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Consultation Response

Which? response to HM Treasury's consultation on the Introduction of Electric Vehicle Excise Duty (eVED)

Submission date: 18/03/2026

Summary

Which? welcomes this opportunity to respond to HM Treasury's consultation on the Introduction of Vehicle Excise Duty (eVED). We focus our response primarily on the potential administrative burden on motorists of eVED and the implications for the sale of used cars.

However, the introduction of eVED needs to be set in the context of the growing, but still relatively small, market. The core premise for introducing eVED in two years time is that Electric Vehicles (EVs) are becoming **a mainstream mode of transport - but the Government needs to start treating them as such**. Unfortunately we do not think this is the case, particularly when it comes to the many problems experienced by drivers using EVs when using the public charging network.

Despite an improving picture, drivers too often encounter poor signage, payment problems, frustrating connection experiences and accessibility issues - all compounded by the high cost of public charging. These have not been given the attention and priority they require to resolve them. Most EV drivers experience these problems whether they have a home charger or not (77% of drivers use the public network at least once a month or at specific times such as holidays) but they constitute a major barrier for motorists who cannot install a home charger and are considering switching to an EV. **If eVED is introduced in 2028, charging on the public network must be as seamless as fueling a petrol or diesel vehicle**, or EVs will remain largely restricted to those with their own driveways and dedicated parking spaces.

The Government must put the driver experience at the heart of EV policy. A key starting point **is to radically improve the Government's understanding of the EV driver experience**. We estimate that there are more journeys taken by EVs than by rail already,¹

¹ We also estimate that total distance travelled by EVs will also exceed distance travelled by rail in 2028

yet understanding the user experience is treated completely differently. In rail there is a 2,500 respondent per week survey designed to collect data as contemporaneously as possible (in line with standard transport data collection practice), compared to EV policy that relies on annual surveys and only captured contemporaneous experience information from 77 respondents in the last wave.

This lack of high quality data means that the Government is poorly sighted on how often drivers are experiencing problems, which makes it hard for the Government to properly prioritise the issues that most affect driver experience. The Government should urgently explore a frequent nationally representative survey designed to collect data on drivers' last charging experience, minimising bias in data collection.

On the design of eVED itself we are concerned that the proposed system of drivers estimating their mileage up-front is likely to result in a number of issues:

- **“Bill shock” for motorists who underestimate, and financial issues for some of those who over-estimate.** This could be particularly acute for drivers of Plug-in hybrid electric vehicles (PHEVs) who may misunderstand that they are expected to pay for all their mileage, not just that travelled by electric power.
- **The potential impact on the used market due to the plan for mileage already paid to remain with the vehicle.** The used EV market is still immature, and consumer concerns about eVED could hold this important market back. The consultation makes an unevidenced, broad brush, assumption that “The government expects the eVED status of the vehicle to be reflected in the sale price of the vehicle” - this assumes perfectly economically rational consumers, but the reality is almost certainly different. Many drivers are likely to not realise they need to check the eVED payment to date, calculate incorrect reconciliation figures (particularly with the added complication that a reconciliation from a previous year may be part of the eVED paid so far), or be concerned about the potential manipulation of mileage data. The Government must conduct behavioural research rather than rely on simplistic assumptions in this area.

We think that the Government should consider:

- **Collecting eVED on the basis of out-turn mileage, not an up-front estimate:** It is not clear from the consultation why the payment should be up-front. Other taxes that depend on activity are reported at the end of the financial year, and payments can be made in installments up to 10 months after that point.
- **A system where owners pay for the mileage they have used at the point of sale, rather than the payment remaining with the vehicle.** The Driver and Vehicle Licensing Agency (DVLA) hold the details of the previous owner, which should make this feasible.

There is also a significant problem that the current proposals would end up taxing some drivers twice for the same miles. For example drivers of PHEVs with low electric range, that will be paying both fuel duty and eVED for a substantial proportion of their

mileage and motorists who often travel abroad; particularly an issue for cars in Northern Ireland. This is simply unfair, and would appear to be a form of double taxation.

Full response

Which? welcomes this opportunity to respond to HM Treasury's consultation on the Introduction of Vehicle Excise Duty (eVED). We respond to selected consultation questions below about the design of the scheme.

First, though, it is important to set our response in context. The core justification for introducing eVED in 2028 is that Electric Vehicles (EVs) are now entering the mainstream market. However, despite growing sales numbers and the increasing quality and value of EVs, we do not believe this is the case from the motorists point of view - in particular when using the public charging network. We therefore urge the Government to follow through with the logic of EVs entering the mainstream and recognise that it must do everything in its power to ensure a smooth and fair charging experience for all drivers - whether they can charge at home or not.

Unfortunately, despite an improving picture, EV drivers already face a much more complex consumer experience than drivers of petrol and diesel cars when they use the public charging network, including too many times when drivers suffer from:

- poor signage
- payment problems (e.g. inconsistent payment options, poor mobile signal, slow pre-authorisation returns)
- frustrating connection experiences
- accessibility/reliability concerns.

This situation is compounded by the high cost of public charging (2 to 9 times higher than private charging²). These are issues even for drivers with home chargers - half use the public network at least once a month and another 28% use the network at specific times such as holidays.³ However, they will disproportionately affect those without driveways - often lower-income and more diverse demographic groups - and therefore be a material barrier for drivers to switch to an electric vehicle, even if they would like to do so.

The introduction of eVED without a much improved public charging experience is likely to continue to restrict the growth of electric vehicles to mainly those drivers with their own driveways or dedicated parking spaces.⁴ The Which? Sustainability Tracker finds that 29% of lower and middle income households (incomes up to £48,000) report difficulties installing a charge point at home (e.g. lack of space) as a barrier to them buying an EV in the future versus 18% of higher income households.⁵ In a survey of around 12,000 motorists conducted by Electrifying.com and the AA, 55% said mileage-based charging would deter them from going electric.⁶

² [Action on high energy costs needed to keep EV transition on track](#), Charge UK, Sept 2025.

³ Zapmap EV Charging Annual Survey 2025

⁴ 18% of households in the top income quintile have access to an electric or hybrid car, versus just 7% of those in the bottom two quintiles [English Housing Survey 2023 to 2024: low carbon technologies in English homes - fact sheet - GOV.UK](#)

⁵ [Transport dashboard, Which?](#), June 2025.

⁶ [Pay-per-mile road charging "puts drivers off EVs"](#)

We urge Government to put the driver at the heart of EV policy by:

- **Improving data collection on driver experience:** there is currently no official nationwide representative and frequent data collection on EV driver experience. This may have been acceptable when EVs were a nascent mode of travel, but we estimate that there are more journeys taken by EVs than by rail already and within the next year or two it is likely the miles travelled by EVs will also pass the miles travelled by rail in Great Britain.⁷ However:
 - For rail, the recently introduced Rail Customer Experience Survey aims to recruit 10,000 responses per four-week rail period. It recruits rail passengers face-to-face to reach a broad range of users and asks about one specific recent journey, in line with standard transport data collection practice which seeks to minimise bias by collecting as contemporaneous data as possible.⁸
 - By contrast, EVs driver views are collected in a much less rigorous and consistent way. Driver experience data is collected officially only on either an irregular basis or the current EV driver tracker that appears to only be carried out annually, and that only collected contemporaneous experience data for 77 respondents in the last wave. Non-governmental organisations, such as ourselves and the Electric Vehicle Association England, run annual surveys. Whilst these give an important perspective, they cannot capture the prevalence of issues experienced by drivers.

This lack of data means that the prevalence of issues experienced by drivers is poorly known and quickly out of date and therefore the right issues are not given the same focus as infrastructure roll-out. A frequent survey would also allow the Government to see how well regulations are being adhered to. Drivers want more chargepoints, but using those chargepoints must also be as reliable an experience as fueling a petrol / diesel car.

The Government should urgently explore a frequent nationally representative survey designed to collect data on drivers' last charging experience, minimising bias in data collection. Data could be collected in a similar way to the Strategic Road User Survey, contacting a representative sample of EV users by post in the first instance.

- **Tackling the high and increased cost of charging on the public network:** The Cost of Charging review is a very important piece of work, and must deliver sustainable solutions to the high cost of charging on the public network.
- **Tackling the issues that most affect driver satisfaction:** Improved data collection on the day-to-day driver experience will allow the government to direct its focus to finding solutions to the issues that most affect driver satisfaction. This will include issues on which there has already been focus, such as reliability and price transparency, but is likely to direct more focus on other issues of day to day frustration, such as delays in the return of pre-authorisation card payments.

⁷ Estimated from Transport Statistic Great Britain (DfT) modal comparisons, making the assumption that EV trip behaviour is broadly similar to petrol / diesel car behaviour (there appear to only be minor differences ([EVs are officially covering more miles than ICE cars | Auto Express](#)))

⁸ <https://raildata.org.uk/download/rcxs/faqs.pdf>

We turn now to the specific questions in the consultation, where we focus primarily on the potential administrative burden on motorists of eVED and the implications for the sale of used cars.

1) Do you have any views on the government's proposal for the design and scope of eVED?

We support the simplicity of including the charge alongside the Vehicle Excise Duty system to keep things straightforward for motorists. However, we are concerned that the proposed system of drivers estimating their mileage up-front is likely to result in a number of issues:

- significant under-estimates of mileage could result in “bill shock” for motorists, especially as those in financial difficulties may be more prone to under-estimation
- significant over-estimates of mileage may also cause financial issues for those without space in their budgets to overpay
- increased incentive for tampering with mileage estimates - mileage blockers are now widely available online⁹ including models that claim to work for EVs
- there is a risk that drivers of Plug-in Hybrid Electric Vehicles (PHEVs) could misunderstand the question asked and report their estimated mileage to be driven on electric power

It is not clear from the consultation why the payment should be up-front. Other taxes that depend on activity are reported at the end of the financial year, and payments can be made in installments up to 10 months after that point. The Government should consider collecting eVED on the basis of out-turn mileage, not an up-front estimate.

We are also very concerned about the potential impact on the used market for EVs and PHEVs. At the point of re-sale, the consultation says that the mileage already paid for will remain with the vehicle. The used EV market is still immature and volatile - used EV residual values have fallen over 60% in three years.¹⁰ Consumer concerns about eVED could hold this important market back. Given that the Driver and Vehicle Licensing Agency (DVLA) holds the details of the previous owner, we think that the Government should consider a system where owners pay for the mileage they have used at the point of sale, rather than the payment remaining with the vehicle. This would be a fairer system than an assumption made without evidence that this will be dealt with through the market prices of used EVs.

If the proposed system is implemented we are concerned that this would create substantial friction for sales of used EVs and PHEVs and result in surprise bills for some motorists:

⁹ [You now have a one in seven chance of buying a dud used car as fraud sweeps the second-hand market](#), Regit, October 2025.

¹⁰ [Written evidence submitted by the British Vehicle Rental and Leasing Association to the Transport Select Committee inquiry on Supercharging the EV transition](#), January, 2026.

- Consumers may be concerned about sellers trying to manipulate the system and either:
 - Deliberately under-estimating mileage when they know they are going to sell the car.
 - Manipulating the reported mileage through illegal use of a mileage blocker.

As the charge is proposed for only EVs and PHEVs, these concerns may put consumers off engaging with the market.

- We are not clear how easy it will be for drivers to check what eVED has been paid to date. Ideally the system must be as smooth and easy as possible
- The Government must take into account that many drivers may not remember they need to check the eVED status at the time of sale. The position stated in the consultation that “The government expects the eVED status of the vehicle to be reflected in the sale price of the vehicle” effectively assumes perfectly economically rational consumers, whereas the reality will be different. Instead of a broad brush assumption, the Government’s position on the payment of eVED when a car is sold must be based on evidence. The Government must conduct research to evidence whether it is reasonable to believe the eVED status will be passed through to the sale price or not - and if not to change the policy in this area.

There is also a significant problem that the current proposals would unfairly end up taxing some drivers twice for the same miles:

- Some PHEVs have as little as 30-50 miles of EV-only range. For 71 PHEVs that we have data for,
 - 21 have ranges of less than 30 miles,
 - 50 have ranges of less than 40 miles.

For many PHEV drivers this will mean that they will travel more than half of their mileage using petrol or diesel, and for those additional miles drivers will then be paying both fuel duty on the fuel they use, and the 1.5p-per-mile charge levied on PHEVs. The government cannot make the simplistic assumption that half of the distance travelled by PHEV drivers is electric. Research to inform the approach will be necessary. For example, research could seek to identify the average proportion of miles travelled using electric power for models with different electric ranges, with charges based on this data rather than an arbitrary assumption.

- Drivers who often drive abroad will pay both the eVED charge and applicable duties and charges for mileage travelled in another country. This may particularly arise in the context of Northern Ireland, where some car owners may drive a significant proportion of their mileage in the Republic of Ireland. Although at present there is no similar eVED system in the Republic of Ireland, the system introduced by the Government would need to be adaptable to a situation where the Republic of Ireland authorities introduce a form of charging for EV mileage. We are not reassured by the current consultation that the design could be flexible to this situation.

2) What should the government consider when developing guidance that supports motorists to estimate their mileage?

Firstly, as stated above, it is not clear from the consultation why the payment should be up-front and hence the related need for estimating mileage. Other taxes that depend on activity are reported at the end of the financial year, and payments can be made in installments up to 10 months after that point. The Government should consider collecting eVED on the basis of out-turn mileage, not an up-front estimate. This would remove the need for motorists to estimate mileage at all.

If the proposed system does go ahead, it is important to realise that although many drivers will be able to estimate their mileage relatively accurately, there will be drivers for whom this is not straightforward. To minimise the risk of under and over-reporting of mileage the Government needs to conduct full behavioural testing on the best form and wording of any question to drivers, and what information to present alongside. Considerations will include:

- What information is effective in helping drivers realise the consequences of over or underestimating mileage?
- Whether it would be appropriate to use particular prompts to help motorists estimate mileage, such as showing average mileage for different types of drivers?

4) Would you support the consideration of technological solutions on an opt-in basis, in future?

We would support this option in principle. Technological solutions could resolve many of the issues we discuss above, the consultation is clear that this would be optional and we anticipate that many owners will want to opt-in to reduce the administrative burden of the charge and the risk of unexpected bills. However, we urge the Government to consider:

- How will the system ensure that it complies with the data minimisation principle in UK GDPR? Only mileage data at the relevant charging periods (monthly or annual) should be collected, and no other information
- How will this be managed at the point-of-sale? There will need to be a link between the DVLA receiving notice that a car has been sold, and the need to renew consent at this point.

13) Do you agree with the proposed approach for car lifecycle events? and 14) Is there anything further the government should consider when designing the arrangements for car lifecycle events?

We are very concerned about the potential impact on the used market for EVs and PHEVs. At the point of re-sale, the consultation says that the mileage already paid for will remain with the vehicle. The used EV market is still immature, and consumer concerns about eVED could hold this important market back. Given that the DVLA holds the details of the previous owner, we think that the Government should consider a system where owners pay for the mileage they have used at the point of sale, rather than the payment remaining with the vehicle. This would be a fairer system than the assumption made in the consultation, without evidence, that this will be dealt with through the market prices of used EVs.

If the proposed system is implemented we are concerned that this would create substantial friction for sales of used EVs and PHEVs and result in surprise bills for some drivers:

- Consumers may be concerned about sellers trying to manipulate the system and either deliberately under-estimating mileage when they know they are going to sell the car or manipulating the reported mileage through illegal use of a mileage blocker. As the charge is proposed for only EVs and PHEVs, this concern may put consumers off engaging with the market.
- We are not clear how easy it will be for drivers to check what eVED has been paid to date. Ideally the system must be as smooth and easy as possible
- The Government must take into account that many drivers may not remember they need to check the eVED status at the time of sale. The position stated in the consultation that “The government expects the eVED status of the vehicle to be reflected in the sale price of the vehicle” effectively assumes perfectly economically rational consumers, whereas the reality will be different. Instead of a broad brush assumption, the Government’s position on the payment of eVED when a car is sold must be based on evidence. The Government must conduct research to evidence whether it is reasonable to believe the eVED status will be passed through to sale price or not, and if not to change the policy in this area.

15) What should the government consider when developing an overall compliance approach to prevent user error, avoidance and fraud?

The consultation discusses the potential risks with this new charge incentivising tampering with odometers, and considers appropriate mitigation measures. As discussed above, we are concerned with the impact that eVED could have on the used car market, so these mitigations will be very important.

However, the Government also needs to realise that this is not just a matter of the actual level of avoidance and fraud, but also of perception. As the proposal would introduce this charge only for EVs and PHEVs, any perception that fraud is more prevalent for these cars versus other types will damage confidence in the EV and PHEV markets, in turn damaging

resale values. The Government should ensure that measures are put in place to estimate whether the level of clocking observed in the EV and PHEV fleet is materially different to that in the rest of the fleet, and to communicate this evidence to the public transparently.

About Which?

Which? is the UK's consumer champion, here to make life simpler, fairer and safer for everyone. Our research gets to the heart of consumer issues, our advice is impartial, and our rigorous product tests lead to expert recommendations. We're the independent consumer voice that works with politicians and lawmakers, investigates, holds businesses to account and makes change happen. As an organisation we're not for profit and all for making consumers more powerful.

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March 2026