

London, 4th August 2026

## **Spring statement appears to have increased EV cost concerns for consumers**

### **Electric Vehicle Excise Duty creates new barrier at critical time for the transition to electric mobility**

The latest consumer electric vehicle (EV) barometer from Europcar Mobility Group UK reveals the impact of the Government's confirmation of electric Vehicle Excise Duty (eVED) in June on consumer attitudes towards switching to electric. Cost concerns rose significantly, from an average of 53.9% in Q4 2025 to 62.36% in Q2 2026 an increase of 8.46 percentage points.

#### **Highlights**

- Concerns around cost held back 53.9% in Q4 2025, rising to 59.9% in Q1 2026 and 62.36% in Q2
- Charging concerns held back 39.9% of drivers in Q2 2026, down from 42.8% in Q1
- Model choice and knowledge of EV ownership remained relatively static between quarters
- Overall confidence fell slightly, with 14.5% stating none of these barriers apply to them in Q2, down from 16.4% in Q1

"The cost of electric models has been falling more in line with ICE counterparts in recent years, which should lead to a reduction in the proportion of people seeing cost as a barrier to going electric," comments Tom Middleditch, Sustainability spokesperson at Europcar.

"However, the confirmation in June that EVs will incur VED from 2028 seems to have neutralised the positive impact of price parity."

EVs (BEV) and Plug-in Hybrid Electric Vehicles (PHEV) have been subject to VED since April 2025, but the eVED will see drivers estimate and pay for their electric mileage alongside their existing VED payments. The introduction of the eVED from April 2028 will be set at half of the equivalent rate of fuel duty for electric cars, and half again for plug-in hybrid cars.<sup>1</sup> Following the announcement, the Office for Budget Responsibility<sup>2</sup> warned that the measure could cut EV sales by 440,000, with only 320,000 of those expected to be offset by other Budget measures.

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<sup>1</sup> Source: <https://www.gov.uk/government/consultations/consultation-on-the-introduction-of-electric-vehicle-excise-duty-eved/consultation-on-the-introduction-of-electric-vehicle-excise-duty-eved>

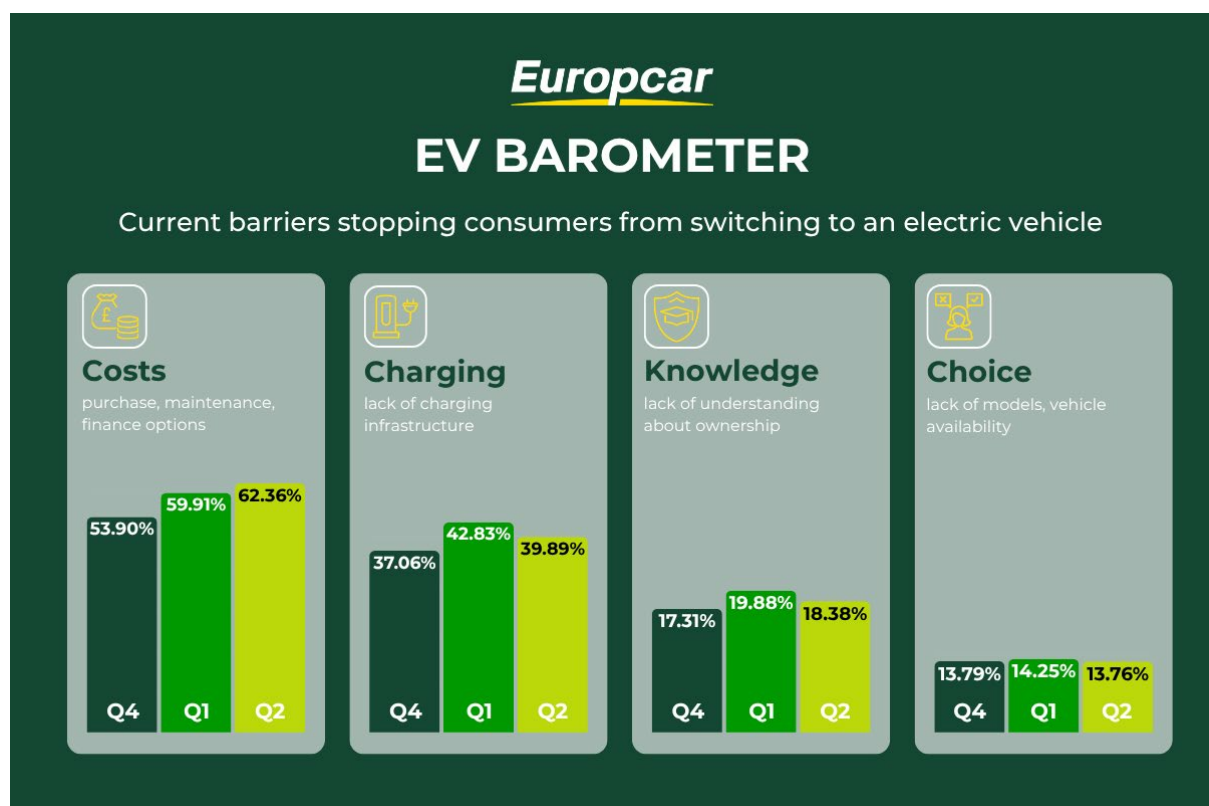
<sup>2</sup> Source: Office for Budget Responsibility, Economic and fiscal outlook, November 2025  
<https://obr.uk/efo/economic-and-fiscal-outlook-november-2025>

Tom Middleditch continues: “Although the introduction of eVED was originally announced in November last year, car buyers weren’t necessarily fully aware of it until it was confirmed in June. And it seems from our latest data that it is having an impact on consumer plans.

“Concerns around the new higher cost of EV ownership are understandable, but costs do remain lower than for ICE equivalents. And rental can help drivers try EVs without the high up-front cost of purchase or other costs, which means the transition to lower tailpipe emission motoring can continue. Our growing range of rental options and vehicle choices mean we have an EV to suit every journey.”

Europcar is increasing the breadth of choice in its EV and PHEV fleet to help more drivers find out how electric cars can fit into their lives. Customers renting electric also gain access to the full suite of [Octopus Electroverse](#) features, including a real-time charger map with availability, speed and cost details as well as route planning functionality based on range and chargers along the route.

Plus, to help motorists gain a better understanding of EV life, Europcar regularly updates its free digital EV Guide and [Knowledge Hub](#). The beginner’s guide to EVs answers the most common questions and helps drivers make sense of all the buzzwords and acronyms. It also explains how switching to an EV will help save money and reduce emissions. Importantly, the guide covers EV incentives available and details how to charge an EV, including explaining the different types of chargers.



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### **Notes to Editors**

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To do this, we offer to individuals and businesses a wide range of car and van rental services, be it for a few hours, a few days, a week, a month or more, on-demand or on subscription, relying on a fleet of more than 280.000 vehicles, equipped with the latest engines including an increasing share of electric vehicles.

Our brands address differentiated needs, use cases and expectations: Europcar® - a global leader of car rental and light commercial vehicle rental, Goldcar® - a frontrunner at providing low-cost car rental services in Europe, Fox-Rent-A-Car®, one of the main players in the car rental market in the US, with a "value for money" positioning, and Euromobil®, a German car rental player. The Group also operates the "myEuropcar" platform for vehicle subscription.

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