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EV100



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UK Electric Fleets Coalition

2023 Policy Paper



The UK Electric Fleets Coalition brings together the following businesses in support of this policy position statement:





The UK Electric Fleets Coalition (UKEFC) is a leading group of UK businesses convened by EV100 in partnership with BT Group, LeasePlan, Openreach and Royal Mail.

Since 2020 we have called for the policies needed to achieve 100% electric car and van sales by 2030. Together, we support joint policy papers, setting out our key asks of government.

Fleets are leading the transition

The last year has been one with challenges alongside huge progress. The Society of Motor Manufacturers and traders data shows that 1 in 6 cars sold in the UK so far in 2023 were zero emission¹. The majority of these are procured by companies and UKEFC Signatories alone have already made ambitious commitments to transition over 750,000 vehicles to electric, along with installing charging infrastructure at over 1,000 company locations. UK businesses' commitments make up nearly 15% of the global EV100 vehicle commitment.²

While progress is heartening, significant barriers to mass uptake remain. The variety of zero emission vehicles (ZEVs) has increased significantly over the last year, including for smaller vans, however, for companies looking for solutions that can carry large loads over long distances, options are limited.

New regulations around reliability of chargepoints are welcome, and while the charging network is growing in line with electric vehicle (EV) take up, public charging needs to acknowledge the significant difference between home and public charging prices. Currently charging is less affordable and less convenient for those ZEV drivers who don't have a driveway.

1 www.smmmt.co.uk/vehicle-data/car-registrations/

2 About EV100 | Climate Group (theclimategroup.org)

We can see cost of ZEVs dropping year on year, however in the majority of cases they remain more expensive on average than petrol and diesel counterparts and rising interest rates, inflation and increasing energy prices mean predictions for cost parity have not materialised in line with expectations.

In the face of these challenges, UKEFC signatories remain fully committed to the transition to ZEVs and look for the certainty that will enable them to continue to lead the way towards a net zero economy. In 2020 UKEFC signatories called for an early phase out of the sales of new internal combustion cars and vans from 2030, and a target of 100% zero emission car and van sales by 2035. Over last three years since its announcement, fleets have been aligning efforts with this deadline committing substantial investments and strategic shifts. We were encouraged to see broad ambition in the ZEV mandate maintained and support all measures to further government's repeated ambition to make the UK a global leader in the EV transition.

In this, our fourth annual UKEFC Policy Paper, we present a series of policy recommendations that will enable fleets to continue to drive the EV transition in the UK.



1. Charging infrastructure

Over the last year there has been impressive progress against the government's charging network targets, and the public charging network for passenger cars is growing at a good rate. Recent regulations mandating high reliability rates and easier payment will help address user experience issues that some ZEV drivers face.

While the public charging network that is already in place allows many van operators to make the switch, significant challenges remain. A strong, reliable and comprehensive network of reliable public chargepoints is particularly important for electric van drivers with smaller range and routes which vary making planning less viable increasing reliance on public charging infrastructure.

It is important to note that around 30% of households³ don't have access to off-street parking to facilitate at home charging. Of this 30%, over half of drivers park on-street and require kerbside charging solutions, while the other half park in communal or private car parks. This issue, without intervention, will significantly affect companies with 'take home fleets' given the huge gap in the cost of charging at home compared to at a public chargepoint. It will also mean many drivers regard EVs as impractical until they have somewhere to charge them.

Industry collaboration with local authorities will be key in the next stage of the ZEV transition. Chargepoint operators & local authorities that receive government funding need to consider fleet user needs. This includes addressing accessibility challenges faced by many electric van drivers. Car focussed public charging infrastructure is suitable for smaller vans, but difficult to access for larger vehicles. Van-accessible bays and facilitating a faster rollout of power to strategic locations are key.

We welcome many of the 'transition to zero emission driving' recommendations in the government's 'Plan for Drivers'⁴ as well as new laws announced in October to make charging an EV easier and quicker. These are reflected in several of the recommendations below and we look forward to working with government to support their successful implementation.

3 'Electric Vehicles: What will persuade the 30% of households without off-street parking to adopt electric vehicles?' – Catapult Energy Systems, April 2021

4 www.gov.uk/government/publications/plan-for-drivers/the-plan-for-drivers, October 2023

Policy Recommendations

We urge the government to explore measures to ensure that people can charge their vehicles at or near their homes. For company drivers that take their vehicles home, the inability to charge due to lack of off-street parking is a major barrier as it means they are unable to charge overnight. Planning rules, lack of local authority action and lack of data and information all contribute to a sluggish roll-out of on-street charging.

- Introduce a “right to plug”, which would allow EV drivers to request access to chargers in the local area.
- Fast tracked approval for installation of pavement gullies to allow the safe positioning of charging cables across pavements outside homes, including a requirement for a single, defined, short process for gully charging options across all local government/planning authorities in the UK.

Public charging will not meet the needs of depot-based fleets, who face various cost, planning and grid constraints which prevent installation of charging infrastructure at depots/places of work. To support depot charging we encourage:

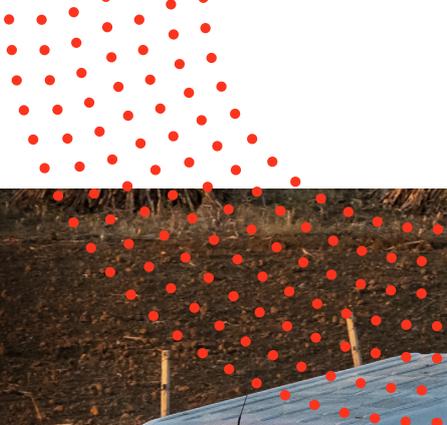
- Simplified process for making applications for grid upgrade.
- Transparency in costs for District Network Operator (DNO) upgrades.
- Provide industry with incentive and clear policy direction for long-term investing on grid capacity.
- Increased acceptance of load balancing options to reduce DNO upgrades.
- Consider a mechanism to allow fleet operators to identify opportunities for collaboration, joint projects to deliver shared charging infrastructure.



In order to deliver a comprehensive, reliable interoperable network of public chargepoints across the United Kingdom we call on the government to:

- Incorporate a van charging standard into announced Regulations to improve the EV charging experience to enable van drivers to charge as easily as car users, accompanied by a public awareness campaign that highlights that vans have equal right to use charging bays.
- Introduce a statutory duty for local authorities including mandating targets for chargepoint rollout to plan and deliver EV infrastructure including the provision of bays that are accessible to vans and wheelchair users along with accelerated planning approval for cable channels that allow charging cables to run safely across the pavement.
- Ensure car parks are mandated to deliver minimum levels of chargepoints in the Future of Transport Regulatory Review and that there is clear communication of charging fees, indicating where they apply while vehicles are using chargepoints.
- Reduce VAT on public charging in order to match home charging at 5%, not 20%.
- Swiftly adopt the Public Chargepoint Regulation 2023 and consider further public chargepoint regulation to promote fleet friendly infrastructure, bookability and roaming.
- A local government/fleet operator charging infrastructure pipeline would improve consultation and coordination of local authorities planning with large fleet operators.
- Draw on the responses to the current call for evidence⁵ on infrastructure for zero emission heavy goods vehicles and coaches to inform the development of an infrastructure strategy which will support uptake of zero emission trucks and meet the government's phase out targets on the sale of new combustion engine heavy goods vehicles (HGVs).
- Evolve Project Rapid to focus funding from the Rapid Charging Fund on all transport hubs (airports, shared depot facilities, truck rest areas) not just Motorway Service Areas (MSAs).
- Ensure connectivity to 4G as a minimum for all sites to ensure charging equipment can operate effectively.
- A national EV workforce strategy must be designed so all parts of the UK have the skills to deliver, maintain and facilitate innovation in our rapid charging infrastructure.

5 [Infrastructure for zero emission heavy goods vehicles and coaches – GOV.UK \(www.gov.uk\)](https://www.gov.uk)



2. Increasing supply

The electric car market is increasingly competitive with a growing number of more affordable models available. In the UK the number of electric car models reached 500 in 2022, more than double the options available in 2018. More than 80 of these are fully electric, most of which have a range beyond 200 miles. However, in spite of strong progress, there remains a need for vehicle manufacturers to offer affordable, competitively priced zero emission cars in order to enable mass adoption of EVs.



When it comes to commercial vehicles, there has also been significant increase in zero emission van choice. However, there remains a lack of choice of vehicles that meet the range requirements of fleets, charging speed, payload and price requirements. This issue is more pronounced the larger the vehicle.

Following recently announced changes to the phase out date of petrol and diesel vehicles, we welcome the certainty provided through the government's commitment to maintain broad ambition in the proposed ZEV Mandate. An ambitious, simple and well implemented, the ZEV Mandate will ensure there is a sufficient supply of ZEVs to match demonstrated demand from fleets.

Policy Recommendations

- The timely implementation of an ambitious, simple ZEV Mandate for cars and vans as a necessary and stable framework to increase supply to the UK market.
- Provide details of the pathway to the 2035 phase out date for sales of all new “non-zero emission” trucks up to 26 tonnes and 2040 for those above.
- Announce recipients of [Zero Emission Road Freight \(ZERFT\) Demonstration programme funding](#) as soon as possible to ensure viable ZE-MHDV technologies are brought to market and tested.

3. Demand

Demand for ZEVs is increasing across all segments and clearly reflected in vehicle sales. Total Cost of Ownership (TCO) parity between EVs and petrol and diesel is fast approaching and as highlighted in LeasePlan's 2023 EV readiness report⁶ is already here for many vehicle segments. However, many ZEVs, in particular vans and larger vehicles, remain more expensive to purchase than their petrol and diesel counterparts. This is exacerbated by recent increases in energy prices and interest rates. 58% of EV100 members see the cost of vehicles as a significant barrier in the UK.



Policy Recommendations

- Extend the plug-in van grant beyond 2024/25 and allow an increase in the number of grants that end-users can access in 2023/24, while providing forewarning for any changes to these grants. For trucks should be increased to reflect their prohibitively high upfront cost.
- Set standards around battery health to address concerns about long-term battery health and reliability, such as a label indicating usage, performance, durability, sustainability and expected lifetime as well as collection and recycling rules, alongside the EU Regulation on Batteries and Waste Batteries 2023/1542⁷.
- Increase the Advisory Electricity Rate (AER). The flat AER rate, currently at 10 pence per mile, does not adequately compensate ZEV drivers who do not have the option to take advantage of cheaper at-home charging and who are reliant on more expensive public charging.

In the context of broader review of vehicle taxation:

- Reverse plans to introduce Vehicle Excise Duty on ZEVs.
- Set a more appropriate expensive car supplement value for ZEVs.
- Assess fiscal interventions that secure a healthy used ZEV market and just transition.
- Continue favourable company car taxation rates. Benefit in Kind rates should remain low for ZEVs up to 2030/31 and any increases in rates should not exceed 1% a year between 2024/25 and 2030/31.

⁶ www.leaseplan.com/en-gb/blog/international/ev-readiness-2023/

⁷ eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32023R1542

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