ELECTRIC CHARGING

Why charging strategy now defines the cost of fleet electrification

New analysis of real-world fleet data shows that when and where vehicles charge can be just as influential on running costs as vehicle choice.

Rethinking the economics of EVs

As electric vehicles become more common across UK fleets, the question has shifted from whether to switch to how to manage the transition efficiently. Conventional wisdom suggests EVs are cheaper to run than internal combustion engine vehicles, but new analysis by Allstar indicates that the reality relies heavily on each fleet's charging strategy.

The modelling assessed representative fleet profiles, comparing the average* cost of charging exclusively on public networks with a blended approach that included home and workplace charging.

The power of a balanced mix

Fleets combining home, workplace and public charging **cut their total energy spend by around a third** compared with using public chargers alone**. Public charging provides flexibility but tends to be the most expensive option, while home and workplace tariffs are typically lower. Fleets that plan charging behaviour carefully can reduce costs without limiting operational needs.

Across these scenarios below, one trend is clear: charging location is now a major driver of EV running costs, and overall success of EV adoption, regardless of fleet size.

Closing the reality gap

The analysis also uncovered a gap between policy reimbursement and actual charging costs. From 1 September 2025, HMRC introduced a two-tier Advisory Electric Rate (AER): 8p per mile for business miles powered by home charging, and 14p per mile for those powered by public or kerbside charging.

Even with the higher rate, the shortfall between AER and real-world blended charging costs can still be significant. Without clear insight into charging behaviour, drivers may be under-reimbursed and businesses may mis-budget.

Visibility as strategy

As mixed-energy fleets become the norm, visibility across every charging location is now as critical as fuel economy once was. Understanding cost per mile across different powertrains allows managers to benchmark performance, recover VAT correctly and where appropriate, plan infrastructure investment with confidence.

This data-driven approach is increasingly recognised across the industry. The recent Fleet Recommended awards in the EV Charging and Fuel Cards categories reflect a broader shift toward connected, evidence-based energy management.

The road ahead

The message is clear. Getting the charging strategy right can save fleets thousands per vehicle each year and ensure the transition to electric remains financially sustainable. In an era where every kilowatt hour counts, clarity on cost is the new competitive edge, and for fleets looking to stay in control of every mile, every charge and every cost, all roads lead to an Allstar payment solution.

Illustrative charging-cost scenarios for different fleet sizes

Fleet Scenario	Fleet Size	Annual Cost – 100% Public Charging	Annual Cost – Blended Charging**	Annual Saving - If vehicles could be charged at home **	Notes
Small fleet example	5 cars, 10 vans	£55,900	£37,780	£17,134	Approx.1,000 miles per vehicle per month
Large fleet example	1,000 cars, 7,000 vans	£26.8M	£18.1M	£8.1M	800 to 1,000 miles per vehicle per month

*The average data has been taken from the AllCosts June 25 report .

**Blended charging includes Cars 50% home, 0% workplace and 50% public charging, Vans includes 50% Home, 5% workplace and 45% public charging using current Allstar AllCosts average rates. These calculations do not include the cost of the Chargepass card, the Homecharge tariff, surcharges or the cost of installing a home charger.