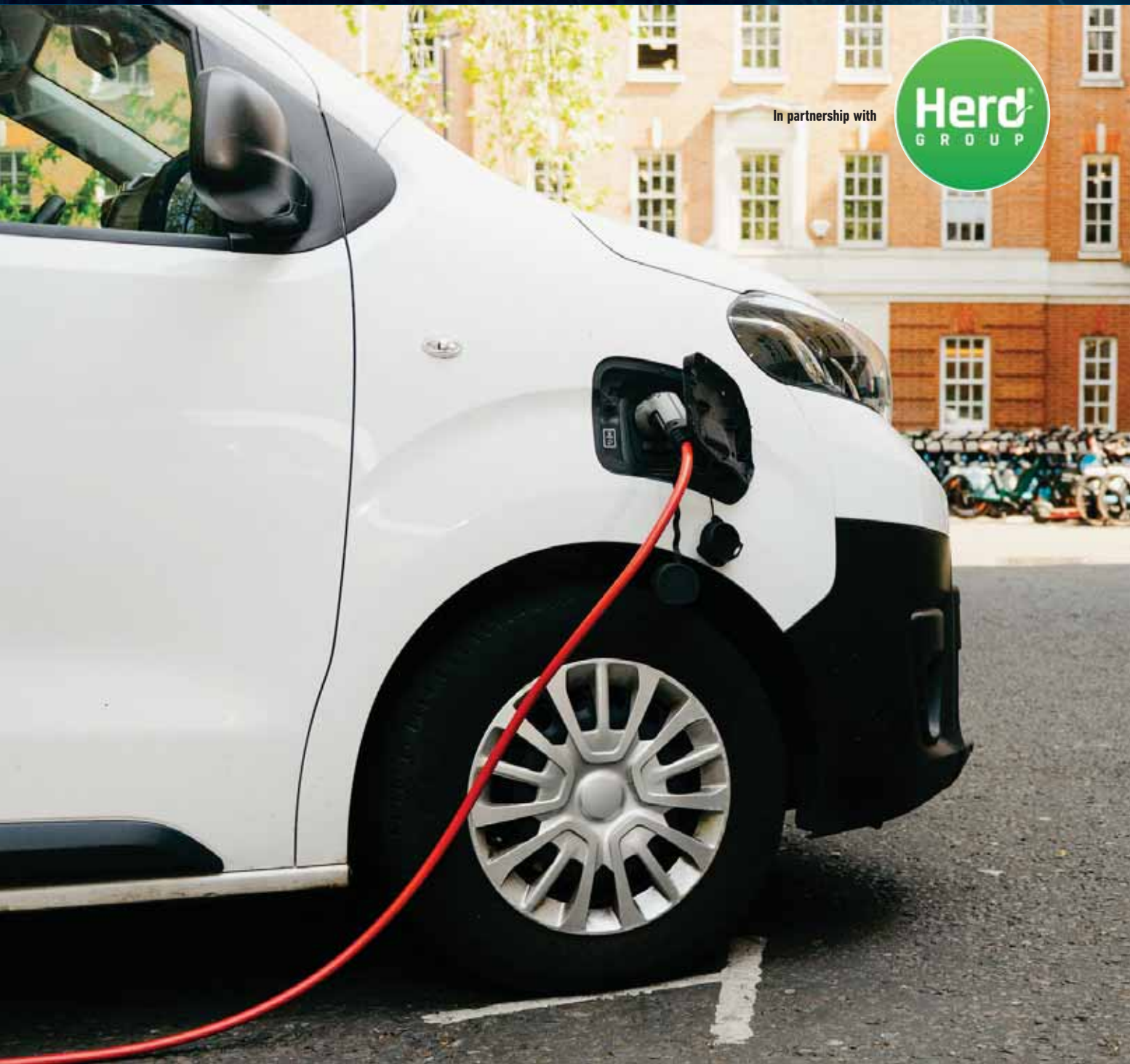


Electric vans: moving to net zero

Fleet manager verdicts on the impending switch to zero emission LCVs



In partnership with



WELCOME

Light commercial vehicle (LCV) fleets face fundamental change within a decade. From 2035, fleets will no longer be able to buy new diesel vans, although the ratcheting of the Zero Emission Vehicle (ZEV) Mandate means the availability of new diesel vans will start to decline well before the final phase out of vehicles with internal combustion engines (ICEs).

Multiple studies have already found that more than two-thirds of LCVs are operationally ready to be replaced by electric alternatives, without compromising duty cycles.

Yet last year, electric light commercial vehicles (eLCVs) achieved a market share of 9.5% of new van sales, well short of the 16% target threshold set by the Government's ZEV Mandate.

To investigate this slow pace of electric adoption among LCV fleets, *Fleet News* and Herd Group conducted a survey of 100 fleet decision-makers.

The results highlight the ongoing challenges faced by businesses in electrifying their vans, as well as the steps and timelines they have put in place to decarbonise their LCVs.

The UK's five million LCVs represent about 14% of the nation's vehicle parc and account for 16% of the nation's greenhouse gas emissions from transport. The sustainability arguments for electrifying LCVs grow stronger by the day and, increasingly, the financial case for transitioning to battery power supports this switch.

Thank you to all the fleet managers who helped with this survey.

43%
of respondents
already run
eLCVs

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**Joe Heidari, Group Sales
Director, Herd Group**



Your trusted fleet partner for the EV transition

As the industry moves at pace towards electrification, this report provides an invaluable snapshot of where fleet leaders really are on their transition journeys. By drawing directly on the views of fleet managers, the research highlights not only the progress being made but also the very real challenges and uncertainties that remain as organisations embrace EV adoption.

At Herd, we hear these trends every day in the conversations we have with our customers. As a trusted rental partner across the UK, we work with fleets at every stage of electrification, from those just beginning to explore the possibilities, to those already well underway and refining their strategies for long-term success. Every fleet needs clear guidance, confidence in their decisions, and a partner who can support them at every step.

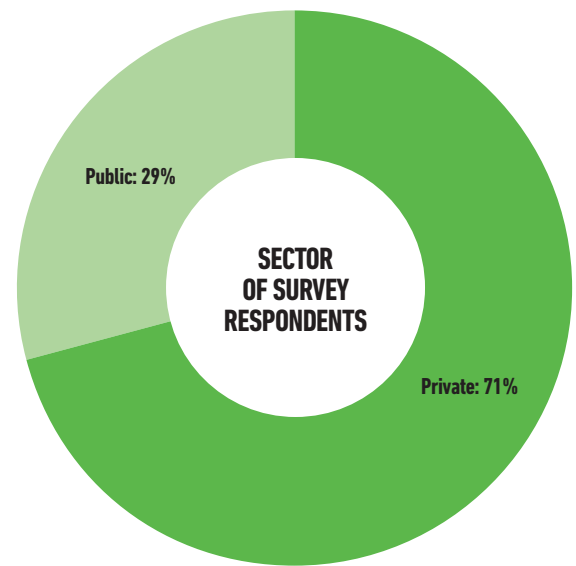
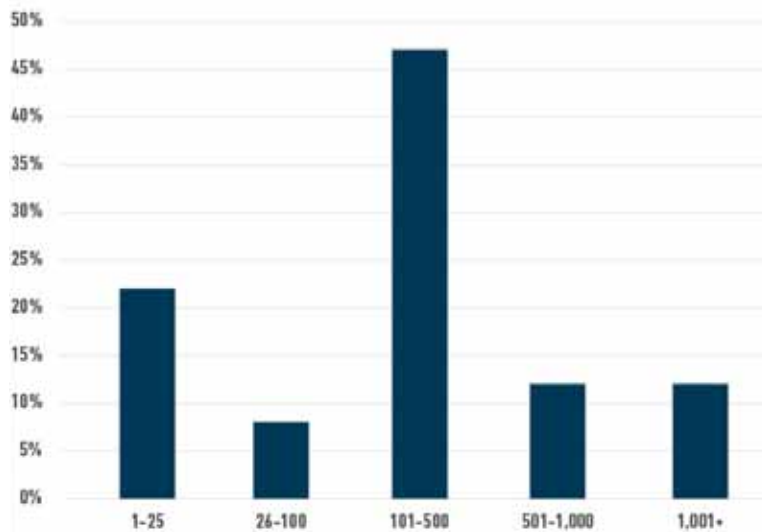
Our consultative approach means we don't offer one-size-fits-all solutions. Instead, we take time to understand each fleet's unique needs, objectives and constraints, helping to shape transition plans that are practical, efficient and future-proof. Whether it's managing costs, assessing suitability for vehicles to transition based on drivers, mileage or payload, supporting charging infrastructure, driver engagement, incentives, or charging payment, our experts are on hand to guide and support.

What stands out most from the research, and from our own experience, is the importance of informed, trusted support. That's why excellent Customer CARE sits at the heart of everything we do.

We hope this report supports your next steps in the electric transition and encourages continued dialogue across the sector.

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SIZE OF SURVEY RESPONDENTS' FLEETS



MANUFACTURERS MOVE AHEAD OF DEMAND

New electric LCVs have become ever more capable, but fleets remain slow to adopt them

Alternative powertrains are advancing from a toehold to a foothold of the light commercial vehicle sector as fleets adopt electric and plug-in hybrid motors. More than half of all van models are now available as electric vehicles, and market leader Ford now has an electric or plug-in hybrid variant of every commercial vehicle in its European line-up.

Across the board, eLCV ranges and payloads have improved and increased in the past couple of years, removing two of the original barriers to the transition to zero emission vehicles.

Yet the 9.5% market share achieved by eLCVs in 2025 was miles below the 16% demanded by the Zero Emission Vehicle Mandate, despite a 36.2% year-on-year rise in battery electric van registrations to 30,169. For context, 269,301 new diesel vans were sold last year, accounting for 85% of sales, as the majority of businesses stuck with the familiar. Dependable diesel offers fuel efficiency, nationwide availability and speedy refuelling.

Among the 100 fleet operators polled for the *Fleet News*/Herd Group survey, 79% of the sample's vans are diesel, 12% are fully electric, 4% are hybrid, and a further 4% are petrol.

The study found that private sector fleets are adopting eLCVs more quickly than public sector operators. This is most likely due to the longer holding periods of public sector fleets, which delays replacement opportunities, although central government fleets, including executive agencies, have commitments to be 100% electric by 2027.

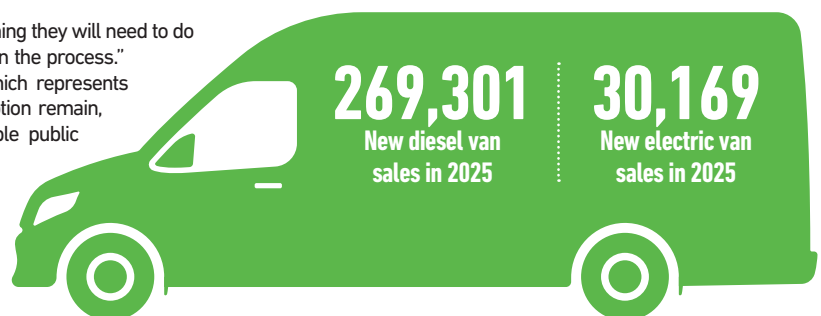
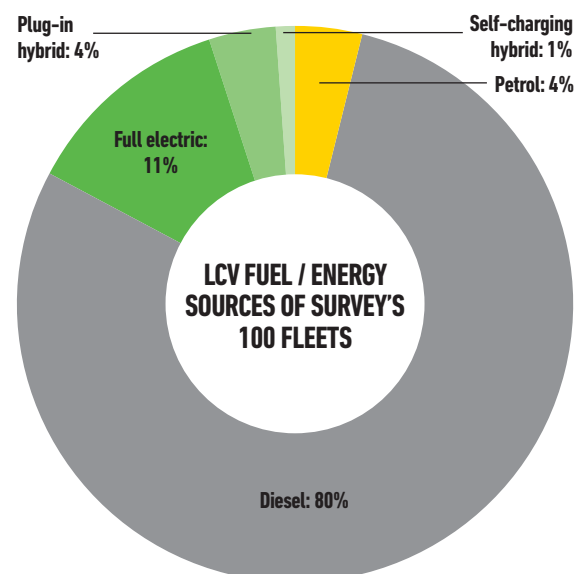
While eLCV adoption is consistent between sub-100 and 100+ vehicle fleets in the survey, there is evidence that larger fleets are more likely to be taking steps towards electrification.

"We hear on the ground that smaller- and medium-sized fleets want to avoid any disruption to their business processes, so they are reluctant to even explore EV solutions," said Joe Heidari, group sales director of Herd Group.

"Whereas larger fleets clearly have a strategy, know it's something they will need to do at some point, and have the resources to invest a little bit more in the process."

The SMMT (Society of Motor Manufacturers and Traders), which represents vehicle makers and dealers, says critical barriers to eLCV adoption remain, including higher production costs, a severe lack of van-suitable public charging, and lengthy waiting times for depots to get connected to the grid.

One positive is the Government's move, following a consultation, to treat 4.25-tonne electric vans as if they weigh 3.5t, removing the complications of additional MOT, tachograph and driver hours requirements from the desks of fleet decision-makers.



VAN FLEETS STARTING TO SET DECARBONISATION TIMELINE

More than 60% of fleets plan to be zero-emission by 2030

More than one third of fleets have set a target date for the total transition of their light commercial vehicles to zero-emission powertrains.

Projected dates range from as early as this year (2026) to 2040, as private and public sector organisations react to Government policy, shareholder pressure, internal sustainability commitments and customer demands.

The Government has committed to the absolute phase out of the sale of petrol and diesel vans from 2035, although the Zero Emission Vehicle Mandate will make it more difficult for fleets to source vans with internal combustion engines well before this deadline. By the end of the decade, for example, van manufacturers will have to ensure that 70% of their new van sales are zero emission, or face stiff financial penalties.

The *Fleet News*/Herd Group survey found that 37% of fleets have set a timetable on reaching 100% electrification, with larger fleets of at least 500 vehicles more than two times as likely to have set a target as sub-100 vehicle fleets.

Among the fleets that have committed to a complete decarbonisation date, 2030 is the most popular goal, cited by 62% of the survey respondents.

But a far larger percentage of fleets are still taking steps towards battery powertrains, even if they envisage running these alongside diesel vans for longer.

The survey found that 29% of fleets have electric LCVs on order, and a further 9% are awaiting plug-in hybrid LCVs (a popular solution for lower emission pick-ups), although diesel still dominates future order banks, with a share of 58%.

"Most larger businesses will have five-year plans, so they know fleet electrification is something they cannot ignore any more," said Joe Heidari, group sales director of Herd Group.

"And if they want to secure investment, they are much more attractive to financial institutions if they've got great ESG (environmental, social and governance) scores, and EVs can play a massive part in that story."

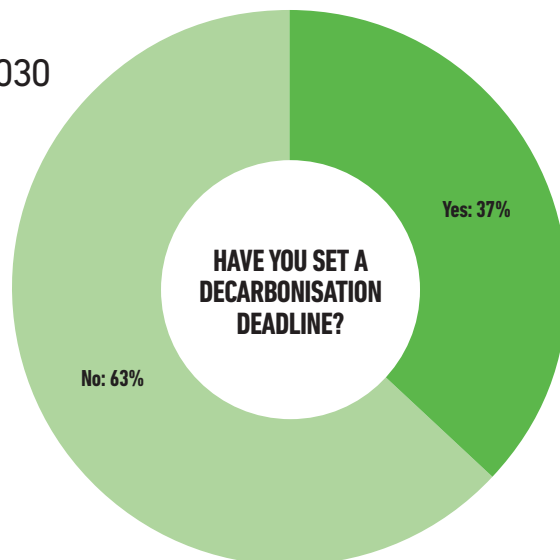
Likewise, smaller businesses are increasingly discovering that the ability to participate in tenders frequently depends on having a strong sustainability story to tell that helps customers with their own ESG objectives.

"Ambitious smaller businesses very quickly realize that to win big contracts, a percentage of their fleet needs to be electric," added Heidari.

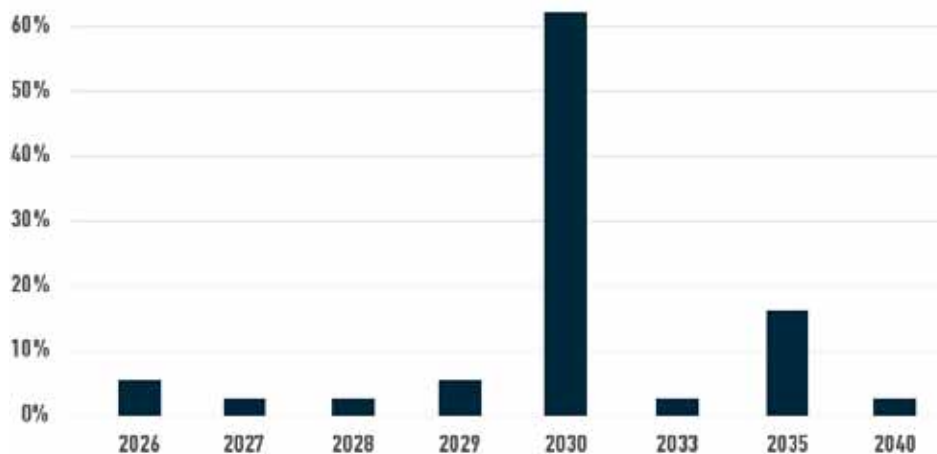
The Procurement Act of 2023, for example, made sustainability a core requirement of public sector tenders, rather than a nice to have, while suppliers must publish a carbon reduction plan when bidding for any public sector contract worth more than £5 million.

"Ambitious smaller businesses very quickly realize that to win big contracts, a percentage of their fleet needs to be electric"

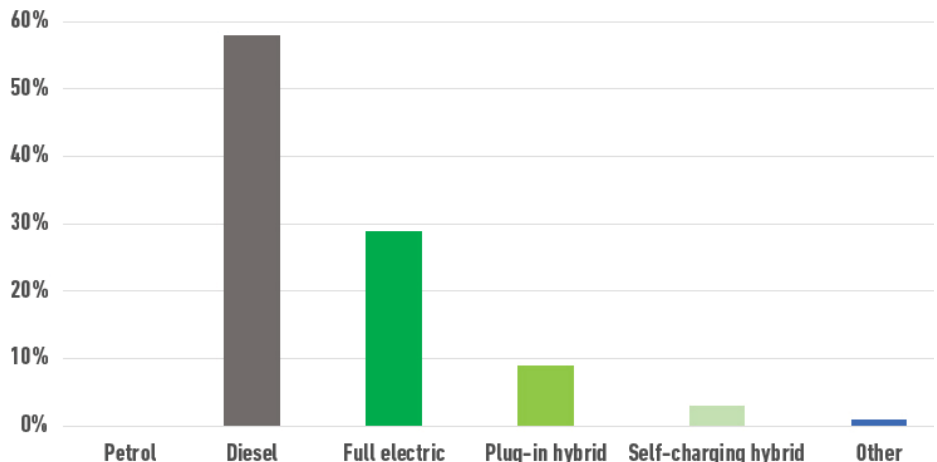
Joe Heidari, group sales director, Herd Group



FLEETS' SELF-IMPOSED DECARBONISATION DEADLINES



FUEL TYPE OF LCV ON ORDER



CHANGING SHAPE OF LCV FINANCE

Leasing and flexi-hire grow share of electric van funding

The arrival of electric light commercial vehicles is accelerating the move away from outright purchase as the favoured means of funding vans. Higher acquisition prices and uncertain residual values (RVs) are leading fleets to avoid both the capital expenditure and depreciation risk of new eLCVs.

The British Vehicle Rental & Leasing Association (BVRLA) 2026 Industry Outlook report found that 69% of rental and leasing firms expect the RVs for eLCVs to deteriorate, compared with just 19% for diesel LCVs.

While fleets frequently adopt several different funding methods within the same organisation, 72% of the fleets in the *Fleet News*/Herd Group survey lease their electric vans, and only 30% buy them. A further 16% use flexi-hire products that offer greater flexibility over contract lengths than leasing, but lower fixed rentals than short-term hire.

Interestingly, no fleets cited the residual values of eLCVs as a challenge to adoption, most likely signalling that the depreciation risk rests with leasing or hire companies.

The survey did find that public sector fleets have a greater inclination to purchase their electric vans, reflecting both the nature of their funding settlements and their need to spend their budgets within the financial year, as well as their tendency to run vehicles for significantly longer operating cycles, typically beyond the thresholds of standard leasing contracts.

Data from *Fleet News* FN200 study of the 200 largest fleets in the country, shows public sector fleets are three times more likely to outright purchase their vans than private sector fleets (67% vs 21%).

Public sector fleet managers said this approach allows them to sweat the asset, while retaining the flexibility to dispose of vehicles if their performance declines and replacements are required.

For many fleets, leasing and flexible rental products

“Interestingly, no fleets cited the residual values of eLCVs as a challenge to adoption”

54%
of public sector fleets
buy their eLCVs

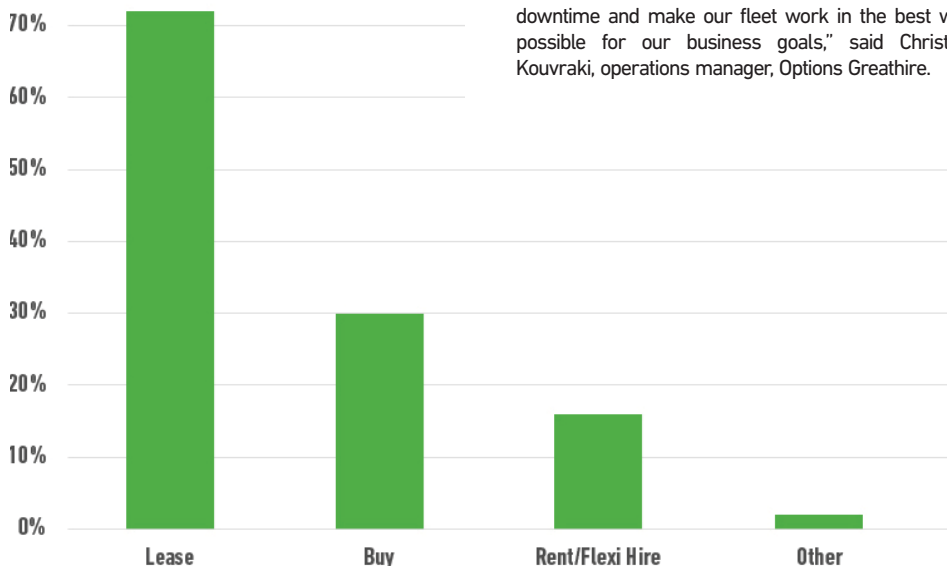
go hand-in-hand with the opportunity to outsource the mundane, day-to-day elements of fleet management, such as service, maintenance and repairs, while also delivering the budgetary benefits of fixed costs.

Tableware and furniture hire specialist Options Greathire, for example, found that coordinating maintenance, and keeping up to date with the service schedules and MOTs of its Luton box vans, had become increasingly challenging and developed into a major drain on management time. As a result, the firm decided to outsource these tasks as part of a long-term rental agreement.

“Using an outsourced solution from Herd Group gives us unlimited access to its team of experts who can help with all aspects of fleet management from sourcing fuel-efficient vehicles to actionable report insights and recommendations to reduce costs, minimise vehicle downtime and make our fleet work in the best way possible for our business goals,” said Christina Kouvraki, operations manager, Options Greathire.

20%
of private sector fleets
buy their eLCVs

FUNDING SOLUTIONS FOR ELECTRIC VANS



FLEETS APPEAR RELUCTANT TO TRUST WLTP DATA

Temperature, payload and towing undermine real-world range of batteries

The potential gap between theory and real-life is holding fleets back from electrification. Battery-powered vans that appear to have the range required for businesses to conduct their daily duty cycles without having to stop to recharge, based on official WLTP (Worldwide Harmonised Light Vehicle Test Procedure) results, may prove to be not quite as proficient in real-world conditions.

Trials conducted by the United Test and Assembly Centre (UTAC) at its centre in Millbrook, Bedfordshire, found that cold weather typically reduces an eLCV's range to about 72% of its official WLTP figure.

Furthermore, a 50% payload in a large eLCV caused an 11.3% drop in range, which declined by a further three percentage points for a full load. And towing a 500kg load further cut the range by 17 percentage points. This means that even in benign weather conditions a van with a full load and trailer would achieve only 68.6% of its maximum range.

Mid-sized eLCVs performed slightly better under these test conditions, but still lost almost a quarter of their official maximum range, so UTAC's conclusion was clear. Businesses need to consider carefully the roles and conditions in which their eLCVs will operate to ensure no charging disruption to business cycles or lost productivity if drivers have to plug in during the working day.

Telematics data provides an accurate record of vehicle journey profiles, establishing how far a van truly travels in a day.

"The electrification process needs to be very much data-driven," said Joe Heidari, group sales director of Herd Group. "And we can be very helpful in this initial fact-finding stage to give customers confidence when they decide which vehicles to electrify."

Interestingly, 43% of the fleet decision-makers surveyed by *Fleet News*/Herd Group said they had used short-term rental eLCVs in order to trial the technology and assess how it could fit into their business profiles.

In terms of identifying the so-called 'low hanging fruit' of vehicles with the easiest profiles to electrify, urban fleets with back-to-depot policies best fit this description. Their daily mileages are limited, the stop-start nature of city driving is ideally suited to the smooth, automatic transmissions of electric vans, and recharging batteries at a fixed base can give fleet operators confidence that their eLCVs will start each shift with enough power to complete their daily duties.

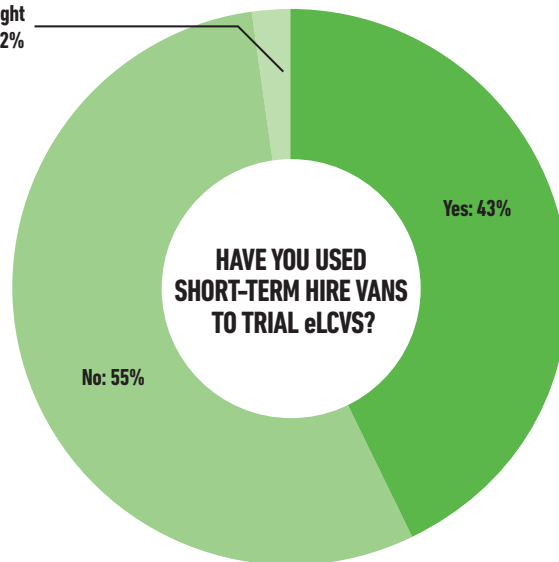
However, mileage and journey profiles can change rapidly if companies win new contracts with customers based farther away or in more remote regions.

"In these circumstances, we offer a back-up plan so that if a customer needs to move out of an electric vehicle today because it no longer fits with their operations and is no longer viable, we can have a diesel vehicle ready for them by the next day or day after," said Heidari.

"We can provide the comfort that customers are not going to suffer massive downtime if they have somehow missed something in their calculations and an eLCV doesn't prove suitable yet.

"Our number one objective is to minimise disruption to our customers' day-to-day operations."

No but might consider: 2%



-28%

Impact of cold weather on max WLTP range

-11.3%

Impact of a 50% payload on max WLTP range

-17%

Impact of towing 500kg load on max WLTP range

FUEL SAVINGS ESSENTIAL FOR TCO OF eLCVS

Maximising the lower mileage costs of off-peak charging, compared with diesel, is vital to offset higher finance costs of electric vans

Fleets need to adopt a different set of criteria when calculating the total cost of ownership (TCO) of electric vans compared with diesel vehicles.

The acquisition costs or lease rentals of electric light commercial vehicles are higher than their equivalents with internal combustion engines, but the potential for substantial subsequent savings, particularly in fuel/energy expenditure, is redressing this imbalance.

The *Fleet News*/Herd Group survey found that only 12% of fleets think full-electric vans have a cheaper TCO than diesel equivalents, although this percentage more than doubles to 27% for mega fleets of more than 500 LCVs, perhaps reflecting their superior purchasing power, as well as their early experience of battery power.

Overall, 41% of fleets think the TCO of eLCVs is still more expensive, whereas 29% consider the costs to be roughly similar. Moreover, among the barriers to electrification cited by respondents, twice as many fleets that have started to adopt electric vans think high TCO is a challenge, compared with the industry average (16%-to-8%).

Early evidence certainly suggests electric vans have a lower service and maintenance spend than diesel vehicles, an advantage that widens as the

LCVs age. Electric powertrains do not appear to suffer the four-or five-year cliff edge in workshop expenditure that troubles ICE vehicles.

This allows fleets to opt for longer holding periods, which, in turn, lowers monthly rentals by amortising depreciation over a longer period.

However, data from the car market indicates that EVs incur higher tyre costs, with individual tyres costing more – a reflection of the greater loads they have to bear due to the weight of the traction battery. Epyx, the vehicle maintenance platform, says the variance between the cost of an EV and ICE tyre is typically in the range of 32%-35%.

“Electric vehicles incur higher tyre costs, with individual tyres costing more – a reflection of the greater loads they have to bear due to the weight of the traction battery”

The biggest potential TCO win for eLCVs depends on the ability to recharge vans either at the homes of drivers or in a depot.

Accessing cheap energy tariffs can save huge sums compared with diesel.

“It would cost us £28-to-£30 in diesel to take one of our Ford Transit Customs into London, but it only costs us about £2 in electricity to take an E-Transit,” said Peter Middleton, contracts manager, Cooper Weston Group.

The insulation and maintenance company charges its three eLCVs either at home or at its workplace, taking advantage of off-peak tariffs.

“What we save in fuel every day more than pays for the higher rental costs,” said Middleton.

Dedicated off-peak EV charging tariffs can slash electricity costs to as low as 7p per kWh – rough calculations indicate that for diesel vans to match the mileage costs of the cheapest home charging rates, diesel would have to cost about 18.5p per litre.

Challenges arise, however, if fleets have to rely on public charging for their vans, especially high-speed chargers, where tariffs can be as high as 79p/kWh.

At this price, the cost of electricity can exceed the cost of diesel, throwing total cost of ownership calculations into disarray.

12%

Full electric is cheaper

17%

Don't know



29%

The TCO is roughly the same

41%

Full electric is more expensive

Herd Group offers consultation to enable successful LCV electrification

Following feedback from van fleets, Herd Group Sales Director, Joe Heidari, shared his insights on the nuances of fleet electrification and how Herd Group's flexible approach can help fleets to electrify their light commercial vehicles (LCVs).

Risks and opportunities of LCV electrification

Modern fleets exist in a state of continuous activity, with day-to-day operations always on the go. While many operators are open to electrifying their LCVs, there are concerns about the realities of the transition.

Heidari commented: "The big concern with adopting electric vehicles (EVs) is around disruptions to the operational side of the business.

"Businesses have objectives on the ground, and the concern usually is around not being able to do those jobs – deliveries, collections, whatever they may be – because of the things that come with EVs.

"Fleets worry about things such as real-world range, payload and charging access in terms of where the vehicles are being charged overnight."

While the initial cost of EVs sitting higher than petrol or diesel vehicles can be off-putting, Heidari draws attention to how electrification can create opportunities for fleets – highlighting EV charging as an example.

"Grid capacity is a challenge,

particularly if you are charging multiple vehicles, but it also represents an opportunity for businesses when it comes to cost of energy.

"It can be an advantage in terms of data around operational costs. With diesel and petrol, some companies don't have proper control of usage, and it's one of the bigger costs to fleet operators.

"With electric charge points and access to the data, you can have better control and actually reduce the cost of energy across your fleet."

With many fleets open to electrification but apprehensive due to lack of knowledge, Herd Group offers assistance across the process with consultations, recommendations and a suite of services that enable customers to transition successfully without disruption.

A consultative approach

While Herd Group offers EV rentals, the group's approach extends beyond vehicle provision. Fleet customers can benefit from flexible, well-informed recommendations and tailored electromobility solutions that reflect the nuances of each individual customer.

"Every customer is different," noted Heidari. "They have different needs, different structures of operating. We believe you can't have a generic approach for everyone.

"We sit down with the customer, perhaps in their office, to really understand their operations day-to-day,

gather all that data, and then gradually start making recommendations of what that change looks like to ensure the customer's comfortable before they do it."

This approach enables straightforward conversations that avoid misconceptions and establish realistic expectations for a fleet's electrification.

Heidari explained: "We make customers aware that it's okay not to be ready to transition your entire fleet. We're not asking anyone to convert 100% of their fleet today. We look at which vehicles can do it now and we take gradual steps to work with them towards that full transition.

"If you run a fleet of 100 vehicles, we're talking about 10%-15% – that's 10-to-15 vehicles and drivers, proportionally.

"It's putting people at ease and making them feel comfortable, knowing if it doesn't work out, it can be taken back, and a diesel or a PHEV can be put in."

Tailored considerations

Herd Group fine-tunes its solutions with real-world data to enable a bespoke and effective electric transition.

Heidari said: "We look at the routes their vehicles take and use telematics data to understand which vehicles are ready to be switched.

"You have to take things into account such as: Where does that vehicle go overnight? Does it get charged at the driver's home address or come back to the depot? Then you have to look at the



depot, analyse the charging structure and see if we can install enough charging points.”

The success of Herd Group’s approach relies on getting the right stakeholders – both internal and external – into the conversation so all angles are covered.

“Currently, you speak to fleet managers, and you may incorporate a financial director and a marketing director,” Heidari noted. “There’s a lot of other people who need to be involved with an electrification programme.

“When you’re trying to put electric infrastructure in buildings, if you don’t own the buildings and they’re leased, you have to engage with the relevant parties.

“For one of our big customers, you always had to reverse into their car parks – that was their health and safety policy, there was no deviation. But with an EV, you might have to drive in dependent on where the charge points are. So, before they even started down that journey, we needed to engage with the health and safety manager.

“It really does have to be a consultative and partnership approach from both sides.

Data-driven fleet management solutions

Using data, Herd Group provides customers with expert fleet management services. Fleets will receive accurate guidance on whether they are ready to transition elements of their operations to electric, with detailed cost analyses that factor in vehicle costs (of electric versus diesel), charging and infrastructure requirements, and maintenance over time.

Heidari commented: “If you’re a fleet operator, you’ll have your own in-house fleet, but you may not have the resources or the knowledge base to be able to do all the stuff that we do. So, we just become an extension of your fleet.

“We take all the data points into account and make solid, reliable decisions that are going to work for you.”

Additional support

To ensure customer confidence and operational security when electrifying their fleets, Herd offers additional support in the event of any complications.

“We provide a backup plan,” Heidari explained.

“If things don’t work out, we’ll provide replacement vehicles – usually within 48 hours – with everything tailored to ensure the customer doesn’t have any disruptions to their day-to-day operations. Our role is to reduce risk and help fleets electrify at a pace that makes commercial sense.”



The group has developed Herd Synergy – a customisable blend of vehicle rental, fleet management and remarketing services – that allows each customer to choose the necessary services for their business as a combined and cost-effective set of solutions.

“It’s a toolbelt, of all the things that a fleet manager could require,” said Heidari.

“When we sit down and do the consulting, you can take everything from that toolbelt that works for your business.

“You choose the elements to create your own utopia – and we’ll deliver that.”



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WHY A COMPLETE CHARGING STRATEGY IS VITAL

For cost and business continuity, fleets need to devise a charging solution before adopting eLCVs

An effective charging strategy can make or break the business case for electric light commercial vehicles.

The *Fleet News/Herd Group* survey found that about a quarter of electric vans charge at home, 61% at a workplace, and only 14% on the public network.

Crucially, unlike company cars where the benefit-in-kind (BIK) tax savings are so significant that the vast majority of drivers are happy to work out where to recharge, employers are having to be far more involved in devising charging solutions for drivers of electric vans.

As business-critical operational assets, vans ideally have to be able to complete their duty cycle without having to stop to recharge. Each stop represents unwanted downtime and undermines corporate productivity, although careful planning can schedule stops to recharge at times when the driver is at standstill anyway, either because of breaks or conducting work outside the vehicle.

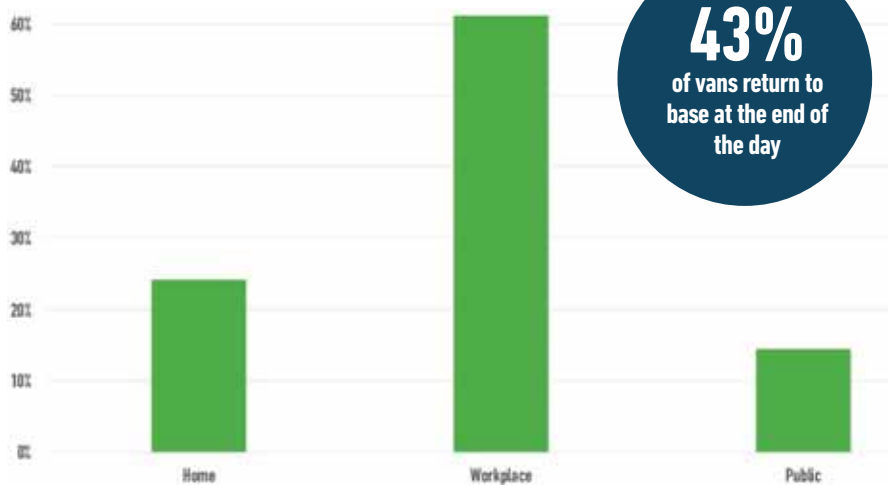
"Needing to charge during the daytime creates downtime that financially impacts on the core business and operational arguments for going electric, as well as usually being much more expensive than using a domestic charger," said Paul Hollick, chair of the Association of Fleet Professionals (AFP).

"When fleets are considering which vehicles to electrify, this issue is often at the forefront of their minds. Uncertainty around the time, cost and location of charging for drivers and their vans creates a lot of doubt."

In broadbrush terms, vehicles that can start their shift with a full charge, having been plugged into a low-cost energy tariff at a depot or at the driver's home, are prime candidates for electrification.

Identifying these vehicles requires granular levels of detail and meticulous planning, establishing where vehicles dwell overnight, and finding out if the

WHERE eLCV FLEETS RECHARGE THEIR VEHICLES



driver has the opportunity to install a domestic wallbox charger. If this is feasible, fleets need to deploy a reimbursement solution so drivers do not feel out of pocket using their domestic electricity to recharge their work van. Only 5% of the fleets in the survey that have introduced eLCVs said their employees pay for home charging.

"We're heavily involved in helping our customers establish a viable charging solution," said Joe Heidari, group sales director of Herd Group. "Telematics data is really helpful in terms of giving you a real-world mapping of routes, and then using that data to map out where a driver can recharge if they need to. But, in 90% of cases, when you look at the routes in detail, you can find an electric van with a decent range that can cover that distance on a single charge, so all the fleet has to plan for is where the vehicle goes at the end of its shift to recharge."

This involves plotting where chargers need to be installed, and working with charging operator partners to put in the hardware and software to manage workplace charge points.

Further investigation also needs to establish whether depots have the power capacity to meet the charging demand of multiple vehicles. The survey found that more than a quarter of fleets reported power constraints as their biggest challenge to workplace charging.

Grid upgrades are expensive and can take months to achieve, with the 'first mover' (the business that requests the upgrade) having to pay, while neighbouring businesses can take advantage of the greater capacity for free.

The Climate Group's EV100 coalition of trail-blazing electric fleets acknowledges that fleets are hitting real-world barriers that are delaying the installation of charging infrastructure.

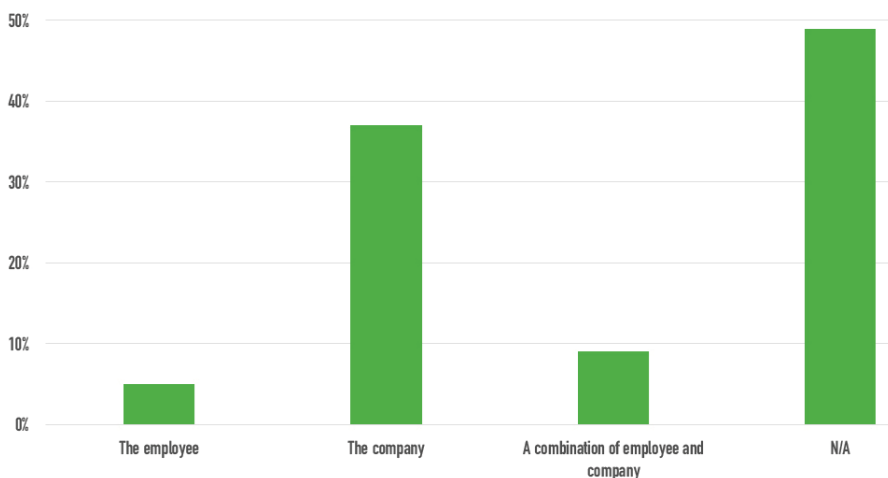
"At the grid level, opaque and slow grid connection processes, limited capacity, fragmented system planning and inconsistent permitting processes are major obstacles," it said.

Load balancing can help fleets to deal with limited power capacity by sharing the available power between the vehicles plugged in at any one time, and smart software allows fleet managers to prioritise which vehicles get charged first, dependent on their duty cycles.

But fleets might have to be rethink their operations and adopt a more flexible approach, perhaps allowing drivers to take their vehicles home, or changing the depots where they overnight.

"One of your depots may not be in an ideal location, so you might have to switch to a different one," said Heidari. "It's all about reviewing the whole operation and structure of how the customer operates to understand where are the best places to start. But I'm confident that more and more businesses can start implementing EVs in their fleets, particularly in urban areas."

WHO PAYS FOR HOME CHARGING COSTS?



ALL eLCV FLEETS INSTALL WORKPLACE CHARGERS

Public and private sector fleets are installing AC and DC chargers for their electric vans

Every fleet in the *Fleet News*/Herd Group survey that already has electric vans on its books has installed charge points at its workplace.

Even fleets that have not yet transitioned any vehicles to battery power have started to lay the foundations of a zero-emission future by installing workplace chargers.

Many businesses will have taken advantage of the Government's Workplace Charging Scheme, which provides financial support towards the cost of installing up to 40 EV charge point sockets at their sites, with a maximum of £350 per socket.

Moreover, the last Budget extended the 100% first year allowance for businesses purchasing charging infrastructure, allowing them to write off all of the costs against their taxable profits in the first year.

While the financial incentives may prompt fleets to act now, the motives for installing workplace chargers run deeper – especially for the 43% of fleets in the survey whose vans return to base at the end of the day.

The ability to control charging events is hugely valuable to electric van fleets, for whom every vehicle is core to the business.

Charging at the workplace not only means the organisation can ensure vehicle batteries are sufficiently charged at the start of every day, but also brings chargers into the scope of service level agreements (SLAs) with third party charge point operators.

They monitor the uptime of chargers 24/7, instantly identifying any faults, and fixing issues remotely or via a rapid response technician to ensure no driver is left stranded in the morning.

Most fleets surveyed by *Fleet News*/Herd Group have opted for AC chargers of 7kW or 22kW, which place less demand on the grid but are still more than capable of fully charging an eLCV overnight.

However, 14% have installed at least one 50kW DC charger for a more rapid charging speed. These provide effective top-up charges for vehicles that are stopping for 30 minutes or an hour, as well as a viable emergency charge for any vehicle that has failed to charge during its dwell time. The survey found that 12% of fleets with electric vans cited the question of reliability as their biggest workplace charging challenge.

The principal difficulty, however, is finding adequate room for the charge points, with the hardware occupying valuable car park space, and having enough chargers in the right locations.

One solution gathering momentum is for fleets to share their charging infrastructure with other fleets, a scenario that can increase the utilisation of chargers, providing an income stream for the host when the sockets would otherwise be stood idle.

The AFP is developing this approach with Evata, establishing the charging needs of each

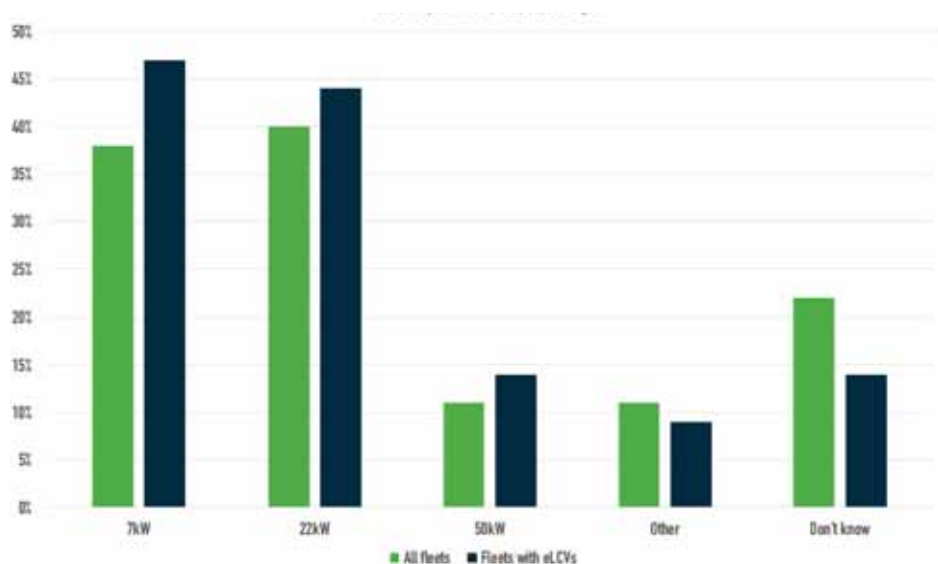
“The last Budget extended the 100% first year allowance for businesses purchasing charging infrastructure, allowing them to write off all of the costs against their taxable profits in the first year”

individual fleet vehicle, and then matching it with locally available, privately-owned facilities, solving the problems of both convenience and cost.

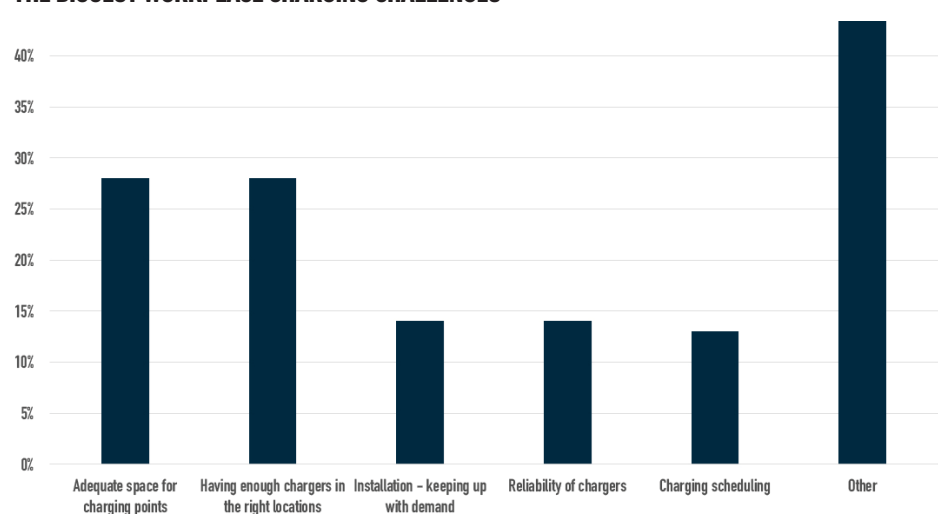
Shakeel Ali, CEO of Evata, said: “We work with fleets to identify suitable shared provision in locations meeting their requirements, enabling them to transition in cases where EVs had previously been impractical because of an absence of overnight charging availability. Everyone can see the potential.”

So far, however, only 5% of the fleets in the survey that have adopted eLCVs are using shared charging networks.

POWER OUTPUTS OF WORKPLACE / DEPOT CHARGERS



THE BIGGEST WORKPLACE CHARGING CHALLENGES



OPERATIONAL ISSUES SLOW eLCV ADOPTION

Fleets do not want vehicles that need recharging during the working day

Insufficient range is the number one barrier to fleets electrifying their vans, according to the *Fleet News/Herd Group* survey.

The research found that more than half of the respondents identified the inability of eLCVs to meet their mileage requirements as a challenge to decarbonisation.

Interestingly, this figure was almost the same for fleets that have already started their transition to battery power (49%) as it was for the whole fleet parc (52%).

The survey found similarly narrow gaps between perception and real-life experience in the difficulties posed by charging, with the installation of workplace charging infrastructure considered expensive. However, only 5% of the fleets said they were unable to install depot chargers.

Public charging infrastructure for electric vans is inadequate, according to 44% of fleets, highlighting one of the practical barriers that public parking bays are too small to accommodate larger vans. This is even more of a problem when vans are towing a trailer, and puts drivers in the uncomfortable position of having to block other chargers in order to access the socket they need.

Driver reluctance to get behind the wheel of an eLCV is minimal, with the growing awareness of electric cars allied to word-of-mouth endorsements from early adopter electric van drivers overcoming anxieties.

The inability of drivers to have home chargers is, however, a challenge for home-based fleets, and the larger the fleet the bigger the obstacle this presents. One third of mega fleets (500-plus vehicles) said the lack of off-street parking where drivers could install a wallbox is a major challenge, whereas for the survey population as a whole, this figure halves to 16%.

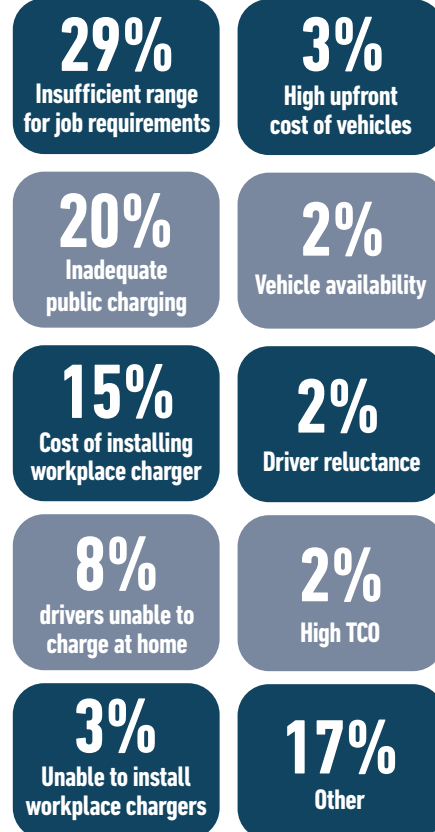
Encouragingly, fleet managers tasked with electrifying their van fleets are being well supported by senior management, with only 1% of respondents identifying a lack of director level support as an issue.

And there's more good news in vehicle availability, with only 11% of the fleet decision-makers identifying this as a challenge. However, fleets that equip their vans with specialist equipment, such as refrigeration units, and businesses that need to use the full payload of their vehicles or tow trailers, said they face more of a challenge in finding suitable eLCVs.

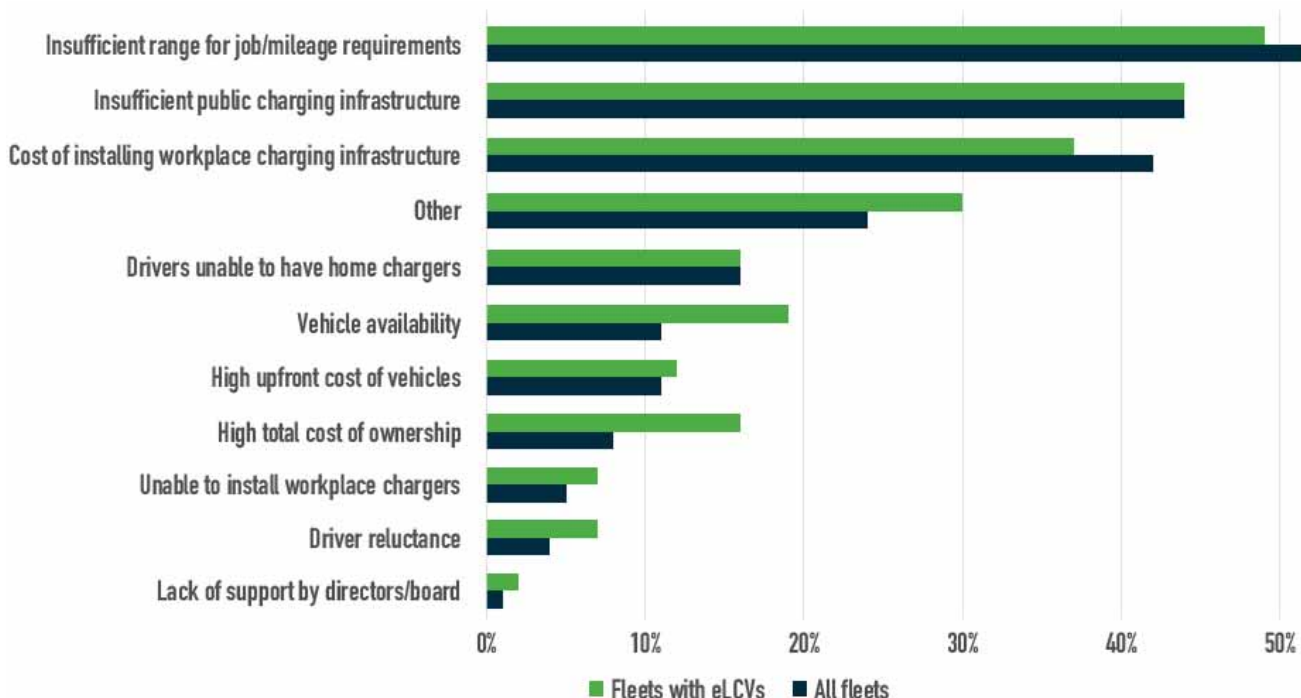
But OEMs have stepped up to meet many of the difficulties fleets faced with the first generation of electric vans. The Renault Master E-Tech, for example, has a range of up to 285 miles, and the Ford E-Transit has a maximum gross payload of more than 1,750kg.

And with fleets wanting more battery-powered options across all types of LCV, Ford now offers an electric or plug-in hybrid variant of every commercial vehicle in its European line-up.

NUMBER ONE CHALLENGE TO ELECTRIC VAN TRANSITION



PRINCIPAL CHALLENGES IN THE TRANSITION TO ELECTRIC VANS



FLEETS INVOLVE DRIVERS IN eLCV TRANSITION

Test drives, training and communication plans smooth the switch to battery power

Employers are pursuing a variety of strategies to educate, persuade and reassure drivers about the switch to eLCVs.

Ensuring drivers have the knowledge and confidence to transition to battery power is an important element of a successful eLCV integration programme.

The *Fleet News*/Herd Group survey found that 70% of fleets with electric light commercial vehicles have implemented driver training to engage their drivers, and explain features such as regenerative braking and maximising range, as well as dealing with the safety implications of instant torque in a silent machine.

Early adopting electric van fleets are also providing information for drivers on the company intranet, and holding briefings to explain the reasons behind the transition, the technology and charging practices.

A third of these fleets are holding electric vehicle roadshows, while more than a quarter (28%) are creating workforce EV 'champions' to act as ambassadors for battery power.

And to reassure drivers concerned about range anxiety, more than three-quarters of fleets are issuing drivers with 'fuel cards' for public charging.

Once drivers are behind the wheel, however, the driving experience is hugely positive.

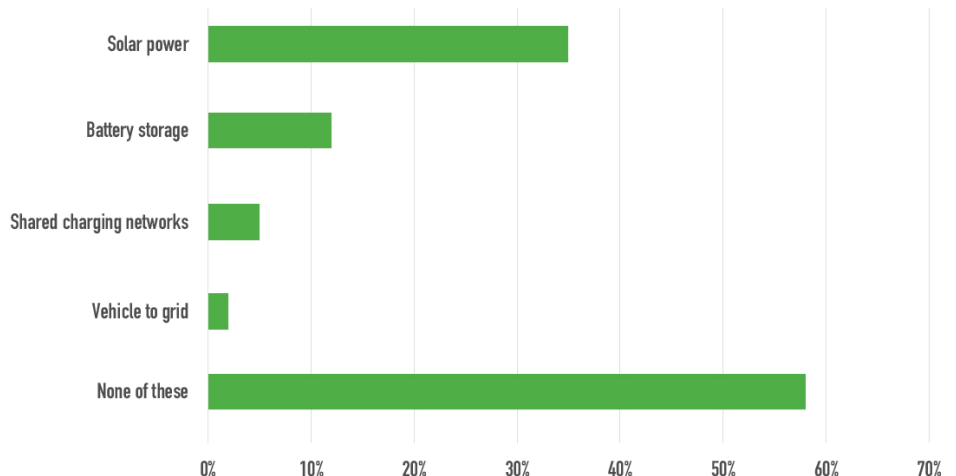
"Driving in London can be very stressful in a diesel vehicle, constantly changing gear and the engine rattling, but an eLCV is smooth, quiet and easy to drive with its automatic transmission," said Peter Middleton, contracts manager, Cooper Weston Group.

"It's impossible to get road rage in an EV!"

DRIVER SUPPORT INITIATIVES IMPLEMENTED BY FLEETS WITH eLCVS



ADOPTION RATES OF NEW eLCV SOLUTIONS



NEXT DEVELOPMENTS FOR eLCV FLEETS

Fleets are already looking at the next opportunities for electric vans, with more than a third installing solar panels to generate energy for charging.

This is not yet allied to battery storage, a solution deployed by only 12% of fleets, but could prove to be a powerful combination in the future to overcome power capacity issues, reduce Scope 2 greenhouse gas emissions, and effectively charge for free once the capital expenditure of the hardware has been covered.

Vehicle-to-grid (V2G) options, however, are on the backburner. A smart idea, but one which lacks both the vehicles and

chargers capable of recharging at off-peak, low-cost times of the day, and then supplying power back to the grid at hours of peak demand.

Nationwide, V2G is ready to move from trial to active deployment, taking advantage of electric vehicles as decentralised energy storage systems that could help to balance the grid. Their batteries act as buffers storing energy until it is required by the grid, and supporting the variable energy production of solar and wind.

For fleets, V2G opens potential revenue streams, and depot-based commercial vehicles with predictable, extended dwell

times are prime candidates for the technology. A report by EY last year calculated that a large EV that is optimally charged and benefits from V2G could save up to 26% (about £2,000) per year in its TCO compared with an equivalent ICE vehicle.

"Fleet operators may turn their plugged-in vehicles into revenue generators by enrolling in smart-charging programmes. By undertaking wholesale arbitrage and providing grid-balancing services, with V2G specifically, they can reduce their own operating costs, improve energy efficiency and benefit from better energy management," said the report.

LET'S MAKE YOUR EV TRANSITION SMOOTH & EASY.



EV Transition Planning & Solutions

FREE TO HERD SYNERGY CUSTOMERS

Our EV experts work with you to design an effective, efficient and de-risked EV transition solution bespoke to your business.



Electric Vehicle Business Rental

LOW COST AND WIDE CHOICE

Flexible, easy, and great value. Kitted-out to your requirements. Business rental & rent-to-buy.



Fleet Management

FREE TO HERD SYNERGY CUSTOMERS

Minimise VOR & fleet downtime and save on servicing, maintenance, repairs and running costs.



Vehicle Remarketing

MINIMAL CHARGE, ZERO HASSLE

Maximise the re-sale values of your owned fleet through our extensive network of national partners.

