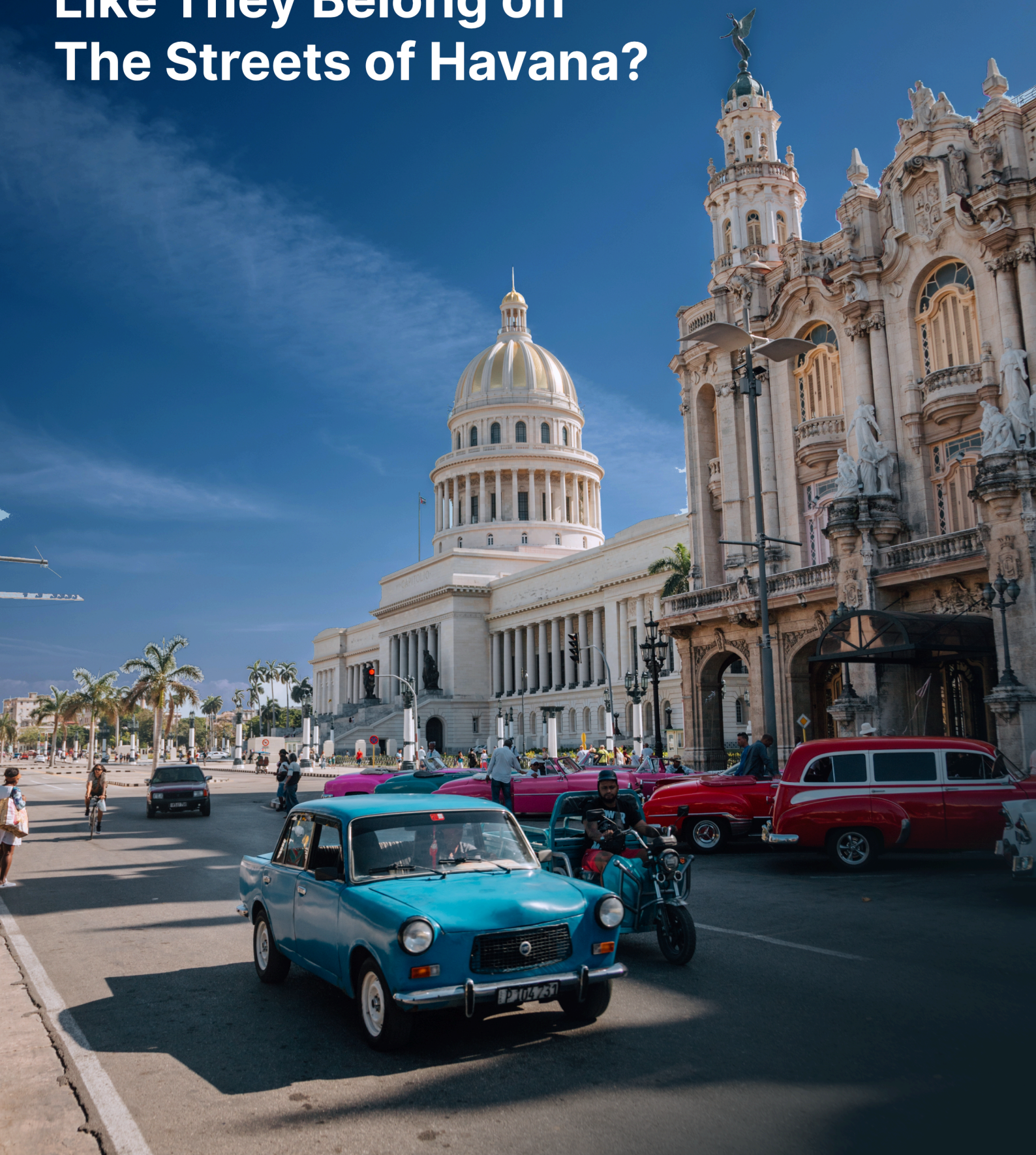


# Will Your Vans Look Like They Belong on The Streets of Havana?



**Why the ZEV Mandate Could Mean  
Running Your Diesel Vans Much Longer**





# Introduction

Managing an ageing, high-mileage fleet might not seem like the most exciting subject, but it's becoming an increasingly urgent challenge that businesses can't afford to ignore.

Why? Manufacturers facing massive fines after not meeting government-mandated electric vehicle (EV) sales targets, warned they will refuse to supply diesel vans to the UK market if demand for EVs doesn't increase. Fleet Operators, already under pressure following the extra costs imposed on businesses in the 2024 autumn budget, are putting new vehicle purchases on hold. This means you may find yourself running existing diesel vans for much longer than planned, making maintenance more critical than ever.

However, running ageing vehicles is not straightforward.

### A Return to 1960s Cuba?

Consider Cuba, full of classic American cars from the 1930s, '40s and '50s when they were imported in huge numbers. After the Cuban Revolution in 1959, new president Fidel Castro banned the import of American cars and mechanical parts. In response, the United States imposed a complete embargo on all exports to Cuba (with the exception of food and medicine), in 1990.

This restriction on supply meant Cubans had to get creative. To keep their old Fords and Chevrolets running, mechanics were forced to replace broken engines, gearboxes and other parts with those from scrapped Russian Ladas and Volgas. Thanks to their ingenuity, many of these cars – now seven or eight decades old – are still in use today.

65 years on from that embargo, and 2024 marked the first year of the Zero-Emission-Vehicle (ZEV) Mandate.

Might we be seeing the beginning of a similar situation in the world of company-operated vans? How would your business adapt if purchasing new diesel vans became impossible and the second-hand market dried up due to excessive demand? How long could you continue to run an ageing, higher-mileage fleet?

Well, that is what might be coming, as demand for EVs lags far behind manufacturer expectations and government targets. If supply tightens, companies may soon face a new reality – one where keeping old vans on the road is the only option.



## What's the ZEV Mandate?

The Zero-Emission-Vehicle (ZEV) Mandate, which came into law on January 3<sup>rd</sup> 2024, sets the government's pathway to ensuring all new cars and vans are zero-emission by 2035. It dictates the minimum proportion of vehicle sales that must be electric each year, as we move closer to the target. However, many businesses feel electric vans currently don't suit their needs. This could be due to factors such as acquisition costs, limited range, load capacity issues, or insufficient charging infrastructure.

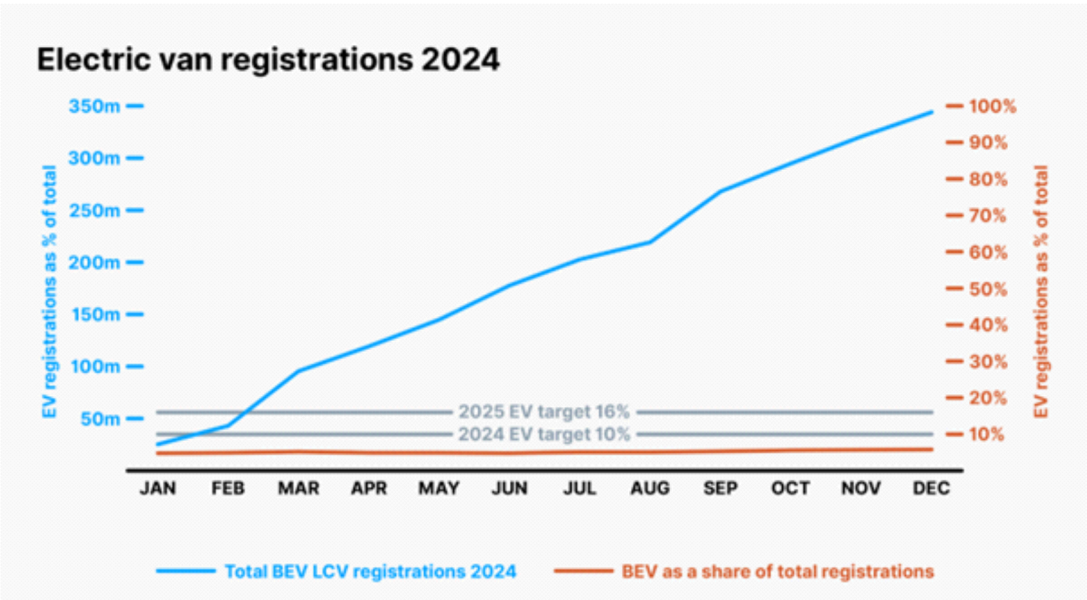
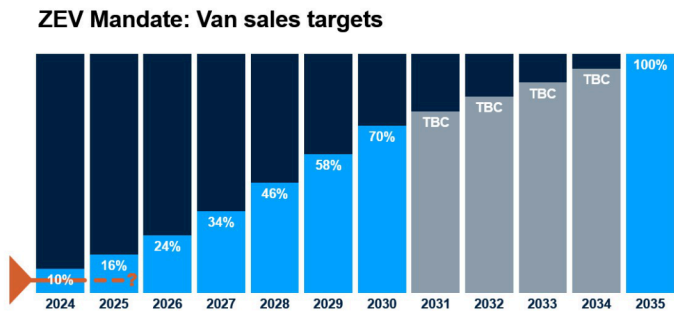
For example, if your EV needs to travel long distances to reach large construction sites, there may be no available power or charging infrastructure for the return journey. Similarly, electric delivery vans might not be able to carry the same load or complete as long routes as their diesel counterparts, meaning additional vehicles would be required to maintain operational capacity.

## Electric Van Sales Targets and Registrations

The sales targets outlined in the ZEV Mandate require that 10% of all van sales be electric in 2024, 16% in 2025, with incremental increases each year through to 2035.

Under the ZEV mandate, manufacturers face a fine of £18,000 for every non-compliant Internal Combustion Engine (ICE) van sold. Unfortunately, demand for electric vans in 2024 fell far short of expectations, putting manufacturers in a difficult position, with some even threatening to pull out of the UK altogether.

According to figures from the SMMT, sales of electric vans throughout 2024 looked like this:





# Compliance Challenges & Manufacturers Response

In 2023, total new Light Commercial Van (LCV) registrations reached 341,455. This number increased slightly in 2024, with 353,480 new LCV registrations, reflecting a continued strong demand for vans. However, despite this, Battery Electric Vehicles' (BEV) share remained unchanged at just 6.3%.

There is anecdotal evidence to suggest that this figure was artificially inflated, as manufacturers rushed to meet compliance targets and reduce potential fines. Stories of heavy EV discounting late in the year – as much as 30-40% – were commonplace, alongside stories of strategic delays in diesel van deliveries and registrations until 2025. This has left manufacturers on the back foot heading into the new year.

In 2025, **16% of each manufacturer's van sales must be electric**. Yet, demand remains static, with the share of BEVs (including vans between 3.5-4.25t) stuck between 5-6% for two consecutive years.

If total LCV demand for 2025 remains constant, and demand for electric vans continues at 6.3%, then manufacturers will face a critical shortfall. With only 22,155 electric van sales projected for the year, against a 16% target of over 56,500, penalties will apply to almost 35,000 non-qualifying vehicles. At £18,000 per unit, this equates to potential industry-wide fines of well over £600 million.

But this issue extends beyond just the van market.

With similar challenges in the car market, it's hardly surprising that manufacturers have been pressuring the government and exploring strategies to avoid these fines. Throughout 2024, there were some very strong statements of intent:

At a [Financial Times conference](#) in May 2024, executives from Ford, Stellantis and VW, collectively responsible for over two thirds of UK van sales, said that they would not pay penalties for exceeding ICE vehicles sales in the UK. Instead, if they cannot sell enough EVs, they will limit ICE and hybrid availability – reducing supply and likely driving up prices.

Martin Sander, head of Ford's European EV division emphasised that the company “cannot push vehicles into the market against demand,” and that “the only alternative is to take shipments of ICE vehicles to the UK down and sell them somewhere else.” He added “I don't know if consumers will like seeing the ICE prices going up.”

At an [SMMT event](#) in June 2024, Stellantis' UK managing director raised the stakes even further, suggesting it might pull out of UK van production altogether, due to ZEV mandate pressures. With Stellantis van brands including Vauxhall, Peugeot, Citroen, and Fiat, losing them, alongside Ford and VW, would have a huge impact on vehicle availability in the UK. By the end of November 2024, Stellantis had announced plans to close its van plant at Luton, citing the ZEV mandate as a key factor. Following this decision, the Society of Motor Manufacturers and Traders said [the ZEV mandate could cost manufacturers £6billion in 2024](#) alone.

Stellantis' actions underscore the reality: these senior executives aren't bluffing.

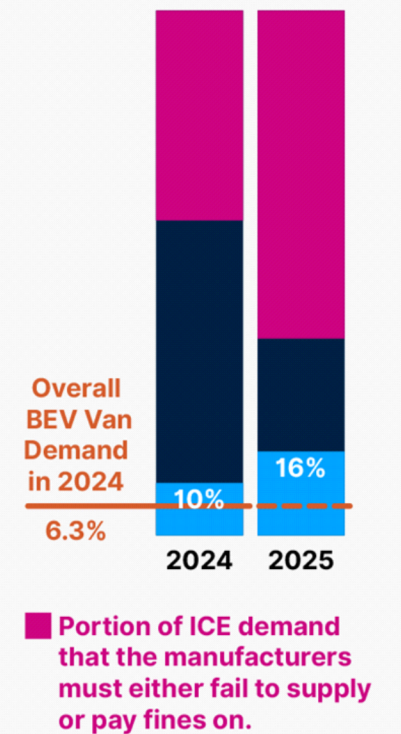
If BEV demand remains at 6.3% in 2025, with a mandated target of 16%, manufacturers would be forced to cap ICE van sales at 138,000 – creating a staggering supply shortfall of 215,000 vans.

## 2025 - An Uncertain Future

With January's figures for LCV registrations now in, we can see this starting to play out. BEV demand came in higher at 7.6% for the month, but if you look a little deeper, you'll see that doesn't equate to a sudden enthusiasm for EVs. Total registrations of electric vans in January 2025 were still just 1,464, only up from 1,302 in January 2024. The more surprising figure was the 25% drop in diesel registrations, down from over 22,000 in January 2024 to just 16,599 in January 2025. We spoke to some of our clients to provide some insight.

One fleet, with around 200 vans (mostly Ford Transits), shed some light on their position. Normally looking to replace around 20-30 vans at

## Potential van shortage



a time, they've bought only a handful out of necessity. It turns out that Ford's warning has become the new reality: heavy discounting of electric vans is being offset by big price rises and reduced discounts on diesel vans. Electric vans don't suit this fleet's requirements for the reasons outlined above, and they're not prepared to pay the increased prices demanded for new diesels. The result? They're waiting to see what happens, with new purchases on hold.

Other fleets are telling us similar stories.

With the ZEV target for 2026 even tougher at 24%, a continued heavy discounting on electric vans to try stimulating demand seems likely. However, for businesses that rely on diesel vans, availability could become a major challenge.

**The real question is: how will YOU respond?**



**We cannot push vehicles into the market against demand**

Martin Sander | Head of Ford Model e Europe





# Maintaining An Older, High Mileage Fleet

Larger fleet operators traditionally replaced their vans every 3-5 years. Now, however, that timeline has stretched to 6-8 years, as many operators look to sweat those assets harder. Similarly, many smaller fleets, who often bought used or nearly new vans from leasing and rental companies or auctions, and ran them for 5-10 years, are now starting their cycles with vans that are already 6-8 years old.

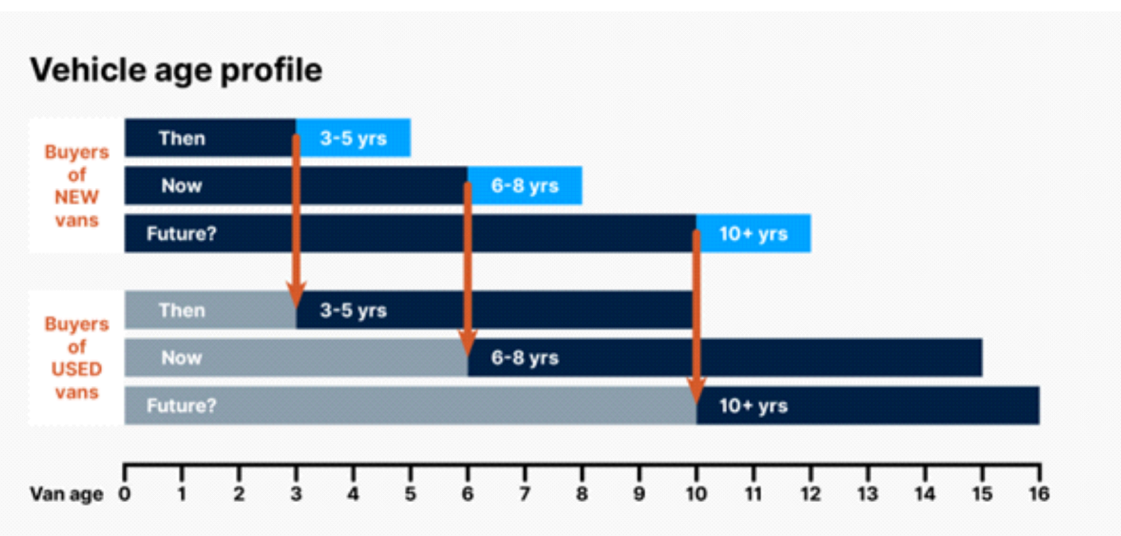
With a possible supply shortfall of new vans in 2025 that could be in the region of 200,000 units, larger operators will likely keep their existing vehicles for much longer and may even turn to the second-hand market for used vans – if they can get hold of them. As we saw earlier, fleets that would have bought new vans already are holding back. The result has been a 25% drop in new

diesel LCV registrations for January 2025 over January 2024.

This means less vans are coming into the used van market, with the supply channels of used vehicles for the smaller fleets likely to dry up, much like what happened at the start of the COVID-19 pandemic when demand for home delivery surged unexpectedly.

As a result, regardless of fleet size, effective preventive maintenance will become vital to guard against unplanned vehicle downtime due to mechanical breakdown and the inevitable service disruptions that follow.

Let's examine some of the new issues operators could face, starting with evaluating your maintenance regime.



## Routine Servicing, Maintenance and Repair (SMR)

Ensuring proper routine servicing and maintenance is the first step.

Fleets that didn't previously need to worry about timing belts, for instance, will now need to incorporate them into their regular schedules. Belts on a Vauxhall Vivaro for example need changing every 5 years.

Some operators may have previously defleeted vehicles before the belt change was due, but now they'll need to factor this into their routine SMR schedules. In the future, they may even need to replace the belts twice before the vehicle is defleeted.

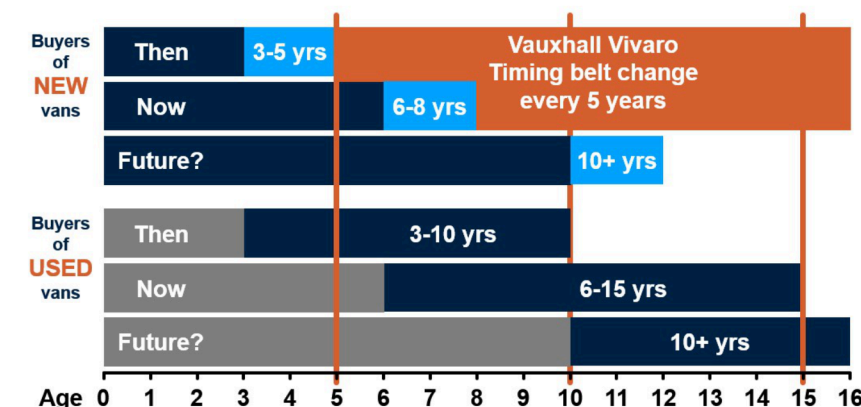
There could also be 'end of life' issues for other items, such as perishable seals, further increasing operators' annual costs for routine SMR. Manufacturer recalls – common for brakes, fuel systems, and airbags – will become more

problematic if ignored or delayed. Additionally, MOT advisory notes will likely become more common, as vans are kept for longer. Failure to fix these issues promptly will lead to even more severe problems down the line.

Neglecting regular maintenance will also start to impact the annual cost of consumables such as tyres, brakes, oil, and fuel, as vehicles become less efficient over time.

The demand for replacement parts may strain availability, making timely booking for SMR services crucial to understanding parts supply. Fleets may even start to collect used vehicles or keep older vehicles in the fleet solely for spare parts – a practice some companies do already!

### Impact on maintenance regime





## 2

### Defect Management

Having a strong pre-use vehicle check policy will help ensure that small problems are identified and addressed before they can escalate into bigger issues.

- **Underinflated tyres** increase fuel consumption and compromise handling
- **Damaged tyres** can lead to dangerous blowouts
- **Oil leaks** can result in catastrophic engine failure
- **A chipped windscreen** can quickly turn into a full replacement, requiring off-site re-calibration for ADAS radars and lidars

Pre-use defect checks are a vital part of your duty of care to both drivers and other road users, but they will also become an essential part of simply keeping older, high-mileage vehicles on the road.



**Pre-use defect checks will become an essential part of simply keeping older, high-mileage vehicles on the road.**

Simon Turner | Driving for Better Business

## 3

### Record Keeping and Data Collection

Keeping on top of routine SMR and defect management is going to generate lots of valuable data, helping to identify wear and tear trends across vehicles and drivers. This data allows fleet managers to track economic viability, prioritise vehicle replacement when necessary, and maintain roadworthy assets efficiently.

To ensure an effective defect management policy, ask yourself:

- Do your drivers know what to check and how to report defects?
- Are defects rectified promptly?

Just having policies in place isn't enough – following and enforcing them consistently is key. Accurate record-keeping, reporting, and data analysis will place a crucial role in keeping your fleet on the road.

## 4

### Budget Pressure

The new government's first budget in the autumn of 2024 saw significant costs added to businesses, through national insurance hikes. With many companies already under pressure, there is a natural temptation to cut costs elsewhere.

Whilst cost control is generally a sound strategy, reducing spending on vehicle maintenance could prove to be short-sighted. Preventive maintenance will be the key to ensuring your sales teams, delivery drivers, and service engineers stay on the road.

Aging, high mileage vans are a safety risk to both your drivers and other road users, and they represent a financial risk to your business. Cutting back on servicing and maintenance due to budget constraints leads to unsafe vans – and unsafe vans crash and break down.

Beyond safety concerns, your approach to vehicle maintenance could impact on your ability to maintain existing contracts and win new work. For instance, many clients are now demanding evidence of good road risk management from

their suppliers. This trend is already visible in road and rail construction, and certain areas of public procurement, and is only expected to grow.

With poorly maintained fleets more prone to breakdowns and unplanned maintenance, clients will increasingly prioritise reliable suppliers. No company is going to want a supply chain at the mercy of unreliable vehicles. In this way, standards such as the Fleet Operator Recognition Scheme (FORS) are going to become more important, setting benchmarks for compliance and best practice.

For larger operators, ESG Scope 3 standards require businesses to report supply chain emissions. Some companies have already started radically reducing their supply chain to simplify these reporting requirements.

For supplier companies that are unable to switch fully to EVs, those with poor compliance management and reporting systems are going to be the easiest to cull. This will likely mean that what is considered good practice now, is going to become the minimum acceptable standard going forward.

### To Recap

- Sitck to manufacturer servicing recommendations
- Action any vehicle recall notices promptly
- Implement a policy for pre-use checks and defect management
- Ensure drivers have been trained on pre-use checks properly
- Monitor compliance with policy – don't let pre-use checks slip!
- Analyse maintenance costs by vehicle and driver, and act on those trends

By following these steps, you'll give your fleet the best chance of remaining safe, efficient, and roadworthy for many years more than previously expected.

And remember – no customer wants to do business with a company that looks like it belongs on the streets of Havana.





# How FleetCheck Helps You Manage a High-Mileage Fleet

No matter how old your vehicles are, FleetCheck gives you the tools to keep your fleet safe, compliant, and running at peak efficiency.

## FleetCheck Driver

The First Step to Proactive Maintenance

FleetCheck Driver streamlines vehicle inspections, ensuring real-time defect reporting and reducing paperwork. By empowering drivers to report issues instantly, it provides the first line of defense in maintaining vehicle safety and efficiency.

With features like:

- Customisable daily vehicle checksheets
- Instant evidence of damage and defects (with photo uploads)
- Mileage collection for SMR schedules
- Inspection reminders and missed-check alerts
- Fit-to-drive declarations and driver support tools

FleetCheck Driver helps you act fast, minimise downtime, and stay compliant—all from just **£2 per vehicle per month** (min £20/month).

## FleetCheck

The Complete Fleet Management Solution

While FleetCheck Driver is a powerful starting point, FleetCheck's full Fleet Management System (FMS) takes fleet maintenance to the next level.

With in-depth tools to track:

- Total cost of ownership – understand long-term running costs
- Manufacturer maintenance schedules – never miss a critical service
- Service history and upcoming SMR requirements
- Cam belt changes, tyre replacements, and wear & tear tracking
- Fuel usage, vehicle downtime, and repair trends

FleetCheck's Fleet Management Software gives you a full-picture view of your high-mileage fleet, helping you plan maintenance proactively, control costs, and extend vehicle lifespan—all from just **£4 per vehicle per month** (min £40/month).