

Press Release

From DriveElectric

28 January 2020

Almost 100,000 Pure Electric Vehicles to hit UK roads in 2020

At least 98,500 new battery electric vehicles (BEVs) will be registered in the UK in 2020, according to figures from DriveElectric, one of the UK's leading electric vehicle leasing companies.

This figure is based on DriveElectric's own forecasts, and it will represent a significant increase from 37,850 - the number of battery electric vehicles registered in the UK in 2019. This will mean a 260% rise for BEV registrations in 2020 compared to 2019. The figure does not include plug-in hybrids (PHEVs).

DriveElectric uses its own model built from its intelligence of the UK market to forecast EV registrations. Reasons for this substantial increase in EV numbers are:

- Changes to Benefit in Kind (BIK) company car tax: there will be zero company car tax on pure electric cars from April 2020 for a period of 12 months. Switching to an EV from a plug-in hybrid could result in savings for the employee and the company in BIK, fuel and National Insurance in just one year of £4,578.¹
- A return to company cars rather than employees taking car allowances: DriveElectric already has evidence to show that this change is happening.
- Increased availability of electric cars in 2020 compared to 2019, in part due to the new EU fleet-wide average emissions targets - selling larger numbers of EVs can help car manufacturers avoid substantial fines.²
- Existing manufacturers such as Tesla will continue with a large market share and a high number of deliveries (approximately 25,000 units).
- A number of manufacturers are entering the market with new battery electric vehicles, for example PSA, with a predicted volume of 12,000 units. Volkswagen will have a big push with EVs; although the new ID won't be ready to roll out of UK showrooms until later in 2020, other all-electric Volkswagen models will help with the firm's numbers.
- There is growing environmental awareness, about climate change and also about challenges with local air quality; EVs help to provide a solution in both areas.
- Increasing numbers of initiatives such as Clean Air Zones are resulting in organisations considering renewing their fleets with electric rather than petrol or diesel vehicles.

However there is also one additional key factor that is responsible for the increasing shift to electric vehicles, that DriveElectric has witnessed in its trials of EVs with organisations around the UK: drivers, many of whom may initially have been sceptical about a move to EVs, vastly prefer the driving experience of electric cars and vans to that of their petrol or diesel engine equivalents after experiencing EVs.

DriveElectric is an electric vehicle leasing company that has been helping organisations and individuals to adopt EVs to save money, lower emissions and

transition to low carbon energy since 2008. DriveElectric aims to make the switch to electric cars and vans simple for business fleets.

www.drive-electric.co.uk

Ends

Image caption

DriveElectric's forecasts predict that almost 100,000 new pure electric vehicles will hit UK roads in 2020.

Editors notes

¹ Employees switching to electric company cars will be substantially better off from April 2020 as Benefit in Kind (BIK) company car tax for EVs drops to 0%. An employee taxed at 40%, driving 20,000 miles a year, would save £1,916 annually by swapping to an electric car such as a Tesla Model 3 Standard Range Plus compared to a BMW 330e M Sport plug-in hybrid. The company would save £662 in employer's class 1A National Insurance and £2,000 in fuel costs against HMRC Approved Fuel Rates. In total the savings would be £4,578 in just one year.

² From 2021, the EU fleet-wide average emissions of all newly registered cars from a manufacturer will have to be below 95 g/km CO₂. However this will be phased in from 2020, when the emission targets will apply for each manufacturer's 95% least emitting new cars. If the average CO₂ emissions of a manufacturer's fleet exceed its target in a given year, the manufacturer has to pay an excess emissions premium for each car registered; the penalty will be €95 for each g/km of target exceedance. This will mean that manufacturers exceeding the emissions targets may have to pay huge fines, which will be reduced if they sell large numbers of EVs.

https://ec.europa.eu/clima/policies/transport/vehicles/cars_en

About DriveElectric

DriveElectric is an electric vehicle leasing company, helping organisations and individuals to adopt EVs to save money, lower emissions and transition to low carbon energy since 2008, providing support throughout the process including:

1. Practical 'real-world' fleet reviews, focusing on vehicles with lower whole-life costs
2. EV trials to allow drivers to experience for themselves why EVs are better to drive
3. Charging advice and solutions, including grant signposting
4. Leasing of all electric cars and vans
5. Ongoing expert support to ensure zero emission EV fleets are cost-effective.

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