REGEN

Consultation response

Zero Emission Vehicle Mandate Review

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About Regen

Regen provides independent, evidence-led insight and advice in support of our mission to transform the UK's energy system for a net zero future. We focus on analysing the systemic challenges of decarbonising power, heat and transport. We know that a transformation of this scale will require engaging the whole of society in a just transition.

Regen is a membership organisation with over 200 members who share our mission, including clean energy developers, businesses, local authorities, community energy groups and research organisations across the energy sector. We manage the Electricity Storage Network (ESN) – the industry group and voice of the grid-scale electricity storage industry in GB.

We also work with SSEN and NGED every year to produce their Distribution Future Energy Scenarios (DFES) work, which includes electric vehicle (EV) and EV charger modelling. Our modelling draws on research into EV uptake and charger deployment, as well as regular reviews of published government datasets on historical EV uptake trends.

Summary and recommendations

The zero emission vehicle (ZEV) mandate is the most direct way to speed up the UK's switch to electric vehicles. Requiring manufacturers to sell more EVs gives the industry the certainty it needs to invest and cuts the UK's reliance on imported oil, protecting households and businesses from volatile fossil fuel prices. Every new EV sold today also adds to the second-hand market that less affluent households rely on.

However, the mandate cannot do the job alone. Manufacturers can only sell EVs that drivers choose to buy, so wider government policy must not create barriers for families and businesses to make the switch. Our response sets out where current measures fall short. Our key recommendations are:

- **Recommendation 1:** Delay the introduction of the Electric Vehicle Excise Duty until after 2030, in line with the proposed date for the end of sales of internal combustion engine cars.
- **Recommendation 2:** Reduce the VAT on public charging to 0% in line with domestic charging.
- **Recommendation 3:** The government should work with Ofgem to prioritise and approve the DCP420 and DCP454 reforms to network charging for EV charging sites, so that standing charge relief reaches charge point operators without further delay.
- **Recommendation 4:** Make pavement gullies permitted developments in conservation areas, and ensure local authorities can only reject applications with strong justification.

Responses to questions

Question 28: Effectiveness of current measures to support EV uptake

What are your views on the effectiveness of current measures to support EV uptake? What if any additional measures should be introduced to support more rapid EV uptake? Please explain your answer including any supporting evidence.

There are many drivers of the transition to EVs, but the most important is the cost advantage provided by the efficiency of the electric powertrain. For most drivers, an EV can deliver significantly lower running costs than a petrol or diesel vehicle, and this alone is a strong driver of adoption. However, greater focus is needed in two key areas:

1. The introduction of the Electric Vehicle Excise Duty (eVED), which risks undermining uptake just as rapid increases are needed
2. The high cost of charging for the 32% of households in England without access to off-street parking, who must rely on public charging that is far more expensive than charging at home, and who face barriers to installing kerbside charging.[1]

Introduction of eVED

Introducing a mileage charge for EVs in 2028 would significantly weaken incentives to buy electric vehicles. Studies show that running costs are the second most important consideration when buying a used car, after reliability.[2]

Adding the eVED rate as an extra cost for EVs in 2028 could disproportionately affect households that are unable to or cannot afford to install a domestic charge point. These households are likely to rely on public charging, which is already only marginally cheaper than running a combustion-engine vehicle on fuel. ChargeUK estimates that EVs using an 80/20 mix of standard and rapid charging will cost around 16p per mile to run, compared with 17p per mile

[1] English Housing Survey data, Ministry of Housing, Communities & Local Government.

[2] Reliability and running costs remain top driver priorities, CarGurus finds, Business Motoring, September 2026

for petrol cars. Adding a further 3p per mile for EVs would make petrol cars the more economical day-to-day option.[3]

Together with the upfront cost of buying a new or second-hand vehicle, this is likely to slow EV uptake in the UK. That would affect ZEV mandate targets and the long-term availability of EVs in the second-hand market, in turn making it harder for all households to buy EVs in the future.

Recommendation 1: Delay the introduction of the eVED until after 2030, in line with the proposed date for the end of sales of internal combustion engine cars.

High cost of charging for households with limited access to home charging

It is not realistic to expect rapid adoption of EVs if around a third of households cannot access cost-effective charging. Regen has identified three core areas that should be addressed:

1. Reducing public charging costs through changes to VAT
2. Simplifying network charges for charge point operators
3. Removing barriers to pavement gulley charging solutions.

Reducing public charging costs through changes to VAT

Regen believes that the government should consider implementing measures to reduce the cost of public EV charging through reducing VAT rates and simplifying network charges.

By reducing the VAT rate for public charging from 20% to 0%, in line with recent findings of the First-Tier Tribunal, charging costs for drivers without the ability to install a domestic charger could be significantly reduced.[4] The September 2026 Zapmap price index records that public chargers between 3 kW and 49 kW cost, on average, 54p/kWh.[5] Households lacking access to off-street parking or without suitable arrangements for kerbside/gulley chargers could save up to 9p/kWh, or 3p/mile assuming an efficiency of 0.3 kWh/mile.

Recommendation 2: Reduce the VAT on public charging to 0% in line with domestic charging.

Simplifying network charges for charge point operators

The government should work with Ofgem to reform network charging arrangements for public EV charging infrastructure, reducing the disproportionately high standing and capacity charges faced by charge point operators. Since Ofgem's Targeted Charging Review (TCR) took effect in

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[3] Public EV charging now cheaper than petrol for most drivers, ChargeUK, April 2026
[4] Charge My Street Limited v The Commissioners for HMRC, February 2026

[5] Zapmap Price Index, September 2026

April 2023, a greater share of network charges has been levied on a site's maximum available capacity rather than its actual consumption. This penalises charge point operators for sizing grid connections for future demand rather than today's utilisation. ChargeUK analysis by Cornwall Insight shows that standing charges have risen by 462% at rapid and ultra-rapid sites and 389% at slow and fast sites since 2021/22.[6] At rapid and ultra-rapid sites, standing charges now make up around 70% of total energy costs, compared with around 15% for comparable small businesses, adding 20-30p/kWh to the cost of charging at typical utilisation.[6] These costs have fed through to drivers, with average public charging prices rising by 38% between 2021/22 and 2024/25.[6]

Two proposed changes to the Distribution Connection and Use of System Agreement (DCUSA) would tackle these standing charges: DCP420 would give publicly accessible EV charging sites temporary relief from residual charges, and DCP454 would replace this with enduring relief.[7, 8] DCP454 is not expected to be implemented until April 2028.

Recommendation 3: The government should work with Ofgem to prioritise and approve the DCP420 and DCP454 reforms to network charging for EV charging sites, so that standing charge relief reaches charge point operators without further delay.

Removing barriers to pavement gulley charging solutions

Although pavement gullies are generally permitted in England, there are still barriers remaining which complicate installations for many households. Homes in conservation areas are still required to submit applications for planning permission, while local councils are still able to refuse or restrict gullies for several reasons. Requiring an assessment or approval for gullies to ensure that they don't interfere with utilities is pragmatic; however, as reported by The Guardian, some councils still disallow gullies due to "cost and safety" reasons.[9]

Recommendation 4: Make pavement gullies permitted developments in conservation areas, and ensure local authorities can only reject applications with strong justification.

Why these measures would help

Reducing EV sales would have long-term impacts on the availability of EVs in the second-hand market, and therefore the ability of lower-income households to buy EVs in the future. This contravenes just transition principles. A just transition should make sure those already on the

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[6] Delivering affordable charging for all, ChargeUK, September 2025

[7] DCP 420 proposal, DCUSA, accessed October 2026

[8] DCP 454 proposal, DCUSA, accessed October 2026

[9] 'I can charge my car for £6': could new rules cut costs for EV drivers?, The Guardian, October 2026

margins of society are not left behind or penalised and, better still, are among the first to benefit from a clean energy system. Instead, lower-income households would be left dependent on volatile fossil fuels for longer and exposed to higher transport costs, while wealthier households with off-street parking capture the savings of cheaper home charging.

Uncertainty around future EV adoption also undermines investment in the infrastructure EVs depend on. The charging industry needs confidence that demand will materialise before it invests in new charge points, particularly in areas where households rely on public and kerbside charging. Similarly, distribution network operators need confidence in government policy to commit to network capacity investments that will last for decades. As they prepare their business plans for the RIIO-ED3 price control, network operators rely on evidence-backed forecasts of EV uptake to justify investing ahead of need. Weakening the ZEV mandate would undermine that case and risk network capacity arriving too late for charge point operators and drivers.