



Key Facts

## | What is the FLA?

The Finance & Leasing Association (FLA) is the leading trade body for the asset, consumer and motor finance sectors in the UK, and the largest organisation of its kind in Europe.

Our members include banks of all sizes and their subsidiaries, the finance arms of leading retailers and manufacturing companies, and a wide range of independent firms.

## | Key Facts

In 2017, FLA members provided £128 billion of new finance to UK households, businesses and the public sector.

£96 billion was in the form of consumer credit to support purchases ranging from cars to household goods.

£32 billion was provided to businesses and the public sector, representing over a third of total UK investment in machinery, equipment and purchased software in the UK last year.

At the end of 2017, FLA members had outstanding contracts with businesses and consumers worth £183 billion.

## | Why is the FLA important?

Our members support growth and jobs right across the economy, by helping SMEs to expand their businesses, and consumers to finance purchases like furniture, cars and electrical goods.

Because of this vital role, one of our most important services for members is making sure that their views are heard by those shaping the business environment in which they operate. We lobby on industry issues, both at home and in Europe, including as a member of Eurofinas and Leaseurope, the European umbrella bodies for the sectors we represent.

## | Asset Finance

In 2017, FLA members provided £32 billion of new asset finance (primarily through leasing and hire purchase) to businesses and the public sector: over a third of total UK investment in machinery, equipment and purchased software in the UK.

Whenever organisations invest in tangible assets – whether office equipment, manufacturing plant, cars or aircraft – they will usually need affordable and secure funding. That's where asset finance comes in. The high application success rate is one of the reasons why asset finance features prominently in Government schemes to support business funding.

## | Consumer Finance

In 2017, FLA members provided £96 billion of new finance to consumers to support purchases ranging from cars to household goods, representing over a third of total new consumer credit written in the UK.

The regulations governing this credit are contained in the Consumer Credit Act, now forty years old and badly in need of updating. The Government is committed to a review of the Act and the Financial Conduct Authority (FCA), which implements the Act, will soon be publishing an interim report on the issues. We have explained to the FCA how sensible reform of the Act would help our members provide 21st century consumers with the products and services they deserve.

## | Motor Finance

In 2017, FLA members provided £44 billion of new finance to help households and businesses purchase cars. 88% of all private new car registrations in the UK were financed by FLA members through motor dealerships.

Many customers now prefer to pay monthly for vehicle usage, rather than purchase a car outright, and so FLA members offer services like Personal Contract Purchase (PCP). PCP gives customers the flexibility they need, while providing them with more legal and regulatory protections than available with traditional loans – including the right to hand the car back.

FLA members provide training free for motor dealership staff on the finance products they sell and the regulatory framework. We recently launched a Motor Finance Apprenticeship Standard.

## Get In Touch

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