The Independent EV Price Index September 2025

Your essential breakdown of prices, finance and choice to help you buy in a fast-changing EV market

SPONSORED BY e.on next

Steve Fowler • Monday 06 October 2025 11:51 BST • 4 Comments

(Getty)

Welcome to The Independent EV Price Index, your new monthly pulse check on the real-world costs of buying and running electric vehicles in the UK.

Launched in partnership with E.ON Next, this innovative resource – **the first of its kind in the UK** – is designed to help you understand how EV prices are shifting, what's driving those movements, and crucially what it means if you're shopping, trading in, or simply tracking where the market is headed.

Built on data from Insider Car Deals, this report reflects actual discounts, finance deals, incentives and the evolving inventory of EVs every month, **all curated by our electric vehicles editor, Steve Fowler.**

September EV Price Index Focus

1 EV "basket price" now thousands cheaper than last year

2 Prices slipped another £1,200 in just one month

3 Small electric SUVs are where the bargains are

4 More choice than ever: over 100 EV models now on sale

5 Monthly payments are shrinking, too

6 Finance deals on EVs beat petrol and hybrid rivals

(The Independent EV Car Index)

> *"The EV market is moving faster than ever, and our new Price Index shows just how much things have changed in the past year. We're seeing sharper falls in everyday models, better finance deals and more choice on the forecourt. For consumers, that means the process is increasingly in their hands, whether they're buying their first EV or trading in for an upgrade. Our goal with this Index is to give readers a crystal clear view of where the best value really lies."*
>
> *Steve Fowler, The Independent's Electric Vehicles Editor*

1. EV prices down 7.7% year-on-year

The typical cost of an electric car has dropped by almost £3,750 compared with this time last year. That's a meaningful shift: EVs, once firmly out of reach for many, are edging closer to petrol and diesel rivals in terms of affordability. Of course, the headline figure is a median average – some models are falling faster than others, while a host of more affordable models are being launched every month – but the direction of travel is clear: the cost of entry to electric motoring is getting lower.

The median EV transaction price across all models has fallen 7.7% in a year, bringing electric vehicles within reach for more buyers. Here's how prices have shifted since last August.

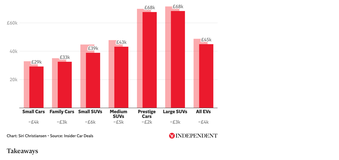


Chart: Sri Christiansen • Source: Insider Car Deals

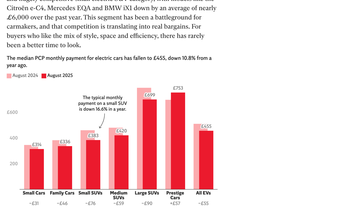
INDEPENDENT

Takeaways

- EVs are edging closer to price parity with petrol and diesel cars.
- Savvy buyers should look for models with bigger discounts than the average.
- More and more affordable EVs are going on sale every month

2. Prices down £1,228 (-2.7%) in the past month

September saw a sharp fall in EV prices compared with August, with the average vehicle new car deal saving buyers more than £1,200. Much of this is down to short-term discounts: the return of the government EV grant, manufacturers rolling out incentives, and dealers looking to shift stock. It shows the market remains volatile, which is good news if you're ready to buy now, but it also underlines how quickly conditions can change.



Source: Insider Car Deals • Chart: Sri Christiansen

INDEPENDENT

A Flourish pictogram

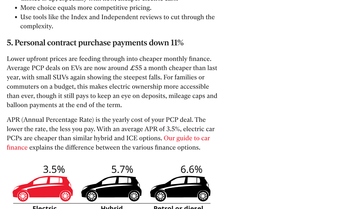
Takeaways

- Timing your purchase matters: short-term incentives can mean big wins.
- Deals range quickly and waiting too long could mean missing out on today's sweet spots.

3. Small electric SUVs lead the decline (-13%)

The most dramatic price cuts are showing up in the massively popular and hugely competitive small electric SUV category, with models like the Citroën e-C4, Mercedes EQA and BMW iX1 down by an average of nearly £6,000 over the past year. This segment has been a battleground for carmakers, and that competition is translating into real bargains. For buyers who like the mix of style, space and efficiency, there has rarely been a better time to look.

The median PCP monthly payment for electric cars has fallen to £455, down 10.8% from a year ago.



PCP terms are based on discounted transaction prices, manufacturer's APR, and GFV standardised at 4 years; 8,000-10,000 miles/year and a 10% customer deposit (plus any manufacturer deposit contribution). Where manufacturers set shorter maximum terms of 36 or 42 months, these are used instead.

Chart: Sri Christiansen • Source: Insider Car Deals

INDEPENDENT

Takeaways

- Small electric SUVs are currently one of the most popular and the best value segments.
- Heavy competition between brands means more incentives are available.

4. Model availability up 25%

There are now more EV models to choose from than ever before: 111 at last count, with more than 1,000 variations when trims and battery sizes are factored in. This surge in choice means buyers can better match their needs to the right car, whether that's range, price or features. It also intensifies competition, which tends to push prices down further. The challenge? Sorting through all those options without getting overwhelmed. Luckily, we can help you with that too…

Vauxhall typically offers incentives to a value of almost 20% of the list price on EVs, far more than other manufacturers.

Manufacturer	Median incentives (%)	Median incentives (£)
Vauxhall	19.6%	£6,645
Audi	17.3%	£9,861
Peugeot	16.9%	£6,134
All makes	12.7%	£5,813
Jeep	6.0%	£5,125
Polestar	2.9%	£2,000
MINI	0.0%	£0

Numbers refer to total incentives, including both discounts and financial incentives. Table: Sri Christiansen • Source: Insider Car Deals, August 2025.

INDEPENDENT

Takeaways

- Choice is up, especially with new, cheaper electric cars.
- More choice equals more competitive pricing.
- Use tools like the Index and Independent reviews to cut through the complexity.

5. Personal contract purchase payments down 11%

Lower upfront prices are feeding through into cheaper monthly finance. Average PCP deals on EVs are now around £535 a month cheaper than last year, with small SUVs again showing the steepest falls. For families or commuters on a budget, this makes electric ownership more accessible than ever, though it still pays to keep an eye on deposits, mileage caps and balloon payments at the end of the term.

APR (Annual Percentage Rate) is the yearly cost of your PCP deal. The lower the rate, the less you pay. With an average APR of 3.5%, electric car PCPs are cheaper than similar hybrid and ICE options. Our guide to car finance explains the difference between the various finance options.

Takeaways

- Monthly PCP costs are falling, making EVs easier to afford.
- Always check the fine print on finance agreements.

6. EV financing remains more favourable than ICE/hybrids

Beyond the sticker price, EVs are currently enjoying cheaper borrowing costs. The average PCP APR for electric cars sits at 3.5%, notably lower than petrol and hybrid alternatives, with many buyers still able to access zero-percent deals. In practical terms, that means the overall cost of running an EV can undercut an equivalent petrol car, even if the upfront prices look similar.

Takeaways

- Lower APRs make EVs are cheaper to finance than petrol or hybrid models.
- Factor in finance costs as well as sticker prices when comparing deals.

Final Thoughts and Consumer Tips

- Act strategically, not impulsively. The Index reveals clear downward pressure, but waiting always carries risk (e.g. model discontinuations, future supply constraints). Use monthly dips to your advantage but don't necessarily wait for the absolute bottom.
- Shop across segments. Small SUVs are leading the declines – for now. If you're flexible on vehicle type, you may find a better deal. But for niche or luxury EVs, valuations may behave differently.
- Leverage finance terms.Lower APRs for EVs mean you may get a lower all-in cost even if the headline price gaps seem thin.
- Know your exit plan. Monitor depreciation (residuals) and potential resale value differences across models – these affect whether a deal is good in the long run.
- Do your research before you go shopping. More choice means more opportunity but also more risk of being overwhelmed. Use tools (such as this Index) to filter and compare.