



Dan Tomlinson MP
Exchequer Secretary
HM Treasury
1, Horse Guards Road
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Email: policy@bvrla.co.uk

Dear Minister Tomlinson,

The organisations co-signing this letter sit at the operational heart of the UK's switch to electric vehicles (EVs) – the rental, leasing, retail, remarketing, fleet, logistics, taxi, private hire, courier and finance businesses that put the majority of new EVs on UK roads and keep them moving across their working lives.

Companies currently own more than 931,000 EVs. Last year, only 22% of new EVs were registered privately. We are writing jointly because the Chancellor's decision to scrap the planned fuel duty increase in September showed she understands that the timing and design of motoring taxes matter. On both counts, eVED as currently proposed is the wrong tax at the wrong time and needs a fundamental rethink before Treasury locks anything in for 2028.

The case for switching from internal combustion engines to EVs remains precarious. The OBR forecasts eVED will cut EV demand by 440,000 units to 2030/31, and international experience shows that poorly designed road pricing measures stall uptake. Introducing this scheme in 2028, the very year the ZEV Mandate steps up most steeply, from 38% to 52%, puts the mandate, Carbon Budgets, and the Industrial Strategy at **avoidable** risk.

The operational evidence is just as stark. Based on BVRLA member data, eVED, as designed, will cost the rental, leasing and fleet sector around £260 million a year by 2028 in compliance administration alone. The scheme is operationally unworkable for the part of the market doing the heavy lifting on electrification, and comparable burdens fall on retail, remarketing, finance, logistics, taxi, private hire and courier operations.

Three changes are essential to make it viable:

- Delay implementation to at least 2032 and rethink the scope of what is included.
- Settle eVED on disposal, using verified de-fleet mileage, not on an annual cycle.
- Allow self-declared mileage estimates, supported by audit, without mandatory physical mileage checks for fleet operators.

These are the minimum conditions for the scheme to function. We are not opposed to EV drivers paying their fair share, we are opposed to a design that costs the sector hundreds of millions a year to administer and deters the very consumers we all need to switch.

While we appreciate the engagement to date, we would welcome a roundtable with you in this post-consultation period to work through the issues raised in responses before positions are finalised. A short, focused meeting with leaders from across the signatories would be the fastest way to get to a workable position.

We look forward to hearing from you.

Yours sincerely,

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