduce or remove the discount entirely on their vehicles to help recoup some of their losses. Product pricing could fluctuate in ways we might not be able to predict,” he explains.

“The uncertainty will inevitably mean that more fleets and company car drivers are resistant or hesitant to change.”

Alphabet reports a clear reduction in the number of companies moving their drivers into EVs compared with 12 months ago. Also there is mounting unease about plug-in hybrid vehicles (PHEVs), which face a double-whammy recalculation of CO<sub>2</sub> aligned to a significant hike in benefit-in-kind (BIK) rates from 2028.

Both fleets and drivers are growing increasingly reluctant to make decisions which “impact their bottom line”, Turner adds.

“In some cases, drivers may revert to choosing an ICE vehicle in the knowledge that they know what they’re paying, which is one step forward, two steps back.”

Nevertheless, larger corporates face little choice but to continue their decarbonisation journey in the face of pressure from customers, shareholders and regulators who “expect visible progress on reducing carbon emissions”, according to Jon Lawes, managing director at Fleet News Award-winning Novuna Vehicle Solutions.

He adds: “The greatest challenge for fleet operators will be navigating cost pressures while accelerating towards decarbonisation.

“Fleets are operating in an environment where running costs and TCO are rising sharply with insurance premiums, maintenance costs and financing trending upwards. Fleet managers must manage this cost-versus-carbon dilemma while maintaining vehicle uptime and operational efficiency.”

Novuna, and others, also point to volatility in the used market, which is adding an additional layer of complexity. Here, too, the Electric Car Grant is having unintended consequences by amplifying pressure on demand for used BEVs by making new models even more attractive.

“Falling residual values make it harder to build a business case for electrification, while cheaper new EV registrations risk further destabilising the market,” says Lawes.

Fleet operators face a difficult choice: press ahead with early adoption to meet ESG and reputational goals, or delay investment until the financial risk reduces.”

Holman’s solution to rising costs is simple to explain, but potentially more difficult to implement.

“Fleets are looking to cut costs and the only way to achieve this is change the way you have been working or downsize the fleet,” says Rory Mackinnon, its commercial director.

The operational working practice theme is ↻



Picked up by Leasys, particularly when transitioning to electric vans.

New managing director Shane Coomber (appointed in February this year) comments: "As demand for eLCVs rises, fleets will need support in adapting their operational models. Ensuring efficiency while accounting for range limitations and charging infrastructure will be critical to a successful transition."

Coomber, one of just five women leading FN50 companies, also anticipates manufacturers placing increasing restrictions on ICE vehicle availability as supply improves and their need to hit Zero Emission Vehicle (ZEV) Mandate targets heightens.

"However, the higher upfront costs of new BEVs and fluctuating used BEV pricing may place pressure on overall vehicle acquisition budgets," she adds. "In this context, low-risk or no-risk funding solutions are expected to continue to be attractive to fleet operators."

SG Fleet, named leasing company of the year up to 20,000 vehicles in this year's Fleet News Awards, believes there are several structural challenges to address, particularly for fleets that outright purchase their vehicles.

"Understanding optimal replacement cycles for EVs and managing end-of-life returns will become increasingly important," says Chris Salmon, SG Fleet commercial director.

"As suppliers themselves come under pressure from RV losses and higher costs, fleet managers will need to ensure these aren't unfairly passed

back through hidden increases elsewhere."

He urges fleets to "future proof" their strategies to "avoid expensive rework later while unlocking new efficiencies in data and driver management".

On top of all these pressures, fleets now have access to more data than ever from telematics, driver behaviour, maintenance, emissions and connected vehicles. It emphasises how the role of the fleet professional is growing ever more complex.

"Too much data can become a burden rather than a benefit if it isn't consolidated and translated into meaningful insight," says Lawes.

"Ultimately, the challenge for operators is not simply about acquiring vehicles, it's about building a strategy that balances sustainability, cost efficiency and operational resilience powered by the right data, tools and partnerships."

Fleets are facing a "multifaceted financial

squeeze" caused by a "perfect storm" of escalating operational costs, a persistent driver shortage and the capital-intensive demands of the green transition. That's the view of Duncan Green commercial operations director at Drivalia Lease UK.

"This economic strain is severely compounded by a chronic labour deficit, which forces companies to increase wages and benefits to attract and retain qualified drivers, further inflating expenditures and impacting operational efficiency" he says.

"Fleet managers are caught in a difficult balancing act: they must control immediate, soaring expenses while also funding the essential, costly shift towards a more sustainable and technologically advanced future, making strategic financial management and operational optimisation the absolute key to survival and success."

VMW (Fleet Management) was one of the first leasing companies to highlight the mounting tension over costs a year ago in the 2024 survey. No surprise, then, that it returns to the same theme this year.

"Those challenges have not been overcome, and they are still current with fleet operators," says Scott Tedman, VMW business development director.

"The cost of vehicles and the level of manufacturer support are far from what they used to be. Transitioning to electric vehicles remains a significant challenge due to the high costs associated with infrastructure planning and implementation."

He adds: "On the vehicle repair front, delays in manufacturer dealer repairs, especially for warranty issues, are a constant struggle. The performance of breakdown operators is generally problematic, except in cases where manufacturers manage their own in-house service."

Finally, Adept Vehicle Management perhaps encapsulates the otherwise unspoken view of many when commenting that one of the biggest issues facing fleets is simply "inept governments".

"UNDERSTANDING OPTIMAL REPLACEMENT CYCLES FOR EVs AND MANAGING END-OF-LIFE RETURNS WILL BECOME INCREASINGLY IMPORTANT"

CHRIS SALMON,  
SG FLEET

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# FN50 has opportunity to lead on diversity

Only five FN50 companies have a female MD or CEO, but there is huge potential to change that, reports *Sarah Tooze*

**T**he automotive sector workforce has long been male-dominated and, statistically speaking, things aren't improving as the percentage of women has dropped from about 20% to only 17.5%, according to the latest figures from the Institute of the Motor Industry (IMI).

Deloitte's industry study 2025: 'Driving diversity and inclusion for women in the automotive industry' found that diversity and inclusion (D&I) progress has "stagnated", with 81% of UK respondents believing women are under-represented in leadership in the automotive sector.

Currently, only 10% of FN50 companies are led by women: Lakshmi Moorthy at Arval, Patricia Wolfe at Athlon, Shane Coomber at Leasys, Claire Timms at Total Motion and Samantha Roff at Venson.

*Fleet News* doesn't have data on other under-represented groups within the FN50 but it's fair to assume there is even more work to do.

However, conversations with FN50 companies reveal that there is a great deal of best practice taking place, not just in developing and supporting women in the industry, but for overall diversity, equality and inclusion (DE&I) or equity, diversity and inclusion (ED&I).

## BUSINESS IMPERATIVE

Coomber says that DE&I "isn't a box-ticking exercise, it's a business imperative".

"Diverse teams drive better innovation, stronger customer relationships, and more sustainable growth," she says.

For Moorthy, diverse teams lead to better decision-making.

"In these fast-changing times, it is critical that companies can make the right decisions and avoid 'group think'," she says.

"The real reason to have diverse talent, that mirrors the society we live in and serve, is that it is the best way of ensuring we make the right decisions."

Roff agrees that the pace of change is one of the drivers for ED&I.

"As the fleet industry transforms, its workforce must also adapt. Being able to respond to the effects of industry changes on fleet operators requires a dynamic, flexible and inclusive workforce."

So, how best to go about improving diversity in the sector?

Roff is against the idea of quotas.

"It shouldn't be about quotas but, instead, having the right person in the job with the skills and capability to carry out the role and a support system in place to encourage mentoring and knowledge transfer," she says.

Others see a need to have 'targets' rather than 'hard quotas'.

"I believe that rather than hard quotas (which can drive the wrong behaviours and distract from a focus on true talent) we should have targets that we aspire to, and, more importantly, that we have policies and programmes to support these targets," says Moorthy.

Arval UK recently joined the Automotive 30% Club, which aims to have at least 30% of key leadership positions within member organisations filled by women by 2030. The club stresses that this is a metric to measure progress and not a quota.

A number of other FN50 companies, including Zenith and Santander Consumer Finance, are also members.

The UK's biggest leasing company, Lloyds Transport, is not a member of the Automotive 30% Club, but the Group is committed to "bold ambitions by 2030", according to Jennifer Harris, head of experience and insight for transport at Lloyds.

This includes reaching and maintaining a gender balance of 45%-55% in executive roles, 3.5%-4% for black heritage roles, and 19%-22% for black, Asian and ethnically diverse representation in executive roles.

Currently, women represent half of Lloyds Transport's 1,000-strong workforce and representation of ethnically diverse colleagues has risen from 6% to 9% in the past year.

"This progress is the result of sustained efforts to grow our own talent and embed inclusive hiring practices," says Harris.

## RETHINKING RECRUITMENT

To get more women and other under-represented groups into senior positions within the FN50 companies need to "embed DE&I into their leadership pipelines", according to Coomber.

"That means rethinking recruitment, succession planning, and internal development programmes," she says. "Sponsorship – not just mentorship – is key. Senior leaders must champion diverse talent and



work intentionally to ensure that everyone – regardless of background – is given equal access to high-impact, high-visibility opportunities. We also need to challenge unconscious bias in performance reviews and promotion decisions.”

Moorthy agrees: “At the recruitment stage, we need to insist on having a balanced list of candidates to select from, as well as training managers on how to overcome unconscious bias when looking for their new hire.”

Leasys’s inclusive hiring practices include diverse interview panels and anonymised CV screening.

**POSITIVE ROLE MODELS HAVE A PART TO PLAY**

“We need to showcase and celebrate positive role models, to encourage others to aspire to those positions,” says Moorthy.

At Athlon UK 33% of leadership roles are held by women and 43% at board level.

Wolfe says: “I hold an induction meeting with every new employee and I never appreciated the impact that having a strong female presence in the board and senior leadership team at Athlon had on people. For many this was a deciding factor in making Athlon their next career move. Seeing other women in senior positions really does help attract and retain top talent.”

But, Wolfe adds: “DE&I is not just about who is at the top – it’s also about who’s coming through. Our apprenticeship programme is helping build the next generation of exceptional women.”

**OVERCOMING CHALLENGES**

Wolfe believes it’s important for women to take job opportunities that help them grow and develop.

“I took the decision to take every opportunity that I was presented with, even if I was completely out of my comfort zone – I made myself comfortable with being uncomfortable. This has enabled me to have a breadth of skills and experience that



have helped me in my present role,” she says.

Coomber’s challenge early on in her career was overcoming her own lack of confidence and self-belief but she had supportive managers and leaders who mentored her and encouraged her to see her potential.

Leasys UK now has a reverse mentoring programme, which pairs senior leaders with junior colleagues from under-represented backgrounds.

“It’s been transformative in shifting perspectives and driving cultural change,” says Coomber.

Early in her career, Moorthy says she encountered “instances of low-level sexism” from certain individuals but the “overarching company culture played a pivotal role in safeguarding my professional development”.

Her biggest challenge was “juggling personal and professional demands as a working mother, which we know is a real daily challenge for all modern dual career families and where we know women often carry a disproportionate burden”.

Flexible working, as well as maternity, paternity and menopause policies, can help retain and support women.

Arval has introduced a return-to-work programme to support new mothers with an external coach.

Moorthy believes it’s also important to have affinity groups so all under-represented groups have a place to “exchange thoughts and gain inspiration from people who face the same challenges”.

FN50 organisations which are making inroads in DE&I are also monitoring and reporting on representation, and ensuring employees are involved in shaping programmes.

The British Vehicle Rental and Leasing Association (BVRLA), meanwhile, has partnered with the Association of Fleet Professionals (AFP) to make the Women’s Voices in Fleet course available to members and is increasing the leadership roles women play in its own committees.

Currently, three of the BVRLA’s seven committees are chaired by women and it will continue to focus on this as a key metric, according to Moorthy, who is the chair of the association.

The BVRLA is also working to give members who are leading the way with diversity initiatives a platform via the association’s thought leadership commentary and industry events to inspire other companies to take advances in this space.

With regard to the FN50, Coomber adds: “The FN50 has the scale and visibility to set the tone for the wider industry.

“Let’s make sure we’re not just talking about change, but actively leading it.”

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# Growth in salary sacrifice signals a continued shift in fleet funding models

Interest in second- and third-life leases on electric vehicles is increasing as providers seek ways of addressing uncertainty over EV residual values. *Tom Seymour* reports

**T**he UK car leasing sector continues to show subtle, but significant, shifts in funding methods, with data indicating a rebalancing between traditional contract hire and emerging alternatives such as salary sacrifice.

Many leasing companies and fleets have adjusted their business models to capitalise on this shift, with some even replacing traditional company car schemes with salary sacrifice as demand for electric vehicles (EVs) accelerates.

This year's FN50 data confirms that salary sacrifice has grown once again, increasing its market share from 8.6% to 11.9% year-on-year.

Contract hire remains the dominant funding type for the fleet industry, but its market share has slipped slightly from 86% to 83.3%.

After several years of consistent dominance, the continued erosion for traditional contract hire reflects how fleets are diversifying their funding models rather than signalling any significant retreat from traditional leasing.

More than half (54%) of this year's FN50 businesses still put 90% or more of their risk fleet through contract hire, underlining its continued importance as the cornerstone of UK fleet funding.

Finance lease, which places residual value (RV)

and depreciation risk with the fleet rather than the leasing company, has also declined year-on-year from 3.4% to 2.7%. This reduction may suggest a continued preference among fleets for leasing arrangements that transfer RV exposure to providers, especially amid ongoing uncertainty around EV values.

Employee car ownership schemes (ECOs) remain static, accounting for just 0.7% of the market, a position unchanged from last year. ECO's limited presence is likely to contract further once HMRC's draft legislation to make vehicles supplied through these schemes liable for company car tax comes into effect in October next year.

While ECO remains a niche product, it still serves a purpose in some sectors, particularly among car manufacturers and dealer groups who offer schemes to their employees at preferential rates. However, the forthcoming legislative changes are expected to make such arrangements less attractive.

## SALARY SACRIFICE'S RISE REFLECTS MARKET CONFIDENCE

Salary sacrifice has continued to prove one of the fleet market's biggest growth stories, fuelled largely by demand for EVs and an expanding range of new and used scheme options.

The funding model allows employees to give up part of their salary in return for a new car, often at a lower total cost thanks to tax efficiencies.

A significant proportion of these vehicles are EVs, with salary sacrifice schemes often providing the first opportunity for employees to access electric motoring.

Leasing companies are also expanding the offering by introducing used EVs into salary sacrifice programmes, opening up lower-cost entry points for drivers while reducing exposure to potentially volatile residual values.

Leasing providers are increasingly exploring second- and third-life leases for EVs under salary sacrifice, suggesting that growth in this segment could continue beyond what's reflected in the FN50 data.

Lex Autolease, which now includes Tusker following its £300 million acquisition in 2023, has one of the highest proportions of salary sacrifice business within the FN50 top 10. Tusker continues to operate under its own brand while managing both its own sal/sac book and Lex Autolease's 4,000 salary sacrifice customers.

Tusker's recent report, 'Driving Loyalty Through Electric Cars', found that 43% of employers rate sal/sac schemes as either 'high' or 'very important', highlighting growing employer recognition of their value in recruitment and retention.

SG Fleet also stands out once again in the FN50 for its high level of salary sacrifice business, representing 39% of its UK risk fleet.

Chris Salmon, SG Fleet's commercial director, says there is strong and sustained demand for salary sacrifice, particularly used car options, as customers explore more affordable EV choices.

He says: "By offering used EVs for second- and third-life leases, leasecons are reducing their exposure to a volatile outright sell market. The level of interest among drivers is huge; we have seen a significant shift in people wanting used EVs on sal/sac rather than new ones."

However, some industry commentators suggest salary sacrifice's continued growth may be slowed as its tax benefits become increasingly eroded.

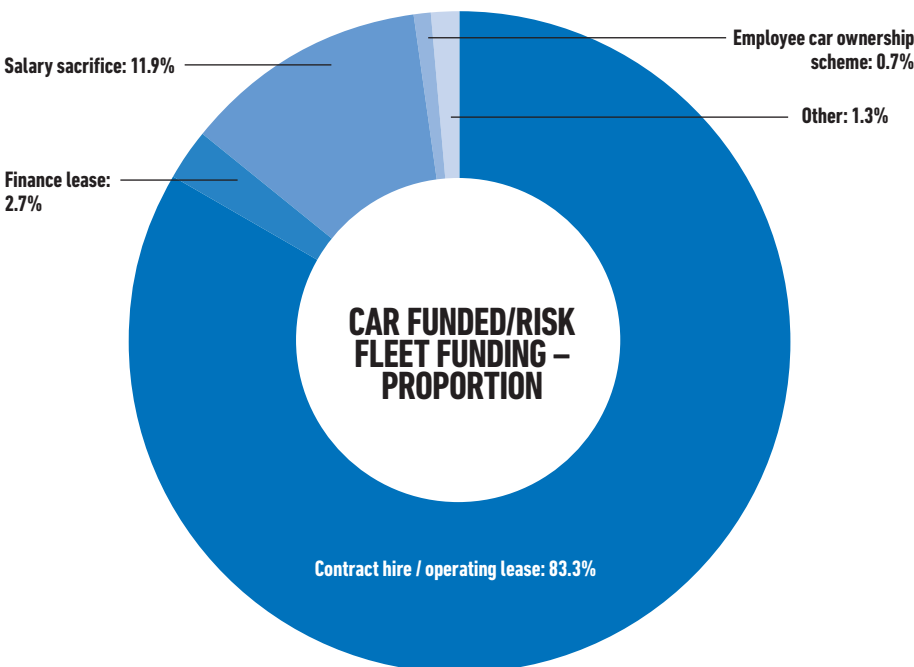
## MAINTENANCE AND SOLE SUPPLY

The volume of cars being leased with maintenance included in the package has remained pretty steady over the past four years.

It has stayed at just less than two-thirds between 2022 and this year, with a 63% share this year, the same level as last.

It shows there have been no significant shocks or changes in approach with fleet customers.

The majority of fleets are still looking for predictable fixed monthly payments and protection against





unexpected repair bills to spread the cost over the lease term.

The number of fleets looking for sole supply agreements with their leasing provider has also remained static year-on-year, at a third (33%) of the market.

There had been a bit of a jump in sole supply agreements back in 2023 when it peaked at 44%, but this has dropped back in the past couple of years as more fleets have looked to spread the risk across multiple leasing providers.

Zenith and Novuna Vehicle Solutions are both standout performers within the top 10 of the FN50 with 91% and 79% of their fleet customers respectively going through just them for their leasing needs and a total service package.

#### **FLEET MANAGEMENT AND ACCIDENT MANAGEMENT**

Fleets are increasingly turning to their leasing partners for fleet management services.

Fleet is a complex area and businesses don't necessarily have dedicated resources, covering a broad range of fast-moving challenges, including energy management, EV planning, human resources,

**"THE LEVEL OF INTEREST  
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ON SAL/SAC RATHER THAN  
NEW ONES"**

**CHRIS SALMON,  
SG FLEET**

procurement, technology and many more.

There was a huge leap in those choosing fleet management between 2023 and 2024 and growth has continued, with 19% growth year-on-year to

728,373. More than half of FN50 cars are leased with fleet management services included.

Lex, Ayvens and Zenith are all big players within the fleet management services industry, accounting for significant volume within the top 10.

However, it's interesting to note that even though Arnold Clark Finance is just outside the top 10 of the FN50 in terms of sheer volume, it's within the top three when it comes to the volume of car fleets it is providing fleet management services to.

The growth in accident management services has been more modest, although still up 2.5% year-on-year, with just less than 30% of UK fleets including accident management in their contract.

Lex and Zenith represent the largest chunk of the market for leasing companies providing accident management services for hundreds of thousands of cars.

There's a big drop off for accident management after that with a gap of nearly 64,000 cars in terms of volumes for third and fourth place, before even bigger falls from there.

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# Fleets taking on more risk with vans while operating lease loses ground

Changes in financial reporting rules reduce benefits of operating lease. *Tom Seymour* reports

**C**ommercial vehicle fleets are constantly shifting their appetite for risk when it comes to their funding options.

This year's FN50 data shows operating lease, which is still by far the most popular choice with 77.3% share, lose a little ground year-on-year compared with a near 80% slice a year ago.

Finance lease has risen from 17.7% of the market to 20.3% this year, while "other" funding options have shown a small increase from 2.2% to 2.4%.

The benefits of contract hire (operating lease), include low initial financial outlay, fixed costs, protection from depreciation risk and there is also the ability to reclaim some of the VAT associated with the lease.

However, finance lease can offer some additional flexibility operationally for van fleets as they don't run on a fixed mileage, compared with operating lease. With operating lease, the fleet has to agree to a certain number of miles per year.

Holman is a specialist with finance lease within the FN50 and Rory McKinnon, the company's commercial director, says the biggest trends driving finance lease growth is related to International Financial Reporting Standard (IFRS) changes that reduce the benefit of operating lease from an accounting perspective.

Previously, operating leases could be off balance sheet, which helped businesses with their debt-to-equity position.

However, the IFRS rules require publicly-listed companies' operating leases and finance leases to



be listed on the balance sheet, meaning that particular accounting benefit has been negated.

All UK businesses will now also follow these same accounting rules from January 2026, as it is being adopted for the UK's Generally Accepted Accounting Principles (GAAP), which is what all

businesses that are not publicly listed use for reporting their accounts.

The growth of finance lease this year is also perhaps a reflection on the struggles with uptake in the electric van market. Fleets are more likely to lease electric vans through operating lease so the leasing company takes the residual value (RV) risk.

However, the latest Society of Motor Manufacturers and Traders (SMMT) data shows that while electric light commercial vehicles (eLCVs) now have a 8.4% share of the UK new van market, this is still far below the mandate ambition of 16% for 2025.

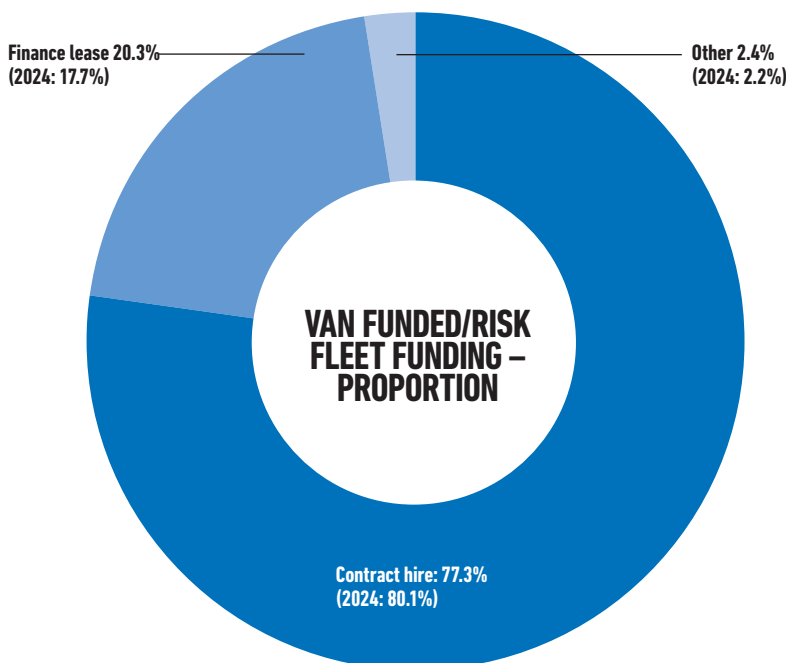
Meanwhile, diesel still accounts for more than 90% of the market year-to-date as of October 2025 when looking at vans above and below 3.5 tonnes.

The latest Leasing Outlook report from the British Vehicle Rental and Leasing Association (BVRLA) notes that larger fleets have wrestled with the pressure from manufacturers to include a percentage of electric vans within their orders that matches Zero Emission Vehicle (ZEV) Mandate thresholds.

Fleets are still struggling with range, payload, cost and charging challenges when it comes to electric vans.

Diesel still dominates the van market (see page 32 for a deep dive on drivetrain/fuel trends) and this may go some way to explain the return to growth for finance lease as fleets feel more comfortable with what continues to be the most popular power-train option for now.

Finance lease sees the fleet take the RV and depreciation risk, as well as responsibility for





settling the final balloon payment for finance.

That means if a vehicle exceeds its forecast value, the fleet gets the benefit of the profits, but if it drops below its projected value the fleet will have to make up the shortfall.

If diesel feels like more of a sound bet, it means finance lease could be the way to go.

McKinnon explains that his business is also seeing fleets choose finance lease for EV: "We are seeing many customers choose finance lease for electric vans so they can have more control about keeping vehicles for longer or over exiting and disposal of the vehicle at a time that suits them."

**MAINTENANCE AND SOLE SUPPLY**

Fleets are increasingly leasing their vans and trucks with maintenance included as part of the payment package.

Nearly 60% of van fleets included maintenance in this year's figures, while trucks saw an even higher share at nearly 70%.

This is a return to growth for including maintenance with contracts for both vans and trucks, which had been higher a couple of years ago, but had dropped slightly last year, with nearly a 10% boost for the truck market in particular.

A third of the market have their vans leased through one supplier and this has remained static year-on-year, although not as high as the 38% share from two years ago.

The FN50 has recorded sole supply figures for the first time for trucks and so this year's data plots

**"WE ARE SEEING MANY CUSTOMERS CHOOSE FINANCE LEASE FOR ELECTRIC VANS SO THEY CAN HAVE MORE CONTROL ABOUT KEEPING VEHICLES FOR LONGER OR OVER EXITING AND DISPOSAL OF THE VEHICLE AT A TIME THAT SUITS THEM"**

**RORY MCKINNON, HOLMAN**

down the first marker, with 27% of truck fleets going through one supplier for their HGVs.

**FLEET MANAGEMENT AND ACCIDENT MANAGEMENT**

There has been nearly 9% of growth year-on-year for van fleets taking the provision of fleet management services with their commercial vehicles, growing from 272,388 to 295,801 this year.

However, van fleets have been dialling back on accident management, which has fallen by 5.9% year-on-year from 208,475 down to 196,224 vans.

Holman, which is in the top 20 of the FN50, has one of the biggest books of business for fleet and

accident management services, with a weighted split towards corporate commercial vehicles as its core customer focus.

**UNBUNDLING SERVICES**

Rory McKinnon, Holman commercial director, says: "There has been a wider trend for the unbundling of services with fleets looking at taking that funding and finding another business to do it if they feel like that particular leasing company isn't a specialist in that area, which might be a reason for the overall shift.

"But for us, we're really flexible in terms of the menu of items we offer and the way we can help customers manage vehicles.

"We work with a lot of corporate van fleets and they know these are the strengths of what we can offer."

The truck market has seen declines in both areas, with fleet management services falling by just less than 6% to 45,423 vehicles, while accident management has dropped by 5.6% to 44,275 HGVs.

Truck operators often have their own in-house fleet or transport teams that help cover compliance, safety and accident processes. The figures hint at some truck fleets' growing sophistication with their own in-houses services, rather than seeking a bundled option.

Accident management, in particular, can be more expensive for HGVs due to higher repair costs and downtime, so fleets may prefer negotiating repairs directly with insurers or approved body shops.

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# Helping fleets to take charge of their electric vehicle future



Andrew Pealin, Managing Director

**C**hargedEV is proud to be the exclusive 'EV Charging' associate sponsor of the FN50 Dinner 2025.

As one of the UK's leading EV charging specialists, ChargedEV has been powering the transition to electric mobility since 2013. With more than 70,000 charge points installed nationwide, we deliver smart, scalable and future-ready charging solutions for homes, businesses and fleets.

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Sustainability is at the heart of what we do. By enabling the widespread adoption of electric vehicles, we are helping businesses reduce emissions, meet sustainability goals and build a cleaner transport future for all.

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**T**he number of trucks funded by FN50 leasing companies has fallen for the second consecutive year, amid a period of declining HGV registrations.

FN50 leasing companies now operate a total of 26,071 trucks, down on the 28,084 that were recorded last year. If we look at the top five funders specifically, total truck fleet size has fallen by almost 8% in the past 12 months.

Zenith remains the FN50's largest truck funder – a position it has held for the past four years, following its acquisition of the Cartwright Fleet Services finance sales and rental businesses in 2020. Zenith currently has 13,888 funded trucks and also the largest volume of managed trucks at 38,300.

Martin Jenkins, Zenith commercial division CEO, says: "Some customers are de-fleeting due to the current economic environment and uncertain economic outlook, while others have deferred investment, preferring to extend existing leases rather than invest in new equipment, particularly given the unique challenges faced by commercial

vehicle fleet operators in transitioning to net zero. "As a result of the increased average age of fleets, defect volumes have risen, providing a tailwind for our service, maintenance and repair (SMR) business."

Recognising its customers' preference for increased responsiveness, Zenith has transitioned its SMR model to be more centred around on-site support by expanding its Mobile Service Unit fleet and closing its three English workshops.

Jenkins adds: "We have negotiated new contracts with existing customers that reflect how the partnership has evolved and current market conditions, including addressing inflationary increases, resulting in an increased cost for our services."

**CONSISTENT GROWTH**

Novuna Vehicle Solutions is the second-largest truck funder in this year's FN50. After a period of consistent growth it now has a funded truck fleet of 5,956 vehicles.

Close Brothers occupies third place with 3,002

trucks, a decline of 970 vehicles. The firm recently revealed it will be closing its vehicle hire division, after reporting a pre-tax operating loss of £122.4 million for the year to July 31.

The vehicle hire division saw losses of £43.4m over the year after being impacted by a "challenging market backdrop, particularly post-Covid". It will be wound down over the next three-to-five years.

Mike Morgan, chief executive of Close Brothers, says: "This year, we have taken a series of decisive steps to address legacy issues and reset the business. Our wide-ranging review of the business has also required us to take other challenging, but necessary, actions."

He adds: "We are announcing the next steps on this path by exiting the vehicle hire business."

Holman Fleet remains in fourth place, after surging up the list in 2023. The company signed a seven-year fleet management deal with BT Group two years ago, which included all of its light commercials, large commercials and specialist vehicles, HGVs, plant and ancillary equipment. It also picked up a contract with National Highways, last year. Both came from the collapse of Rivus.

Ayvens is the only FN50 leasing company to record a significant uplift in its funded truck fleet. The business, which was formed from the merger of ALD Automotive and Leaseplan, is on a growth trajectory with a reported 37% increase in pre-tax profits this year.

It is expected that leasing firms will see further growth in their truck fleets in the coming years as more fleets seek electric or other alternative-fuel vehicles. The upfront costs, along with residual value uncertainty, mean fewer operators want to own these vehicles outright – as has previously been the norm in the heavy sector.

Zero emission truck registrations still only account for a fraction (0.9%) of the entire HGV market, however.

In the first half of 2025, UK truck registrations were down by almost 12%. The Society of Motor Manufacturers and Traders (SMMT) says the decline, amid a tough economic environment, reflects the cyclical nature of fleet renewal.

Company	Funded/risk truck 2025	Funded/risk truck 2024
Zenith	13,888	15,250
Novuna Vehicle Solutions	5,956	5,971
Close Brothers Vehicle Hire	3,002	3,972
Holman Fleet	1,191	1,153
Ayvens	484	117
Specialist Fleet Services	475	475
VMS (Fleet Management)	463	406
Venson Automotive Solutions	387	496
Radius Vehicle Solutions (NI)	124	76
Day's Fleet	88	136
Total Motion	5	20
SG Fleet UK	4	8
AMT Vehicle Rental	4	4
<b>Total</b>	<b>26,071</b>	<b>28,084</b>

# Grosvenor: Enabling proactive fleet management with ARC

Grosvenor is delivering exceptional value to fleets with its Advanced Remote Connectivity (ARC) system

**L**ee Brown, managing director at Grosvenor, spoke to *Fleet News* about the rising costs and difficulties that fleets experience when dealing with vehicle downtime and service, maintenance and repairs (SMR), with the group's ARC solution highlighted as a game-changer in these areas.

## Vehicle downtime and SMR: Consistent and costly necessities

Even as the fleet sector continues to modernise with the latest solutions and practices, the challenges around vehicle downtime and SMR remain clear fixtures that any fleet decision-maker must contend with.

Brown said: "Downtime management has always been an issue but, in the past few years, costs have gone up. Labour costs are rising, parts as well. Maintenance costs have increased by approximately 15% over the past three or four years. You have delays on parts too.

"Getting vehicles back on the road just seems so much more challenging, meaning scrutiny over downtime has increased in recent years. Anything you can do to mitigate the downtime and vehicle off-road (VOR) time is certainly beneficial."

Such difficulties are heightened as fleets and their vehicles grow increasingly specialised.

"You can't just automatically find a refrigerated van," Brown commented.

"The vehicle is a fundamental tool for the client to be able to operate their business every day. You've got to manage that downtime, because otherwise the business suffers dramatically."

With many businesses relying on the specific vehicles in their fleets, leasing is not always possible when a vehicle is off-road. As a result, the ability to proactively identify and resolve issues before they lead to VOR is crucial.

"The holy grail of fleet management is to know how you proactively manage VOR better than anyone else," said Brown.

"That's where ARC has suddenly become a game changer."



## Grosvenor's Advanced Remote Connectivity System

When in use, ARC draws data directly from a vehicle, feeding it through Grosvenor's OSCAR fleet management system to



"Getting vehicles back on the road just seems so much more challenging, meaning scrutiny over downtime has increased in recent years"

**Lee Brown, Grosvenor managing director**

provide crucial information. The solution offers true odometer readings, service and maintenance countdowns, fuel or EV battery levels, and vehicle dashboard warning lights.

"It has everything a standard telematics system would provide, but the data feed into our fleet management system is what makes the difference," noted Brown.

"It gives you all your geo-location data, your journey history, you can see where your vehicles are at any point in time. It also gives driving styles as well and provides supporting data for accidents.

"It ticks a box from duty of care as well because it helps identify any high-risk drivers."

The system can, for most vehicles, be activated remotely with no device installation required (though devices are available for installation when necessary). Instead, the system connects to vehicles through their onboard diagnostics (OBD) systems – offering our maintenance and downtime management teams instant data access.

Brown said: "The avoidance of physical devices and the Remote Connectivity is the real game-changer as this provides immediate set-up and activation.

"If you've got the opportunity to switch on telematics for the majority of your fleet and get all of this data within a couple of days without having to get somebody out to fit all the devices... it's hugely appealing."



### **Proactive SMR and downtime management**

The ARC system offers tangible operational advantages to fleets by facilitating proactive SMR coordination.

"People don't want a reactive service any more," commented Brown.

The data gathered by ARC enables Grosvenor to have oversight of service countdown days and when a fleet's vehicles are due a service.

Brown explained how this information allows Grosvenor to assist fleets in preserving manufacturer warranties while ensuring that vehicle maintenance is prioritised.

"It means that we can combine work. If a driver rings in today and says, 'I've got a flat tyre, I need a replacement,' we can see the service countdown.

"If it's within 30 days, we would combine the work, meaning that there's only one downtime occurrence for the driver and the business.

"It's a really nice added value for the driver because, from their perspective, they feel, 'that's great, I'm only going to

be inconvenienced once'. And from the employer's perspective, it is great as well, because there's less operational downtime. Having that visibility in OSCAR is pivotal."

### **Improved safety and sustainability with data-driven telematics**

The telematics service offers fleets significant value in a range of areas, particularly in terms of fleet safety, driver management and sustainability results.

The data that ARC gathers from fleet vehicles can identify driving patterns that indicate higher risk, such as consistent incidents of speeding, rapid acceleration or harsh braking.

This element of risk identification can be integrated into training initiatives, with objective data to better inform fleet managers as to how best to encourage development and improvement from drivers.

This data-driven approach fosters safer driving habits and reduces the risk of collisions, while also contributing to more optimised driving practices – leading to better vehicle health and minimised downtime.

Additionally, the system is ideally placed

to assist fleets with electric transition by providing data on journeys and miles travelled to best advise fleet managers when making decisions.

"ARC can do route analytics and identify vehicles that are perhaps easier to switch out into EV," said Brown.

"As the transition to electric commercial vehicles starts gathering momentum, it can provide really insightful data to help businesses make that transition and identify those that are perhaps more suited to an electric equivalent."

With a price point that often matches or sits below conventional vehicle telematics systems, ARC offers incredible value for modern fleets across their operations.

"You're not paying any more than you'd pay for a traditional telematics system and you get all this additional functionality and richer data," said Brown.

"All that information is there so it transforms the ability to manage vehicles. It's very rare that you'd say there's a game changer, but I honestly think this is one, and I don't think the potential of it should be underestimated."

**Learn more about Grosvenor's Advanced Remote Connectivity (ARC) here**

**G GROSVENOR**

# Rise of the 'super broker'

Compliance burden drives broker consolidation and trend is set to continue, reports Sarah Tooze

**T**his year has seen major acquisitions in the broker market by the Global Vehicle Group (GVG), Jurni Leasing and Rivervale Cars, and consolidation is set to continue, according to industry experts, as brokers grapple with a growing regulatory burden.

GVG was formed in January 2025 when the LCV Group was sold for an undisclosed sum to broker Global Vans.

It followed the acquisition of leasing firm XLCR by Global Vans in December 2023 to create a small and medium-sized enterprise (SME) focused car and van leasing 'super broker'.

Significantly, GVG then acquired leasing broker and fleet management business Fleet Alliance for an undisclosed sum in June 2025.

The businesses have retained their individual brands and identities.

While GVG doesn't do own-book funding and has no plans to, it is now a major player in the SME fleet management space, and an important intermediary for FN50 leasing companies, with an aggregate fleet size of more than 70,000 vehicles.

Andrew Hurst, Global Vehicle Group's CEO, told *Fleet News* earlier this year that although there are challenges in the broker market "there's still quite a lot of growth to be had".

## 'PIVOTAL STEP'

Jurni Leasing, which sits at number 42 in this year's FN50 with a risk fleet size of 1,788 vehicles, is clearly eyeing up the opportunity for growth from electric vehicle (EV) adoption, following its acquisition of EV specialist DriveElectric last month.

Duncan Fitzgerald, chief operating officer at Jurni Leasing, says: "This acquisition is a pivotal step in

strengthening Jurni's position within the UK vehicle leasing and fleet solutions market.

"DriveElectric will be able to leverage Jurni's procurement scale, funder relationships and digital capability, while Jurni benefits from DriveElectric's specialist EV knowledge and expertise in charging, energy management, and net-zero planning.

"Together, we're creating a stronger platform to help more businesses and drivers make the transition to electric with confidence."

The acquisition happened after the cut-off point for this year's FN50 research so it isn't taken into account in Jurni's position in the table, but it will add 246 cars and 252 vans to give a total risk fleet size of 2,286 vehicles.

Rivervale, meanwhile, acquired Concept Vehicle Leasing and Concept Fleet Solutions for an undisclosed sum in August this year, following the acquisitions of Castle Minibus and OSV Leasing in 2023, and 1st Choice Vehicle Finance in 2024.

As a result it now sits at number 40 in the FN50, with a risk fleet size of 2,244 vehicles, up from 45th in 2024, when it first entered the FN50.

"We keep going in the right direction," says Vince Pemberton, CEO at Rivervale, pointing out that Concept's B2B customer base is "prime for us".

"By combining our contract hire and leasing divisions and integrating Concept's fleet-managed customers into our FN50 fleet operation, we unlock sharper rentals, richer choice and faster lead times for Concept's existing customers," he says.

## FURTHER CONSOLIDATION IS ON THE CARDS

Pemberton doesn't rule out further acquisitions either. "I believe there will be more consolidation," he says. "When the opportunities are right and when the business model and, very importantly, the culture, fits, then we will."

Toby Poston, chief executive of the British Vehicle Rental and Leasing Association (BVRLA), also believes further consolidation is on the cards for brokers.

"The broker market is maturing, but it's also a more demanding market to operate in," he says. "It's harder to compete than it used to be, customer demands are greater and the regulatory burden has grown through the advent of consumer duty and the scrutiny we've seen via the commissions, and brokers are having to wear so many hats. I completely understand why some people say 'I need a bigger parent, I need more support' or they sell up."

Rod Lloyd, outgoing chair of the BVRLA Leasing Broker Committee, who will be succeeded by Pemberton at the beginning of 2026, says he sold the LCV Group and TR Fleet, a specialist fleet management consultancy business, to GVG because GVG could invest "far more" than he could and take the businesses "to the next level".

"Consolidation will continue because some of the bigger players can use their knowledge and buying power in terms of compliance," Lloyd says.

"I think a lot of smaller brokers find it difficult to invest in full-time staff for the compliance function."

## FUNDERS COULD HAVE EXITED THE MARKET

The Supreme Court car commission ruling and the fact that personal contract hire is out of the scope of the Financial Conduct Authority (FCA) proposed redress scheme for mis-sold motor finance is seen as a watershed moment for brokers.

Industry experts suggest that if the outcomes were different then funders could well have withdrawn from the broker market.

Instead, this year's FN50 shows an increase in the average percentage of business which leasing companies put through the broker channel to

"I THINK A LOT OF SMALLER BROKERS FIND IT DIFFICULT TO INVEST IN FULL-TIME STAFF FOR THE COMPLIANCE FUNCTION"

ROD LLOYD, BVRLA LEASING BROKER COMMITTEE



15.2%, up from 13.7% in 2024 and 12.9% in 2023.

While there are some leasing companies who don't use brokers at all (preferring to have direct relationships), there are several where business from broker partners accounts for nearly half of their funded/risk fleet, and for one FN50 company, the proportion exceeds 60%.

Poston believes that the broker channel is "stronger than it's been for a number of years" due to new entrants to the UK car market and the amount of product available.

"It's a vital channel to hit the SME and retail markets," he says.

Pemberton suggests that brokers have a "real opportunity" with the introduction of new brands from China as the financial incentives are having an impact on monthly rentals and that looks "really encouraging".

That could have a positive impact on car salary sacrifice schemes in particular, in Lloyd's view.

#### **RAPID GROWTH IN SALARY SACRIFICE**

Salary sacrifice is a small, but rapidly growing area for brokers, with a 371% year-on-year increase in new sal/sac cars, according to the latest BVRLA Leasing Broker Outlook report.

It says approaches differ, but typically involve the funder supplying a business contract hire (BCH) car, around which the broker wraps lifestyle and motor insurance, as well as payroll services and HR support.

Brokers that specialise in the sal/sac market are achieving almost 100% zero emission penetration, thanks to the benefit-in-kind (BIK) tax advantages, according to the BVRLA.

Overall, EVs account for 48% of new BCH car additions and 12% of PCH additions for brokers, but

only 4% of BCH vans are electric, the Leasing Broker Outlook report shows.

Very few brokers are willing to take on own-book funding due to the residual value risk surrounding EVs, although Rivervale remains committed to it.

Fleet Alliance's chief executive officer Andy Bruce believes the challenges for brokers for the year ahead are largely related to the economy and how it impacts businesses.

"The recent tax rises on businesses such as the national insurance increases will be putting pressure on companies' costs and this will have a bearing on their approach to their fleets," he says.

But this presents an opportunity for brokers.

"Fleets will need to ensure they get the best possible pricing in the market and this is where the multi-funder broker model will be the ideal solution," Bruce says.

# Nexus' advancements in AI, using tech as a support mechanism in fleet, not a replacement – Peter Ennis, Nexus Rental



Peter Ennis, Nexus Rental

As the fleet rental landscape continues to evolve, artificial intelligence (AI) is quickly becoming a key part of business. The key to AI is utilising it as a supporting element for teams orchestrating operations, alongside human intelligence.

At Nexus, we have adopted an AI-powered allocation system, linked with our Iris® platform, that draws on 25 years of historical booking and operational data. This has allowed us to optimise which bookings go where, and when. The system also predicts which supplier would be best suited to fulfil the reservation in a timely, cost-effective manner. This has led to bookings being confirmed 30% faster and increased our rates of fulfilment.

We also plan to expand the use of AI into case management. The AI systems can automatically categorise incoming support requests based on content, analysing tone and urgency.

As we embrace smarter systems, we must commit to ethical AI. Efficiency gains should not

come at hidden environmental costs. It's vital that as we reduce emissions on the road, we don't shift the problem into energy-hungry data centres. Responsible AI requires transparency around data use, carbon impact, and efforts to balance innovation with sustainability.

AI will not replace people. It removes repetitive tasks so teams can focus on strategic work where human expertise and judgement remain essential, especially in complex logistics, customer care, and ethical decision-making.

The future of fleet management isn't about automation for its own sake; it's about using AI to turn data into decisions, and decisions into better experiences.



# Every handover matters.



Martyn Nash,  
Founder and Chairman

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Everything we do is designed to protect drivers, safeguard vehicles and strengthen brand identity. Our bespoke, fully compliant solutions integrate seamlessly with existing processes, giving fleet partners the reliability and consistency they need to deliver excellence at scale.

Our digital platforms bring the same consistency online. From order tracking and call-off management to digital handover tools that replace paper with smart, connected experiences, our technology ensures clarity and control throughout the vehicle's life. This seamless link between

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As a carbon-neutral business, we're built on innovation, local manufacturing and efficient logistics, scaling fast to meet demand wherever and whenever it's needed. Across 11 global locations and more than 163,000 sq ft of operational space, we process over 750,000 orders each year while maintaining the same focus: protecting value and enhancing the driver experience.

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# BEVs and PHEVs account for 60% of FN50 cars as petrol fades away

Data shows wide divergence between leasing companies with corporate customers and sal/sac and those which focus on personal contract hire. *Jonathan Manning reports*



**B**attery electric motors have extended their lead over petrol engines to consolidate their position as the most popular powertrain on the FN50 fleet.

Full-electric cars now account for 27.5% of FN50 companies' car fleets on average – although they actually account for 40.9% of funded cars in total (almost 400,000 for the 41 companies providing figures), as larger leasing companies tend to have a higher proportion of electric cars.

Note sal/sac-heavy Lloyds Transport at 58% of its fleet and Zenith at 62% (the two highest proportions in the FN50). Compare that to the FN50 company averages of 26.1% for petrol cars (equating to 23.8% of the total FN50 fleet) and 20.6% for plug-in hybrid models (which account for 19.1% of all cars).

Diesel has lost its darling status, with plummeting share of FN50 companies' fleets, at 12.3%, although they only account for 5.9% of all funded cars in the FN50.

Moreover, battery electric vehicles (BEVs) will further open this delta with internal combustion engines (ICEs) wider every year, with battery power dominating future orders. More than a third (34.8%) of cars delivered on average by FN50 companies in the past 12 months or currently on order are

zero emission, compared with 24% in 2024.

These developments are having a dramatic impact on the average CO<sub>2</sub> emissions of the FN50 car fleet, which has fallen by 10 percentage points

to 70.5g/km in 2025, while the average emissions of new cars on order is just 47.7g/km.

To put the advances into context, in pre-pandemic 2019, just 2.8% of new orders were for BEVs.

The past 12 months have also seen a meaningful rise in the uptake of plug-in hybrid cars, from 17% of deliveries/orders in 2024 to 25% this year, indicating the willingness of drivers to accept a car with a plug, but not to go the whole way to a BEV. The retesting of PHEV emissions with a tougher utility factor (zero emission mileage capabilities) could spell the end of the technology in the company car market, due to sharp rises in benefit-in-kind (BIK) tax for cars deemed to have higher emissions, but private drivers need to start opting for pure electric models to rescue the technology's residual values.

Drilling into the FN50 data reveals that the transition to zero emission cars would be faster if leasing companies confined their business to company cars and salary sacrifice schemes. The Treasury's supportive BIK tax treatment of EVs has had huge success in persuading employers and employees to transition to zero emission cars.

Any delay in switching to electric cars is due to private drivers, with FN50 data showing that ↻

**"THE NEW EV MARKET NEEDS A STRONG USED EV MARKET TO GROW AND DEVELOP AND THAT'S JUST NOT THE CASE RIGHT NOW"**

**NICK HARDY,  
OGILVIE FLEET**

Leasing companies with higher volumes of personal contract hire, such as manufacturer and dealer finance companies, typically have a lower percentage of BEVs on both current fleets and future orders, and higher average emissions.

The differences are stark. Some of the biggest companies are approaching a 60% penetration of BEVs on fleet and an even higher proportion of BEVs in this year's deliveries and orders, whereas others are just breaking into double-digit percentages. Top 20 FN50 companies with similar fleet sizes have emissions profiles as wide as 119g/km and 29g/km, dependent upon whether they are retail- or corporate-focused.

This tallies with figures released by the Society of Motor Manufacturers and Traders (SMMT) which show that fewer than one-in-four new BEV registrations go to private buyers. A quick calculation then shows that BEVs have accounted for fewer than 14% of private new car sales in the first nine months of 2025.

The new Electric Car Grant offers some financial support to boost the sales of cheaper BEVs, but the divergence in demand for electric cars between company and private drivers alarms FN50 leasing companies with rising numbers of used BEVs to remarket. These firms are contributing to the UK's sustainability targets, but say the depreciation losses they are experiencing are unsustainable.

Moreover, without more support for used BEVs, lease rates will rise to cover the increased depreciation, disincentivising fleets and private

**"WHILE THE MANDATE ACCELERATES THE SUPPLY OF EVs INTO THE MARKET, IT RISKS OUTPACING DEMAND IF INFRASTRUCTURE AND CONSUMER CONFIDENCE IN THE USED MARKET DON'T KEEP PACE"**

**JON LAWES,  
NOVUNA VEHICLE  
SOLUTIONS**

customers from renewing their vehicles and delaying progress towards decarbonisation.

"The new EV market needs a strong used EV market to grow and develop and that's just not the case right now," says Nick Hardy, managing director of Ogilvie Fleet.

Throughout the FN50, leasing executives signalled the volatility of used BEV prices market as their primary challenge over the next 12 months, and they see no signs of the pressure lifting.

New OEMs are introducing cheaper BEVs, while

the Zero Emission Vehicle Mandate is pushing all manufacturers to increase their BEV sales beyond the levels of a free market.

"While the mandate accelerates the supply of EVs into the market, it risks outpacing demand if infrastructure and consumer confidence in the used market don't keep pace," says Jon Lawes, managing director, Novuna Vehicle Solutions.

Having played a key role in facilitating and then accelerating the Government's net zero transport plans, leasing companies are now calling for the Government to reciprocate, rather than remove the incentives for private motorists to electrify their cars.

Zaf Iqbal, managing director of Pure Leasing, says: "The withdrawal of London Congestion Charge discounts, the introduction of Road Tax and Luxury Car Tax, alongside extortionate public charging costs and also home energy costs all means there is little to no financial reason for consumers to choose a used EV over a petrol, hybrid, or PHEV. This has caused used EV values to collapse creating significant risk exposure for leasing companies who funded these assets."

He adds that without clear, consistent and supportive Government policy, there is a heightened risk is that the UK falls back on petrol and hybrid vehicles, undoing its progress towards net zero, while leaving leasing companies exposed to unsustainable financial pressures.

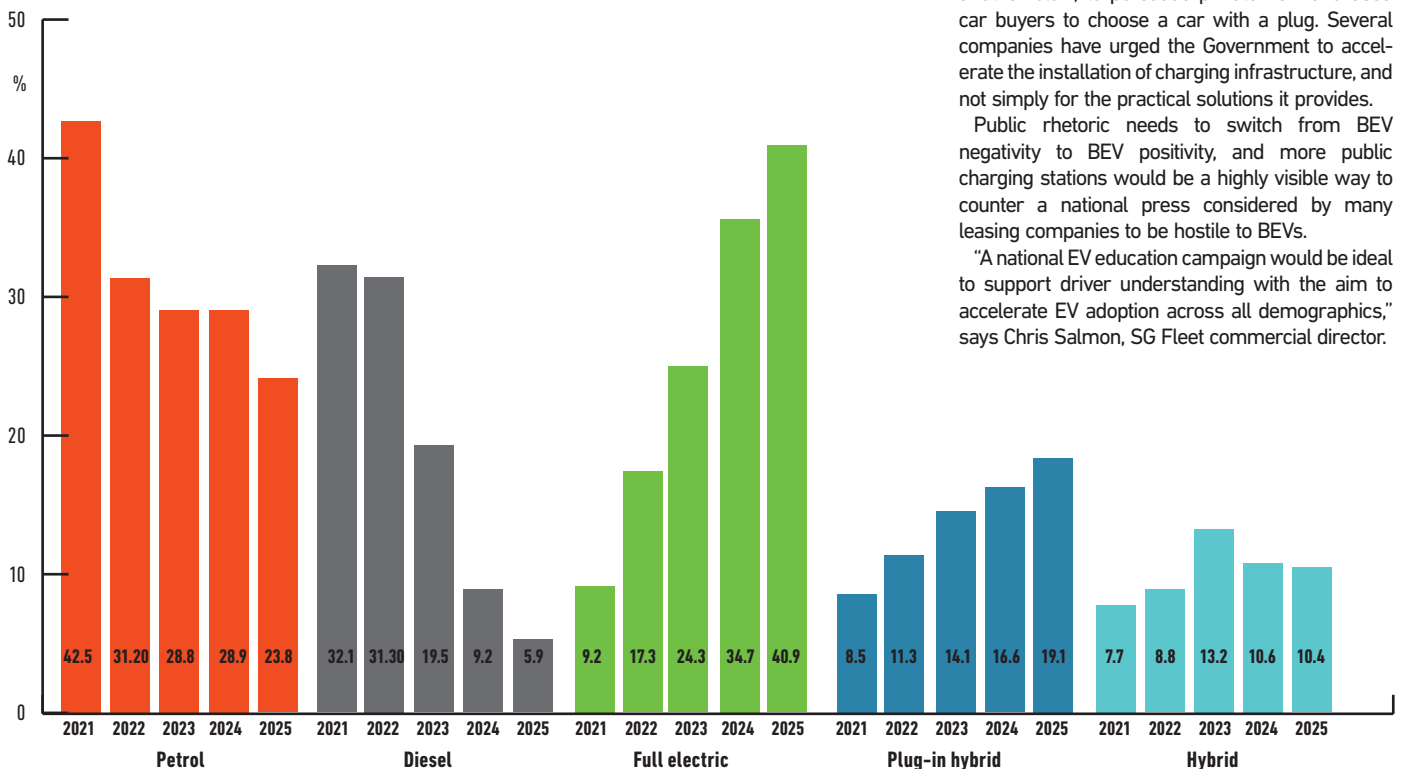
This report goes to press before the Chancellor's second Budget, amid whispered fears that salary sacrifice car schemes, the runaway success of the leasing industry in terms of customer demand, are under the Treasury's microscope. Any changes to the tax treatment of these schemes could stop them dead in their tracks, warn executives, and delay the decarbonisation of road transport.

The BEV market needs more positive news, not another blow, to persuade private new and used car buyers to choose a car with a plug. Several companies have urged the Government to accelerate the installation of charging infrastructure, and not simply for the practical solutions it provides.

Public rhetoric needs to switch from BEV negativity to BEV positivity, and more public charging stations would be a highly visible way to counter a national press considered by many leasing companies to be hostile to BEVs.

"A national EV education campaign would be ideal to support driver understanding with the aim to accelerate EV adoption across all demographics," says Chris Salmon, SG Fleet commercial director.

## FN50 FLEET BY FUEL TYPE (2021-2025)



# OMODA & JAECCOO at FN50 2025



**Chris Clayton, Fleet Sales Director:**  
For Omoda, Jaecoo and Chery.

**W**e are proud to sponsor the FN50 Awards 2025, a prestigious event that celebrates excellence and innovation in the UK fleet industry. As OMODA and Jaecoo establish a strong foothold in the UK and European markets, it is an honour to support and recognise the businesses that are shaping the future of fleet mobility.

Chris Clayton, The Fleet Sales Director @ OMODA & Jaecoo UK, said: *"The FN50 Awards represent the very best of the fleet and leasing sector – a sector we are fully committed to supporting as we grow our brand presence across the UK. At OMODA and Jaecoo, we bring a fresh, bold approach to mobility, combining advanced technology, and standout design – all of which align perfectly with the direction this industry is heading."*

With a focus on innovation, technology, and

connectivity, OMODA delivers future-ready vehicles tailored for the modern driver. Jaecoo complements this with a refined luxury SUV designed for both urban and adventurous lifestyles. Together, we are excited to offer compelling new options to fleet and business customers.

*"Sponsoring FN50 is not just about visibility – it's about partnership," adds Clayton. "We're here to listen, collaborate, and contribute meaningfully to the evolution of fleet solutions in the UK."*

Congratulations to all the FN50 companies for their outstanding achievements. We look forward to building lasting relationships in this exciting and ever-evolving space.

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# The Fleet Accident Management Specialists



**Callum Langan,**  
Managing Director, sopp+sopp

**A**t sopp+sopp, we're proud to be recognised as specialists in fleet and leasing accident management. For more than 20 years, we've been supporting businesses across the UK with expert solutions that keep fleets moving.

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By combining deep industry expertise with advanced technology, we empower our leasing sector clients to enhance operational efficiency, stay ahead of evolving requirements, and unlock actionable insights to drive great outcomes. This transforms accident management from a necessary function into a strategic differentiator, adding value to our clients' service offerings, and supporting both new business acquisition and customer retention.

## Proud to support the FN50

As first-time sponsors, we're excited to be part of an event that reflects the passion, innovation and leadership driving our industry forward.

We're proud to work with several of last year's FN50 companies, including two of the top five, and we've seen first-hand how priorities are shifting. From the move to electric vehicles and the drive for sustainability, to the rise of AI-powered tools, this is a time of transformation.

At sopp+sopp, we're embracing that change. With innovations like the launch of FleetScout, our smart vehicle inspection solution, and new AI-driven FNOL and fraud prevention tools integrated into our claims management system, we're helping our partners stay ahead.

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# LCV emissions remain stubbornly high

Fleets appear to be turning their back on electric for now, and placing more orders for diesel vans. *Jonathan Manning* reports

**T**he carbon dioxide emissions of FN50 members' light commercial vehicle (LCV) fleets have barely changed in 12 months, despite the ratcheting up of the Zero Emission Vehicle (ZEV) Mandate.

Across the UK's top 50 leasing companies, the average CO<sub>2</sub> emissions of vans are currently 169.6g/km, compared with 170.9g/km in 2024.

Nor do the figures indicate any swift change in the carbon footprint of the FN50's LCVs, with the emissions of new vans added this year or on order reported to be 160.7g/km, just 5% lower than 2024's average of 167.9g/km.

Diesel still dominates as the fuel of choice for LCVs, accounting for 85.4% of all vans this year, although that is down more than six percentage points from 2024's 91.6% share of fleet. Electric, while still small numbers (almost 36,000, reported by 38 companies), now accounts for 11.5% of all FN50-funded vans from the figures provided, up from 9.1% last year.

However, diesel is actually increasing its share of deliveries and orders in 2025, compared with last year, rising to 85.9% from 80.5% in 2024.

Diesel has won market share from both petrol

(down to 2.7% of 2025's orders/deliveries from 4% in 2024) and electric (down to 9.6% of 2025's orders/deliveries from 13.3% in 2024). That puts diesel orders on a par with current eLCV UK market share, which year-to-date stands at 9.1%.

This decrease in eLCV orders is at odds with the demands of the ZEV Mandate, which requires 16% of manufacturers' new van sales to be electric this year (hydrogen fuel cells might have provided an alternative route to zero emissions, but Vauxhall cancelled the launch of its hydrogen Movano and Vivaro in July).

OEMs missed their ZEV target of 10% last year and are tracking well below this year's threshold.

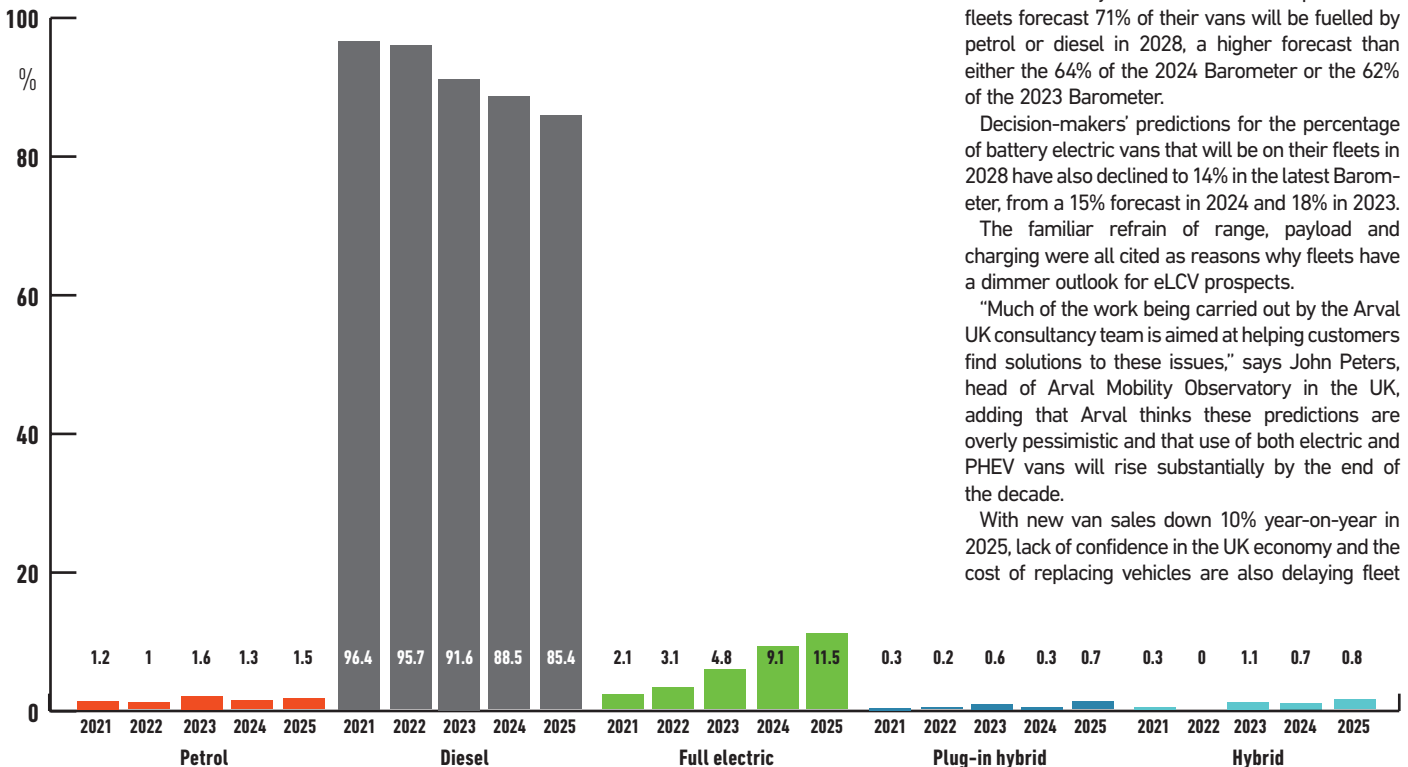
Whether the Government's confirmation in April that vans with an internal combustion engine (ICE) will be allowed to be sold until 2035 merely reflects reality or has given van customers licence to delay their adoption of electric powertrains is debatable.

But beyond a number of high profile, pioneering fleets, the obstacles of switching to battery power appear too great for the heartland of the UK's van operators, who have become more pessimistic about the outlook for eLCVs.

The 2025 Arval Mobility Observatory Barometer



## FN50 FLEET BY FUEL TYPE (2021-2025)



found that fleets now expect the percentage of diesel and petrol vans they operate to increase over the next three years. The research reported that fleets forecast 71% of their vans will be fuelled by petrol or diesel in 2028, a higher forecast than either the 64% of the 2024 Barometer or the 62% of the 2023 Barometer.

Decision-makers' predictions for the percentage of battery electric vans that will be on their fleets in 2028 have also declined to 14% in the latest Barometer, from a 15% forecast in 2024 and 18% in 2023.

The familiar refrain of range, payload and charging were all cited as reasons why fleets have a dimmer outlook for eLCV prospects.

"Much of the work being carried out by the Arval UK consultancy team is aimed at helping customers find solutions to these issues," says John Peters, head of Arval Mobility Observatory in the UK, adding that Arval thinks these predictions are overly pessimistic and that use of both electric and PHEV vans will rise substantially by the end of the decade.

With new van sales down 10% year-on-year in 2025, lack of confidence in the UK economy and the cost of replacing vehicles are also delaying fleet



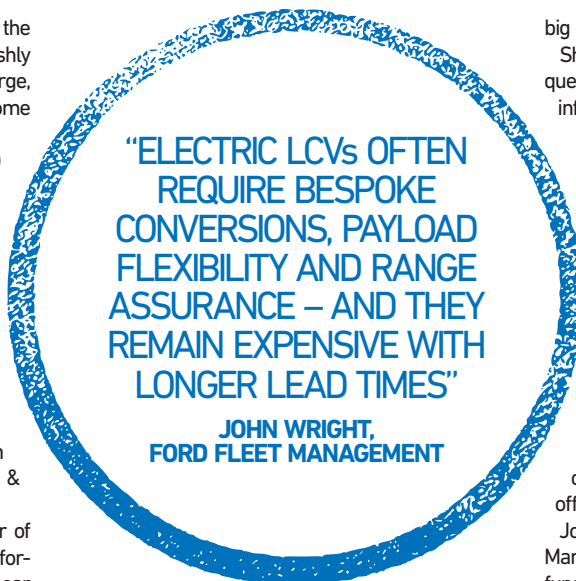
decarbonisation programmes. Forecasting the total cost of ownership (TCO) of eLCVs is fiendishly difficult without knowing where a van will recharge, given the chasm in cost disparity between home and public charging.

The Office for Zero Emission Vehicles (OZEV) has introduced a Depot Charging Scheme, making £30 million available to fund 75% of the cost of installing charging infrastructure at fleet depots, in an effort to support the uptake of zero emission LCVs, HGVs and coaches.

Yet even fleets with a back-to-depot duty cycle face the challenges of securing grid capacity to sites, load balancing of the energy available, and reconfiguring parking bays to allow additional space for charging hardware, as Stuart Murphy, head of fleet transformation and integration, Royal Mail, explained at Fleet & Mobility Live.

As manufacturers launch a growing number of electric LCVs with workable range and performance, charging availability and downtime appear to have become the biggest barrier to EV adoption for many fleets. FN50 companies are calling for greater investment in infrastructure to keep LCV drivers moving efficiently.

Duncan Green, commercial operations director, Drivalia Lease, says the UK needs a "Government-led, massively accelerated roll-out of a nationwide public charging infrastructure specifically designed for commercial vehicles, including vans and HGVs, because the current lack of reliable depot, on-street,



and motorway charging is the single biggest practical barrier to electrification".

With commercial vehicles playing a critical role in an organisation's ability to deliver the goods and services that drive its business, fleets need charging facilities installed before they transition.

This creates a chicken and egg relationship with charge point operators who want guaranteed demand before building charging hubs with bays

big enough to accommodate large vans.

Shane Coomber, managing director of Leasys UK, questions whether the current pace of charging infrastructure development is sufficient to meet the growing needs of LCVs.

"Ensuring efficiency while accounting for range limitations and charging infrastructure will be critical to a successful transition," she says. "As demand for BEV LCVs rises, fleets will need support in adapting their operational models."

This is particularly the case for those with specialist LCVs. Having electrified the so-called 'low hanging fruit' – vans with basic payload requirements and limited and predictable daily ranges – fleets are now faced with far more complex cases. LCVs that carry heavy equipment, tow trailers or operate off-road are far more problematic.

John Wright, managing director of Ford Fleet Management, says the industry needs targeted funding support for pilot schemes across public services and essential fleets, as well as investment in research and development for zero-emission solutions in the LCV and conversion space, suggesting specific grants of tax relief for converted and specialist EVs.

"The hardest part of the transition (to net zero) isn't cars – it's vans and specialist vehicles," he says. "Electric LCVs often require bespoke conversions, payload flexibility and range assurance – and they remain expensive with longer lead times."

# ‘An overwhelming mix of pride and gratitude’

Fleet manager of the year Matt Neale reflects on the honour of receiving a Fleet News Awards trophy – now it’s your turn

**FleetNews**



**AWARDS  
2026**

**H**ow does it feel to win a Fleet News Award? Matt Neale, Platform Housing Group head of fleet, described it as “surreal” with “an overwhelming mix of pride and gratitude” when he was named Fleet Manager of the Year at the 2025 Awards.

Neale was one of 33 winners back in March (another 22 were highly commended) across categories that recognised the best fleets, vehicles, manufacturers and suppliers.

He added: “Winning Fleet Manager of the Year is an honour beyond words, and I can’t express how much it means to me. Being part of such an incredible industry is a privilege, and I feel truly fortunate.

“Thank you from the bottom of my heart for this prestigious award. It’s a proud career milestone.”

Entries are now open for the 2026 awards, which seek to honour and celebrate people and companies that exemplify quality, innovation, knowledge and leadership, as well as the best cars and vans that fleets should be considering for their operations.

The awards offer individuals and companies an opportunity to boost their profile and credibility with customers, within the organisation and with the local community, as well as improve staff motivation.

Six experts join the judging panel for the first time, including Neale who takes his place on the fleet categories as is tradition for FMotYs.

Four join the supplier panel: Benjamin Mann, sourcing and contracts manager at National House Building Council; Steve Mulvaney, fleet manager at Canal & River Trust; Chris Mullings, senior fleet manager at Openreach; and Elaine Pringle, fleet manager at Scottish Water.

Meanwhile, the car panel is boosted by the addition of Leigh Merry, senior asset and credit risk manager at Novuna Vehicle Solutions.

Ensuring that every entry is given due consideration and the process is robust and transparent are returning auditor Nigel Morris, employment tax director at EY, and long-serving chair of the judges Christopher Macgowan OBE.

## To enter the awards, head to the

To discuss the wide range of sponsorship opportunities available at the Fleet News Awards 2026, please contact Kelly Crown via email [kelly.crown@bauermedia.co.uk](mailto:kelly.crown@bauermedia.co.uk)



website now: [fleetnewsawards.com](https://www.fleetnewsawards.com)

#### AWARDS 2026 TIMELINE

**AWARDS DEADLINE:**  
November 21

**JUDGING DAYS...**

**SUPPLIER:**  
January 21

**MANUFACTURER:**  
January 22

**FLEET INTERVIEWS:**  
January 28-29

**FINALISTS REVEALED:**  
mid-February on  
[www.fleetnews.co.uk](https://www.fleetnews.co.uk)

**AWARDS NIGHT:**  
March 18, Grosvenor House  
Hotel, Park Lane, London

## THE CATEGORIES

### FLEET AWARDS

Excellence in Fleet Safety and Compliance

2025 winner: Kelly Group

Sustainable Fleet of the Year (RENAMED)

2025 winner: Ovo

Most Improved Fleet Operator

2025 winner: Network Rail

Fleet of the Year: up to 250 vehicles

2025 winner: JJX Logistics

Fleet of the Year: 250-1,000 vehicles

2025 winner: Platform Housing Group

Fleet of the Year: more than 1,000 vehicles

2025 winner: SSE

### SUPPLIER AWARDS

Fleet Dealer of the Year

2025 winner: TrustFord

Rental Company of the Year

2025 winner: Europcar Mobility Group UK

Technology Provider of the Year

2025 winner: Chevin Fleet Solutions

Converter/bodybuilder of the Year

2025 winner: Bri-Stor Systems

Graphics/livery Company of the Year

2025 winner: Ast

Services Provider of the Year

2025 winner: Driving for Better Business

from National Highways

Leasing Company of the Year: up to 20,000 vehicles

2025 winner: SG Fleet

Leasing Company of the Year: more than 20,000 vehicles

2025 winner: Novuna Vehicle Solutions

### MANUFACTURER AWARDS

**Commercials**

Best Small Van

2025 winner: Volkswagen ID Buzz Cargo

Best Medium Van

2025 winner: Ford Transit Custom

Best Large Van

2025 winner: Ford Transit

Best All-terrain Workhorse

2025 winner: Ford Ranger

Best Truck up to 7.5 tonnes

2025 winner: Daf XB

**Cars**

Best Compact Car

2025 winner: Renault Mégane

Best Medium Car

2025 winner: Kia EV6

Best Large Car

2025 winner: Polestar 4

Best Compact SUV

2025 winner: Hyundai Kona

Best Mid-size SUV

2025 winner: Kia EV3

Best Large SUV

2025 winner: Kia EV9

**Manufacturer**

Zero Emission Manufacturer of the Year

2025 winner: Kia UK

Most Improved Fleet Manufacturer of the Year

2025 winner: Renault Group

### HEADLINE AWARDS

Fleet Supplier of the Year

2025 winner: Driving for Better Business  
from National Highways

Fleet Manufacturer of the Year – Car

2025 winner: BMW

Fleet Manufacturer of the Year – Van

2025 winner: Ford Pro

Fleet Manager of the Year

2025 winner: Matt Neale, Platform Housing Group

Fleet News Hall of Fame

2025 inductees: Dale Eynon and

Alison Moriarty

“A nomination in the fleet industry’s most prestigious awards is recognition enough.

However, to go on and win large Fleet of the Year is the icing on the cake. Recognition in these awards justifies all the hard work and dedication by the teams involved”

**SIMON GRAY, SSE  
(FLEET OF THE YEAR MORE THAN  
1,000 VEHICLES, 2025)**



Simon Gray, head of fleet at SSE, picked up the trophy from Jennifer Davis, director of sales at award sponsors Kinto UK



James Rooney, head of road fleet at Network Rail (centre), collected the trophy from David Sawford, commercial director of award sponsors System Edström (left)

“It’s an absolute joy to have won a Fleet News Award. All the hours of convincing reluctant drivers, funding, setbacks and slow progress suddenly have recognised achievement. It cannot be beat and sits on our team desk as a reminder of why we do what we do”

**JAMES ROONEY, NETWORK RAIL (MOST IMPROVED FLEET OPERATOR, 2025)**

For more information visit: [fleetnewsawards.com](https://fleetnewsawards.com) or contact Sandra Evitt on 01733 468123 or [sandra.evitt@bauermedia.co.uk](mailto:sandra.evitt@bauermedia.co.uk)

## 7 BENEFITS OF ENTERING THE AWARDS

1. CREDIBILITY AND RECOGNITION OF BUSINESS EXCELLENCE

2. PERSONAL RECOGNITION; CAREER-ENHANCING

3. BENCHMARKING VERSUS COMPETITORS

4. EMPLOYEE ENGAGEMENT AND MOTIVATION

5. FREE MARKETING FROM POSITIVE PRESS COVERAGE

6. INCREASED CUSTOMER AWARENESS

7. ATTRACT TALENT TO THE BUSINESS

## THE JUDGES



Chairman:  
Christopher Macgowan OBE



Auditor:  
Nigel Morris, EY



Stephen Briers,  
group editor,  
*Fleet News*  
(Fleet awards)



Aaron Powell, head  
of fleet, *Speedy*  
(Fleet awards)



Matt Neale, head  
of fleet, Platform  
Housing Group  
(Fleet awards)



Lorna McAtear,  
head of fleet  
National Grid  
(Fleet, Car &  
commercial awards)



Paul Hollick,  
chairman, AFP  
(Fleet awards)



Denise Lane,  
global commodity  
manager – fleet,  
Euro Car Parts  
(Supplier awards)



Kerry Teesdale,  
head of fleet,  
MJ Quinn  
(Supplier awards)



Leroy Thomas,  
fleet manager,  
Affinity Water  
(Supplier awards)



Jo Coffey, fleet  
manager, CEF  
(Supplier awards)



Gareth Jones, group  
fleet compliance  
manager,  
Speedy Hire  
(Supplier awards)



Benjamin Mann,  
sourcing and  
contracts manager,  
NHBC  
(Supplier awards)



Steve Mulvaney,  
fleet manager,  
Canal & River Trust  
(Supplier awards)



Chris Mullings,  
senior fleet  
manager,  
Openreach  
(Supplier awards)



Elaine Pringle, fleet  
manager, Scottish  
Water  
(Supplier awards)



Eddie Parker, LCV  
consultant, Arval  
(Commercial awards)



Matt de Prez,  
*Fleet News*  
(Car and commercial  
awards)



James Rooney,  
head of road fleet,  
Network Rail  
(Car and commercial  
awards)



Leigh Merry, senior  
asset and credit  
risk manager,  
Novuna  
(Car awards)



Nadim Mehar,  
global fleet  
manager, Alstom  
(Car awards)



Andy Cutler, senior  
residual value  
analyst, Glass's  
(Car awards)



Paul Titchmarsh,  
car forecast  
manager, Cap HPI  
(Car awards)



Ben Edwards,  
senior consultant,  
Arval  
(Car awards)



Duncan Webb, fleet  
director, The AA  
(Car and commercial  
awards)



Andy Picton,  
specialist residual  
value analyst, Glass's  
(Commercial awards)



Ken Brown, LCV  
valuations editor,  
Cap HPI  
(Commercial awards)



Paul Kirby,  
van expert  
(Commercial awards)



Matt Dillon, head  
of commercial  
vehicles, Ayvens  
(Commercial awards)



# Changing habits and economic pressures impact car replacement cycles

Average age has reduced and more fleets are using short-term contracts, reports [Sarah Tooze](#)

**T**he average number of months cars are kept has dropped from 38.2 to 37.4, and there has been a small reduction in mileage (from 47,265 miles to 45,917 miles), according to this year's FN50.

This can largely be attributed to the long-term impact of the Covid-19 pandemic. As Toby Poston, chief executive of the British Vehicle Rental and Leasing Association (BVRLA), explains: "Changing work patterns and lifestyles are shortening the average mileage components of leasing contracts."

"Business contract hire mileages for new agreements have fallen by almost 6% since 2022, after the pandemic accelerated hybrid home-office working."

"Online meetings have revolutionised how many roles can be delivered, the traditional 40,000 mile-per-year 'repmobile' has seen its relevance dwindle in many sectors."

## RISE IN SHORTER CONTRACTS AS FLEETS TAKE CAUTIOUS APPROACH

There has been an increase in the proportion of cars which are on 12-month and two-year contracts. Twelve-month leases now account for 7.5% of the FN50 leased car fleet (up from 6.5% last year) and two-year leases make up 10.7% (up from 9.6%).

Three- and four-year leases are still the most common, however, at 46.5% and 31.6% respectively, while only 3% of leases are five years and just 0.7% are six years or more.

Senior leaders at FN50 companies say fleets are turning to shorter leases in response to the economic climate.

The UK economy saw zero growth in July 2025, according to Office for National Statistics (ONS) figures, and only expanded by 0.2% in the three months to July.

Sogo Mobility managing director Chris Joyce says: "On cars, we're seeing only marginal shifts, but there's a clear tilt towards shorter commitments as clients take a more cautious view of the economy."

Liquid Fleet, which specialises in the short-term market, has seen a 12.5% increase in the number of probationary rentals in the six months from June to November.

Ismael Aumeerally, managing director of Liquid Fleet, says: "The economic slowdown has encouraged businesses to be more cautious when onboarding new employees and how to keep them mobile until they pass their probationary period."

The upshot of having shorter leases is that

businesses and their drivers get to experience the latest electric vehicles (EVs).

Liquid Fleet has seen a "marked increase" in the number of customers looking to trial EVs for the first time, according to Aumeerally.

Sogo's Joyce suggests that switching to shorter contracts is also influenced by uncertainty around the plug-in hybrid electric vehicle (PHEV) retesting regime, which could push CO<sub>2</sub> and benefit-in-kind (BIK) tax higher, plus the known BIK increases for PHEVs coming in 2028/29.

## MORE CARS RETURNED ON TIME

There has been a five percentage point increase in the number of cars returned on time. FN50 companies say that over the past 12 months 45.7% of cars were back when the lease was up, compared with 39.9% in last year's survey.

The percentage of cars returned late has reduced by three percentage points, but is still high at 40.3%.

Some customers and leasing companies are keen to extend existing contracts to avoid the inflation that has hit new rentals, according to Poston.

"Deals, discounts and RV uncertainty are skewing monthly rentals in different ways dependent on the make, model and lender," he says.

# Short-term van leases increase amid economic uncertainty

Twelve and 24-month terms becoming more popular with van operators, reports [Sarah Tooze](#)



**V**ans are being replaced more often and at lower mileages, according to this year's FN50 data.

The average van replacement cycle is 45.4 months (down from 46.3 months last year) and 68,865 miles (a sizeable 3,021-mile reduction on 2024's figure of 71,886 miles).

However, vans are still being kept longer than they were in 2022 and 2023 when the average was 42.8 months and 42.9 months respectively.

The longest average van replacement cycle at an FN50 company is now 66 months, although average mileage is just more than 75,000 at that company. The longest average van replacement cycle at an FN50 company is 120,000 miles.

Van fleet operators typically extend replacement cycles to reduce costs, particularly when facing difficult economic circumstances, but it can be a false economy if they stretch replacement cycles too far and encounter maintenance issues and increased vehicle off-road (VOR) time.

Some appear willing to take the risk as the proportion of vans being returned late over the past 12 months has increased by close to three percentage points, from 53% in 2024's survey to 55.8% this year.

The number of vans returned on time has gone down from 35.5% in 2024 to 33.3% this year, while early returns are slightly less than last year at 10.8% compared with 11.5%.

## UPTICK IN SHORT-TERM LEASES

Aside from extensions, some van fleet operators are utilising short-term leases as a way to manage

economic difficulties. Twelve-month leases now make up 6.9% of the FN50 van fleet (up from 5.4% last year, although not as high as 2023's 9.1%). Two-year leases account for 10.3% (up from 8.8% last year).

Three- and four-year leases remain the most popular at 28.1% and 29.2% respectively, while a significant number are on longer leases, with almost a fifth (19.5%) on five-year contracts and 6% on six or more years.

Toby Poston, chief executive of the British Vehicle Rental & Leasing Association (BVRLA), comments: "Van operators are being hit by a turbulent economy, which can create winners and losers dependent on the services being provided.

"The van sector is a strong example of the role of rental vehicles in providing short-term, flexible arrangements. Such solutions can be a lifeline when times are tough or the future is uncertain. This is also reflected in the proportion of van leases that are 12 or 24 months, with some operators less able to make longer-term commitments."

Short-term leases or flexible agreements are also useful for van fleet operators when they need additional vehicles for a new business contract or as

a way of testing whether an electric van is suitable.

New electric van registrations rose by 41.1% year-on-year to 4,262 units in September – the most ever recorded in a single month, according to the latest Society of Motor Manufacturers and Traders (SMMT) figures.

There is now a much wider choice of electric vans. According to the SMMT there are more than 40 options available to fleet operators, with some vans able to rapid charge at a rate of up to 100kW.

The SMMT adds that the extension of the plug-in van grant and the recent depot charging scheme will help operators to make the switch, but achieving mandated ambition depends on boosting operator confidence and ensuring access to suitable charging infrastructure.

The latter has caused some van fleet operators to delay switching to electric and extend contracts to diesel vans instead.



# The UK's top contra

Rank (2024)	Company	Total RV risk fleet 2025 (2024)	Car RV risk fleet 2025	Van RV risk fleet 2025	Truck RV risk fleet 2025	Managing director/CEO
1 (2/10)	Lloyds Transport	348,321 (332,394)	275,065	73,256	0	Nick Williams
2 (1)	Ayvens UK	276,981 (294,538)	178,199	98,298	484	Tim Laver
3 (3)	Volkswagen Financial Services   Fleet	228,801 (214,068)	188,481	40,320	0	Mike Todd
4 (4)	Arval UK	200,258 (195,181)	152,709	47,549		Lakshmi Moorthy
5 (5)	Alphabet (GB)	146,758 (139,210)	121,169	25,589	0	Mike Dennett
6 (6)	Novuna Vehicle Solutions	108,586 (92,946)	62,757	39,873	5,956	Jon Lawes
7 (7)	Zenith	81,022 (69,492)	52,634	14,500	13,888	Richard Jones
8 (9)	Leasys UK	53,703 (51,985)	44,590	9,113	0	Shane Coomber
9 (11)	Arnold Clark Finance	48,767 (49,795)	38,595	10,172	0	David Cooper
10 (8)	Santander Consumer Finance	47,740 (57,000)	46,797	943		Adam Goldhagen
11 (13)	Select Lease by Mobilize	45,558 (38,458)	35,294	10,264	0	Brian Williams
12 (12)	Kinto UK	44,498 (42,740)	32,022	12,476	0	Matthew Rumble
13 (14)	Ogilvie Fleet	23,347 (23,235)	17,907	5,440	0	Nick Hardy
14 (15)	Athlon Mobility Services UK	21,520 (17,111)	17,001	4,519	0	Patricia Wolfe
15 (16)	Holman Fleet	16,916 (13,982)	6,128	9,597	1191	David Hunt (interim)
16 (18)	Marshall Leasing	16,765 (12,379)	10,831	5,934	0	Greg McDowell
17 (17)	SG Fleet UK	13,463 (12,983)	8,697	4,762	4	Peter Davenport
18 (19)	Grosvenor Contracts Leasing	11,796 (11,127)	7,990	3,806	0	Lee Brown
19 (21)	Pendragon Vehicle Management	11,596 (10,293)	5,747	5,849	0	Phil Wilbraham
20 (20)	Lookers Vehicle Solutions	11,151 (11,074)	7,265	3,886	0	Andrew Collett
21 (=38)	BMW Financial Services (GB)	11,007 (2,839)	10,937	70	0	Mike Dennett
22 (22)	Venson Automotive Solutions	10,761 (10,290)	4,289	6,085	387	Samantha Roff
23 (23)	Total Motion	9,901 (9,218)	7,941	1,955	5	Claire Timms
24 (24)	Day's Fleet	8,884 (8,687)	4,521	4,275	88	Aled Williams
25 (28)	Drivalia Lease UK	8,351 (5,550)	7,600	751	0	Alex Hughes

**Building the future of fleet, together.**

We're proving that when we put customers first, great things follow.



# act hire companies



Rank (2024)	Company	Total RV risk fleet 2025 (2024)	Car RV risk fleet 2025	Van RV risk fleet 2025	Truck RV risk fleet 2025	Managing director/CEO
26 (32)	Radius Vehicle Solutions (NI)	8,157 (4,506)	3,352	4,681	124	Chris Woolwough
27 (25)	TCH Leasing	7,659 (7,599)	5,097	2,562	0	Chris Nightingale
28 (26)	JCT600 Vehicle Leasing Solutions	7,345 (7,266)	5,609	1,736	0	Ben Creswick
29 (27)	VMS (Fleet Management)	6,750 (6,260)	169	6,118	463	Aaron Laraman
30 (29)	Ford Fleet Management	5,833 (5,172)	581	5,252	0	John Wright
31 (30)	Toomey Leasing Group	5,263 (5,115)	3,218	2,045	0	David Houlgrave
32 (31)	Sinclair Finance & Leasing	5,064 (4,853)	3,095	1,969	0	Thomas Jenkins
33 (34)	Global	4,529 (4,078)	3,478	1,051	0	Geoff Bloore
34 (33)	Agnew Leasing	4,373 (4,309)	3,146	1,227	0	Graham Thompson
35 (42)	Close Brothers Vehicle Hire	3,828 (1,618)		826	3,002	Terry Ottey
36 (36)	Liquid Fleet	3,082 (3,037)	2,571	511	0	Ismael Aumeerally
37 (=38)	Hilton Vehicle Leasing	2,882 (2,839)	2,320	562	0	Morgan Devereux
38 (37)	GKL Leasing	2,592 (2,865)	2,094	498	0	James Kenning
39 (40)	AMT Vehicle Rental	2,380 (2,140)	2,240	136	4	Neil McGawley
40 (45)	Rivervale Cars	2,244 (1,224)	1798	446	0	Vince Pemberton
41 (35)	Sogo Mobility	1,828 (3,936)	1,439	389	0	Chris Joyce
42 41	Jurni	1,788 (2,035)	110	1,678	0	Neil Fox
43 43	Agility Fleet	1,291 (1,434)	529	762	0	Keith Townsend
44 46	Multifleet Vehicle Management	1,281 (1,221)	682	599	0	Steve Whitmarsh
45 48	Specialist Fleet Services	1,247 (772)	47	725	475	Bob Sweetland
46 47	Pure Leasing	943 (778)	758	185	0	Bob Chamberlain/Zaf Iqbal
47 (N/A)	Adept Vehicle Management	888 (NEW)	147	741	0	Mark Pedley
48 49	ICR Leasing	601 (578)	488	113	0	Thomas Ryan/William Chapman
49 50	Fleet4You	541 (509)	349	192		Peter Hinniford
50 (N/A)	KR Fleet Solutions	119 (NEW)	82	37	0	Kevin Rodgers



🌐 [zenith.co.uk](https://zenith.co.uk)

✉ [oneteam@zenith.co.uk](mailto:oneteam@zenith.co.uk)

**1 LLOYDS TRANSPORT**

**Brands include:** Lex Autolease, Tusker  
**Executive:** Nick Williams  
**Parent company:** Lloyds Banking Group

**2 AYVENS**

(trading name of LeasePlan UK)  
**Brands include:** Tesla, Polestar, Kia Contract Hire, Ford Lease, Lombard Vehicle Solutions, Smart, Hyundai  
**Executive:** Tim Laver  
**Parent company:** Société Générale is Ayvens majority stakeholder

**3 VOLKSWAGEN FINANCIAL SERVICES | FLEET**

**Brands include:** Audi Finance, Seat Finance, Skoda Finance, Volkswagen Finance, Volkswagen Commercial Vehicle Finance, Bentley Finance, Porsche Finance, MAN Finance  
**Executive:** Mike Todd  
**Parent company:** Volkswagen Finance Europe BV

**4 ARVAL UK**

**Brands include:** Honda, Hyundai, MG, BYD, Omoda & Jaecoo, Chery, Changan  
**Executive:** Lakshmi Moorthy  
**Parent company:** BNP Paribas  
**Financial data:** T: £1,828,324,000, Dec-24, PBT: £50,991,000, Dec-24  
**EBITDA:** £211,726,000, Dec-24

**5 ALPHABET (GB)**

**Executive:** Mike Dennett  
**Parent company:** BMW (UK) Holdings  
**Financial data:** T: £1,432,698,614, 31/12/2024  
**PBT:** £66,349,045, 31/12/2024

**6 NOVUNA VEHICLE SOLUTIONS**

**Executive:** Jon Lawes  
**Parent company:** Mitsubishi HC Capital UK  
**Financial data:** T: £618.23m, Mar-25  
**PBT:** £41m, Mar-25  
**EBITDA:** £490.5m, Mar-25

**7 ZENITH**

**Brands:** ZenAuto, ElectricAuto  
**Executive:** Richard Jones  
**Parent company:** Zenith Automotive Holdings

**8 LEASYS UK**

**Executive:** Shane Coomber  
**Parent company:** Leasys SPA  
**Financial data:** T: £85,427,000, 31/12/2024  
**PBT:** £12,073,000, 31/12/2024  
**EBITDA:** £31,960,151, 31/12/2024

**9 ARNOLD CLARK FINANCE**

**Brands include:** Activa Contracts  
**Executive:** David Cooper  
**Parent company:** Arnold Clark Automobiles  
**Financial data:** T: £606.5m, 31/12/2024  
**PBT:** £4.6m, 31/12/2024

**10 SANTANDER CONSUMER FINANCE**

**Brands include:** Volvo Car Financial Services UK, Hyundai Capital UK  
**Executive:** Adam Goldhagen

**11 SELECT LEASE BY MOBILIZE**

**Brands include:** Mobilize Financial Services, Nissan Financial Services  
**Executive:** Brian Williams  
**Parent company:** RCJ Banque  
**Financial data:** T: £64.52m, 2024  
**PBT:** £0.67m, 2024  
**EBITDA:** £52.3m, 2024

**12 KINTO UK**

**Executive:** Matthew Rumble  
**Parent company:** Kinto Europe  
**Financial data:** T: £383m, 31/03/2025  
**PBT:** £8.7m, 31/03/2025  
**EBITDA:** £176m, 31/03/2025

**13 OGILVIE FLEET**

**Executive:** Nick Hardy  
**Parent company:** Ogilvie Group  
**Financial data:** T: £338m, 30/06/2024  
**PBT:** £25.3m, 30/06/2024

**14 ATHLON MOBILITY SERVICES UK**

**Executive:** Patricia Wolfe  
**Parent company:** Mercedes-Benz Mobility

**15 HOLMAN FLEET**

**Executive:** David Hunt (interim)  
**Parent company:** Holman Enterprises

**16 MARSHALL LEASING**

**Brands include:** Marshall Minibus, Northridge Finance  
**Executive:** Greg McDowell  
Marshall Leasing and Northridge Finance are trading divisions of NIIB Group. Bank of Ireland (UK) is the ultimate UK parent company of NIIB Group  
**Financial data:** T: £16.7m, 31/12/2024  
**PBT:** £11.4m, 31/12/2024

**17 SG FLEET UK**

**Executive:** Peter Davenport  
**Parent company:** SG Fleet Group  
**Financial data:** T: £65,937,002, Jun-25  
**PBT:** £2,394,456, Jun-25  
**EBITDA:** £13,219,884, Jun-25

**18 GROSVENOR CONTRACTS LEASING**

**Brands include:** Interactive Fleet Management  
**Executive:** Lee Brown  
**Parent company:** Hardwater Holdings  
**Financial data:** T: £66,420,726, 2024  
**PBT:** £8,260,855, 2024  
**EBITDA:** £6,882,900, 2024

**19 PENDRAGON VEHICLE MANAGEMENT**

**Brands include:** Evans Halshaw Leasing  
**Executive:** Phil Wilbraham  
**Parent company:** Lithia UK

**20 LOOKERS VEHICLE SOLUTIONS**

**Brands include:** Lookers Leasing, Fleet Financial, Get Motoring UK 1/4 Vehicle Rental Services  
**Executive:** Andrew Collett  
**Parent company:** Lookers  
**Financial data:** T: £81,193,000, 31/12/2024  
**PBT:** £6,508,296, 31/12/2024  
**EBITDA:** £18,310,254, 31/12/2024

**21 BMW FINANCIAL SERVICES (GB)**

**Brands include:** Alpha Financial Services  
**Executive:** Mike Dennett  
**Parent company:** Bayerische Motoren Werke  
**Financial data:** T: £21,423,303, 31/12/2024

**22 VENSON AUTOMOTIVE SOLUTIONS**

**Executive:** Samantha Roff  
**Brands include:** Premier Fleet Management  
**Parent company:** Contract Hire  
**Financial data:** T: £19,472,142, 31/12/2023  
**PBT:** £482,012, 31/12/2023  
**EBITDA:** £8,627,379, 31/12/2023

**23 TOTAL MOTION**

**Executive:** Claire Timms  
**Financial data:** T: £72,556,408, 31/03/2024  
**PBT:** £1,156,399, 31/03/2024  
**EBITDA:** £9,023,000, 31/03/2024

**24 DAY'S FLEET**

**Executive:** Aled Williams  
**Parent company:** Day's Property Holdings  
**Financial data:** T: £52.7m, 31/12/2024  
**PBT:** £7.1m, 31/12/2024  
**EBITDA:** £35m, 31/12/2024

**25 DRIVALIA LEASE UK**

**Brands include:** Drivalia UK  
**Executive:** Alex Hughes  
**Parent company:** CA Auto Finance UK  
**Financial data:** T: £20,801,486, 31/12/2024  
**PBT:** £1,345,344, 31/12/2024  
**EBITDA:** £18,503,456, 31/12/2024

**26 RADIUS VEHICLE SOLUTIONS (NI)**

**Brands include:** Radius Solutions (UK)  
**Executive:** Chris Woolwough  
**Parent company:** Radius Payment Solutions  
**Financial data:** T: £73,400,000, Mar-25  
**PBT:** £1,700,000, Mar-25  
**EBITDA:** £30,600,000, Mar-25

**27 TCH LEASING**

**Executive:** Chris Nightingale  
**Parent company:** T C Harrison Group  
**Financial data:** T: £41.7m, 31/12/2024  
**PBT:** £2.4m, 31/12/2024

**28 JCT600 VEHICLE LEASING SOLUTIONS**

**Executive:** Ben Creswick  
**Parent company:** JCT600  
**Financial data:** T: £48.53m, 31/12/2024  
**PBT:** £5.657m, 31/12/2024  
**EBITDA:** £7.762m, 31/12/2024

**29 VMS (FLEET MANAGEMENT)**

**Brands include:** VMS Vehicle Hire, VMS Refrigeration, MAR Cooling Solutions, Western Truck Rental  
**Executive:** Aaron Laraman  
**Financial data:** T: £76,372,337, 31/05/2024  
**PBT:** £2,411,621, 31/05/2024

**30 FORD FLEET MANAGEMENT**

**Executive:** John Wright  
**Parent company:** Ford Fleet Management  
**Financial data:** T: £29,956,000, Dec-23

**31 TOOMEY LEASING GROUP**

**Brands include:** Easyleasedirect.co.uk  
**Executive:** David Houlgrave  
**Parent company:** Laindon Holdings  
**Financial data:** T: £30.18m, 31/12/2024  
**PBT:** £2.65m, 31/12/2024  
**EBITDA:** £7.05m, 31/12/2024

**32 SINCLAIR FINANCE & LEASING CO**

**Executive:** Thomas Jenkins  
**Financial data:** T: £30,921,916, 31/12/2024  
**PBT:** £2,152,176, 31/12/2024

**33 GLOBAL**

**Executive:** Geoff Bloore  
**Parent company:** Global Autocare Holding  
**Financial data:** T: £28,323,000, 28/02/2025  
**PBT:** £5,001,000, 28/02/2025  
**EBITDA:** £26,650,000, 28/02/2025

**34 AGNEW LEASING**

**Executive:** Graham Thompson  
**Parent company:** Sytner Group

**35 CLOSE BROTHERS VEHICLE HIRE**

**Executive:** Terry Ottey  
**Parent company:** Close Brothers Bank  
**Financial data:** T: £81,173,555, 31/07/2024  
**PBT:** -£5,350,090, 31/07/2024  
**EBITDA:** £45,232,495, 31/07/2024

**36 LIQUID FLEET**

**Executive:** Ismael Aumeerally

**37 HILTON VEHICLE LEASING**

**Brands include:** Hilton Rental, Hilton Coachworks, Hilton Windscreens, Hilton & Moss, Morgan Devereux, Hilton Group

**38 GKL LEASING**

**Brands include:** GKL, Windsor Vehicle Leasing, Westward Leasing  
**Executive:** James Kenning  
**Parent company:** Longfox  
**Financial data:** T: £23.8m, 31/12/2024  
**PBT:** £3m, 31/12/2024

**39 AMT VEHICLE RENTAL**

**Executive:** Neil McGawley  
**Parent company:** AMT Global Investments  
**Financial data:** T: £25,780,000, Apr-24  
**PBT:** £3,829,000, Apr-24  
**EBITDA:** £13,625,000, Apr-24

**40 RIVERVALE CARS**

**Brands include:** Rivervale Minibus  
**Executive:** Vince Pemberton  
**Parent company:** Rivervale Holdings  
**Financial data:** T: £2,576,000, 31/12/2024  
**PBT:** £658,800, 31/12/2024  
**EBITDA:** £2,695,430, 31/12/2024

**41 SOGO MOBILITY**

**Executive:** Chris Joyce  
**Parent company:** Cambria Investments Holdings

**42 JURNI**

**Executive:** Neil Fox  
**Parent company:** Jurni Capital  
**Financial data:** T: £44,285,205, 31/12/2024  
**PBT:** £391,841, 31/12/2024  
**EBITDA:** £363,309, 31/12/2024

**43 AGILITY FLEET**

**Brands include:** Windmill Leasing, Eco Vehicle Leasing  
**Executive:** Keith Townsend  
**Parent company:** Agility Fleet Holdings  
**Financial data:** T: £10,818,838, 31/12/2024  
**PBT:** £1,504,068, 31/12/2024  
**EBITDA:** £4,403,874, 31/12/2024

**44 MULTIFLEET VEHICLE MANAGEMENT**

**Brands include:** runyourfleet  
**Executive:** Steve Whitmarsh  
**Financial data:** T: £16,645,078, Mar-25  
**PBT:** £102,327, Mar-25  
**EBITDA:** £1,268,161, Mar-25

**45 SPECIALIST FLEET SERVICES**

**Brands include:** SFS, CTS Hire  
**Executive:** Bob Sweetland  
**Parent company:** Paragon Banking Group

**46 PURE LEASING**

**Executives:** Bob Chamberlain, Zaf Iqbal  
**Financial data:** T: £4,855,810, 31/03/2025  
**PBT:** -£285,045, 31/03/2025  
**EBITDA:** -£213,784, 31/03/2025

**47 ADEPT VEHICLE MANAGEMENT**

**Brands include:** Adept Vehicle Solutions  
**Executive:** Mark Pedley  
**Financial data:** T: £4.7m, Mar-25  
**PBT:** -£255,000, Mar-25  
**EBITDA:** -£5,000, Mar-25

**48 ICR LEASING**

**Executives:** Thomas Ryan, William Chapman  
**Financial data:** T: £3,889,340, 2024  
**PBT:** £1,153,149, 2024

**49 FLEET4YOU**

**Brands include:** SVR Go  
**Executive:** Peter Hinniford  
**Parent company:** Shelbourne Motors

**50 KR FLEET SOLUTIONS**

**Brands include:** KR Flexi Leasing  
**Executive:** Kevin Rodgers

Key: T: turnover, PBT: profit before tax, EBITDA: earnings before interest, taxes, depreciation and amortisation

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# RV concerns top leasing's list of challenges for 2026

Setting competitive rentals while protecting long-term risk is a delicate balance, say leasecons. *Stephen Briers* reports

**C**ost dominates the fleet agenda, according to the views of the UK's largest leasing companies (see pages 8-10). But what are the biggest challenges facing their own businesses over the next 12 months?

In two words: residual values (RVs). And, more specifically, electric car RVs.

Leasing companies are consumed by RV analysis; it's fundamental to maximising profitability and was a large reason for record-breaking profits reported by the FN50 in 2022 and 2023 as values soared on the back of restricted new car sales during Covid.

However, what started as a "gentle realignment" in late 2022 accelerated to a full-scale crash through 2023 and into 2024, with electric car used values decreasing by 46%, compared with 19% for cars with an internal combustion engine (ICE).

Despite optimistic reports by Cox Automotive earlier this year of a stabilisation and even a strengthening due to supply shortages, RVs have continued to be depressed.

Earlier this year, the British Vehicle Rental and Leasing Association (BVRLA) in its annual Road to Zero report noted that used values were still "falling relentlessly", costing the fleet and leasing sector hundreds of millions of pounds.

Toby Poston, BVRLA chief executive, says: "The UK's transition to a zero-emission future is in its most challenging period. Used EV values are falling relentlessly, destroying value on an epic scale."

## ERODING CONFIDENCE

This "death by a thousand cuts", according to Poston, is costing the industry "hundreds of millions of pounds and eroding confidence".

Twenty-four of the 28 leasing companies responding to the question about their biggest challenges over the next 12 months agree.

Tim Laver, managing director at Ayvens UK, says: "Over the next 12 months, leasing providers will be tested more than ever as the industry balances financial pressures with the pace of change, compounded by geopolitical tensions.

"Residual value volatility, particularly around EVs, continues to create uncertainty. Setting competitive rentals while protecting long-term risk is a delicate balance. At the same time, rising funding costs and increasing pressure on customer affordability mean margins are being squeezed – all increasing the pressure faced by leasing companies."

Alphabet (GB) also believes that EV RVs continue to "pose significant challenges".

Chief sales officer Ian Turner says: "We had anticipated that the market would pick-up from 2024, but it continues to experience major challenges. It's prompting strong calls for the Government to introduce measures to help stimulate the used market to increase EV adoption."

## NEW EV MARKET FAVOURED

This lack of Government support, with subsidies skewed towards the new car electric market – via the Electric Car Grant (ECG) – could have severe consequences for used RVs.

Arval UK managing director Lakshmi Moorthy says: "This raises concerns about a value crash in the used market, which is further challenged by the oversupply both in new cars, driven by the ZEV Mandate, as well as oversupply versus lower demand in used, as more used BEVs start to return to the market."

Moorthy, who is also current chair of the BVRLA, also referenced its stats which suggest BEVs "continue to see double digit percentage value losses in some cases".

Vehicles once expected to retain 60% of their value are now worth closer to 35% at lease-end, according to VMS (Fleet Management), leading to inevitable and "substantial losses" for leasecons.

Scott Tedman, its business development director, adds: "Used vehicle prices surged during the pandemic but are now declining, increasing the risk that vehicles returned at lease-end will be worth less than their projected RVs."

"This also means time to sell is longer as other options have to be explored, which can lead to higher depreciation losses and costs."

Adding further deflationary pressure on prices, according to Turner is "cheaper Chinese imports", which are "creating unsustainable price fluctuation".

Fraser Hill, commercial manager at Total Motion, has also noted the impact of the Chinese brands on legacy manufacturers' behaviour when it comes to pricing.

He says: "Increasing discounts indicates traditional manufacturers are panicking against Chinese entrants which may have a negative effect on RVs."

The new market entrants are, in some cases, also introducing enhanced battery technology, which has forced European manufacturers to hasten their R&D programmes.

Together with expansion of over-the-air software updates, it has resulted in an unprecedented acceleration in the speed of change – but this risks outdated older technology much sooner than would previously be expected.

Chris Salmon, SG Fleet UK commercial director, explains why this should concern leasing companies and their customers.

"An emerging issue is the ageing of the first generation of EVs. Parts availability is becoming more challenging as technology moves on, raising questions around valuation, repair costs and remarketing viability," he says.

"Successfully managing these unknowns will be central to ensuring stability for both leasing companies and their clients."

RV and pricing challenges could potentially have longer term consequences, highlight both Leasys and Ogilvie Fleet.


Nick Hardy, Ogilvie managing director, explains: "These losses on EVs are today's problem, but will turn into tomorrow's problem as a result of the incorrect legislation to properly ignite new and used EV sales. The new EV market needs a strong used EV market to grow and develop and that's just not the case right now."

"Managing this and then trying to help our clients navigate the issue will be our biggest challenge and workload over the next 12 months."

And Leasys managing director Shane Coomber adds: "Falling RVs threaten to impact future pricing models. As these values continue to decline, pressure will mount on lease pricing and profitability, making RV risk management a critical focus for the industry."

RV worries are far from the preserve of the larger leasing companies. Indeed, as pointed out by Pure Leasing, FN50 companies across the board have been "instrumental" in supporting the Government's ambitions towards lower-emission vehicles.

Consequently, Zaf Iqbal, Pure Leasing managing



**“USED VEHICLE  
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**SCOTT TEDMAN,  
VMS (FLEET MANAGEMENT)**

**LONG  
TERM  
RISK**

**COMPETITIVE  
RENTALS**

director, expresses his “disappointment” in policy decisions that have undermined leasing companies’ efforts to decarbonise the fleet sector.

“We created the very supply that was supposed to shape the used car market for years to come,” he says.

#### **LACK OF FINANCIAL INCENTIVES**

However, the removal of incentives for used EV buyers, such as the withdrawal of London Congestion Charge discounts, the removal of VED exemption and the introduction of the expensive car tax as well as a failure to act on calls to remove VAT on public charging to realign costs, all mean there is “little to no financial reason” for consumers to choose a used EV over a petrol, hybrid or PHEV.

Iqbal adds: “Without clear, consistent and supportive Government policy, the risk is that the UK falls back on petrol and hybrid vehicles therefore undoing years of progress and leaving leasing companies exposed to unsustainable financial pressures.”

Away from residual value woes, VMS (Fleet Management) drew attention to operational issues, in particularly lead times for maintenance bookings into dealers. Tedman says: “This creates a massive issue for leasing companies, especially where a replacement vehicle is included in contracts and these lead times are having to be incurred as it’s a warranty repair.”

Elsewhere, Total Motion remains concerned about whether the Financial Conduct Authority will deem business leasing as part of their regulatory scope, while Fleet4You is being tested by the supply of stock to Northern Ireland with vehicles sold there needing to meet EU type approval from January.

Several leasing companies found common ground on another challenge: customers who are becoming increasingly demanding of their leasing providers – seen as both a challenge and opportunity, it should be noted.

“Customers now expect their leasing partner to be more than a funding provider. They want strategic support with electrification, charging, data insight and compliance with ever-changing regulation,” Laver says.

“In other words, leasing companies are evolving from suppliers into mobility consultants.”

His view is supported by Radius Vehicle Solutions (NI), which says: “Increasingly customers are wanting us to offer an all-inclusive service using data.”

Jon Lawes, Novuna Vehicle Solutions MD, believes the battlefield centres on safeguarding financial resilience while meeting growing demand for digital transparency and intelligent tools.

“Leasing companies are under pressure to transform from funders into technology partners,” he explains. “Fleet operators increasingly require real-time oversight of their fleets, from cost and downtime to compliance and emissions, delivered through intuitive, integrated digital platforms. There is also growing appetite for AI-driven solutions that can predict maintenance before it happens, automate lifecycle decisions and model different fleet strategies to optimise cost and carbon performance.”

“The challenge for leasing companies is twofold: to protect their balance sheets in the face of residual value volatility and regulatory pressure, while investing in digital innovations that enable customers to manage their fleets more efficiently and confidently.”

This battleground could result in a shake-up of the FN50 leasing landscape over the coming 12 months, adds Ayvens’s Laver.

“The industry has always been resilient, but the next year will separate those who adapt quickly from those who fail to align with the pace of change,” he says.

# Charges for car fair wear and tear rise to hit new record high

After falling last year, fees increase 14% to £421, while the proportion of cars subject to the charge also rises, reports *Andrew Ryan*

**B**oth the average fair wear and tear charge incurred by company cars (excluding salary sacrifice) and the average proportion of cars which attracted the fees from leasing companies have increased over the past 12 months.

This is a reversal of last year's performance, which saw the size of the average charge fall after four years of consecutive growth, while the average proportion of vehicles subject to the fees also dropped after increasing year-on-year since 2019.

This year's FN50 research found the average charge rose 14% to a new record high of £421. This is also 30% higher than five years ago.

The average proportion of cars which attracted the penalties from leasing companies increased three percentage points year-on-year to 48%. This

is one percentage point lower than the 2023's record high of 49%.

While the FN50 research shows that current average replacement cycle contract lengths have fallen year-on-year, from 38.2 months to 37.4 months, and mileages are also lower at 45,039 compared with 47,625 in 2024, cars being de-fleeted now are likely to have been on extended contracts due to supply shortages in the post-Covid years.

This could explain why they are being hit with higher fair wear and tear charges.

It suggests, though, that recharges could fall in the coming years and fleets might cycle their cars more quickly.

Analysis beyond the headline figures shows there are big differences in the data reported by individual leasing companies.

The average charges among individual leasing companies ranged from £153 to £894; a slightly wider spread than last year's figures which went from £93 to £807.

Dividing this year's data into four equal sections, we can see the average charges from 40% of companies were between £153 and £338, 33% between £339 and £524, 20% between £525 and £710, and 7% between £711 and £894.

The range of average proportions of cars subject to fair wear and tear charges from individual leasing companies went from 3% to 84%.

Within this spread, 6% of respondents said that their proportions were between 3% and 23%, 48% between 24% and 44%, 19% between 45% and 65%, and 26% between 66% and 84%.

Previous analysis has suggested that the damage incurred on cars leased under salary sacrifice is less than on company cars as drivers perceive them to be more of their own personal vehicle. The



## WEAR AND TEAR AVERAGE COSTS

Year	Average % of vehicles charged	Average recharge value £	Average damage waiver £
2007	35	246	
2008	39	246	
2009	43	278	
2010	43	249	
2011	42	281	
2012	43	263	
2013	41	278	
2014	35	274	
2015	38	280	160
2016	34	289	170
2017	37	308	166
2018	50	322	167
2019	43	326	112
2020	44	324	144
2021	45	338	142
2022	48	355	201
2023	49	370	203
2024	45	368	163
2025	48	421	165

**"OUR USED VEHICLE GRADING SCHEME IS ALLOWING SELLERS TO UNLOCK ADDITIONAL VALUE AND ACHIEVE SIGNIFICANTLY BETTER OUTCOMES AT AUCTION, THROUGH SMALL, COST-EFFECTIVE IMPROVEMENTS"**

**PAUL HILL, NAMA**

employee is also personally liable for any damage costs beyond fair wear and tear. It is also considered that leasing companies are more reluctant to charge individuals than they are organisations.

This year's research reveals that the average fair wear and tear charge for salary sacrifice cars was £286 – 32% less than for company cars.

The salary sacrifice figure is also 15% lower than last year (£334), which, itself, was 3% higher than in 2023.

The spread of average charges among individual leasing companies ranged from £70 to £570. This is narrower than last year, which was £60 to £626.



Dividing this year's spread into two even sections as there were fewer respondents to the salary sacrifice questions than for company cars, two-thirds (67%) were between £70 and £320, with the remaining one-third (33%) between £321 and £570.

There were also differences in the percentage of cars charged and the size of the damage waiver.

The data shows the average proportion of salary sacrifice cars subject to fair wear and tear charges was 36%, nine percentage points higher than last year. However, it is still 12 percentage points lower than the 48% reported for non-salary sacrifice cars.

Individual leasing companies reported average proportions between 5% and 68%. One-third of respondents said their averages were below the median of 37%.

The average damage waiver for salary sacrifice cars was £286, up £61 from last year. Individual average waivers range from £70 to £570.

When it comes to the decision of charging customers for damage at the end of contract, most leasing companies adhere to the British Vehicle Rental & Leasing Association (BVRLA) Fair Wear and Tear standard to give customers consistency and clarity on the often-contentious issue.

This covers areas such as damage to the vehicle

interior and exterior, the condition of tyres and wheels, the presence of in-vehicle documentation and – for EVs – the inclusion of charging cables.

When a leasing company receives a vehicle back from a customer at the end of agreement, it has to then decide whether to repair the car before defleeting it, or whether it makes more economic sense to not repair it but instead accept that it will sell for less at auction and perhaps take longer for a buyer to snap it up.

#### GRADING SCHEME

The National Association of Motor Auctions (NAMA) runs a similar initiative for its customers. It grades cars from one to five, with Grade 1 being the best.

"Our used vehicle grading scheme is allowing sellers to unlock additional value and achieve significantly better outcomes at auction, through small, cost-effective improvements to vehicle condition," says Paul Hill, spokesperson for NAMA.

"By making targeted improvements, operators can increase a vehicle's value and improve buyer engagement, ultimately supporting quicker sales and a stronger reputation in the market."

Hill says that by simply investing in cosmetic refurbishment to move a vehicle's grade from a 4

to a 2, sellers can achieve a significant, measurable return on investment. He says one example is that if the seller spends £550 to refurbish a bumper corner and carry out a paintless dent removal, it can increase vehicle value by £1,100.

Beyond the immediate financial uplift, sellers also benefit from faster first-time conversion rates, reduced days in stock, and a greater buyer engagement, he adds.

Stuart Pearson, chief operating officer at BCA UK's remarketing division, also says investing in refurbishment will benefit the vehicle owner.

"As always, the cleanest vehicles will make a premium due to the continuing shortage of retail-quality used cars, so those sellers prepared to invest in almost any pre-sale refurbishment are reaping the rewards," he says.

Leasing companies, typically, also employ a damage waiver and the average size of this has increased year-on-year by £2 to £165.

There is obviously a disparity in the range of average damage waivers between leasing companies. The lowest amount charged by respondents was £75, with the highest £250. Two-fifths of respondents said their damage waiver figure varied.

# Fair wear and tear charges for vans perform U-turn to hit a new high

Proportion of vehicles subject to the penalties is also at record level. *Andrew Ryan* reports



**R**esearch for this year's FN50 report has found the average charges and proportion of vans subject to fair wear and tear end-of-contract fees have

both risen to record highs after falling last year. The average charge incurred by vans has risen 9% from 2024 to £597; £9 more than the previous peak in 2023 and 36% (£159) higher than five years

ago when the figure stood at £438. The average proportion of vans subject to charges among leasing companies is 58%, two percentage points higher than last year, and one percentage point higher than the previous high in 2023. Five years ago, the average was 48%.

This year's rises come as the FN50 research shows that both the length of replacement cycle and mileage contracts currently being written have fallen slightly compared with last year: 2025's figures were 45.4 months/71,459 miles, which are 0.6% and 1.9% down respectively on 2024's figures (46.3 months/71,886 miles).

However, vans being defleeted now will have been on extended contracts due to supply shortages in 2021-2022, resulting in the higher wear and tear costs.

While we have already highlighted the headline figures, deeper analysis shows that there are large disparities in performances of individual leasing companies.

For example, within the overall figure for fair wear and tear charges, the lowest average figure from a leasing company is £180, rising all the way up to £1,370 at another.

Wear and tear average costs						
Year	Average % of vehicles charged		Average recharge value £		Average damage waiver £	
	Vans	Trucks	Vans	Trucks	Vans	Trucks
2016	41	25	380	372	166	208
2017	40	38	414	587	181	260
2018	44	38	376	614	168	258
2019	48	19	420	420	113	60
2020	48	24	438	429	141	75
2021	51	29	511	603	151	100
2022	50	39	561	959	221	150
2023	57	44	589	976	192	100
2024	56	47	540	909	163	150
2025	58	54	597	1,052	172	150



If we divide this range into four equal sections, 31% were between £180 and £477, 45% were between £478 and £776, 17% between £777 and £1,075, and 7% between £1,076 and £1,370.

Elsewhere, the range of average proportions of vehicles subject to charges from leasing companies went from 25% to 100%.

Again, dividing into four sections, 34% were between 25% and 43%, 24% were from 44% to 63%, 21% ranged from 64% to 82%, and 21% were between 83% and 100%.

The British Vehicle Rental and Leasing Association (BVRLA), which produces the industry-standard fair wear and tear guide, published an updated guide for vans in July.

Clarification and updates included that all keys have to be in working order, if the van is electric or plug-in hybrid, then all charging cables should be returned damage-free and panel cracking or deviation from the original shape is not acceptable.

The revised guide also states that if the vehicle has been wrapped or has had emblems added, the customer needs to follow the guidance from the leasing company as to whether this should be removed prior to returning the vehicle.

Traditionally, when a vehicle is collected from a fleet, a qualified inspector will complete a full visual inspection inside and out of the vehicle, and will assess its condition against a set of guidelines.

Before the vehicle is driven away, the inspector will highlight each area that would be deemed unfair wear and tear, along with the cost of repairing the damage or replacing any missing items.

The customer then signs the inspection report, and are able to appeal any decisions they disagree with later.

This is a procedure which leasing companies can

**“USED STOCK VOLUMES  
HAVE COME UNDER PRESSURE  
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VALUES FOR GOOD CONDITION,  
SENSIBLE MILEAGE VEHICLES  
HAVE RISEN SIGNIFICANTLY”**

**STUART PEARSON,  
BCA UK**

streamline and improve through the use of artificial intelligence (AI), says – perhaps unsurprisingly – an AI-based inspection platform, Pave. Its system works by capturing high-resolution images on a smartphone’s camera and these are then analysed to identify all types of vehicle damage.

This also minimises human error, ensuring consistent and accurate inspections across all vehicles, says Pave.

“AI has the potential to transform end-of-lease inspections in fleet management,” says Phil Deegan, UK head of business development at Pave.

“Integrating AI-driven inspection tools can significantly streamline operations, reduce costs and enhance customer satisfaction, ultimately leading to a more profitable and sustainable business model. Data-driven decision-making has always been the most effective way to manage any business.”

However, there is no documented evidence to

suggest any FN50 company is using AI this way. Inspections will highlight any damage to a van, and the leasing company will then have to decide whether to repair it before selling it on, or to vend it in its current condition.

This decision will affect the price achieved for the vehicle, as well as how quickly it will sell.

“Quality stock is in high demand, while poorer condition vehicles are harder to shift,” says Paul Hill, spokesperson for the National Association of Motor Auctions (NAMA).

“Demand for vans continues to rise and stock remains short, pushing quality vehicles straight out the door.”

Stuart Pearson, chief operating officer at BCA UK’s remarketing division, says that with the current high demand for used vans, condition has become more important than mileage.

He adds: “As demand rises, used stock volumes have come under pressure across all LCV sectors and values for good condition, sensible mileage vehicles have risen significantly, while in recent weeks, we have also seen renewed interest in higher mileage, older examples, provided their condition is acceptable.”

Leasing companies often also offer customers a damage waiver, which may cover all the costs on their damage invoice when a commercial vehicle is returned.

Among the respondents to the damage waiver question in this year’s FN50 research, the average size of the waiver increased 6% year-on-year to £172. This is 22% lower than the record high of £221 in 2022.

There is obviously a disparity in the range of average damage waivers between leasing companies. The lowest was £75, with the highest £260. More than one-in-five (23%) of respondents said their waiver varies in size.



# Average excess mileage charges for cars increases to hit new record

Average fee of £587 is 44% higher than just three years ago, while proportion of cars subject to charges also reaches unprecedented high. [Andrew Ryan](#) reports

**T**he average excess mileage charge for company cars has risen by just £1 after double-digit percentage increases in the past two years, to hit a new record level.

The figure is now £587, but the size of the increase suggests greater stability may lay ahead as the implications of the Covid pandemic recede in the rear-view mirror.

This year's average is also 44% higher than 2022's figure of £408 and is 81% higher than 2018's record low of £324.

The upwards trend is also similar in the average proportion of cars subject to the excess mileage charges. This year it has increased by three percentage points to 20% from last year's 17%, which is also eight percentage points higher than 2023's 12%, and 10 percentage points higher than 2022's and 2021's record lows of 10%.

Once factor for why the number of cars subject to excess mileage charges has grown in recent years could be the lingering effect of the pandemic.

Cars procured in the times around the global event are now being defleeted, and if fleets had

decided to save cash on rentals by reducing the number of miles contracted expecting the level of lockdown use to continue then, unless the customer renegotiated the terms of the contract during its lifetime, an increase in the excess mileage charges can only be expected.

The British Vehicle Rental and Leasing Association (BVRLA) Leasing Outlook report from Q3 2022 – the first time the document reported this data – said at that point mileages on contract terms for business contract hire cars had shrunk from the standard benchmark of 60,000 to 45,887 as a result of hybrid working patterns.

However, since the pandemic the number of commutes and business trips has increased.

The Government's National Travel Survey found in 2020 – at the height of the pandemic – the average number of trips per person where commuting was the main purpose was 91, and business accounted for 14. This year's survey found these had increased to 111 and 24 respectively.

Looking at the average charges reported by individual leasing companies, there remains a huge disparity in the size of the fees. These range from

£8.50 to £1,652. The extremes highlighted in last year's FN50 were £151 to £1,700.

The leasing company which reported the highest charges this year also had the highest charges in 2022, 2023 and 2024.

Breaking down the range of charges into four equal sections for further analysis, we can see that 42% of respondents have average charges between £8.50 and £538, 35% between £539 and £926, 15% between £927 and £1,314, and 8% between £1,315 and £1,700.

As with the size of excess mileage charges, there is a large disparity between leasing companies in the average proportion subject to charges.

These ranged from as low as 1% to as high as 87%. Last year, the spread was from 3% to 67%.

Breaking down the average proportions into four equal sections, we can see that 72% of respondents had average proportions between 1% and 33%, 25% between 34% and 44%, 7% between 45% and 66%, and 4% between 67% and 87%.

This is the sixth year that data for the actual charge per mile for excess mileage has been included in the research. For 2025, the average amount is 11 pence per mile (ppm), the same as last year and 1ppm less than in 2023.

The lowest specified charge was 8ppm, with the highest 20ppm. Last year the two extremes were 7ppm and 25ppm.

Almost three-fifths (57%) of respondents said their charge is variable. Last year it was 55%.

	2022	2023	2024	2025
Average % of returned vehicles incurring excess mileage	10%	12%	17%	20%
Average excess mileage charges	£408	£528	£586	£587
Average charge per excess mile	10ppm	12ppm	11ppm	11ppm



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# Average excess mileage charge for vans falls for first time in three years



Average figure of £627 is still 11% higher than 2023's fees, as proportion of vehicles subject to charge remains the same.

*Andrew Ryan* reports

**T**he average excess mileage charge for vans has fallen for the first time in three years. It now sits at £627, a 2% decrease on last year's figure of £642, but is also 11% more than 2023's figures.

The average proportion of vehicles subject to the charges among individual leasing companies has, however, remained static at 16%. This is one percentage point lower than in 2023, and three percentage points higher than in 2022.

One of the factors which influences excess mileage charges is the length and mileage specified in leasing contracts.

This year's research found the average contract length has fallen slightly – it now sits at 45.4 months compared with last year's 46.3 months – while the average mileage of returned vans has increased from 71,886 miles to 73,182.

In the British Vehicle Rental and Leasing Association (BVRLA) Leasing Outlook report for Q1 2022 – the first time this figure was included – the organisation said the average mileage specified in new leasing contracts in that period was 77,533.

This is significantly higher than the FN50 2025 average and, although the majority of vans registered in 2022 are unlikely to have been defleeted, it may suggest that fleets are being cautious when estimating the mileage their vans will travel. This

could help explain why the average charges have fallen year-on-year.

In its 2025 Q2 Leasing Outlook report, the BVRLA said the contracted mileage for vans in new lease agreements is 71,625 miles, 7.6% lower than the Q1 2022 figure.

Increased mileage does not have to mean increased excess mileage charges, as the majority of leasing companies are able to proactively work with customers to manage mileage and instigate measures such as pooled mileage or adjusting the terms of a lease to avoid the end-of-contract fees.

Other options are to reassign vehicles appropriate to the driver's planned journeys – lower mileage vehicles can be used by drivers doing greater miles, while higher mileage vehicles can be given to drivers who are doing shorter journeys.

While we have highlighted the headline figures, further analysis shows there is a large disparity between the average charges reported by individual leasing companies.

Of the leasing companies which responded to this part of the research, the lowest figure was £29, with the highest £1,508. Last year's figures were £89 and £1,297 respectively. In 2023, these were £58 and £1,245.

If we divide this range into four equal sections, we see 26% had average charges between £29 and

£398, 39% between £399 and £769, 13% from £770 to £1,139, and 22% between £1,140 to £1,508.

There is also a significant difference in the average proportion of vans subject to excess mileage charges between individual leasing companies.

The lowest figure was 2%, with the highest 48%. Last year's figures were 1% and 70% respectively. In 2023 these figures were 4% and 31%.

Again, separating the responses into four equal shares, we can see 27% of companies had average proportions between 2% and 13%, 50% from 14% to 24%, 19% from 25% to 36% and 4% from 37% to 48%.

The past year has also seen the average excess charge per mile for vans fall by 1 pence per mile (ppm) for the second consecutive year.

It now sits at 9ppm, the lowest it has been since the FN50 research began recording this figure in 2021.

The lowest specified charge was 5ppm, with the highest 20ppm. Of all respondents to this question, three-fifths (59%) have variable rates.

The average proportion of trucks which incurred excess mileage charges rose seven percentage points to 12% this year.

The average charge was £3,750, £2,240 more than in last year's FN50 report (£1,510).

	2022	2023	2024	2025
Average % of returned vehicles incurring excess mileage (vans)	13%	17%	16%	16%
Average excess mileage charges (vans)	£628	£567	£642	£627
Average charge per excess mile (vans)	10ppm	11ppm	10ppm	9ppm
Average % of returned vehicles incurring excess mileage (trucks)	9%	11%	5%	12%
Average excess mileage charges (trucks)	£966	£1,890	£1,511	£3,750
Average charge per excess mile (trucks)	7ppm	7ppm	14ppm	N/A

# TARGA TELEMATICS:

## Unlocking faster, smarter and more sustainable decisions with standardised data, AI and smart mobility



In association with



**W**ith more than four million connected assets across 50 countries and over 20 years of experience in developing digital solutions to support smart mobility, Targa Telematics brings significant expertise to its customers, offering flexible and reliable telematics solutions that help fleets achieve their goals.

Fleets are looking to control costs, ensure safety and regulatory compliance, while maximising operational efficiency and achieving environmental sustainability. Chris Horbowyj, UK Commercial Director at Targa Telematics, explains to *Fleet News* how fleet and leasing customers can achieve success with the company's range of data-driven and often tailored telematics-based solutions.

"Each business will have their own use case that they're wanting to fulfil," Horbowyj says. "That might be reducing vehicle off-road (VOR) incidents, improving operational processes, or reducing vehicle TCO, just to name a few. We listen to the customer in early-stage meetings in order to provide them with something which is tailored to their needs, because one size doesn't fit all."

"Our passion is ensuring that the customer maximises their return on investment, and we offer our extensive experience and consultancy to use the right insights or tool to meet their needs. In addition, if they require particular use cases, we have the flexibility and the expertise to make sure our customers get the right solution for them."

Targa Telematics offers its fleet customers the opportunity to revolutionise their capabilities and operations with a comprehensive ecosystem of end-to-end telematics solutions and a full technology stack using the Targa Platform.



**"WE HAVE THE EXPERTISE AND FLEXIBILITY TO ENSURE EVERY CUSTOMER GETS THE SOLUTION THAT'S RIGHT FOR THEM"**

**CHRIS HORBOWYJ, UK COMMERCIAL DIRECTOR AT TARGA TELEMATICS**



## Improving vehicle management and security for rental and leasing

**T**he European leasing and rental market, valued at more than €15 billion and encompassing approximately two million vehicles, is experiencing a transformation with implications across the sector.

The adoption of artificial intelligence (AI) and emerging technologies, combined with the rise of new mobility models, is driving a widespread shift across the industry toward more connected, digital, and sustainable solutions. However, despite these advances, leasing and rental companies still face longstanding challenges, such as vehicle safety, process optimization, and maintenance management, that continue to demand effective solutions.

Combining deep industry expertise with AI-powered analytics and multi-source data integration, Targa Telematics has established itself as a key enabler of digital transformation within the mobility sector.

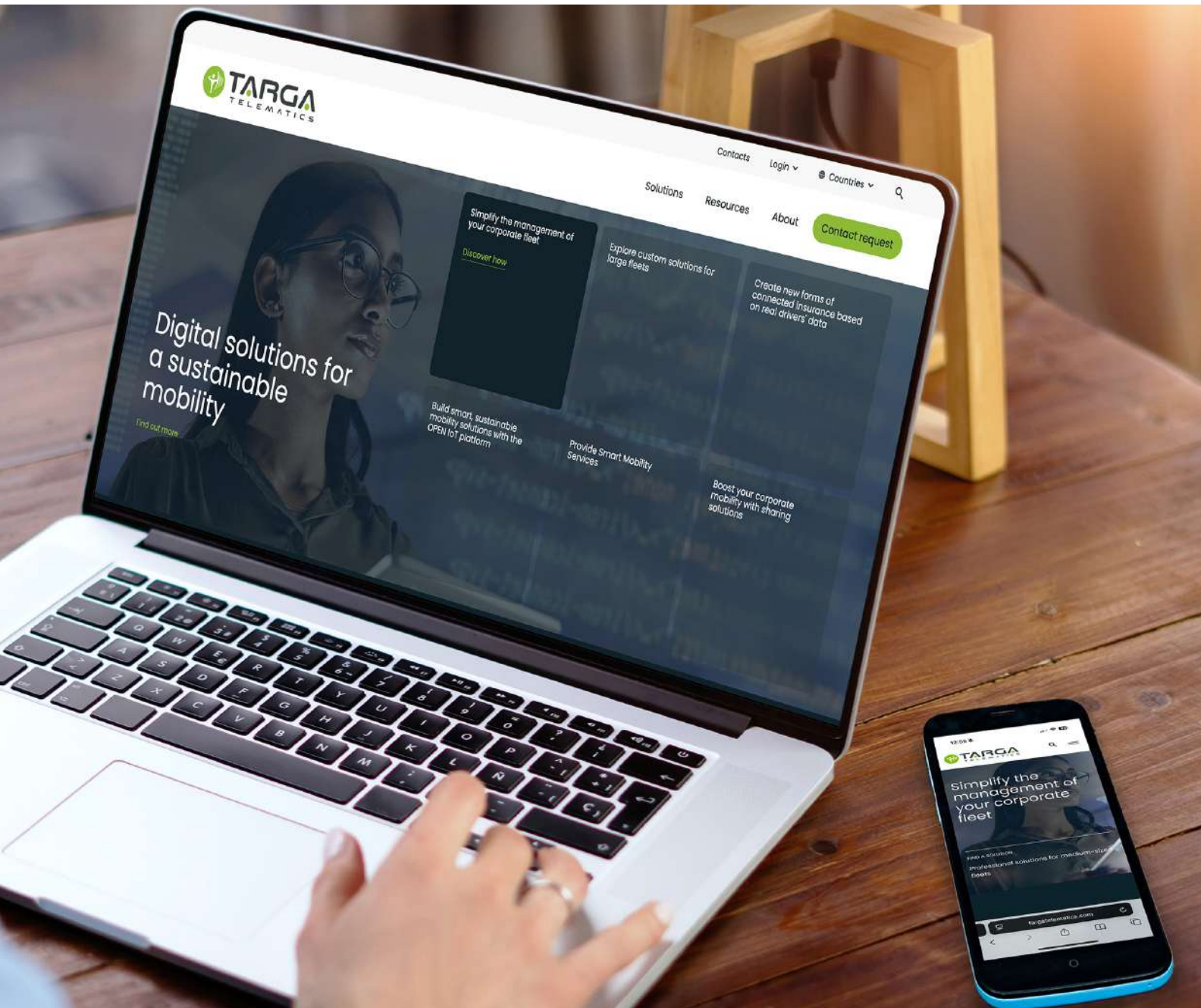
The company delivers tailored technological solutions designed

to enhance operational efficiency and long-term asset value.

As leasing and rental players work to preserve asset value and ensure seamless fleet availability, proactive service and maintenance have become essential. Targa Telematics enables continuous monitoring of vehicle health through diagnostic data and usage insights, allowing operators to intervene before minor issues develop into costly repairs or extended downtime.

"Acting in time is fundamental," Horbowyj notes. "If you can identify and address a technical issue at the earliest stage, you protect the vehicle's value and avoid disruptions that affect the entire operational chain."

In the case of electric vehicles, the platform also provides dedicated visibility into battery health, charging behaviour, and thermal conditions, supporting maintenance strategies tailored to EV-specific components. This proactive approach contributes directly to uptime. By leveraging OEM connectivity and real-time vehicle intelligence, vehicles can be prepared



and re-deployed faster after each rental cycle, ensuring that fleet operations remain fluid and commercially effective.

Security is another critical area where data and intelligent monitoring bring tangible benefits. Targa Telematics' solutions support theft prevention through continuous analysis of vehicle position, usage patterns, and contextual behaviour. In situations where anomalies are detected, remote intervention and rapid recovery procedures help protect assets and minimise operational disruption, as demonstrated in solutions such as Smart Vehicle Protector.

As Horbowyj explains, "When a vehicle behaves in a way that does not match its expected context, our systems recognise it instantly, and that means we can support our clients in securing the vehicle before it gets stolen and becomes a loss."

The company's keyless technology further enhances operational efficiency by enabling drivers to access vehicles digitally, removing the need for physical key exchange and simplifying check-in and check-out procedures. In addition to streamlining short-term rental operations, the

same capabilities allow leasing and rental operators to introduce new mobility models, such as corporate car sharing or multi-user fleet pools, with greater flexibility and control.

Beyond vehicle operations, Targa Telematics' expertise and AI-driven capabilities are increasingly being applied to broader internal processes, supporting improvements in customer service workflows, remarketing strategies, crash detection and claims management, workshop coordination, and installation procedures. Importantly, leasing companies can also extend these benefits to their own customers by offering integrated fleet management solutions. This enables commercial fleet operators to reduce mobility costs, enhance driver safety through behaviour monitoring and intelligent video systems, and improve the continuity of daily operations through proactive maintenance planning.

As the largest telematics provider to leasing and rental companies in Europe, Targa Telematics continues to scale its presence across the continent, with significant growth expected through 2026 as digital and intelligent mobility models become increasingly central to the sector.

## Supporting informed decisions with standardised OEM data

**I**ncreasingly, mobility data is driving efficiencies across fleets as vehicle data is available for fleet managers to inform their decisions – enabling greater success across operations.

The majority of modern vehicles are manufactured with connected sensors embedded within, allowing real-time collection of geolocation, vehicle health, driver behaviour and servicing data.

However, many fleets are made up of different makes and models, and vehicle manufacturers (OEMs) frequently develop incompatible data formats, systems and platforms. Due to this lack of standardisation and the sheer quantity of data that is often acquired in different formats, it can be difficult for fleet managers to gain a clear view of their multi-brand fleets.

Horbowyj comments: "OEMs all develop their own standards (format, frequency, aggregation, etc.) and the way that the data is delivered is completely different." The Targa platform collects, analyses and processes large amounts of vehicle-generated data – transforming it into actionable insights to enhance internal processes across an operation.

Crucially for customers, this functionality does not require a physical installation.

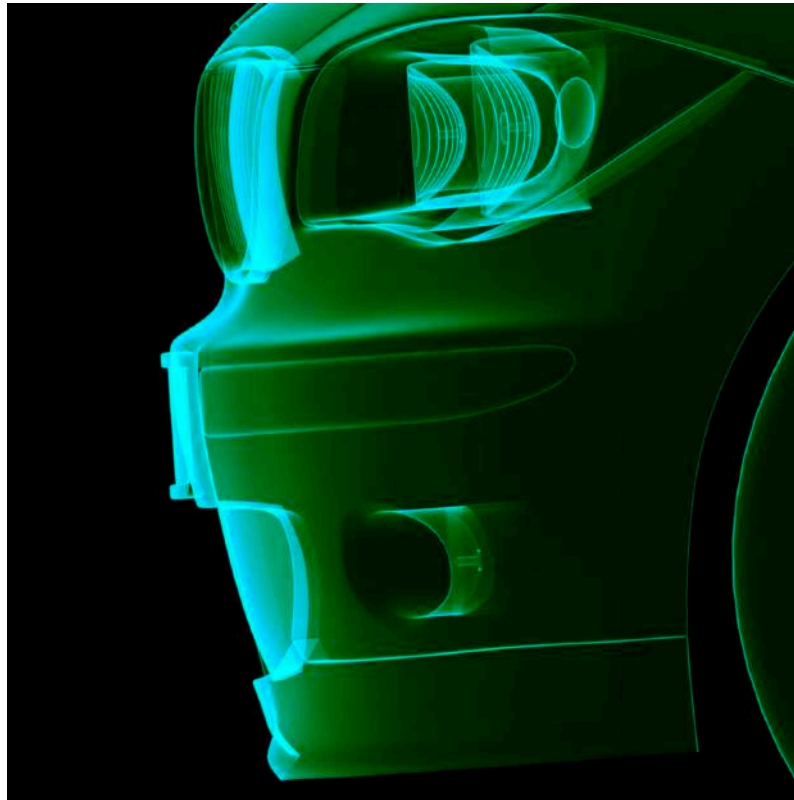
"We're one of the largest gatherers of OEM connectivity data," Horbowyj notes. "OEM connectivity can deliver most of the functionality offered by a high-quality black box, ensuring seamless performance and integration. As fleets are growing and evolving, they can leverage even more data for additional use cases."

Additionally, with Targa Telematics, fleet managers do not need to worry about incompatible and opposing data systems and formats.

Horbowyj explains: "Our digital platform ingests, normalises and enriches data so that it can be transformed into actionable insights. We partner with the majority of vehicle manufacturers and we have full access to most OEM data available to be shared."

"Most OEMs partner with a very limited list of data aggregators, and Targa Telematics is included. You have to go through a thorough due diligence and selection process. We invest yearly in cyber-security, so we have every accreditation that an OEM would be satisfied with and, from a GDPR standpoint, we're not sharing any data."

"We can enrich that data with various modules to suit our customers' use cases. Then, from a visualisation point of view, a fleet manager would see standardisation within our platform or in their IT systems. We can have vehicles on the user interface and it's irrelevant if it's got a black box or an OEM data activation, the fleet manager would just see those vehicles as they would expect to see them."



The provision of live and actionable OEM data in a standardised format can prove a significant enabler for fleet decision-makers, and so is a frequent offering that Targa Telematics provides to its leasing companies.

Horbowyj says: "Visibility of data plays a crucial role in key buying decisions. Providing live data allows lease companies to give fleet and procurement managers true insight, helping them make informed choices about their next vehicle."

With Targa Telematics' expertise and data provision, leasing companies can benefit from reduced vehicle downtime, improved maintenance workflows, and minimised fraud and VOR risks. These companies can also offer fleet customers a range of connected services that streamline operations and support more sustainable corporate mobility.



**"OUR DIGITAL PLATFORM  
INGESTS, NORMALISES AND  
ENRICHES DATA SO THAT IT  
CAN BE TRANSFORMED INTO  
ACTIONABLE INSIGHTS"**

**CHRIS HORBOWYJ, UK COMMERCIAL DIRECTOR  
AT TARGA TELEMATICS**



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## Enabling fleet sustainability with electrification and smart mobility solutions

**W**ith sustainability growing in importance for fleets, mobility solutions that achieve sustainable results are a priority. Through its technology, Targa Telematics enables companies to achieve a competitive edge when working towards electrifying their fleets, while also promoting solutions aimed at identifying ways in which fleets can reduce the impact of their vehicles and wider operations.

The telematics solution can assist fleets with electrification by providing detailed and data-driven analyses of vehicle usage to support decisions about which vehicles can transition to electric vehicles (EVs) without disrupting operations.

Targa Telematics offers a suite of tools designed for businesses with mixed or fully electrified fleets, offering detailed information – on battery usage, recharging events, infrastructure, and driver performance – to ensure that such vehicles can maintain their performance over time and achieve greater longevity. Additionally, historical vehicle data can support fleet managers in planning the deployment and placement of charging infrastructure, ensuring optimal availability and minimising downtime.

Horbwyj says: “Fleet electrification solutions basically improve and enable efficient management of EV fleets; they can monitor battery health, range and charging status.

“We can certainly track the carbon emissions for environmental, social and governance (ESG) reporting, while optimising charging schedules and infrastructure to help them down that journey.”

However, despite the benefits that fleets can achieve through electrification, Horbwyj maintains that achieving sustainable results must go beyond this, particularly as many fleets are not yet in a position to electrify their vehicles.

“A lot of fleets want to go EV but, in some cases, the range is just not there for their vehicles, including LCVs,” Horbwyj says.

“If they’re doing a lot of distances and carrying a lot of weight, they can’t go down that route unless they’re going to constantly charge, which is

completely inefficient because they’re then losing time and might have to reduce their jobs.”

Targa Telematics has identified key services that it offers to assist fleets in achieving sustainable results beyond EVs: AI-powered route optimisation, preventive diagnostics and smart mobility solutions.

AI-powered route optimisation can enable customers to reduce their mileage, avoid traffic congestion and improve scheduling – leading to lower fuel consumption and better service quality, especially when it comes to HGV and LCV fleets.

Real-time feedback tools using the Targa Telematics system can support tailored driver training initiatives to foster more eco-friendly driving habits.

Horbwyj says: “Driving behaviour is also a key role in sustainability, I’m a big advocate of this. If you’ve got harsh braking, rapid acceleration and excessive idling; we have the real-time tools to support driver coaching – encouraging smoother and more economical driving behaviours.”

Preventive diagnostics further enhance fleet customers’ sustainability by ensuring vehicles are properly maintained, minimising emissions and fuel waste caused by underperformance or delayed servicing.

Horbwyj comments: “If the vehicle is maintained and healthy, it’s going to be operating at its most efficient CO<sub>2</sub> rating and, in turn, if they’re driving the vehicle safely, you’re going to maximise your miles per gallon or range.”

With its technology stack, Targa Telematics supports fleets as they engage with smart mobility solutions such as corporate car sharing.

Horbwyj notes how this solution enables fleets to avoid maintaining an oversized or underutilised roster of vehicles.

“Corporate car sharing means fleets can optimise the number of vehicles they have. This will improve their sustainability because they can reduce unnecessary mileage, avoid emissions generated to manufacture the additional vehicles, and they are more likely to use EVs and reduce ICE (Internal Combustion Engine) vehicles.”

Customers can rely on Targa Telematics’ support with company car sharing through its Internet of Things (IoT) and keyless technologies. These solutions can also support fleet optimisation by identifying underused vehicles and introducing electric alternatives tailored to specific operational needs – allowing businesses to maintain their service levels while creating the ideal conditions to better shift towards electric mobility.

Horbwyj explains: “By implementing those additional strategies, companies can effectively reduce their fleet’s carbon footprint and, based on our experience, it’s a sustainable method moving forward.”

# Used vehicles leasing schemes help fleets electrify

Increase in products available to fleets seeking affordable, sustainable routes to electrification. *Mike Roberts* reports

**H**alf of UK leasing companies now offer a used car product, according to the latest FN50 research, slightly down from 54% last year. They are funding 12,011 used cars (figures supplied by 85% of those offering the product), up from less than 7,800 in 2024.

The availability of a similar product for vans has also dipped, with 39% of leasing companies offering it, compared with 44% previously. Numbers are much lower, at just 1,558 used vans, although this is almost double the 791 listed last year.

The British Vehicle Rental and Leasing Association (BVRLA) reports a dramatic increase in the number of used EVs leased via business contract hire and salary sacrifice schemes.

In the three months to June 2025, salary sacrifice leases for used cars shot up by 7,000% year-on-year, reaching 3,990. Meanwhile, business contract hire for used EVs rose by 174%, totalling 33,131 cars in the same period.

Overall, the UK's used vehicle leasing market expanded significantly, with a 166% year-on-year increase in total used car contracts.

Leasing companies are increasingly turning to the re-leasing of used electric vehicles (EVs), particularly ex-fleet vehicles, as a strategy to offset the steep declines in residual values (RVs) seen across the used EV market.

The BVRLA also coordinated the #UsedEVweek initiative in October in a bid to "shine a positive light on used EVs".

As part of the initiative, it is taking part in a series of three roundtables with government representatives and industry partners.

Each session will focus on a different aspect of the transport and energy challenges involved in the transition.

The discussions will showcase the solutions already being delivered by industry and explore the actions government can take to further strengthen the market.

BVRLA chief executive Toby Poston voices his opposition to leaving the used market to fend for itself in his comments on profit performance (see pages 6-7).

He calls for the Government to introduce incentives to bolster the second-hand market and adds: "By supporting second and third owners, we also support the first. In doing so we can protect value throughout the vehicle's life, making EVs affordable to more households and

ensuring sustainability isn't just environmental, but economic."

Chris Salmon, commercial director at SG Fleet, says that with vehicle renewal costs increasing significantly, driven by factors such as inflation, reduced manufacturer discounts and higher taxation, many organisations are opting to retain their existing cars and vans for longer periods than has traditionally been the case.

He says this approach is particularly prevalent among operators of internal combustion engine (ICE) light commercial vehicles (LCVs), adding that such a strategy is also being employed as a means of facilitating access to electric vehicles.

"This is usually through salary sacrifice but potentially also through company car schemes – without the same cost and duration commitment a new vehicle would command," he says.

Research from the Arval Mobility Observatory Barometer earlier this year found that smaller companies with fewer than 100 employees are more inclined to use second-hand cars and vans, with 54% already doing so and 29% planning to adopt them in the future.

This compares with 47% and 28% among medium-sized firms, and 53% and 19% among large companies with 1,000 or more employees.

John Peters, head of Arval Mobility Observatory in the UK, says: "Used vehicles tend to fit more easily into smaller business needs. If a large company wants to order 50 units of the same model at a year old, it's unlikely the used market will be able to meet their needs. But, if a small company requires three units, it's quite likely they can find what they want."

A number of FN50 companies, including Lex Autolease, Arval, Ogilvie Fleet and SG Fleet, offer such a product.

Only last month, Zenith announced it was launching a used EV salary sacrifice scheme.

Andy Wolff, commercial director of Zenith's corporate division, says: "We know from our market research that 81% of drivers would take a used salary sacrifice car. By combining affordability, accessibility and quality, we're removing the barriers that have traditionally held back EV adoption, while helping establish a healthy used market and mitigating the impact of falling RVs, which is vital to the overall EV ecosystem."

Schemes offering used EVs give fleets the opportunity to access zero emission vehicles at a lower price than opting for new models.

For fleets, taking on used EVs not only reduces

"BY COMBINING AFFORDABILITY, ACCESSIBILITY AND QUALITY, WE'RE REMOVING THE BARRIERS THAT HAVE TRADITIONALLY HELD BACK EV ADOPTION"

ANDY WOLFF,  
ZENITH



their impact on the environment but also allows employees access to a vehicle that might not be available to them if brand new.

Poston also says leasing used EVs is proving particularly attractive for smaller businesses and employees seeking a lower-cost route to electrification, adding: "It also aligns with maximising vehicle lifecycles, especially as more first-life EVs become available on the used market."

He says: "Used EV programmes present the opportunity to offer lower-cost second-hand electric cars to new segments of price-driven consumers, enabling more to make the switch and improving EV demand across the market."

Jo Clark, director of sales at Ogilvie Fleet, believes used leasing products can benefit ICE drivers by allowing them to switch into EVs quickly, reducing the benefit-in-kind (BIK) tax they pay and lowering the total cost of ownership (TCO) for the business.

"Many clients are using it to support their sustainability goals, and drivers benefit from access to higher-grade vehicles than they might otherwise be able to afford," she says.

Cheryl Clements, head of business development at Tusker, adds: "We're seeing more people wanting to offer pre-loved salary sacrifice vehicles to help those vehicles back on the road and widen the opportunity of driving an EV to even more people."

Most used EVs offered to fleet customers typically come from vehicles returned at the end of existing contracts or released early through corporate or salary sacrifice schemes. As a result, the company providing these used EVs should have full visibility into each car's history, including details of maintenance, servicing and overall condition.

Introducing used EV leasing delivers notable business benefits for leasing providers. Not only does it broaden their range of product offerings, but it also helps reduce financial losses on used EVs, whether they're sourced from standard contract ends or early returns, especially considering the current volatility of RVs in the EV market.

# Leasing firms want Government intervention in used BEV market

The depreciation of battery electric cars is unsustainable, yet the supply of used BEVs is in danger of outstripping demand. *Jonathan Manning* reports

**T**he toughest roles in leasing companies today are in residual value (RV) forecasting departments. The profitability of every contract depends on the accurate forecasting of future values, yet there have never been such disruptive forces at play that have the potential to undermine forecasts.

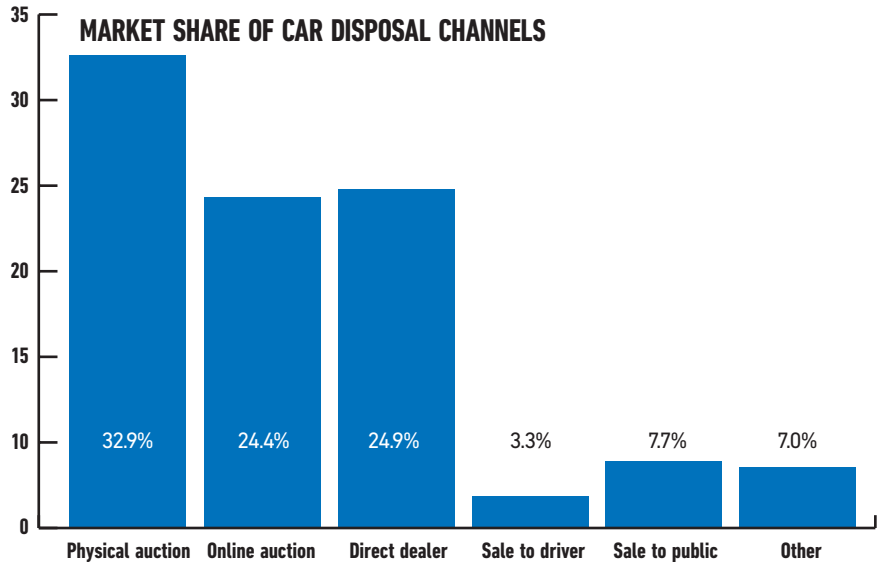
New powertrains, new manufacturers, new grants and discounts, and the destabilising impact of the Zero Emission Vehicle (ZEV) Mandate forcing the supply of electric vehicles (EVs) into the market have created a highly volatile environment.

On the plus side of the RV balance sheet are the three million cars that weren't sold while the automotive industry was put on ice during the pandemic. These 'missing' sales have constrained the supply of used cars and largely protected the values of models with an internal combustion engine (ICE) during 2025.

## CONTINUED IMPACT OF COVID

The number of three- and four-year-old used cars available for sale reached a record low of just 23% of the UK's used stock in early August according to Indicata Market Watch report, evidence of how Covid's restricted new car supplies and delayed fleet replacement cycles are still having an impact on the UK secondhand market.

"Typically, 36-to-48-month-old used cars are at the sweet spot of consumer demand from an age,



mileage and price perspective and currently demand is exceeding supply," says Dean Merritt, Indicata UK's head of sales.

He forecasts that the used car shortage looks set to continue into the first quarter of next year, which means ICE prices should remain stable, although uncertainty in the wider economy is keeping

a lid on demand for both new and used cars.

FN50 data reveals that leasing companies achieved on average 99.8% of Cap Clean prices in 2025, with only 10% of FN50 members reporting an increase in their RVs this year, whereas 72% registered a decline.

The culprit casting a dark cloud over the industry is, of course, the values achieved by the growing numbers of electric cars being remarketed. So substantial are the shortfalls in the disposal prices achieved, compared with original forecasts made three or four years ago at the start of contracts, that the losses from a single used EV can swallow the profits from selling four or five ICE cars, according to one leasing director.

## FORECASTS WAY OUT

Cap HPI recorded a 60% decline in used EV values between September 2022 and 2024, and a further 10% since then, a scale and speed of reduction that almost defies belief. Its forecasts made three years ago are still about 30% out on average for three-year-old EVs, a Nile-sized delta that is prompting leasing companies to extend contracts wherever possible, rather than book the losses.

"Vehicles once expected to retain 60% of their value are now worth closer to 35% at lease-end," says Scott Tedman, business development director, VMS (Fleet Management).

The question now is whether consumer demand for used EVs can rise at the same speed as supply, with ever-increasing volumes of electric company cars and salary sacrifice cars due to hit the second-hand market.

"A key challenge is that not all EVs are created





equal,” says Kevin Blincowe, head of auctioneering, Manheim Auction Services. “Newer models with better range, updated tech and improved reliability are proving far more desirable than early-gen stock. The tech is moving quickly and consumers are noticing the difference.”

Nonetheless, BEV demand is growing, he says, with EVs moving from the edges to the mainstream of the used car market trends.

This can be seen in the stocking strategies of dealers, who are starting to dip their toes back in the used EV market, after alarming losses a couple of years ago when cars on forecourts depreciated so rapidly that dealers lost money.

Importantly, it’s not just franchised dealers and used car supermarkets that are stocking used EVs, says Chris Plumb, head of current car valuations at Cap HPI.

“Over the past 12 months we’ve really seen a 50% increase in independents who have stocked or advertised at least one BEV,” he says.

This still means that about 75% of independents have yet to sell a used EV, but the trajectory is positive. From the perspective of dealers and drivers, used EVs are attractively priced, despite costing significantly more when new. Across around 70 ranges of cars, Cap HPI has found used EVs to be cheaper than the same model with a conventionally fuelled engine in 85% of cases, amounting to a saving of about 16% or £3,600 on a three-year-old car, and as much as 23% on a five-year-old car.

But at a time when households are still grappling with the cost-of-living crisis, car buying budgets have remained at a net figure below £20,000, rather than risen to match the traditional

50-plus percent of the price of a new car. Consequently, BEVs in the £5,000 to £15,000 price range are proving to be more attractive to dealers than those above £20,000, and the more expensive the used EV, the less attractive it becomes, according to Cap HPI.

#### LOOKING TO GOVERNMENT

Faced with this outlook, leasing companies are urging the Government to intervene in the used EV market in order to stimulate demand and support the long-term sustainability of growth in new EV market by keeping lease rentals affordable.

John Wright, managing director of Ford Fleet Management, would like to see the Government go

further by offering EV residual value guarantees or protection schemes, alongside greater transparency about battery health to build trust in ex-fleet EVs.

BCA launched an EV Battery Grading service a year ago and reports an increase against guide prices, an improvement in sale conversion rates and a reduction in time-to-sell for BEVs that are battery graded.

Time-to-sell has become an issue for leasing companies, with defleet periods extending as remarketing teams explore multiple disposal channels to secure any possible uplift in RVs.

They would like to see a raft of smaller incentives to change the negative media coverage of BEVs, and encourage SMEs and private buyers to opt for a used BEV. Ideas such as restoring exemptions from Vehicle Excise Duty and London’s congestion charge, or introducing grants or capital allowances for used EV purchases, would help to improve public perception of BEVs.

And to some extent this is a race against time. The ratcheting up of the Zero Emission Vehicle Mandate creates a deadline for positive intervention to maintain an orderly market, says Dylan Setterfield, head of forecast strategy at Cap HPI.

He calculates that the CO<sub>2</sub> credits that OEMs are using currently to meet their ZEV Mandate commitments and avoid paying fines can continue until 2027, when 38% of new sales have to be electric.

But when this percentage ramps up to 52% in 2028, representing a 37% year-on-year rise, “it is hard to see how this level of penetration can be possible without either further significant Government incentives, or the discontinuation of a significant proportion of ICE models in the UK,” he says.

**“TYPICALLY, 36-TO-48-MONTH-  
OLD USED CARS ARE AT THE  
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EXCEEDING SUPPLY”**

**DEAN MERRITT,  
INDICATA UK**

# Ageing fleets change profile of used LCVs

Van RVs have been stable in 2025, but it feels like a decline as higher vehicle ages and mileages have reduced prices.

*Jonathan Manning* reports

**R**emarketing data shows 2025 to be the most stable year in the used light commercial vehicle (LCV) market since the pandemic, yet leasing companies still feel negatively about the residual values (RVs) they have achieved.

More than half (52%) say RVs have decreased, and only 10% report an increase, despite average resale values achieving 100.6% of Cap HPI values.

Sales of new LCVs have struggled all year, with Society of Motor Manufacturers and Traders (SMMT) figures showing a fall of almost 10% compared with 2024. In theory, this should boost used LCV prices by reducing the supply of defleeted vans into a market that is already missing the 73,000 'lost' registrations of 2022, when new vehicle supply shortages were so acute.

But the same economic uncertainty that has led fleets to extend the holding periods of their current LCVs, rather than replace them, also applies to the small-to-medium enterprises (SMEs) and sole traders that typically buy used LCVs. As a result, demand for used vans has declined, too.

Moreover, by extending their contracts, fleets have added to the age and mileage of the vans that do reach the used market. The longer a vehicle is on the road, the more likely it is to suffer more body damage, as well as mechanical wear and tear, both of which undermine RVs.

Despite these deflationary factors, used van

prices have dropped by slightly less than the 1% per month expected in a normal market, for the first 10 months of 2025, says Dionne Hanlon, senior editor commercial vehicles, Cap HPI.

"This has been the most stable year for LCVs in a considerable amount of time," she says.

The best performing vehicles are clean low mileage ones, although these are becoming harder and harder to find.

"It's all about reliability – buyers just need to know they can keep their vehicles on the road without any expensive maintenance or breakdowns," says Hanlon.

To sell into the market's sweet spot, used LCVs would, ideally, have driven between 50,000 and 80,000 miles, she adds.

Beyond this threshold, remarketing companies emphasise the importance of vehicles having a fully documented service history to maximise their values.

Stuart Pearson, COO, BCA UK Remarketing, says: "Condition is still king and, while retail customers demand quality, many buyers are further stretching their parameters to include higher-mileage or older vehicles if they're clean enough for the forecourt."

While dependable diesel continues to dominate LCV powertrains, accounting for more than 85% of new van sales in the first nine months of 2025, leasing companies are grappling with setting RV forecasts for battery electric vans.

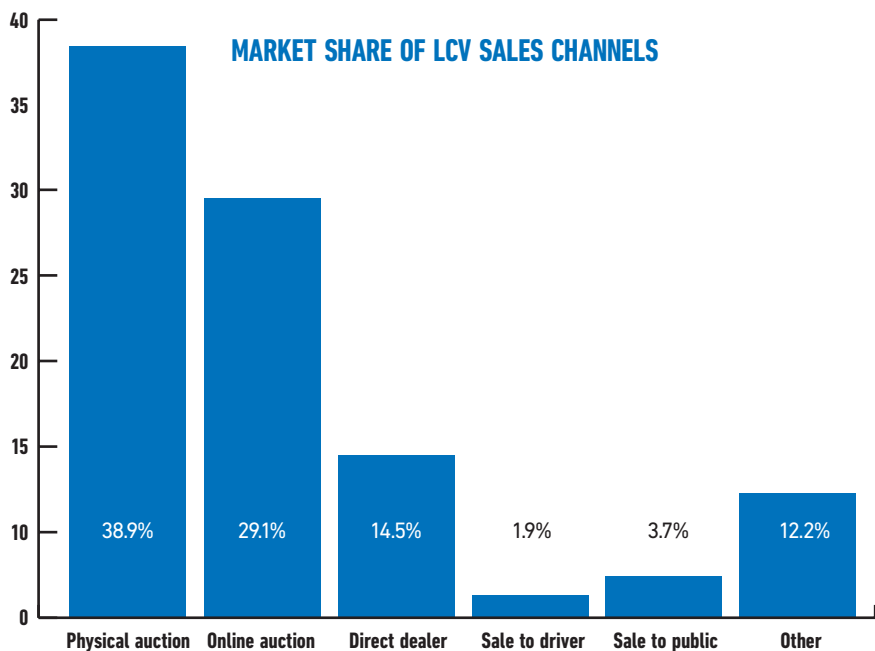


These accounted for 9.1% of all LCV registrations in the year to the end of September, 56% up on 2024, but well shy of the 16% demanded by the Zero Emission Vehicle (ZEV) Mandate.

The Government's commitment to extend the Plug-in Van Grant and its new Depot Charging Scheme offer support for fleet operators transitioning to battery power, but having been burned by depreciation losses on their first wave of electric cars, leasing companies are cautious about the prospects for electric LCVs.

Very few eLCVs have reached the end of full-term leases to provide confidence-building data of how the market will react to the technology, but leasing companies say that early terminated vehicles have required considerably more effort from their remarketing departments to find buyers.

One of the principal issues is the absence of management time and expertise among used van customers to make an eLCV work operationally for their businesses. Larger organisations have fleet and facilities managers to plan routes, develop charging solutions, and (where necessary) reconfigure business processes in order to integrate battery-powered vans.





But tradesmen and small companies want to concentrate their efforts on running their businesses, rather than running a vehicle.

"If people are careful about what it is that they expect from the vehicle and how they plan to charge it and the distance that it's going to cover, electric vehicles can work perfectly well, but it's got to be well planned out," says Hanlon.

Given the shortages of used diesel stock, she says traders and dealers are dipping their toes into the used eLCV world, albeit only at trial levels.

One major consideration for used buyers, and consequently for residual value forecasters, is the aftersales support available for eLCVs. Downtime due to service and maintenance work or mechanical failure brings a business to a standstill, so easy access to reliable, local aftersales support is vital for customers.

"The first thing that anybody wants to know with a commercial vehicle is 'if it breaks, how am I going to fix it?'," says Hanlon. "Have you got a replacement vehicle that you're going to be able to supply me with?"

**"CONDITION IS STILL KING AND, WHILE RETAIL CUSTOMERS DEMAND QUALITY, MANY BUYERS ARE FURTHER STRETCHING THEIR PARAMETERS TO INCLUDE HIGHER-MILEAGE OR OLDER VEHICLES"**  
**STUART PEARSON,**  
**BCA UK REMARKETING**

For a new eLCV manufacturer, such as Kia, this is not such an issue because of the strength of the brand's car dealership network. But for a new market entrant such as Farizon, it was an Achilles'

heel in terms of residual value forecasting until the manufacturer struck a blanket nationwide service and maintenance deal with The AA, opening access to the motoring organisation's 213 aftersales workshops and 100-plus mobile technicians.

In terms of sales channels, the ageing of defleeted LCVs may explain the slight increase in the use of physical auctions and decrease in online sales in 2025, compared with last year, with buyers keen to inspect vehicles in the flesh.

High definition imaging and detailed inspection grading systems are, however, reassuring buyers to bid remotely with confidence, which is increasingly valued in a market of restricted supply, enabling buyers to engage with multiple sales at any one time.

"BCA Online is overwhelmingly the channel of choice for buyers and sellers as it has the volume and frequency to meet their needs – seven days a week, 25 or more sales on a typical weekday, offering several thousand vehicles daily," says a spokesman for BCA. "Buyer numbers have risen steadily for BCA Online during this year."

# Support for electric vehicles dominates the FN50 wish list

Leasing chiefs call for initiatives on used EVs, charging, commercial vehicles, taxation and driver education.

*Sarah Tooze* reports

**T**he Government must act decisively with bold measures to support the electric vehicle (EV) market or it risks stalling the transition to net zero and the collapse of parts of the leasing industry.

That's the stark warning from Zaf Iqbal, managing director of Pure Leasing.

He believes that "the clock is ticking very fast" and wants the Government to "transform the financial case for both new and used EVs" with free public charging. The number of free public charge points has decreased significantly over the past few years, according to Zapmap, with only around 2% of all EV charging points not incurring a cost.

Iqbal's other two wishes are for the Government to raise or remove the £40,000 threshold for the expensive car supplement (also known as the 'luxury car tax'), which "unfairly penalises" zero-emission vehicles, and to provide tax relief or direct financial support for leasing companies.

"Leasing companies have carried the financial risk in driving EV adoption, particularly with collapsing residual values. Targeted tax relief or financial support would protect the stability of the sector ensuring leasing companies can continue to play their critical role in supplying the used car market with low-emission vehicles," he says.

He adds: "I appreciate these may feel extreme but, without decisive action, the UK risks a major setback in its road to net zero and the financial

strain could see some leasing companies fail before the transition is complete while there are storage yards of parked up electric vehicles which no one wants."

He is not alone in his concerns about the financial risk leasing companies are undertaking. In this year's FN50 survey, which asked senior leaders to name their three wishes to Government, there were repeated calls for Government action on used EVs as values have been free-falling, costing the leasing sector millions of pounds.

Among the suggestions to Government were: a reduced VAT rate on used EVs; retail incentives, such as the extension of the plug-in car grant to used electric cars; battery health standard reporting or certification to improve buyer confidence; SME support schemes; public sector procurement of used EVs; and capital allowances on used EV purchases.

Ian Turner, chief sales officer at Alphabet, echoed Iqbal's suggestion about the expensive car supplement for electric vehicles, following the leasing company's research earlier this year that only about a fifth (19%) of EVs cost less than £40,000. He would like the threshold raised to £60,000 "to better reflect current EV list prices and encourage greater EV adoption".

"The current levy only presents another barrier to entry amid other economic challenges," he says.

## CHARGING MEASURES

The other major barrier to EV adoption which FN50 companies want the Government to address is that of EV charging.

Arval is among the leasing companies which wants to see VAT removed on public charging to "democratise usage costs for BEV (battery electric vehicle) users without home charging access".

The disparity between the 20% VAT rate for public charging and the 5% rate for those plugging in at home is something the industry has been requesting for a number of years and a bill has been started in the House of Commons.

Jon Lawes, managing director of Novuna Vehicle Solutions, wants to see "accelerated investment in charging infrastructure" adding: "Infrastructure remains the most significant bottleneck to fleets decarbonising at scale.

"The Government's recent EV infrastructure



grant for staff and fleets, which funds up to 75% of installation costs (capped at £15,000 per site), is a welcome step, but the short notice period for potential scheme changes and the requirement for fleets to move quickly to secure funding creates pressure.

"To truly unlock adoption, funding windows need to be longer and more stable, eligibility broadened, and schemes better aligned to give fleets the confidence and time to plan strategically and roll out infrastructure at scale."

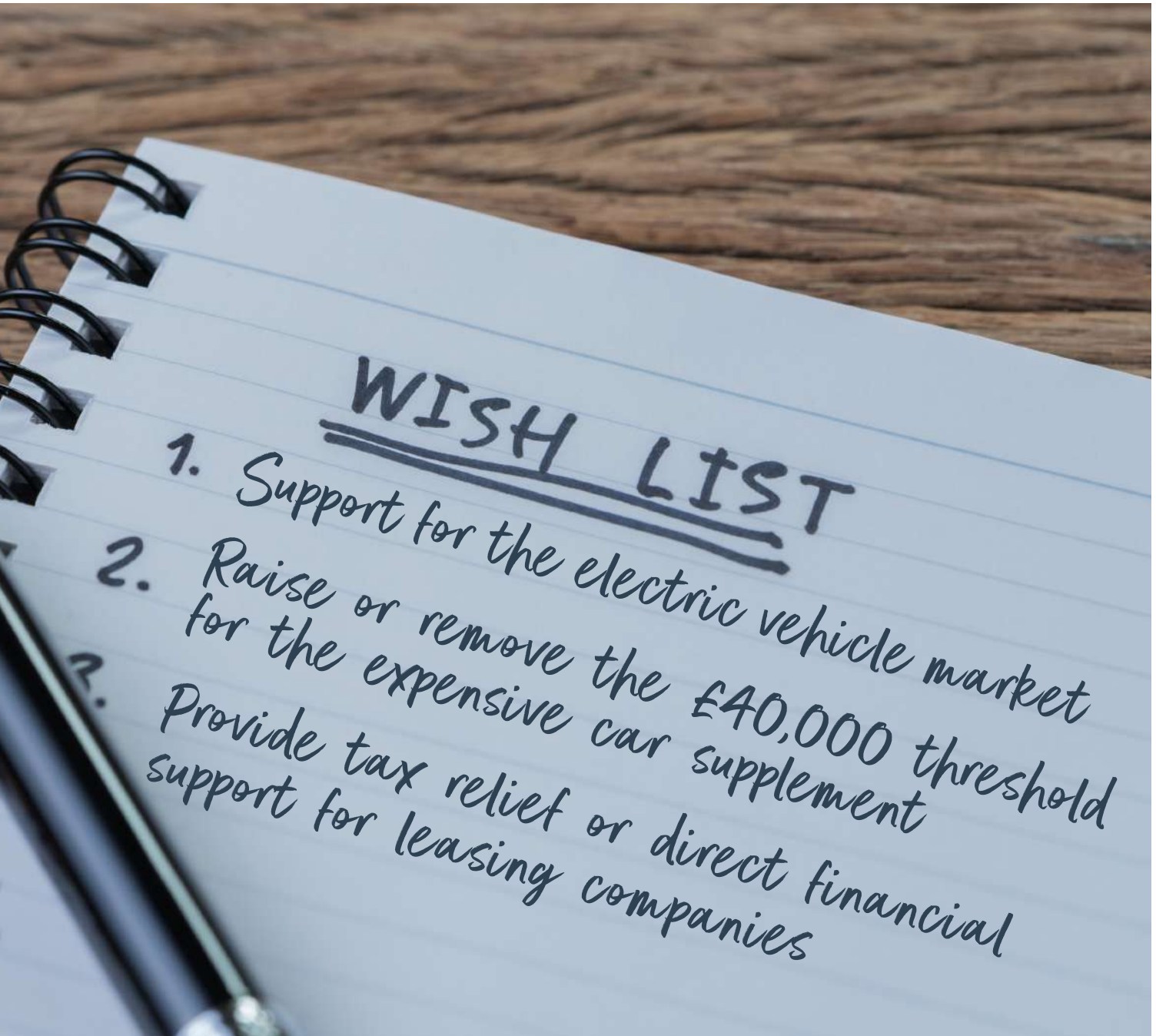
Chris Salmon, commercial director at SG Fleet UK, believes that "significant investment" in commercial charging infrastructure is essential, particularly for light commercial vehicles.

Several other leasing companies want support specifically for vans and HGVs.

Duncan Green, commercial operations director at Drivalia Lease UK, says there needs to be a

**"THE UK RISKS A MAJOR SETBACK IN ITS ROAD TO NET ZERO AND THE FINANCIAL STRAIN COULD SEE SOME LEASING COMPANIES FAIL BEFORE THE TRANSITION IS COMPLETE"**

**ZAF IQBAL, PURE LEASING**



“Government-led, massively accelerated roll-out of a nationwide public charging infrastructure specifically designed for commercial vehicles, including vans and HGVs, because the current lack of reliable depot, on-street and motorway charging is the single biggest practical barrier to electrification”.

John Wright, managing director of Ford Fleet Management, highlights the difficulties of conversions on electric vans, calling for specific grants or tax relief for converted and specialist EVs, and investment in research and development for zero-emission solutions in the LCV and conversion space.

“The hardest part of the transition isn’t cars – it’s vans and specialist vehicles,” he says. “Electric LCVs often require bespoke conversions, payload flexibility and range assurance – and they remain expensive with longer lead times.”

Drivalia’s Green would also like to see “significant investment and reform in driver and technician training and apprenticeships, directly subsidising new HGV licences and creating robust programmes for EV maintenance skills to tackle the crippling labour shortage that inflates costs and threatens the entire supply chain”.

#### CAMPAIGN TO TACKLE MISINFORMATION

A number of leasing companies would like the Government to invest in a national EV education campaign to tackle the “misinformation” that surrounds EV adoption.

“The existing promotional material is passive and insufficient to shift public perception,” says Alphabet’s Turner.

He calls for the Government to work closely with trade bodies such as the British Vehicle Rental and Leasing Association (BVRLA), the

Society of Motor Manufacturers and Traders (SMMT) and the Finance and Leasing Association (FLA) on the campaign.

Above all, FN50 companies want the Government to give them long-term clarity – be that on tax incentives, low emission zone policies, phase-out deadlines for internal combustion engine vehicles or salary sacrifice schemes.

One senior leader points out that fleet operators make decisions on three-to-five-year cycles and need to be able to make investment decisions without “fear of sudden policy shifts”.

Novuna’s Lawes says: “Fleets and leasing companies need a predictable, stable roadmap for zero-emission vehicles, taxation and infrastructure. Frequent policy changes erode confidence and delay investment decisions. A clear 10-year framework would give businesses the certainty to commit to decarbonisation at pace.”

# Leasing firms report massive rise in fines and penalties from drivers

The increase has come across the board, with data on speeding fines, parking fines, congestion charges and 'other' fines all up. *Gareth Roberts reports*

**T**he number of fines and penalties being handled by FN50 companies has increased by a massive 66% year-on-year.

In 2024's FN50, leasing companies reported having to deal with 815,390 traffic violations, including speeding and parking fines. This year, that has risen significantly, with more than 1.35 million fines and penalties reported.

The increase has come across the board. Data on speeding fines, parking fines, congestion charge and 'other' fines all show an increase.

However, it the number of tickets being received for drivers incurring parking fines which shows the most significant rise – almost doubling year-on-year.

There were just more than 385,000 parking fines handled by FN50 leasing companies last year, but that has increased to 763,335 – a substantial 98% uplift that reflects separate analysis by the RAC.

John Peters, head of consultancy at Arval UK, says: "In recent years, we've seen a noticeable increase in the number of fines and penalties impacting fleet operations, particularly around parking.

"Data from the RAC highlights that parking charges and notices have more than doubled since 2018 – rising from 6.8 million to 14.4 million in 2024 – with advancements in enforcement technology, tighter urban restrictions, and revenue generation by local authorities all contributing factors."

The average parking fine value has remained pretty much unchanged year-on-year at £58.93 compared with £59.17 in 2024.

Similarly, the average administration charge has not changed much, with drivers incurring an average fee of £16.08 this year compared with £16.85 last year.

There was also a significant increase in speeding fines. The number of tickets issued rose by a third (33%) year-on-year, from 121,856 fines handled in 2024 to 162,019 in 2024.

The average fine value, however, fell year-on-year, from £74.67 in 2024 to £64 this year, while the average administration charge also fell, from £16.98 to £14.89.

The number of fines issued for congestion charge violations, meanwhile, was up by 18%, from just 33,470 in 2024 to 39,561 in 2025, with the average fine value also increasing from £80.45 to £84.11. The average administration charge for congestion charge tickets fell from £18.01 to £16.91.

Finally, there was a rise in fines falling outside of these categories, with those classified as 'other' increasing by more than 40%, from 274,000-plus fines in 2024 to 386,204 this year.

Both average fine value and average administra-

tion charge fell in this category. The average fine in 2025 was £47.05 compared with £52.13 in 2024, while the average admin cost fell from £15.84 to £15.23.

Leasing companies in the FN50 referred more than one-in-five fines (22.8%) to a driver, while almost half (47.2%) of the fines they received were referred to fleets. More than a quarter (29.6%) were not referred before payment. Proportions are similar to those reported in 2024.

Andy Wolff, commercial director for Zenith's corporate division, says: "Over the past two years, Zenith has seen an increase of around 9% in all fines and penalties.

"However, breaking down the detail highlights some wider variances, including increases of 17% in private parking charges, 29% in Dart Charges, and 53% in TfL (Transport for London) penalty charges."

Zoe Morris, fleet admin team leader for core operations at Holman, says the majority of local authorities across London raised parking fines at the higher and lower levels by £30 in April. These are reduced to £80 and £55 if paid within 14 days.

"We've also seen a big rise in TfL fines since the new Silvertown Tunnel under the Thames opened in April, with drivers being hit with a £90 fine for non-payment," she says.

The increase in the number of fines and penalties being issued reported in the FN50 survey comes after separate data from Jaama told a similar story.

**1.35 million**  
fines and penalties



A survey of its top 20 customers showed they had received 844,971 fines in 2023/24, but this had risen to 1,080,556 tickets 12 months later.

That represented a 27.8% increase and, with nearly 10,000 speed cameras and ULEZ cameras operational in London alone, it is a problem that will only escalate

Peters tells *Fleet News*: "From a fleet management perspective, this trend places a growing administrative and financial burden on both businesses and leasing providers.

"With further policy changes ahead, such as the end of Congestion Charge exemptions for electric vehicles from December 2025 and proposed increases in daily charges from £15 to £18, this is an area that will demand even greater focus from fleet operators."

#### ACCEPT OR DISPUTE

Fines and penalty notices need "instant action", says Morris. "Either to accept and pay up, or to dispute. Either way, you must act promptly – the worst thing any fleet manager can do is to ignore the issue.

"Whether it's a PCN (penalty charge notice), speeding ticket or DVLA fine, you must respond within the stated timeframe. Doing this ensures that you can qualify for an early payment discount, often up to 50% if paid within 14 days.

"WE'VE SEEN A  
NOTICEABLE INCREASE  
IN THE NUMBER OF FINES  
AND PENALTIES IMPACTING  
FLEET OPERATIONS,  
PARTICULARLY AROUND  
PARKING"

JOHN PETERS,  
ARVAL UK

763,335  
parking fines

"Conversely, unpaid fines can lead to increased charges, court action and, ultimately, even bailiff enforcement."

You also have a similar timeframe in which to appeal if you believe the fine is incorrect – giving you time to gather evidence (photographs, receipts, witness statements) which you believe proves your driver's innocence.

However, Morris says don't expect to win an appeal unless the evidence is strong. "Simply saying that the driver didn't know he or she was entering an LTN (low traffic neighbourhood) won't work."

If your evidence is rejected, but you still believe you are not in the wrong, you can appeal to an independent tribunal.

"One vital step if you are going to appeal, is not to pay the original fine, this is considered an admission of liability," says Morris.

As the Government looks to standardise a private parking code of practice, including improvements to signage, appeals and payment systems, Peters says he expects some "positive steps toward fairer treatment of drivers".

However, he adds: "Fleets should not rely on these changes alone. A proactive, data-driven approach to driver guidance, route planning and fine management remains essential to keeping operational costs and disruption to a minimum."

FleetNews



# AWARDS 2026

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# BUILDING THE FUTURE OF FLEET, TOGETHER

The world of fleet is constantly evolving, and so is Zenith. Working hand-in-hand with its corporate customers Zenith has redesigned its customer service provision, evolved its multi-leasing offering with the launch of a used EV salary sacrifice scheme, and is rolling out an innovative vehicle management platform, which utilises the latest AI technology

In association with

**Zenith** 



**T**o say that the team at Zenith have been busy over the past 12 months is an understatement. As if supporting its corporate customers with the transition to electric vehicles (EVs) was not enough to contend with, it has rethought its customer service provision, transformed its vehicle management software offering with a platform which uses Microsoft's cutting-edge Power BI, and it has just launched a used EV salary sacrifice programme.

The latter follows Zenith's market research which found 81% of drivers would be interested in a used car salary sacrifice scheme.

The scheme is fully digital and gives drivers a wider selection of EVs for their budget, making EVs more accessible and cost-effective.

Each vehicle is mechanically inspected by The AA, has a full service history, has been refurbished to a high standard, and comes with a full maintenance package, insurance and termination waivers.

Contracts start at 12 months and vehicles can be delivered within 14 days. There is a seven-day return period on all vehicles to give drivers peace of mind about ordering a used vehicle online.

"What came through loud and clear in our research was that drivers felt real comfort with it being an employer-backed scheme; it felt like a safe way to transition into a used electric car," says Claire Evans, Consultancy and Product Development Director at Zenith.

The benefit to corporate customers is that it opens up car salary sacrifice to a much wider employee base and, ultimately, enhances the value of their flexible benefits package.

## PARTNERSHIP APPROACH

All of the developments Zenith has been working on this year have been led by customer feedback as part of Zenith's commitment to a partnership approach.

"We talked to our customers about what's important to them and what the areas of specialism are. That resulted in us creating customer service hubs and a new management layer within our customer service provision," says Andy Wolff, Commercial Director of Zenith's Corporate Division.

Customers now benefit from four new customer service managers who are responsible for the delivery of key performance indicators (KPIs) and service level agreements (SLAs) across each of the customer service hubs.

"It's fairly common in the leasing sector for customer service to be delivered through a contact centre where the relationship managers are detached from the customer service function," says Wolff. "But our model is to have named individuals responsible for each customer who operate within hubs made up of similar customer types and needs."

The customer service managers are empowered to make quick strategic decisions to resolve any issues that occur.

## RECORD LEVELS OF CUSTOMER SATISFACTION

The new approach has taken Zenith's customer satisfaction scores – which were already high – to record-breaking levels.

In 2023, its average customer satisfaction score was in the high 70s, in 2024 it was 81% and in 2025 it has been averaging 83%.

What's more, despite the number of cases the customer service function ↪

is handling rising by 10% over the past 12 months due to Zenith's fleet size increasing and market challenges, inbound call volumes have reduced because queries are getting resolved quickly.

"Our call abandonment rates are way lower than the national average and our average call wait time is less than 30 seconds, so people are getting through to the right person first time," Wolff says.

Zenith has also implemented 'in the moment' surveys with drivers to measure their satisfaction levels straight after they have spoken to someone from their dedicated customer services hub.

Wolff adds that "90% of drivers are consistently rating the interaction as good or excellent, and we're also seeing the same score for Zenith taking ownership of the query and managing expectations".

As well as making sure driver interactions are hitting the mark, Zenith has invested in its salary sacrifice portal to enable drivers to self-serve online.

This is supported with face-to-face drop-in sessions at customer locations so drivers have the chance to ask Zenith directly about switching to EVs or any other vehicle-related questions they may have.

"We are using data and technology in order to be efficient, but we're keeping the human touch," explains Gaynor McNicholas, Customer Relationship Director at Zenith.

Zenith has recently trialled a new initiative, which allows the company to send regular "here to help" communications to drivers with a car on order, or those with a live car on the road. The communications are personalised to provide the name and contact details of the team who will be fully versed in the driver's policy and specific scheme.

It serves as a reminder that Zenith is the go-to for order queries – not the organisation's fleet manager.

"We are an extension of our customer," says McNicholas. "We are taking on more and more of that driver contact so our corporate customers can concentrate on fleet strategy, policy and ESG (Environmental, Social and Governance). Our customer relationship managers will be working on these strategic objectives as part of the customer account plan, that maps the vision for the coming years."

#### TECHNOLOGY TAILORED TO DIFFERENT FLEET TYPES

Zenith's customer stakeholders have evolved over recent years, reflecting changes in the marketplace.

"We're no longer just talking to a fleet manager, we're talking to a head of HR or a head of sustainability – that's the complexity that's been brought about by the transition to EV, and by running more diverse fleets," says Evans.

In recognition of that, Zenith's new vehicle management platform, Insight & Data, which is being rolled out to customers over the coming months, has three iterations: company car, salary sacrifice and LCV.

"We can weave those together for fleets that are multi-asset, but we've also got distinctly separate platforms for those fleets that are more heavily weighted to downtime management or optimising their salary sacrifice scheme because those things are different," says Wolff.

"I think in the rest of the market you tend to see one data platform that just treats a car as a car, or even a van as a car, quite often."

As Zenith runs all of its core services in-house it has a huge amount of important and rich data from accidents and fines, to environmental performance and driver survey responses, which can be fed into the platform, as well as data from third-party providers, such as telematics.

The data is presented via visual interactive tiles. Customers can click on a tile – maintenance, for example – and then delve deeper into that topic. Each topic has an AI-generated summary of the key trends in the data, which means that customers don't need to look at tables of data and try to interpret that themselves, the insight is provided for them.

Customers also benefit from intuitive filters, including asset type, business unit, cost centre and individual vehicles, so they can see where to reduce cost from unnecessary spend.

"We built Insight & Data with our key strategic customers," says Wolff. "We invited them to contribute to the design, the look and feel, and the usage points. That encouraged us to split it out into asset types."

Insight & Data isn't just a powerful tool for individual customers, it feeds into the consultancy team's annual benchmarking work, which looks at the trends across Zenith's customer base.





**“90% of drivers are consistently rating the interaction as good or excellent”**

Andy Wolff, Commercial Director,  
Zenith corporate division



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# Franchised dealers regain ground in SMR as independents consolidate

Specialist skills in servicing EVs help franchises win back customers. *Tom Seymour* reports

**S**ervice, maintenance and repair (SMR) provision across the UK's top fleet operators continues to be dominated by franchised dealers, but independents are holding a strong position, particularly in the van sector, as the market finds a new balance.

The latest FN50 data points to a modest swing back toward dealer networks after independents gained share during the previous two years.

## CAR SERVICING: FRANCHISED DEALER RECOVERY

Franchised dealers remain the preferred choice for car SMR, accounting for 64.6% of the market in 2025.

Their share has grown modestly since 2023, when volumes dipped to just 62.7%, the lowest point of the four-year period.

Since then, dealers have added market share in

both 2024 and 2025, suggesting they are winning back business lost to independents during the immediate post-pandemic recovery phase.

Independent networks, meanwhile, peaked at 37.3% in 2023 as fleets looked for cost savings during a period of inflationary pressure and constrained budgets. Independents' share has now fallen back to 34.2%.

While independents remain an important part of the SMR mix, their expansion appears to have plateaued, with franchised networks reasserting their advantage in customer service, OEM parts, warranty protection, as well as market-leading position with the specialist skills required for electric vehicle (EV) servicing.

The outlier year was 2022, when dealers held a commanding 68.8% share of car SMR.

## VAN SERVICING: A CLOSER CONTEST

The van SMR market tells a more competitive story. In 2025, franchised dealers handled 58.1% of work compared with 41.9% for independents. The split is notably tighter than in the car sector, reflecting how van operators may lean more heavily on independents for cost-effective SMR solutions.

Franchised dealers grew their share by 1.9 percentage points between 2024 and 2025, the most significant single-year swing in the dataset.

This marks a reversal compared with recent years, when independents maintained a consistent foothold at around 43.8% across 2023 and 2024.

As with cars, the highest franchised dealer share came in 2022, at 63.2%.

The steady fall since then suggests a broader recalibration, with independents firmly establishing themselves as a mainstream choice.

Yet the latest figures hint at a modest shift back toward franchised provision, as complexity in vehicle technology, including electrification and advanced driver assistance systems, encourages operators to seek the assurance of OEM-backed servicing.

Rory McKinnon, commercial director at Holman, which has a weighted split for its risk fleet towards commercial vehicles, says: "Independents are popular because, in our experience, they can be up to 50% more cost-effective when it comes to labour rates, while their availability has been better too, with it being easier to actually book in a slot in a workshop to make sure you are limiting vehicle off-road (VOR) times as much as possible."

## BMW TAKES TOP SPOT FOR SEVENTH YEAR IN A ROW

BMW remains the undisputed benchmark in the fleet market, always placing highly within *Fleet News'* own awards and this leading position continues in the FN50 data.



## Best van dealership

	2025	2024	2023	2022	2021	2020	2019
1	Volkswagen	Ford	Ford	Mercedes-Benz	Mercedes-Benz	Volkswagen	Mercedes-Benz
2	Mercedes-Benz	Volkswagen	Volkswagen	Ford	Volkswagen	Mercedes-Benz	Volkswagen
3	Ford	Mercedes-Benz	Mercedes-Benz	Volkswagen	Ford	Ford	Vauxhall
4	Renault	Vauxhall	Nissan	Vauxhall	Peugeot	Vauxhall	Ford
5	Toyota	Renault	Toyota	Peugeot	Renault	Renault	Renault
6	Vauxhall	Toyota	Renault	Citroën	Vauxhall	Peugeot	Citroën
7	Nissan	Nissan	Citroën	Renault	Citroën	Citroën	Peugeot
8	Citroën	Citroën	Peugeot	Toyota	Toyota	Nissan	Nissan
9	Maxus	Peugeot	Vauxhall	Nissan	Nissan	Isuzu	Fiat
10	Peugeot	Maxus	Fiat	Iveco	Iveco	Iveco	Iveco



The German premium brand won this year's Manufacturer of the Year Award and has now had the best performing fleet dealer network, according to the FN50 data, for the past seven years in a row.

The level of consistency and leadership to deliver what fleet customers need should be applauded.

BMW's position reflects a mature, centrally coordinated fleet strategy around pricing, supply and aftersales, with a fully clued up dealer network that is delivering for corporate customers.

Andrew Jago, BMW Group UK general manager, corporate sales, says: "Being recognised as the top-performing OEM in the FN50 for a seventh consecutive year is a great endorsement of the strength and consistency of BMW's fleet support in the UK.

"Our close working relationship with leasing partners, supported by the expertise of our retail network, corporate and aftersales teams, are key to minimising vehicle downtime.

"We continue to innovate further with new technologies such as BMW Proactive Care, which anticipates maintenance requirements to ensure our customers are safe and mobile at all times."

Audi had also seen an impressive level of consistency with a second place position over the past six years, but has now dropped into fourth as a result of Toyota's increased focus on the fleet market.

Volkswagen has also maintained its position within the top three that it gained last year. It also takes top spot in the van table, a position it last held in 2020.

There's an overall shift down the table for BMW's main German premium competitors, with Audi dropping places, while Mercedes-Benz has also seen its position fall slightly year-on-year from fourth down to fifth. However, Mercedes-Benz does move up one in the van table to take second spot.

Toyota has been competing well over the past seven years, steadily increasing its position from sixth in 2019, now up to second. It also moved up one place in the van table to fifth.

Toyota and its leasing and mobility division Kinto launched One Toyota Fleet Services in 2022 as part of the company's work to strengthen links between the two businesses and develop a one-stop service for corporate customers.

Neil Broad, general manager One Toyota Fleet Services, says the brand's position and improvement since 2019 are testament to the consistent focus the fleet team has placed on delivering an exceptional experience, both internally and across its retailer network.

Broad has a firm belief that the people in the One Toyota team are the reason behind the brand's improved success with corporate customers.

In these days of increased competition and business complexity, Broad says Toyota will continue to invest in people, products and services to maintain the support for its fleet customers.

He adds: "It is highly rewarding to see that our people-based, customer-first proposition is being appreciated by those most impacted in the industry – as witnessed by the latest FN50 result."

Ford is another interesting outlier in that it has actually disappeared from the car top 10 entirely.

The Blue Oval has been in and out of the top 10 before with its last absence in 2023.

It recovered to 10th place last year, but has since dropped away.

## Best car dealership

	2025	2024	2023	2022	2021	2020	2019
1	BMW	BMW	BMW	BMW	BMW	BMW	BMW
2	Toyota	Audi	Audi	Audi	Audi	Audi	Audi
3	Volkswagen	Volkswagen	Kia	Mercedes-Benz	Mercedes-Benz	Mercedes-Benz	Volkswagen
4	Audi	Mercedes-Benz	Ford	Volvo	Volkswagen	Volkswagen	Mercedes-Benz
5	Mercedes-Benz	Kia	Volkswagen	Toyota	Toyota	Kia	Kia
6	Volvo	Toyota	Volvo	Volkswagen	Volvo	Toyota/Lexus	Toyota
7	Kia	Seat	Toyota	Kia	Kia	Volvo	Volvo
8	Škoda	Škoda	Mercedes-Benz	Škoda	Škoda	Ford	Seat
9	Hyundai	Volvo	Hyundai	Hyundai	Hyundai	Seat	Honda
10	Seat	Ford	Seat	Nissan	Ford	JLR	Ford

# BMW retains leading position as the most reliable car brand

Its 3 Series and i4 play major roles in the success story. *Matt de Prez* reports

**T**he BMW 3 Series has retained its title as the most reliable car, according to the UK's largest leasing companies.

Data from FN50 leasecos, operating more than 1.3 million cars, shows that the 3 Series suffered the least amount of mechanical failures in the past year.

As such, BMW holds on to the top spot as the most reliable car manufacturer. The Munich brand regained the position after losing out to Toyota, in 2023, having previously held top spot for eight years.

The 3 Series is joined by the i4, which has become a more popular model in the corporate market thanks to its electric powertrain. It takes eighth place after debuting in seventh, last year.

Toyota holds on to the number two position, with its Corolla also placing as the second most reliable car model. The Aygo makes a surprise appearance as the 10th most reliable car, having not ranked in previous surveys. Now offered in crossover form, as the Aygo X, the supermini is the smallest and cheapest car to feature in the top 10 most reliable

cars list. Further success for Toyota comes from sister brand Lexus, which re-enters the table in ninth place.

Audi holds on in third, despite having no models in the top 10. The A3 was its best-performing model but it narrowly missed out on the top 10 list in 11th, after reaching eighth last year. The A4 was 15th.

Tesla slips down the manufacturer's table this year, placing eighth after a peak of fourth in 2024. Despite the slip, the Model 3 has boosted its position and is now the third most reliable model. Major changes were introduced to the car in late 2023, as part of a facelift.

Less impressive is the Model Y's performance. Following a similar range of updates to the Model 3, the Model Y loses three places to occupy seventh. Tesla is one of four brands to feature two cars in the top 10. The others are BMW, Toyota and VW.

Volkswagen is the UK's largest car brand, by volume, and it moves up the table to fourth place, after coming fifth in 2024.

The uplift follows a raft of technical updates to the brand's ID range and the introduction of an all-new Tiguan.



Most reliable car brand		
1	(1)	BMW
2	(2)	Toyota
3	(3)	Audi
4	(5)	Volkswagen
5	(10)	Kia
6	(6)	Volvo
7	(7)	Mercedes-Benz
8	(4)	Tesla
9	(12)	Lexus
10	(8)	Hyundai

*\*2024 position in brackets*



1



The Tiguan enters the most reliable cars list in ninth place, while the recently facelifted Golf enters in fifth. Neither car ranked in the top 10 last year.

Kia makes a significant jump in this year's survey, becoming the fifth most reliable brand. The Sportage powers up the most reliable cars list, taking fourth place and ranking as the most reliable crossover. A facelift of the car will launch imminently.

Volvo retains its position as the sixth most reliable car brand, although the XC60 falls one place in the car reliability table. Its best-seller, the XC40, dropped out of the top 10 in 2024. The mid-size XC60 has been given a second facelift, with updated versions set arrive in early 2026.

Mercedes-Benz has managed to retain seventh place, halting its trajectory of decline. The brand was in the top three in 2019 and 2020. Similar to Audi, none of its models made it into the top 10 list this year.

Rounding off the list of most reliable car brands is Hyundai, which slips from eighth to 10th.



**Most reliable car model**

1	(1)	BMW 3 Series
2	(2)	Toyota Corolla
3	(6)	Tesla Model 3
4	(9)	Kia Sportage
5	(-)	VW Golf
6	(5)	Volvo XC60
7	(4)	Tesla Model Y
8	(7)	BMW i4
9	(-)	VW Tiguan
10	(-)	Toyota Aygo

\*2024 position in brackets

# Volkswagen is UK's most reliable van brand again

Transporter is leading model to complete a double top for the vanmaker. *Matt de Prez* reports

**V**olkswagen Commercial Vehicles has emerged as the most reliable van brand for the second consecutive year. Data from FN50 leasing companies operating almost 475,000 vans highlights which manufacturers and models encounter the fewest breakdowns.

The win is part of a double victory for VW, its Transporter has also been recognised as the most reliable model for the second year running.

The Transporter was replaced, this year, by an all-new model that has been co-developed with Ford alongside the new Transit Custom, as part of a collaboration agreement between the two giants. Ford led the project and both vehicles use the same powertrains.

Ford, which was the most reliable brand in 2023, retains second place this year. Its best performing model was the Transit Custom, which is also the UK's best-selling van. The Transit Custom moves from fifth place to third, in 2025, following the launch of a new model in 2024.

Ford's reliability ranking took a hit last year after it emerged that some of its older diesel engines were suffering with premature timing belt failure. The issue prompted Ford to revise the service

schedule for affected models, but many operators were faced with large repair bills.

The Transit moves up to sixth position, while the smaller Transit Connect loses four places and ranks eighth overall. The new Transit Connect shares a platform with the VW Caddy and is built at Volkswagen's factory.

Mercedes-Benz remains the third most reliable van maker, having last topped the table in 2022. The Sprinter is the brand's most reliable model and places second in our reliability survey. Its ageing Vito failed to make the top 10 model list, while the Citan – introduced three years ago – is also absent from the ranking.

A new range of Mercedes-Benz vans will be rolled out over the next few years.

Renault jumps into fourth place for reliability, although only the Trafic was recognised in the top 10 most reliable vans list (although the Master was placed just outside in 11th). As the brand's oldest model the Trafic is set for replacement shortly. Renault plans a line-up of three new electric vans, built on a new platform by Flexis.

Stellantis brands Vauxhall, Peugeot and Citroën hold fifth, sixth and eighth positions, respectively. The entire Stellantis model range was updated last

## Most reliable van brand

1	(1)	Volkswagen
2	(2)	Ford
3	(3)	Mercedes-Benz
4	(6)	Renault
5	(4)	Vauxhall
6	(5)	Peugeot
7	(7)	Toyota
8	(8)	Citroën
9	(9)	Nissan
10	(10)	Maxus

## Most reliable van model

1	(1)	Volkswagen Transporter
2	(2)	Mercedes-Benz Sprinter
3	(5)	Ford Transit Custom
4	(3)	Volkswagen Caddy
5	(6)	Vauxhall Vivaro
6	(7)	Ford Transit
7	(10)	Renault Trafic
8	(4)	Ford Transit Connect
9	(-)	Peugeot Partner
10	(-)	Citroën Berlingo

\*2024 position in brackets

1





year, bringing enhanced technology, new styling and a full range of electric powertrains.

The Vauxhall Vivaro was recognised as the most reliable Stellantis model, this year, managing fifth place – an improvement on 2024. The Peugeot Partner and Citroën Berlingo have also proved more reliable and feature in the top 10 list for 2025.

Toyota held on to seventh place, but the Proace slips out of the top 10 to 12th. The Proace City, meanwhile, is 15th and the Hilux is the highest placed pick-up in 26th. While Toyota's vans are based on existing Stellantis models, the brand provides a stronger aftersales proposition with dedicated LCV dealers and a 10-year warranty offer.

Nissan remains in ninth place, even though its model range is twinned with Renault.

Maxus rounds off the top 10 most reliable brands list, having featured for the first time in 2024, when it displaced Fiat. The Chinese marque, which replaced LDV in 2020, has been growing its model line-up considerably. While sales volumes remain low, Maxus has models in the three core size categories and offers multiple electric options.

