

What Government Discounts Are Available for EV Car Purchases in the UK?



Thinking of switching to an electric vehicle? Now is the best time to act.

The government just launched a new EV grant scheme that can save you thousands. Here's what you need to know—and which models qualify.

1. New Electric Car Grant (Launched 15 July 2025)

A new £650 million grant is now live to boost affordable EV adoption.

- **£3,750** off the cleanest EVs under £37,000 (Band 1)
- **£1,500** off other eligible EVs under £37,000 (Band 2)
- Discount applied automatically at point of sale
- Based on manufacturer emissions and sustainability targets
- Applies only to new cars registered from **16 July 2025**

You won't need to fill out forms. The dealership applies the discount if the model qualifies.

2. Which Manufacturers Are Eligible?

Not all EVs will qualify.

To be eligible, manufacturers must:

- Commit to **Science-Based Targets (SBT)**
- Build cars that meet low lifecycle CO₂ thresholds
- Price their EV under £37,000

Models Likely Eligible:

- **Dacia Spring**
- **Fiat 500e, Grande Panda**
- **MG4**
- **Peugeot e-208**
- **Renault 5, Nissan Leaf**
- **Ford Puma Gen-E**
- **MINI Countryman E**
- **Volvo EX30**
- **Skoda Enyaq, VW ID.3**

Expect most of these to receive either the **£3,750** or **£1,500** discount depending on their emissions band.

Not Eligible:

- **Tesla** - No models fall under the £37,000 cap
- **BYD and other Chinese imports** - Not registered with SBT or over price cap

Before buying, ask your dealer:

- What band does this model fall into?
- Is the full discount applied today?

3. Plug-in Van Grant (PiVG)

Still available for business or commercial use:

- **£2,500** off small vans
- **£5,000** off large vans
- Claimed automatically at point of purchase
- Applies only to eligible models

4. EV ChargePoint Grant (Home)

Covers part of your home charger installation.

- **Up to £350** or 75% off
- For flat owners and renters
- Must have off-street parking
- Use an **OZEV-approved installer** to qualify

5. Workplace Charging Scheme (WCS)

Support for installing EV chargers at your business:

- **£350 per socket**, up to 40 sockets
- Claim online via government portal
- Covers installation at workplace or fleet parking

Ideal for businesses moving toward low-emission fleets.

6. Salary Sacrifice Schemes

Cut costs by paying monthly for an EV from your gross salary:

- Save on tax and National Insurance
- EVs enjoy a **2% BiK tax rate**
- Many schemes include maintenance and insurance

Ask your employer if they offer this benefit.

7. Vehicle Excise Duty (Road Tax)

- Fully electric cars are **exempt** until April 2025
- From 2025, expect a **flat rate** similar to petrol models

8. Clean Air and Congestion Zone Discounts

Driving in cities? EVs help avoid zone charges:

- **London:** Congestion and ULEZ charge exemptions
- **Bristol, Birmingham, Manchester:** Clean Air Zone discounts

Always check your city's local rules.

9. EV Infrastructure Funding (Announced July 2025)

Alongside the grant, the government pledged:

- **£25 million** for on-street chargers
- **£30 million** for van and HGV depot charging
- **£8 million** to expand NHS EV charging
- Over **82,000 public ChargePoint's** and rising

More charging points mean fewer delays—and more confidence switching to electric.

Your EV Savings Checklist:

- Is your EV under **£37,000**?
- Does the manufacturer meet **SBT**?
- Can you claim a **£3,750** or **£1,500** grant?
- Are you eligible for the **home charger** discount?
- Can you avoid **congestion or ULEZ** charges?
- Does your employer offer a **salary sacrifice** EV plan?

Tick these boxes and you could save **over £5,000** before turning the key.