

Will paying for road use prove electrifying?



By Glenn Lyons, 31 January 2026

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On 6 January, the 21st event in the PTRC Fireside Chat series took place. You can find recordings of all the events in the series on [YouTube](#). This Fireside Chat was prompted by the UK Government's announcement that it plans to introduce **a 3p per-mile charge for electric cars from April 2028 onwards**.

Within the transport planning profession, this stirs up many past debates that have taken place over decades about how road use is paid for. The announcement comes at a time when the transition of the nation's car fleet from being fossil-fuel powered to being electric is underway. Does the announcement represent a dose of common sense, or playing with fire? We brought together an expert panel to explore these matters.

This writeup of our Fireside Chat captures what was revealed in terms of perspectives and insights. I would invite you to consider watching the [recording](#) of the event and hear directly from the people involved. Any misrepresentation in the text that follows here is my own.

I also encourage you to look up two other recent documents of relevance: (i) "[Paying for driving: Is doing nothing an option?](#)" by Greg Marsden, Anna Rothnie and myself; and (ii) "[Has Government begun a new road use charging era with 3p-per-mile from EVs?](#)" by Pete Dyson.

Insights on a page

I hope you'll find value in reading the whole document and/or watching the recording, but if you're really in a hurry, here is your 'grab and go' set of insights:

1. Government is presenting eVED as inevitable not debatable and on balance it seems like a dose of common sense; and by having it now out in the open allows people to think and plan ahead.
2. In essence, eVED is an extension of fuel duty, with which the public are familiar.
3. Electric car drivers recognise that they would eventually need to pay their way.
4. Whether you have the choice to charge your EV at home has a substantial implication at present for fairness when it comes to electric cars, which eVED could exacerbate.
5. The difference in profile of early adopters of EVs compared to later adopters should not be underestimated.
6. The EV transition is underway and the UK policy framework for the transition is commendable.
7. The timing of eVED being introduced could harm the momentum of the EV transition.
8. The simplicity of eVED is key to its implementation and operation, though when something affects millions of people it is seldom simple.
9. Progressing eVED could still prove to be playing with fire as finer details are progressed and communicated.
10. The need for continued positive messaging to the public is crucial in a climate of negative press coverage.
11. The principle behind eVED is that it is a tax source akin to fuel duty, and the sooner eVED becomes boring to debate the better.
12. The message to the public should be that they are being asked to pay a modest sum of money for the miles they drive, and they will likely be better off overall as EV drivers than as petrol or diesel drivers.
13. There is a distinction between perception and reality and between those without EVs (and exposed to news feeds of opinion) and those EV owners experiencing reality.
14. A charge of 3p per mile might only be the start if replacing fuel duty is the goal, which would require this rate to triple.
15. The overall policy context needs to be promoting sustainable electric car use, not merely electric car use and in this respect alternatives to the car need to be attractive.
16. Paying per mile and being aware of it could be valuable to influencing travel behaviour (for all drivers, not only EV drivers).
17. If eVED, having now been announced, falters as a measure then the window of opportunity for its introduction may be lost for a decade or longer.
18. In a currently unpredictable and volatile political landscape, the latest the next general election in the UK can be called is 2029, not long after the proposed April 2028 introduction of eVED.

Setting the scene

On 20 November 2025, following speculation about pay-per-miles charges for motorists in the pending Autumn Budget, the Secretary of State for Transport was asked about it in the House of Commons. "There are no proposals to introduce a national pay-per-mile scheme - this Government are firmly on the side of drivers" [was her response](#). It was later explained that this was with reference to any nationwide road pricing scheme for all vehicles.

On 26 November, [The Chancellor set out her Autumn Budget](#), and said the following:

"because all cars contribute to wear and tear on our roads...I will ensure that drivers are taxed according to how much they drive and not just by the type of car they own by introducing Electric Vehicle Excise Duty on electric cars...This will be payable each year alongside Vehicle Excise Duty at 3p per mile for electric cars and 1.5p for plug-in hybrids...helping us to double road maintenance funding in England over the course of this Parliament."

On 26 November the Government also launched a [consultation](#) on the introduction of this so-called eVED, with eVED intended to take effect from April 2028. The consultation considers the details of the scheme. Here are a few extracts from the consultation document:

- "The government remains firmly committed to supporting the transition to electric vehicles."
- "The government will continue to take steps to ensure the transition to electric is successful, fair and fiscally sustainable."
- "If left unchanged, this would mean that by 2030, around 1 in 5 car drivers will pay no fuel duty equivalent, in contrast to other drivers who currently contribute an average of £480 a year. This outcome is not fair to those who have not switched to an EV."
- "the rate of eVED paid by electric vehicle drivers will be half the fuel duty rate paid by the average petrol/diesel driver."
- "Alongside paying their VED each year, under eVED motorists will estimate their mileage for the year ahead, pay an upfront charge based on their estimate or spread their payment across the year, and then submit their actual mileage at the end of the year to trigger a reconciliation. Motorists will have their mileage checked annually, typically during their MOT as is already the case, or for new cars, around their first and second registration anniversary."
- "Since the proportion of UK registered cars driving abroad each year is a small proportion of total cars, it is proportionate to prioritise privacy and simplicity over a system of checks to deduct non-UK mileage."

Let's also remind ourselves of the state of play regarding the transition of the UK car fleet to zero tailpipe emissions vehicles.

In 2025 BEVs accounted for 23% of [new car registrations](#) in the UK. However, cars last a long time and while there are now [over 1.8M 'greenies' on our roads](#), they amount to only about 5% of the total car fleet.

There are now [over 100,000 public EV charging points](#) in the UK. The transition is happening.

In April 2025 (reversing a change from the previous administration) [the Government confirmed](#) that from 2030, pure diesel or petrol-powered new cars will no longer be permitted for sale in the UK – that means going from 46% of new cars sold being pure petrol-powered in 2025, to zero. Sale of new hybrid EVs will be permitted until 2035.

Transitions like this tend to start slowly and then accelerate, so it seems possible this dramatic shift in the next few years is achievable. However, this relies on the ongoing scaling-up of charging infrastructure, supply availability of new low and zero emission vehicles, and demand from consumers.

So, to spice things up, why not add into the mix, on top of the recently added annual car tax for EVs, charging 3p per mile for EV use on our roads?

In December 2025, the UK Parliament's Transport Committee [launched an inquiry](#) to consider how effectively the EV transition is progressing and the potential effect of eVED.

Two further points of note are as follows.

On 2 January 2026 the London Congestion Charge started being applied to EVs for the first time (with pure battery-electric vehicles being eligible for a 25% discount).

And in December 2025 the EU watered-down its plan to ban the sale of new petrol and diesel vehicles by 2035. Instead of 100% of new vehicles being required to be zero emission by then, this has been reduced to 90%. Parts of the car industry had been complaining that demand for electric vehicles was still too low.

In summary it is a busy, complex and challenging landscape nationally and internationally. So, is the move to introduce eVED a dose of common sense or is it playing with fire?

Hearing from our Panel members



Richard Sallnow

Partner, PA Consulting's Transport team

Richard's interest in road user charging spans 15 years, at the beginning of which he was in favour of cutting-edge technology solutions that could fulfil an array of objectives. Today, the relatively simple per-mile charge is something he recognises is necessary. He believes "it's quite accepted that those that use roads should contribute to the cost for maintaining them" and

that **eVED is in essence merely an extension of fuel duty** with which the public are familiar. Such **simplicity is** key, Richard suggests, to eVED being understood and able to be implemented. This said, he foresees several challenges ahead, including **how to avoid negatively impacting the transition to zero emission vehicles** and tax evasion with odometer tampering. He is also keen that **the scheme is designed in such a way that it can be evolved over time.**



Silviya Barrett

Director of Policy and Research, Campaign for Better Transport

Silviya has longstanding and diverse experience of considering road pricing in tandem with her championing more sustainable, greener and fairer ways to travel, with electric vehicles having a part to play. Like Richard she welcomes that eVED operates in a similar way to fuel duty. She also welcomes the rebalancing of pricing for use of electric cars such that **public transport is not further undermined**. She pointed to recent work of her own organisation that revealed **an understanding among electric car drivers that “eventually they would need to start paying some form taxation”**, with this being seen as “only fair”. The 3p per mile is lower by comparison than fuel duty, thereby **maintaining an incentive to switch to electric cars**. Like Richard she is conscious of further matters that may need to be addressed, including **pricing relative to vehicle weight**, the fairness of hybrid vehicles paying less (when the proportion of electric-powered miles is unknown), and the matter of accounting for miles driven outside the UK. Silviya is pleased there is a lead time on the introduction of eVED for the public to prepare and that the introduction comes before we are too far into the transition of the vehicle fleet to electric.

In light of Richard’s and Silviya’s comments about the comparison of eVED with fuel duty, I noted my own **confusion over use of the term ‘eVED’** when existing VED is based on vehicle ownership not on amount of vehicle use.



Anne Snelson

Founder of Lead with Sustainability

Anne was joining the Fireside Chat from an electric car parked charging somewhere south of Lyon in France, travelling back from Italy. Anne is a Carbon Literacy Project trainer who works with organisations and individuals in transport and automotive sectors. She has prior experience in the marketing and communications in those sectors. She did some research on road pricing in the 1990s when working for the AA and notes that “many of the problems that we identified in the 90s are still there today in terms of **how do we do this fairly and equitably**”. With a firm focus on the seriousness of climate change and the need to decarbonise, she understands why eVED is being introduced, “but the last thing I want is for it to actually **damage the shift to electric vehicles**”. She notes that the uptake of electric cars is vulnerable to pricing signals and issues of affordability and that **we remain at the foothills of uptake** compared to the share of new vehicles being sold that are electric in countries such as Norway, China and Nepal. Anne applauds **the UK’s ZEV Mandate that sets targets over time for increasing shares of new vehicles being sold by manufacturers being electric**. Experience tells her that manufacturers understand the need for this too.

I couldn’t resist asking Anne about how much her trip across Europe would cost her in terms of eVED. Anne estimated a round trip of 2,000 miles therefore amounting to eVED of £60. She noted for another time the need to address fuel duty on flights for parity.



Graham Parkhurst

Professor of Sustainable Mobility and Director, Centre for Transport & Society, UWE Bristol

Graham's interest in transport taxation and the regulation of motoring reaches back to the early 1990s. His published work in 2002 recognised that "with the evolution of powertrains, **something like road user charging would become inevitable because of the problem of replacing fuel duty**". Soon after, he wrote about the merits of a distance-based charge. In light of this, Graham was surprised at his own negative reaction to the Government's announcement. That reaction related to **concern over fairness**. He gave some helpful details as follows. "Compared to typical domestic consumption of electricity, EVs need a lot of power. Typical domestic consumption is around 7 kilowatt hours a day. That's enough to drive an electric car about 25 miles. So **a single EV in an average household is likely to double the electricity consumption of that household just on a small daily commute of 12½ miles each way. So energy costs do really matter**". He highlighted how important **having private parking adjacent to a home** has become. Those charging their electric cars at home can pay as little as 7p overnight per kilowatt hour (equating to perhaps around 2p per mile) while using a public charger can be as much as 70p per kilowatt hour (more like 20p per mile). He rightly asked "**would we really consider charging petrol at a ten-fold difference between neighbours as a fair solution?**". Graham is concerned that "**the political logic seems to have in mind the typical early adopter** with a home charging solution, an overnight tariff who only very occasionally uses the public charging network". **How electricity tariffs change in future** as the electric vehicle transition continues remains to be seen, he notes. Graham is not in favour of the move to eVED until these complex wider matters of fairness are better understood and addressed, "**otherwise it will fail the basic fairness test**".

As we have seen in many past debates on road pricing, attempts to begin with a simple proposition can quickly become mired in the devil in the detail.



Melanie Shufflebotham

Co-founder and COO, Zapmap

There was a lot of resonance for Melanie between her thoughts and Graham's points. Melanie set up Zapmap in 2014 "with the mission of helping people make the shift from petrol and diesel cars to electric cars". The Zapmap app "helps EV drivers find and pay for charging across the extensive public network". Her company also tracks the market. Like Anne, Melanie is **keen that the electric vehicle transition continues apace given its significance for transport decarbonisation**. She notes how in the last decade the range of EV models has increased considerably, as has the driving range of vehicles between charges. For her there really is a good news story unfolding, in spite of headwinds. She considered the appearance of the eVED announcement "out of the blue". Like Silviya she sees that EV drivers recognise the logic of having to pay something. However, in line with Graham, she stresses **how much more complicated paying for EV use is compared to paying for use of petrol and diesel cars**, and points to market failures

elsewhere. She hopes to see closer charging prices between at-home charging and public charging. Melanie also feels that “we should not be shying away from continuing to increase the tax on petrol and diesel cars” – she’s **pleased to see the longstanding fuel duty freeze set to thaw**. For Melanie, it’s **the matter of timing of introducing eVED** – “it is strange to bring this policy in just when we’re trying to get across that chasm [of the ramping up in EV uptake]”. Like Anne she emphasises **the need for continued positive messaging in the face of the threat from negative press coverage**.



Steve Gooding

Director, RAC Foundation

Steve was formerly Roads Director in the Department for Transport and was introduced “to the fabulous world of road pricing in all its incarnations” 22 years ago. He left that role with two clear things in his mind: simple pricing is an illusion, and the most compelling motivation (therefore) for entertaining engaging with road pricing is to raise money for the Treasury, which is the case here. He says **“there is no such thing as a simple approach to dealing with an issue that’s the product of 40 million people exercising their ability to use 30 million vehicles”**. Steve is dismissive of the notion that motorists are charged to directly pay for roads – “what we have is **motorists paying tax to the treasury and the chancellor then decides what to spend that money on**”. Steve cautions that “this would not be the first time that the government had announced its intention to do something and then for some other reason not quite got round to doing it”. **The eVED proposition may be imperfect, but it seeks to be simple and in turn practicable which may be key to being politically deliverable.**

Continuing the conversation

Common sense or playing with fire

I noted that in the consultation on eVED, emphasis is on people’s views about the detail of eVED, not on whether they think it is a good idea and should proceed. **There’s a sense of inevitability rather than considering acceptability before proceeding**. This might be wise given the rabbit holes we know it is possible to go down if we were invited to explore whether to proceed with paying for electric car driving and what form of pricing to apply if so. It struck me that this was a case of the Government being damned if it does and damned if it doesn’t. So, **is introducing eVED a dose of common sense or playing with fire?**

Steve was clear – in light of his earlier comments – that anything affecting so many people, “let’s face it, voters”, is playing with fire. Yet if motoring is to continue to be a net contributor to the public purse, Steve feels **it is good to now have in the open a sense of how this is going to be done – it allows people to think and plan ahead**.

Silviya is on the side of common sense – **“on balance it’s the most sensible approach we could take at this point”**. She believes it is better to introduce it sooner rather than later as the numbers of people affected will only grow, and at this point the majority of drivers overall are not affected.

Richard too is with common sense and agrees the consultation document signals this is going to happen. However, he feels the **playing with fire will come as the finer details are addressed and communicated** and as the rich variety of real-life situations for electric vehicle drivers come under the spotlight.

Melanie is not against EV drivers contributing tax, but she is **concerned about equity** issues of the wider transition to EVs including affordability of acquiring an EV and in turn running costs. Melanie is also **not convinced about the timing** of introducing eVED, particularly given the anti-climate rhetoric that is swirling around.

Anne likewise is not against eVED per se. However, **"I would far prefer that, dare I say, diesel and petrol vehicles were included in this as well"** she remarked – in other words "one sort of taxation across everybody".

Given's Graham history in the area I wondered what his 2002 self would have to say versus Graham's view now. Graham thinks his younger self would have thought it was good to have a simple scheme. His view now is that **"we are underestimating how hard it's going to be to move from the early adopters** for whom EVs are the natural, obvious choice, to those people who wouldn't have chosen this".

Not weighing in beyond the principle

As a supposedly simple scheme, the proposed eVED is not addressing vehicle weight. Yet this has been done for some years for distance-based pricing of vehicles elsewhere, New Zealand for example. I wanted to hear from the panel whether they felt that eVED being introduced was therefore a first step – one of initially establishing the principle that EV drivers should pay for road use, before in future adding more dimensions to such pricing. **And if it is about establishing the principle, what principle is being established** – income for the public purse, addressing the climate emergency, demand management, or something else?

Steve is very clear on the principle – "there's a Treasury orthodoxy that **once you've established a form of tax, you preserve that form of tax**". There is also the principle of having a broad base of tax sources – one of which, a very rich stream, is fuel duty. In passing Steve notes the benefit of the UK, like New Zealand, not having land borders (albeit with the notable exception of Northern Ireland). Importantly to my mind, Steve also pointed out that an effective tax system is ultimately boring (and a fact of life) and **the quicker eVED becomes boring the better**: "I think if I was working in the Treasury I'd be aiming for something that is as boring and simple as possible".

Richard agrees that being (relatively) simple gives eVED the best chance of being introduced and operated. He considers that prospects then remain in future years for considering factors such as vehicle weight and size – "I think the interesting thing for Treasury and for Government will be at what pace they would want to move and with what objective". At the moment, this is solely a revenue raising tax.

Back to principle, I was reminded by the conversation of how in some ways our focus on addressing car dependence and congestion has been diverted onto addressing tailpipe emissions. Could we inadvertently be going down a path here of reinforcing car dependence? Not necessarily in Silviya's view. She sees one of the benefits of eVED compared to fuel duty is that it is more visibly indicating to people that they are paying for the distance they drive. She points to **the case of Norway where EV adoption has led**

to an increase in miles travelled in the absence of something like eVED. She doesn't see fuel duty being replaced in a similar way "because it's a much more controversial undertaking" (and it is currently easy to collect – described as a perfect tax).

It struck me that as we look at different debatable aspects of eVED and indeed its future prospects, **we must be clear on the relative importance of such aspects** and surface and address those aspects that matter most, rather than being perpetually distracted.

Thinking about the transition

So is eVED incidental to the EV transition, or incidental to it? Melanie emphasised that **the UK has "a positive policy framework overall" in support of the transition**, including the ZEV Mandate; the 2030 ban on sale of new petrol and diesel cars; incentives to purchase EVs; and the roll-out of charging infrastructure. Nevertheless, she is conscious of possible headwinds that relate to this diffusion of innovation – matters of upfront cost, adequacy of charging infrastructure, battery quality etc., all matters ripe for negative framing in the press. **It's a matter of perception versus reality.** Those who don't have an EV can tend towards negative perception of what the reality might be in contrast to those who do have an EV and can experience the reality. "What we don't want is the mood to shift because of lurid headlines". It's a matter of whether eVED will unhelpfully add to the noise around perception and headlines, rather than a question of the reality: **"overall I am confident electric cars are better - they're better technically, they're better for the environment, they're overall more cost-effective, and just much easier to maintain"**.

Since no-one is average and returning to earlier points about earlier versus later adopters, I mused over **the prospect that later adopters might have lower mileage and so their concern may rest more with the cost of acquiring an EV than with usage cost posed by eVED.**

I came to Anne next on matters of the transition. **"EV drivers love their EVs, let's be clear about this** – once you've transferred and got used to it and made the shift then the vast majority of people really like quieter, cleaner, low emission driving" she began. Then she moved on to those yet to join their ranks. She points to **a 'hardcore' of people who say they will never buy an EV.** She is concerned that **eVED will not help with that.** She can envisage ways and means of the cost of electricity for charging being addressed to become more affordable and equitable, but fundamentally emphasises that **"what we do need is far more people to actually make that shift**, to be thinking 'yep, this is definitely what I want to do, my next car will be an EV". Like Melanie, Anne is worried about "the constant negative headlines" and the timing of the eVED announcement, with not only potential consequences for uptake rate itself but in turn the environmental consequences in terms of CO2 emissions.

Fairness and the thin end of the wedge

On the matter of fairness I had to admit that as someone privileged to be in a position of owning an EV and having a private driveway where we can charge it with a cheap overnight tariff, I'm in a 'what's not to like' frame of mind. But were I dependent upon public charging my mood might change.

Graham wanted to emphasise that if the purpose of eVED is to replace taxation "then **3p is only the start**". Graham suggests that **to marry up with the average tax take on use**

of a fossil-fuelled vehicle, the pence per mile for eVED would need to triple. He can't see this being sustainable in political terms. He is also concerned about the current teething problems for EV uptake and the importance of cost per mile being seen as reasonable.

Messaging to the public

What then about messaging to the public, when here we are in a Fireside Chat exposing some of the challenges with eVED? How can the public be brought or kept on board with the reality that transitions like this are unavoidably messy, even when they are ultimately moving us in the right direction? I put Steve on the spot on what he might say if he were doing a public service broadcast to the public. "Are you asking me to pitch my opinion or the Government's position?" he queried. A fair question, which we left unanswered! Steve suggested he would start by saying "**this is terribly clear and it's terribly straightforward – all we're asking people to do is pay a very modest sum of money for the miles they drive; we're going to make this as light touch as we possibly can by asking them to report how many miles they're driving – once a year, just once a year that number's going to be checked – couldn't be simpler than that, could it?**".

Anne is concerned that by the payment for eVED being annual, or even split over monthly payments, may mean that it loses **the chance to be a means of pricing that really prompts people to think more regularly about how much they drive.** Nevertheless, a per mile charge seems clearer than fuel duty for petrol and diesel drivers. There is appeal in everyone having a per-mile charge for motoring such that the difference in charge between EVs and petrol and diesel cars becomes more apparent and adds to the appeal of switching to EV.

Melanie explained what Zapmap does in terms of evidence-based profiles of different sorts of EV users alongside tracking pricing within the market. This provides a means of communicating to the public how EV use can compare against use of petrol and diesel vehicles. Her headline message, in light of this evidence and analysis, is ultimately that "**the vast majority of EV drivers will still be better off, there will still be a cost-benefit even with this 3p per mile**".

Sustainable transport

With Silviya campaigning for better transport and Graham professing on sustainable mobility, I wondered if they felt that the eVED development was a step in the right direction for sustainable transport.

Silviya reiterated her earlier point that **eVED makes for a sensible adjustment to pricing signals in terms of positioning electric cars against petrol and diesel cars and against public transport.** This said **she has wider concerns that "many people at the moment are locked into transport poverty, into car dependence,** simple because they have no choice – if we improve those choices for people then hopefully they will have those sustainable options they can choose from, alongside an electric vehicle that is cleaner and cheaper to run than petrol or diesel cars".

Graham agreed that it's an important point to be asking **where cars will fit into society and mobility in future.** "We currently have a battery arms race where people want more and more range, more and more battery capacity so they can charge more at home and

travel longer distances without having to charge ... **a more sustainable electric vehicle is a smaller-battery, lower charging capacity vehicle**". He also wonders about the implications of the EV transition for car clubs. He concludes "the sustainable mobility piece is complex - clearly, we'd like people to use cars less, but the extent they're going to be using them, we need them to be electric and so **the overall policy context here needs to be promoting sustainable electric car use**".

What is happening in other countries that we might draw lessons from? I put this question to Richard. He pointed to Iceland which, while a very different country with a much smaller population, introduced a similar scheme a couple of years ago and did so within 12 months of announcing it. Mindful of this wider picture of sustainable transport, he understands that Iceland have just introduced a pay per mile charge for fossil-fuelled vehicles as well as EVs. This is a reminder that **eVED may be a stepping stone rather than a destination for the UK**.

Closing remarks

As we reached the end of our session, I invited panel members to offer brief closing comments and perhaps speculate on the future in May 2028 just after eVED is supposed to be introduced.

"Looking back from May 2028, I think the biggest risk is that **we thought that this proposal was relatively simple and straightforward and my god it turned out to be far more difficult than any of us actually realised** and that's without all the other stuff we hoped it would do" was Steve's view.

Anne wanted to emphasize that she thinks the UK is doing really well with the transition but **we mustn't lose momentum**.

By May 2028, Richard really hopes eVED has been delivered successfully but wonders if "some of the nuances and complexities haven't quite been ironed out by that point". He thinks "**if we can introduce it without noise then it has been a success**".

Silviya hopes this will prove to be a sensible scheme that is introduced "without too much controversy". She goes on to note that "it's something that is necessary and **if we don't manage to make it happen by 2028 then we will have missed the boat for another decade**".

I noted that **by 2028 we would be a year away from the latest time the next general election in the UK can be called** and goodness knows what the political landscape will look like by then.

Graham echoed this. By May 2028 "we'll be a year away from a general election - **if we still have a 10-fold difference in energy costs between the 'have drives' and 'don't have drives', I think this is politically unfeasible and won't happen**".

Melanie emphasised that this is a really important transition we are now in and that "the public are very sensitive to different messages" with a caution that "**we shouldn't underestimate the fact that there is a lot of power behind negative messaging**". She looks to **the Government to hold firm on its policies surrounding EVs**.