

Tusker EV Driver Survey Report 2024



Tusker.



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Introduction

Salary sacrifice has played a key role in the take-up of electric vehicles (EVs) in the UK over the past few years¹. Meanwhile, drivers are indicating they are ready to embrace this new technology, and attitudes among the more reticent are changing.

More than 1 million battery-powered cars had been sold by January 2024, bringing the EV share of the new car market in the UK to more than 16.5%¹ as Britain continues to make progress towards decarbonising its transport sector. At the start of 2024, the government passed laws designed to deliver a sustained increase in the number of zero-emission cars and vans on UK roads over the next 10 years, before sales of new petrol and diesel vehicles are banned in 2035².

Investment is continuing to flow into the national EV charging infrastructure, with a record number of charge points installed across the UK in the first three months of 2024³, while a government-backed fund has recently been launched to enable local councils to provide charge points where they're most needed³.

Despite these impressive milestones, however, the path to mass adoption of EVs will not be plain sailing. Campaigners, politicians and policymakers agree that more needs to be done to address the public's concerns – and misconceptions – about the cost and practicality of switching away from petrol and diesel cars powered by internal combustion engines (ICEs) and embracing EVs.

Tusker's Driver Survey

Our annual EV Driver Survey has an important part to play in understanding the appeal of EVs, as well as in analysing some of the misgivings and barriers that drivers of ICE vehicles have about eventually making the transition to an electric car. These include range anxiety, the adequacy of the charging network and the upfront cost of buying an EV. This report collates the views of three groups of car owners:

- Drivers who currently take an EV through a Tusker salary sacrifice scheme
- Drivers who take an ICE vehicle through a Tusker salary sacrifice scheme
- The general population of drivers who are eligible for, but not at present participating in, a Tusker salary sacrifice scheme (most of whom do not yet drive an EV).

By analysing the experiences and views of these three groups, we're able to paint a balanced picture of the pros and cons of EV ownership alongside issues such as the likely take-up of EVs in the near future, as well as the policy and infrastructure changes that may be required to drive a rapid and sustained increase in EV adoption over the years ahead.

About Tusker

We're the UK's leader in salary sacrifice cars. Part of Lloyds Banking Group, we have more than 15 years' experience in offering an affordable way for employees to drive a new fully insured and maintained car. Our scheme, which is offered to over 1.8m UK employees, offers a range of options, from pure electric cars to hybrids and even traditional petrol and diesel vehicles. We understand that every organisation is unique, so we tailor the scheme to their specific needs.

1. <https://www.bvrla.co.uk/news-insight/leasing-outlook.html>
2. <https://www.theguardian.com/environment/article/2024/may/05/uk-installs-record-number-of-public-electric-vehicle-chargers>
3. <https://rac.co.uk/drive/news/electric-vehicles-news/ev-drivers-set-to-see-a-boost-in-number-of-chargepoints-across-the-country/>

Executive Summary

According to the 2024 Tusker Driver Survey, EV drivers are reporting high and rising levels of satisfaction with their cars, while the reliability of these vehicles has also increased in the past 12 months.

This year, 93% of Tusker EV drivers say they are either satisfied or very satisfied with their car, up marginally from 92% in 2023. Meanwhile, 97% say their car has been reliable or very reliable over the past year, a slight increase on the 96% reported in 2023.

The vast majority of EV drivers will stick with an electric car when they decide to trade in their current model.

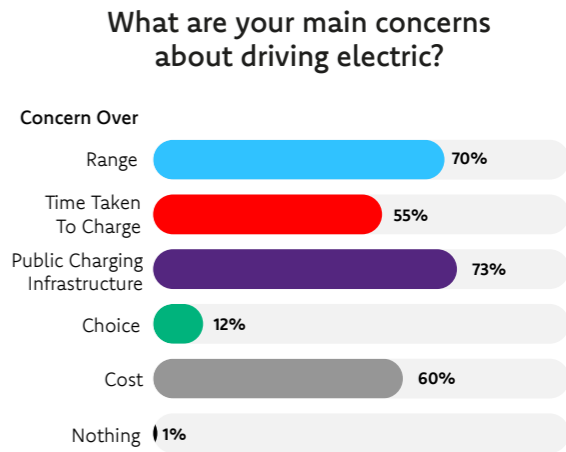
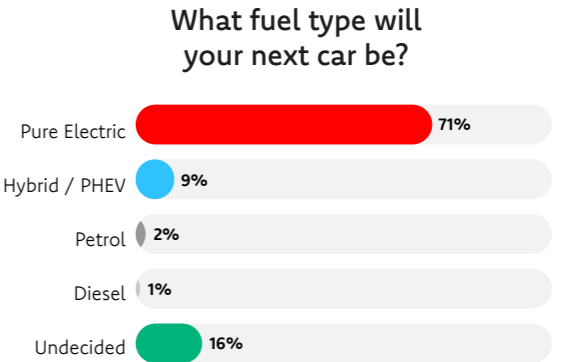
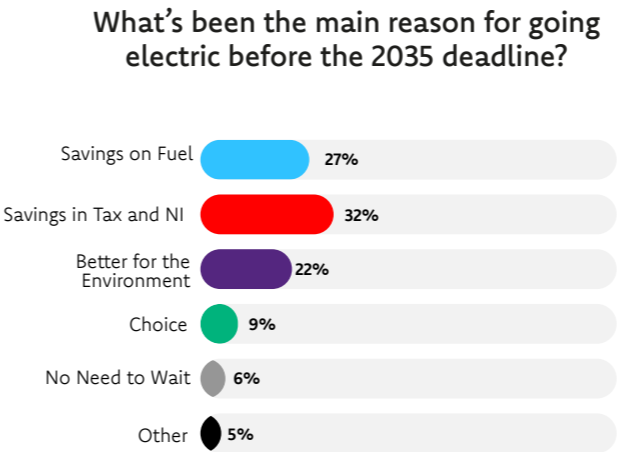
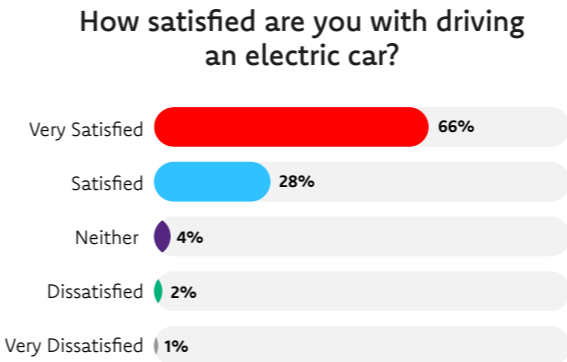
Of those EV drivers who have decided what their next car will be, 71% say it will be an electric. Only 3.5% will go back to a petrol or diesel car.

Financial considerations are the main reason for choosing an EV.

Almost a third of EV drivers (32%) say the potential savings in income tax and National Insurance through salary sacrifice were their main incentive for switching to an EV. 27% saw the expected savings on fuel as their main factor. A further 22% say their main reason for choosing an EV was the environmental benefit.

Among drivers who currently don't have a car on the Tusker scheme and who don't currently own an EV, 69% say they plan to switch in the next four years – although more than half of non-EV drivers (53%) say they have concerns about doing so.

The most common of these concerns are range (70%), public charging infrastructure (73%) and initial vehicle cost (60%). However, among EV drivers, 86% say their car's range – the distance it can travel on a single charge – is sufficient for everyday use, while the majority (78%) use the public charging network only once a month or less.



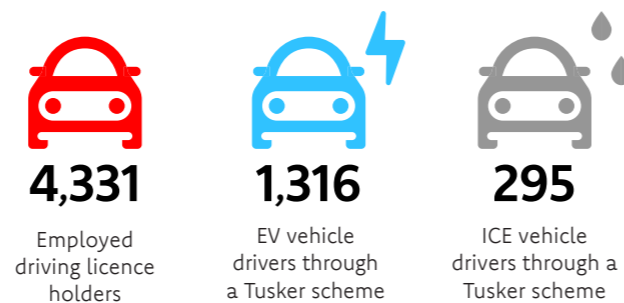
Information

on our data and respondent profiles

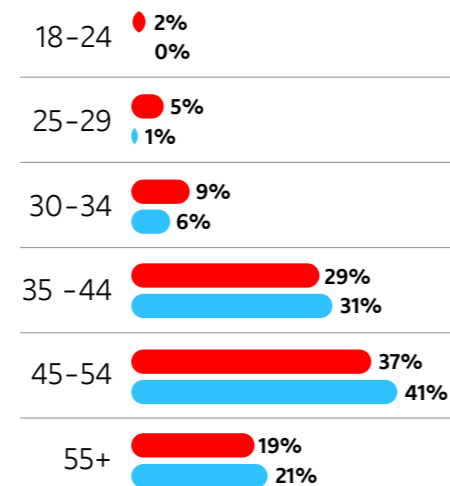
The research was carried out in April 2024, with 4,331 employed driving licence holders from across the UK surveyed. In addition, we also interviewed 1,316 drivers who currently take an EV through a Tusker-administered salary-sacrifice scheme, and a further 295 drivers who have an ICE vehicle through a Tusker scheme.

Of the 4,331 employees in the first group, two-thirds are male (67%) and one-third female (33%). More than half (66%) are aged between 35 and 54, while 43% are basic rate taxpayers, 51% pay the higher rate and 6% the additional rate. **The respondents represent a wide geographic spread across the UK**, with the highest number of employees based in the South-east of England (19%), the Midlands (16%) and the North-west (13%).

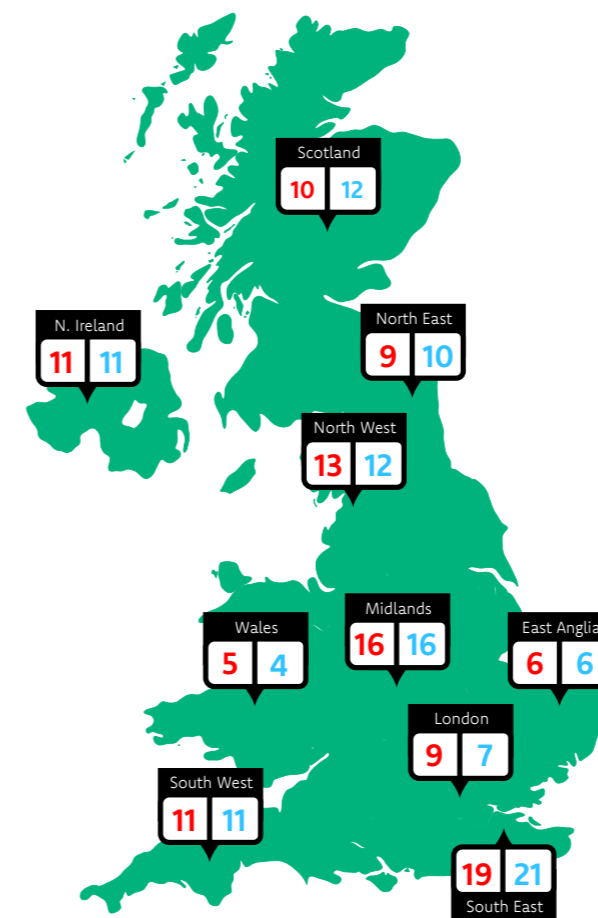
Almost three-quarters (72%) of EV drivers are aged between 35 and 54 and, in line with the larger group, they also more likely to be based in the South-east (21%), the Midlands (16%) and the North-west (12%), while. **As such, there seem to be no significant differences between where EV and non-EV drivers are located.**



AGES



● Employees ● EV Drivers



● % Employees ● % EV Drivers



Electric vehicles:

Recent developments and sector outlook

Figures published by the Society for Motor Manufacturers and Traders (SMMT) in early 2024 show that over a million battery electric vehicles (EVs) have now been sold in the UK⁴. The SMMT's data shows that, over the whole of 2023, one in every six new cars sold (16.5%) was an EV, a slight drop on the 16.6% recorded in 2022.

Company car and salary sacrifice car schemes are playing a significant role in supporting the market for new EVs, thanks largely to the additional tax benefits available to employees who choose electric rather than ICE vehicles (see below). Data published earlier this year by the British Vehicle Rental and Leasing Association (BVRLA) found that **take-up of salary-sacrifice car schemes rose by 47% in the final three months of 2023 compared with the same period in 2022, with 84% of employees opting for an EV⁵**. However, when motorists don't have access to the tax advantages of salary sacrifice schemes, the picture is very different. The BVRLA found that two-thirds (66%) of private contract hire agreements in the fourth quarter of last year were for petrol vehicles, with EVs representing only 16%.

The decarbonisation of the UK's transport system is one of the most important elements

of the government's plan to reach net zero emissions by 2050. Under the Zero Emission Vehicles mandate⁶, which was passed into law in January 2024, 80% of new cars sold in Britain by 2030 must produce no carbon emissions, with this figure rising to 100% by 2035. But meeting these targets will be challenging unless policymakers and manufacturers are able to tackle a number of obstacles standing in the way of more widespread EV take-up.

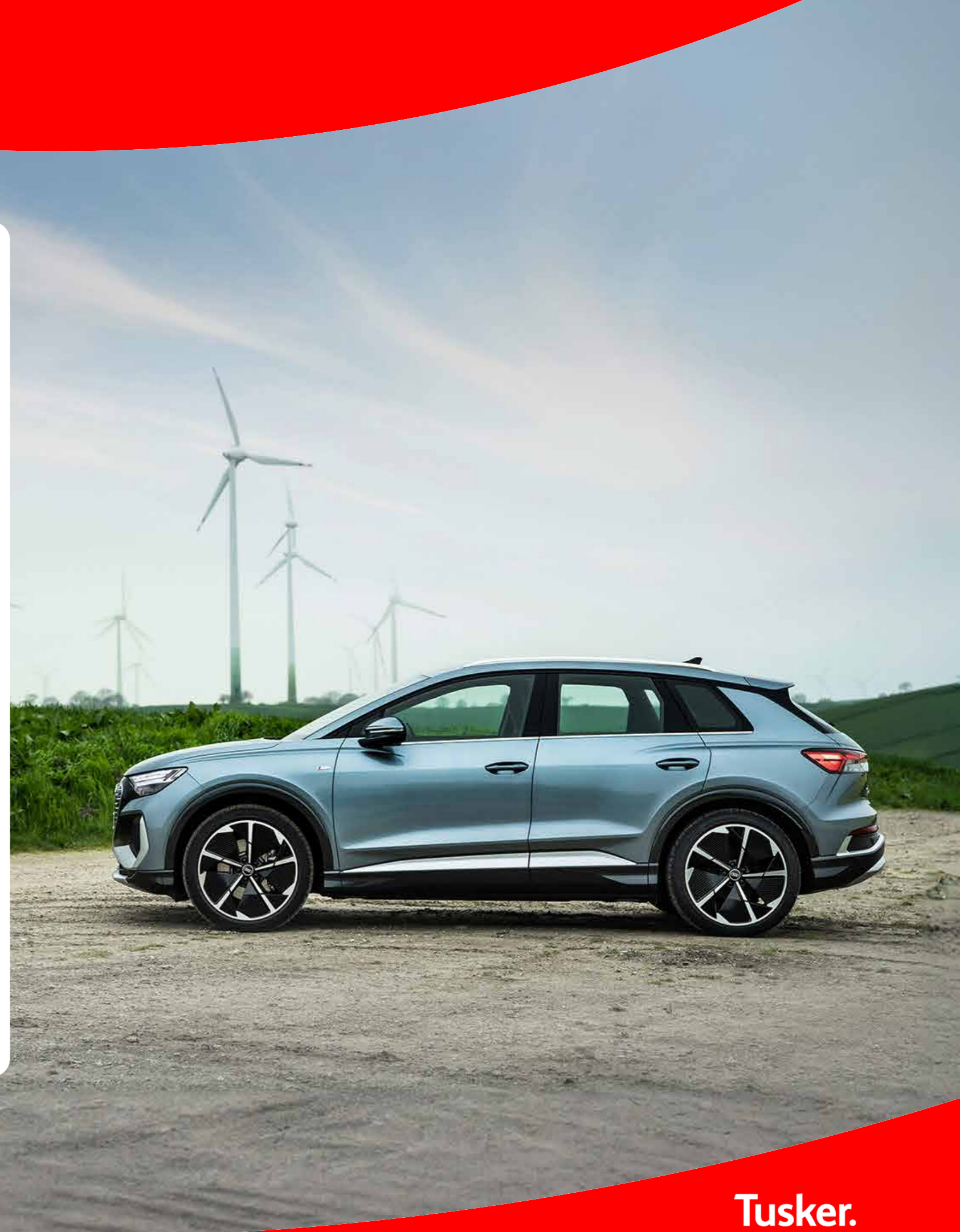
A report published by the House of Lords Environment and Climate Change Committee earlier this year set out the issues that government and the motor industry need to address in order to make a success of the transition to EVs⁷. These include the current price of new EVs in comparison to petrol and diesel cars, the variable availability of public charge points across the UK, and widespread misinformation about the practicality and environmental impact of EVs. The committee has recommended the introduction of targeted grants to make EV models more affordable, tackling planning-system delays that have hampered the roll-out of the public charging network, and reducing the rate of VAT on the electricity supplied by public charge points.

4. <https://www.smmt.co.uk/2024/02/uk-reaches-million-ev-milestone-as-new-car-market-grows/>

5. <https://www.bvrla.co.uk/news-insight/leasing-outlook.html>

6. <https://www.gov.uk/government/news/pathway-for-zero-emission-vehicle-transition-by-2035-becomes-law>

7. <https://committees.parliament.uk/publications/43188/documents/215542/default/>



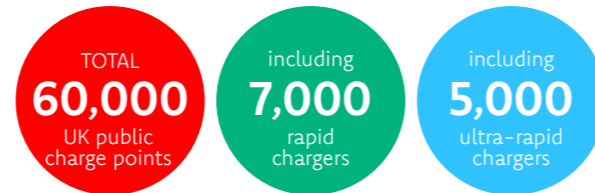
The UK's EV charging infrastructure

Although the House of Lords Environment and Climate Change Committee has recently criticised the uneven nature of the UK's public EV charging infrastructure, the total number of charge points continues to rise at pace. Data published in May 2024 found that **almost 6,000 new charge points were installed in the first three months of 2024**⁸.

The figures also show that Britain's 60,000th public charge point was installed in April '24.

Of this total of 60,000, just under 7,000 are rapid chargers (which provide between 50kW and 149kW of power) while a further 5,000 are ultra-rapid (more than 150kW)⁹. A rapid charger can charge a typical EV to 80% in less than an hour, while ultra-rapid chargers can be even quicker for EVs that are capable of accepting higher rates of power.

In 2023, the government announced the Local Electric Vehicle Infrastructure Capability (LEVI) fund, which provides subsidies for local



authorities that wish to install public charge points. As of March 2024, the £381 million fund had made payments worth more than £185 million to 49 councils across England¹⁰. Meanwhile, the government's new EV charge point grant offers £350 to drivers who want to install a domestic charge point that they use to charge a car parked on the street outside their home¹¹. This grant has been introduced to address the charging problems drivers may face if they do not have access to off-street parking at their property.

However, the House of Lords committee reported concerns that the charging network was not expanding rapidly enough to keep pace with the expected rise in the number of EVs on the UK's roads, while the geographical distribution of new charge points has been relatively uneven.

The government says it is on track to reach its target of 300,000 charge points by 2030.



8. <https://www.zap-map.com/news/60000-public-charging-points-uk>

9. <https://www.zap-map.com/ev-stats/how-many-charging-points>

10. <https://www.gov.uk/government/news/boost-for-drivers-as-millions-delivered-for-ev-chargepoints-across-the-country>

11. <https://find-government-grants.service.gov.uk/grants/electric-vehicle-chargepoint-grant-for-households-with-on-street-parking-1>



Benefit-in-kind taxation and EVs

Changes to the way company cars are taxed that have been introduced over the last five years have significantly increased the incentives to switch from petrol and diesel cars to EVs. In 2019, HM Revenue & Customs announced that the benefit-in-kind (BIK) tax rates for company car drivers would be linked to a vehicle's carbon emissions, with a rate of zero for pure EVs and between 2% and 5% of the list price for plug-in hybrids. These rates have since increased slightly, and in the 2024-25 tax year, BIK rates range

from 2% for zero-emission vehicles and between 5% and 14% for plug-in hybrids to a maximum of 37% for the most polluting cars. As the latest figures from the BVRLA indicate (see above), this has created a substantial incentive for employees to choose EVs.

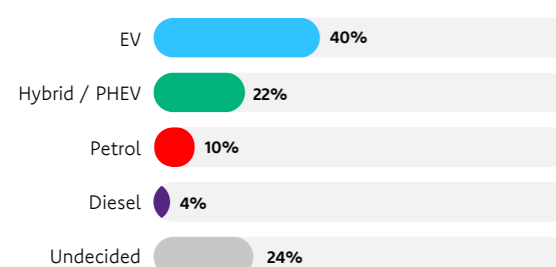
Meanwhile, the government's decision in its 2022 Autumn Statement to set BIK rates for the period up to April 2028 – by which time the BIK rate on EVs will have risen to 5% – was widely welcomed as providing a clear line of sight on company car tax rates over the medium term.

Tusker Survey Results

Choosing a new car: Preferences and priorities

The 2024 Tusker Driver Survey shows an increasing number of drivers say their next car will be electric. For those drivers who have already made a decision as to how their next vehicle will be powered, **40% say it will be an EV** (up from 35% in 2023), while 22% expect to get a hybrid or plug-in hybrid. Only 10% intend to get a petrol car and 4% a diesel (down from 20% and 9% respectively last year). However, it's worth noting that **almost a quarter (24%) say they're undecided as to the fuel type of their next car** – possibly an indication that a number of people remain on the fence as to the potential benefits of switching to electric. Meanwhile, two-thirds of respondents (67%) believe they'll be driving an EV within the next four years, and **38% say they would choose an EV if they were to change their car**

What fuel type will your next car be?

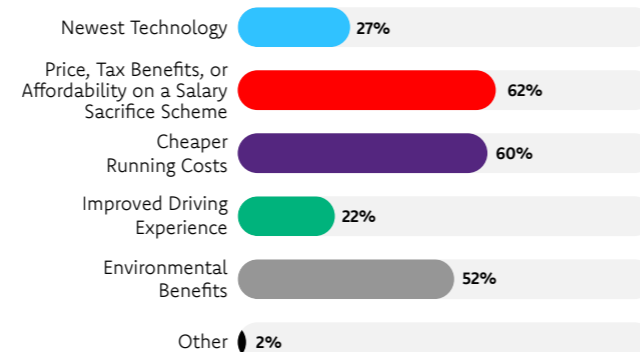


tomorrow. For those who plan to buy or lease an EV as their next car, **62% say that the tax benefits available via a salary sacrifice scheme would be a key incentive**, while 60% cite the cheaper running costs. In addition, 52% say that the environmental benefits would be a factor in their decision to go electric.

Almost half of respondents (48%), however, say that while they have considered an EV, **they have some concerns about making the transition.** This is down from 51% in 2023, so there is some change in attitudes. The number with concerns is less with Tusker non-EV drivers than non-Tusker drivers, with only 39% of Tusker drivers highlighting that they had concerns.

The most widespread of these worries relate to the state of the public charging infrastructure (cited by 73%), the range of an EV on a single

If you were likely to choose an EV as your next car, what are the main reasons for this?



charge (70%) and the upfront purchase cost (60%). However, only 12% say they are concerned about a lack of vehicle choice. Among those drivers who say they are not likely to choose an EV as their next car, **the most common reason is the upfront cost (cited by 33% of drivers)**, followed by charge-point availability (23%) and range (19%).

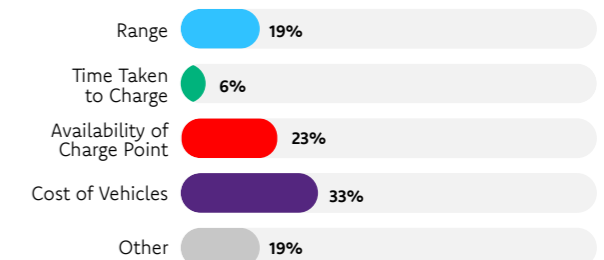
In terms of selecting a new car in general, **almost half of drivers (48%) say value for money is the most important factor**, followed by low running costs (18%) and the availability of an all-inclusive motoring package (15%) that incorporates expenses such as insurance, servicing and maintenance.

Among drivers who already have an EV through a Tusker salary sacrifice scheme, there are few who won't continue with an EV, with only **3.5% planning to switch back to a petrol or diesel car** when they come to their renewal. 9% will choose a hybrid and a further 16% are yet to decide. In this group, **31% say they chose an EV due to the tax and National Insurance savings available through salary sacrifice**, while 27% highlighted the potential savings on fuel and 22% cited the environmental benefits.

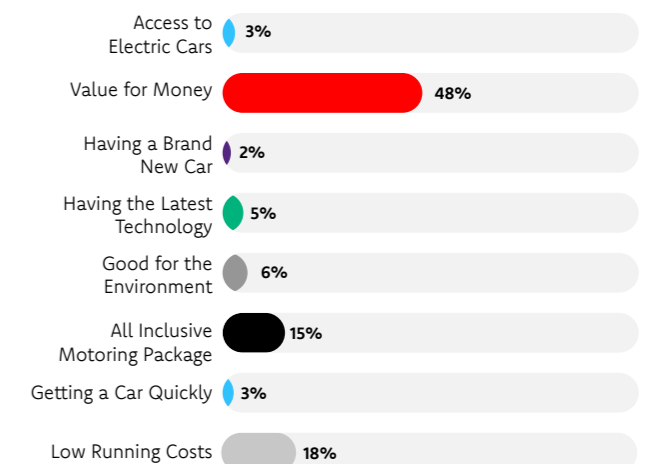
Looking at drivers who currently have an ICE vehicle through a Tusker salary-sacrifice scheme, a third (31%) say they have not thought about getting an EV or would not consider doing so. Most of this group (52%) say they are unlikely to be driving an EV within the next four years, and only 13% say their next car will be an EV.

Reasons given by this group for the reluctance to make the switch to an EV include concerns over the public charging infrastructure (63%), cost (41%) and the range EVs can travel (50%).

If you were not likely to choose an EV as your next car, what is holding you back?



Which of these are the most important to you when choosing your next car?



KEY TAKEAWAY:

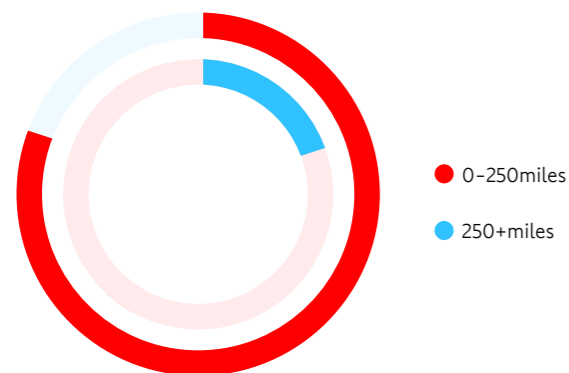
It is clear that many drivers are ready to make the switch to electric, with tax incentives and perceived lower running costs playing a crucial role. However, a few concerns remain, including perceived issues around charging (not experienced by EV drivers) and range, as well as the upfront cost of EVs if not getting a car through salary sacrifice.

Driving habits and range anxiety

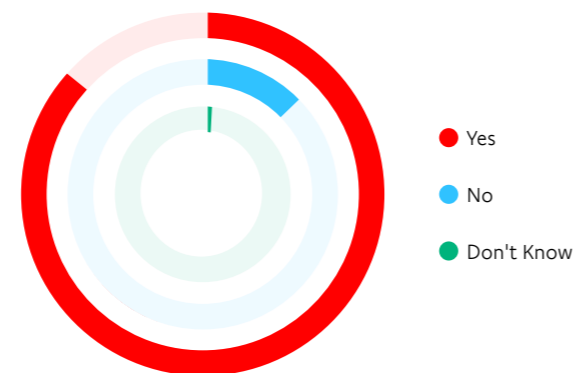
As we highlighted earlier, a proportion of drivers are worried about the distance an EV can travel before needing to be recharged, either at home or via a public charge point. For example, **eight in 10 drivers (80%) would need a range of at least 250 miles on a single charge** for them to feel confident in buying an EV. At present, the average range of an EV in the UK is just over 270 miles per charge¹², although some of the latest models are capable of reaching over 400 miles¹³, something that should help to address these concerns and increase EV take up.

However, these range requirements are very much outside most people's everyday driving habits. The survey found that **almost three-quarters of drivers (72%) typically cover less than 200 miles a week in total**, meaning that they would only need to charge once a week at most, while only 20% of drivers make journeys of over 100 miles more than once a fortnight.

How many miles a week do you drive?



Would you say that the range on your car is sufficient for everyday use?



12. <https://electrek.co/2024/01/26/median-ev-range-270-miles-weekly-commute/>
13. <https://www.gov.uk/government/news/boost-for-drivers-as-millions-delivered-for-ev-chargepoints-across-the-country>



KEY TAKEAWAY:

While worries about the range of EVs are understandable, the distances that EVs are typically able to cover on a single charge appear to be more than sufficient for most people's everyday use.



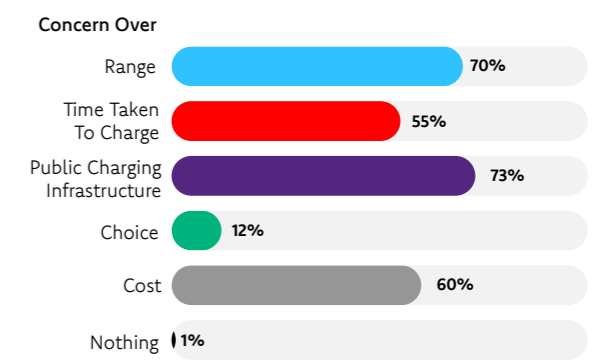
EV charging challenges

The adequacy of the UK's EV public charging network and range anxiety are two sides of the same coin. The more confidence drivers have in the availability of charge points, the less they are likely to worry about running out of charge on longer journeys.

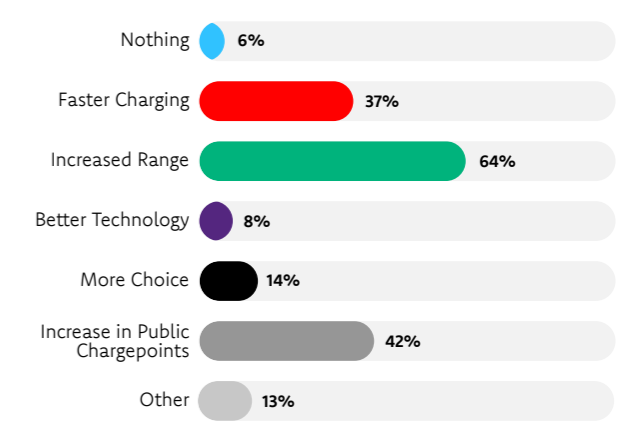
The 2024 Tusker EV Driver Survey shows that among drivers in general, **the state of the UK's public charging infrastructure is the most common concern about switching to an electric car**, cited by 73% of respondents, while 55% are worried about the time it may take to charge an EV. And while 64% say they have noticed more charge points appearing in their local area in the last two years, **less than a third (32%) believe that the charging network is expanding at sufficient pace to meet the needs of EV drivers**.

Looking at the charging experiences of current EV drivers, however, **most don't use public chargers on a regular basis**: 56% say they use the public network to charge their cars less than once a month. This is unsurprising given that 85% have access to a charge point either at home or at work. Nevertheless, **42% of EV drivers say that an increase in the number of public charge points would further improve their driving experience**, although this represents a sharp fall on the 61% recorded in 2023. Meanwhile, 53% say they have had to queue at a public charge point in the past, and 37% say they would like the charging process to be faster (down from 42% in 2023).

What are your main concerns about driving electric?



What would improve your EV experience?



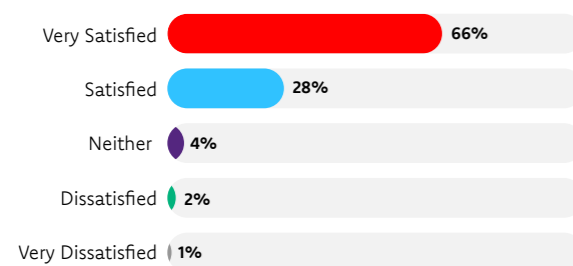
KEY TAKEAWAY:

Although there is still a significant level of concern about the growth of the UK's public charging network, most current EV drivers do not use it on a regular basis as they have access to charge points at home and/or at work.

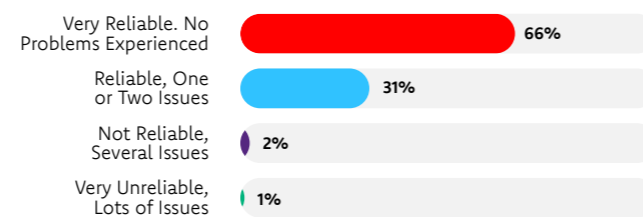
EV satisfaction and reliability

The fact that only 3.5% of current EV drivers intend to opt for a petrol or diesel as their next car underlines how happy most of them are with their vehicles. Indeed, **91% say they are 'very satisfied' or satisfied with their EV. Similarly, 66% say their EV has been 'very reliable', with no problems experienced**, and 31% report experiencing just one or two issues. The overwhelming majority of EV drivers (82%) say they enjoy driving their current vehicle more than their previous ICE car.

How satisfied are you with driving an electric car?



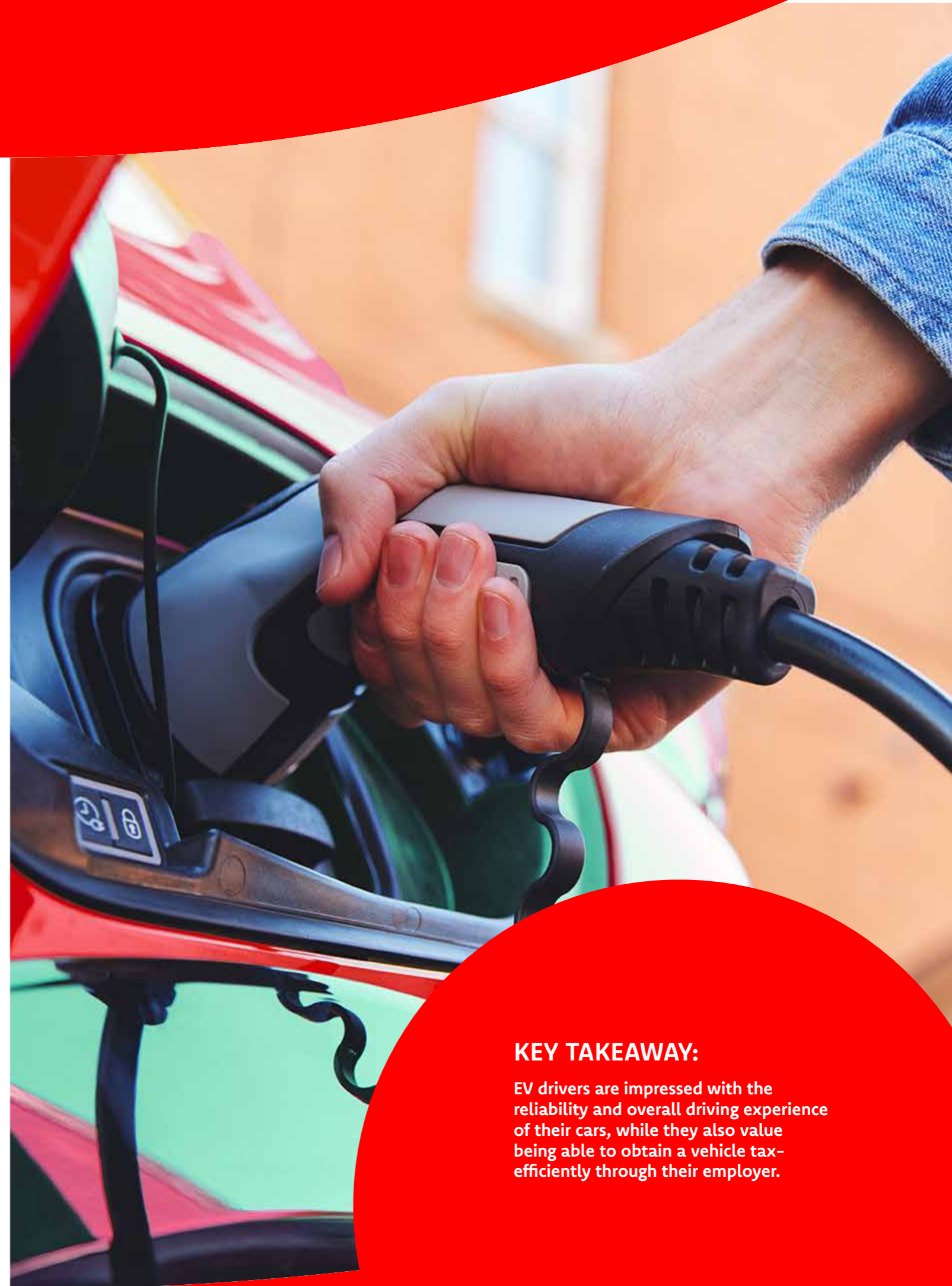
How reliable has your electric car been?



Drivers say they chose an EV via a Tusker scheme for the most part because it was offered by their employer and a monthly sum was taken from their salary (48%), while 29% say it was due to the tax and National Insurance savings available. A further 11% say they chose Tusker due to the all-inclusive nature of the motoring package, with additional expenses such as insurance, maintenance and service covered as part of the agreement. Finally, 92% say they intend to order their next car through the Tusker scheme.

KEY TAKEAWAY:

EV drivers are impressed with the reliability and overall driving experience of their cars, while they also value being able to obtain a vehicle tax-efficiently through their employer.



Conclusion


The direction of travel is clear: drivers are increasingly looking for an electric vehicle (EV) as their next car, especially as manufacturers and policymakers work to address issues such as range anxiety and a lack of public charging points. Meanwhile, the 2024 Tusker Driver Survey emphasises the high levels of satisfaction among those who already have an EV, as well as the overall reliability of these cars.

What is also undeniable is the vital role that company car and salary sacrifice schemes, such as Tusker's, play in supporting EV take up. Industry data shows that recent growth in EV market share could not have been achieved without the significant tax benefits linked to salary sacrifice. The research in this report bears this out: drivers say the schemes' tax advantages

are one of the main reasons they plan to go electric or have already done so. Meanwhile, we have also found that one of the biggest barriers to adoption of EVs is their perceived high purchase cost – an issue that does not concern employees who choose an EV through a workplace salary sacrifice scheme, and who are not required to pay for their car upfront.

If the UK government is to achieve its decarbonisation goals in the transport sector, with new petrol and diesel sales due to be outlawed from 2035, EV adoption needs to accelerate. Salary sacrifice will undoubtedly continue to have a substantial part to play and, as such, it is crucial that the current favourable system of benefit-in-kind taxation for EVs is extended into the next decade.





For further information,
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