



# Zero Emission Van Plan



**BVRLA**

**LOGISTICS UK**

**RECHARGE UK**  
REPRESENTING THE UK EV INFRASTRUCTURE INDUSTRY

**AFP**

THE **EV** Cafe

Vans are the workhorses of the UK economy. One in ten workers – 3.4 million people – rely on a van for their job across a broad range of industries, from engineering and construction to emergency and rescue services.<sup>1</sup>

Commercial vehicles are the fastest growing part of the vehicle parc. They play an essential role in transporting equipment, supplies and people around the UK and act as a mobile workspace or tool store for thousands of skilled workers.

The market share for battery electric (BEV) LCVs in 2023 was 5.9%.<sup>2</sup> This was unchanged from 2022 and follows several months in 2023 where e-van registrations fell when compared to the previous year - evidence of worrying stagnation in the market. This trend was reflected in the latest Climate Change Committee (CCC) progress report which warned that 'electric van sales are still lagging and remain significantly off track' when compared to the CCC's pathway.<sup>3</sup>

Fleet operators are eager to make the transition work but are struggling. Challenges with infrastructure – both public and private, regulation, as well as affordability and availability of suitable product are

holding back their ability to move to e-vans. To meet the 70% ZEV target for vans by 2030 operators need critical support now. A giant leap is needed to move the market from 5.9% of new e-van sales in 2023 to where it needs to be.<sup>4</sup> Without immediate support the transition will continue to stall or even grind to a halt, making the targets in later years impossible to reach.



## Key Asks

- **Increased fiscal support** - Grants to make new and used e-vans affordable
- **Improve charging** - Regulatory and fiscal support for accessible, affordable and fit for purpose chargepoints
- **Remove regulatory barriers** - Full alignment of 4.25t ZEVs with diesel vans

## Increased fiscal support

### Grants to make new and used e-vans affordable

The average e-van costs 50% more than a diesel option.<sup>5</sup> These e-vans also often perform poorly when their capabilities are compared with diesel options. From range to charging speed, operators regularly have to pay more for less. Whilst overall running costs can be lower, these are being undermined by huge costs to charge using the public network. To make e-vans more viable, incentives such as the Plug-in Van Grant are critical to bridge the gap in affordability between diesel and e-vans.

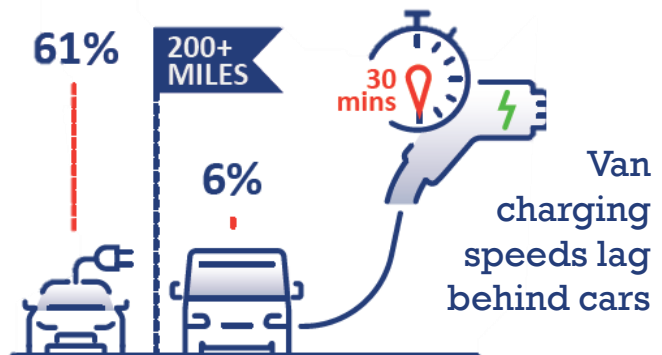
For every new van sale, there are more than two and a half used vans sold.<sup>6</sup> The majority of pre-owned vans are operated by sole traders and the SME sector. These operators are dependent on these vehicles for their livelihood. Fiscal support in the second-hand market is critical if we are to encourage sole traders and SMEs to move to e-vans.



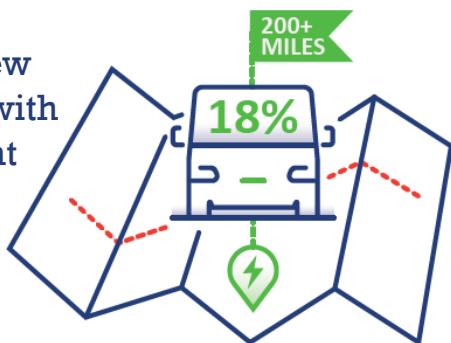
For every new van sale...



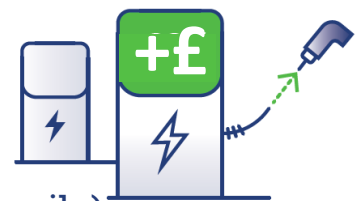
...there are **2.5 used vans sold**



Too few vans with decent range



Rapid public charging is up to **25% more expensive** compared to petrol/diesel (per mile)



## Key Asks

- Extend the Plug-in Grant post 2024/2025
- Financial support for SMEs to purchase used BEV vans

## Improve charging

Regulatory and fiscal support for accessible, affordable and fit for purpose chargepoints

Public charging networks are expanding rapidly across the UK, but commercial vehicles are at risk of being excluded. The process for delivering new private charging needs a rethink.



In the Logistics UK Van Report 2023 - a third of respondents cited power supply infrastructure as one of their biggest challenges for fleet electrification.

### Public Charging

- **Accessibility:** Charging bays are not designed for larger vehicles
- **Bookability:** Being able to reserve a charging bay is vital for fleet logistics yet almost all charging in the UK lacks the ability to advance book
- **Roaming:** Commercial vehicle operators, more than any other vehicle users, need to be able to pay simply, quickly and easily. Chargers need to allow singular payment routes such as a fuel card to streamline the process



### Private Charging

- **Grid connection upgrades:** Are often expensive and have long lead times
- **No DNO standardisation:** Creates confusion about the process and cost of infrastructure installation
- **Landlord approval:** If site is not operator owned, they must seek landlord permission before beginning installation and applying for necessary power



## Key Asks

### Public Charging

- Using the Public Charge Point Regulations 2023 to ensure public charging works for e – vans

### Private Charging

- Launch a new fund to support fleets upgrading their grid connection
- Produce guidance to help fleets navigate the grid connection process

## Remove regulatory barriers

### Need full alignment of 4.25t ZEVs with diesel vans

**A battery is heavier than fuel and for e-vans to be able to perform like diesel they will have a higher weight. 4.25t e-vans should face the same rules and regulations as 3.5t diesel vans.**

In some areas, this alignment is already happening, for example with driver licence rules. This pragmatic harmonisation of the operating environment needs to be continued.

- **4.25t e-vans face HGV MOTs. They must be MOT'd from one year of registration, but ICE vans can wait three years.** This places an additional burden and expense on the operator, impacting downtime and meaning less choice and flexibility as fewer testers are qualified to MOT an HGV.
- **If a 4.25t e-van goes beyond 62 miles from base EU drivers' hours rules apply.** Limiting operations to sub 62 miles impacts business operations and blocks fleet operators from shifting to ZEVs.



## Key Ask

- **4.25t ZEV vans should be MOT'd as a van not an HGV and not subject to EU driver's hours rules**

## References and image credits

1. SMMT, Light Commercial Vehicles: Delivering for the UK Economy, <https://www.smmt.co.uk/reports/light-commercial-vehicles-delivering-for-the-uk-economy/>
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4. SMMT, LCV Registrations Dec 2023, <https://www.smmt.co.uk/2023/12/new-van-demand-grows-for-11th-month-but-ev-uptake-needs-2024-boost/>
5. Auto Trader, recommend retail pricing data, 2024
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## Testimonials



“Vans are the backbone of our economy, providing an essential form of transport and a mobile workspace. They are growing in number every year and account for a major portion of the miles driven up and down the country. If the UK is to meet its road decarbonisation targets, zero-emission vans must take centre stage. They are a vital player in the transition and command more attention.”

**Gerry Keaney, Chief Executive of the British Vehicle Rental and Leasing Association (BVRLA)**

“The logistics sector remains fully committed to decarbonising and has already made significant progress to do so. However, to deliver a fair transition to a green economy that keeps costs down for customers and goods moving from A to B, van operators need meaningful support. That means ensuring public chargepoints are accessible to commercial vehicles, removing regulatory barriers from and improving fiscal support for going electric, and tackling barriers with energy supplies. With logistics businesses, which operate on small margins, citing costs of £100,000 to over £1 million for upgrading energy supplies at depots, it’s clear that something needs to change if the UK is to achieve its Net Zero goals.”

**David Wells, Chief Executive of Logistics UK**

“RECHARGE UK are pleased to be associated with this vital report to get electric van sales on track in the UK. Electric vans have a significant role to play in the transition to net zero, providing significant benefits to the van drivers and operators but also for providing flexibility services. We therefore see it as vital that the recommendations in this report are urgently adopted in order to ensure a fast, and fair transition to net zero for van drivers and fleet operators in the UK, that will maximise the positive effects for the wider energy system and environment.”

**Dr Nina Skorupska CBE, Chief Executive of the REA**

“Vans play an essential role in transporting equipment, supplies and people around the UK. There are a multitude of issues preventing our members, UK commercial vehicle fleet operators, from making the switch to electric vans – financial, charging and regulatory. It is essential that action is taken now to get the transition to electric vans on track and enable everybody to reap the benefits.”

**Paul Hollick, Chair of the Association of Fleet Professionals (AFP)**

“Electric vans are integral to growing the economy and reducing harmful emissions. Targeted government support is required to accelerate the transition to zero emission vans to pump prime the logistics EVolution.”

**John Curtis, Director of Operations of The EV Café**