



Salary sacrifice is no longer the cheapest way to drive a hybrid – here’s why

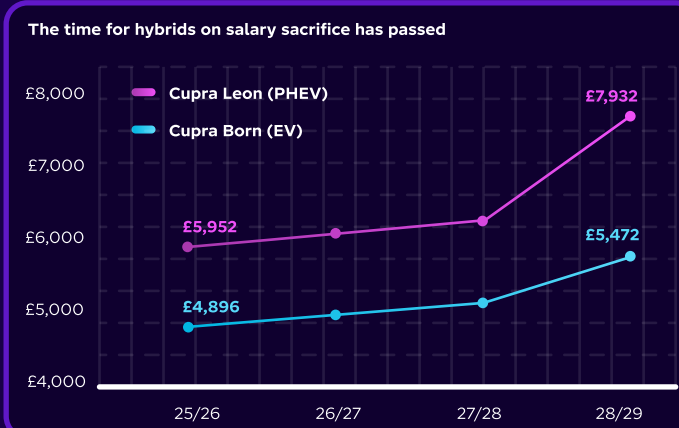
The time for hybrids on salary sacrifice is over

You’ve probably heard that while petrol and diesel car sales end in 2030, hybrids can still be sold until 2035. But if you’re thinking about offering them through salary sacrifice, we’d suggest you think again.



Rising Benefit-in-Kind (BiK) rates mean hybrids no longer offer the tax advantages they once did. Many employees would be better off leasing one privately. And with new CO₂ testing rules coming in 2025, costs are likely to climb even further.

EXAMPLE:

Cupra Born selected as one of our most popular vehicles in Q1 ‘25 and has a directly comparable Plug-In Hybrid, the Cupra Leon.

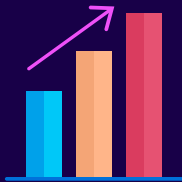


Hybrids vs. EVs: What makes more sense on salary sacrifice?

	 HYBRID	 ELECTRIC
Benefit in Kind rates	Between 6% - 36%	3% rising to just 5% by 2028
Lease value clarity	BiK costs masked by higher leases	Transparent, lower lease prices
Running costs	Higher fuel, service, maintenance, and repair costs	Cheaper all year round. ~£120 to drive 8,000 miles a year with home charging
Future-proofing	CO ₂ retesting in 2025 could increase BiK even faster	Reliable long-term tax advantage

EVs are the smarter choice

Long story short: EVs are the best long-term option for employers and employees. Here’s why:



Hybrids on salary sacrifice? Time to move on.

With BiK rates rising for hybrids and staying low for EVs, the financial gap is only going to get wider. That means **hybrids will cost more for the employer and the employee**. In fact, for many hybrids, personal contract hire is already the better deal.



Electric is cheaper - simple as that.

On a salary sacrifice scheme, **95% of drivers would save money by going electric**. It doesn’t matter what EV you choose or even if you can’t charge at home. But if you can plug in at home, you’re looking at **an average saving of nearly £1,500 a year**.



EVs are cleaner, of course.

No tailpipe emissions. Lower lifetime carbon footprint. And as the UK grid keeps getting greener, bringing in more renewable energy sources, EVs only get better for the planet.

Ready to make the switch?

Join **6,000+** employers driving the EV revolution.

Book a call



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