Government funding targeted at more affordable zero-emission vehicles as market charges ahead in shift towards an electric future

- soaring demand for EVs leads to refocusing of grants on the most affordable zero emission cars, making best use of taxpayer money
- analysis shows sales of zero-emission cars are up 89% compared to 2020, and in the last 3 months nearly 1 in 4 new cars sold had a plug
- comes as new rules set to be introduced next year to improve reliability and make it easier to pay at public chargepoints

As sales of plug-in cars, vans and motorcycles increase, the government is today (15 December 2021) announcing that the grant scheme for zero-emission vehicles has been updated to target less expensive models, allowing the scheme's funding to go further and to help more people make the switch to an electric vehicle (EV).

The plug-in grant scheme, which has supported nearly half a million vehicles over a decade, has helped kickstart a market that is now moving forward at pace with over one in 10 cars sold in 2021 – over 150,000 – having a plug. EVs are becoming more affordable as the market has expanded and demand is increasing.

From today the government will provide grants of up to £1,500 for electric cars priced under £32,000, with currently around 20 models on the market, ensuring taxpayers' money makes the most difference – and ensuring as many people as possible can benefit. Support for wheelchair accessible vehicles is being prioritised, with these retaining the £2,500 grant and a higher £35,000 price cap. Government's total investment in the EV transition remains unchanged.

Grant rates for the Plug in Van Grant will now be £5,000 for large vans and £2,500 for small vans, with a limit of 1,000 per customer per year. This will enable a more sustainable grant scheme and will ensure that taxpayers' money is distributed more fairly across businesses seeking to transition their vehicles to zero emission. Plug in Van Grant orders in 2021 are already over 250% higher than in 2020, demonstrating the strong shift to an electric future.

Motorcycle and moped grants will also be changing, with the government now providing £500 off the cost of a motorcycle, and £150 for mopeds, with a price cap on vehicles of £10,000. Almost 50% of mopeds sold this year were battery electric, with some models now at price parity with their internal combustion engine equivalent. These changes and the new price cap will target funding where it is really needed to support the transition to zero emission two-wheelers.

The government’s approach to supporting the uptake of electric cars is clearly working – while the grant has slowly reduced over time, the sales of electric vehicles has soared. Record sales in 2021 have already exceeded those from 2019 and 2020 combined.

Meanwhile the government is also setting out that it will introduce new rules next year that will increase confidence in our EV charging infrastructure. These rules will mandate a minimum payment method – such as contactless payment – for new 7.1 kW and above chargepoints, including rapids. Motorists will soon be able to compare costs across networks which will be in a recognisable format similar to pence per litre for fuel and there will be new standards to ensure reliable charging for electric vehicle drivers.

Transport Minister Trudy Harrison said:

> The market is charging ahead in the switch to electric vehicles. This, together with the increasing choice of new vehicles and growing demand from customers, means that we are refocusing our vehicle grants on the more affordable vehicles and reducing grant rates to allow more people to benefit, and enable taxpayers’ money to go further.
>
> We want as many people as possible to be able to make the switch to an electric vehicle, which is why we will also be introducing new rules to make it easier to find and pay at chargepoints. This will ensure drivers have confidence in our charging infrastructure, as we look to reduce our carbon emissions, create green jobs and level up right across the UK.

The total funding committed by this government to support the transition to zero emission vehicles is £3.5 billion. This includes recent investments like an additional £350 million to support the electrification of UK vehicles and their supply chains, as part of our £1 billion commitment, and a further £620 million for targeted electric vehicle grants and infrastructure, with a focus on local on-street residential charge points.

Generous tax incentives for EVs remain in place, including favourable company car tax rates, which can save drivers over £2,000 a year and we expect the total cost of EV ownership to reach parity during the 2020s compared to petrol and diesel cars.

The market responded to the last changes to the plug-in grants in March 2021 with car manufacturers dropping prices for 18 zero emission models. The number of chargepoints is increasing too. Since 2016, we have worked with industry to deliver a five-fold increase in the number of chargepoints, up from 5,000 to over 27,000 today.

Government funding targeted at more affordable zero-emission vehicles

I am making this statement to update the House on changes being made today to the government's plug-in vehicle grant scheme as well as our plans to regulate to improve the experience for drivers charging electric vehicles.

Plug in grant scheme

For over a decade, the plug-in vehicle grant scheme has helped to boost the uptake of zero and ultra low emission vehicles by offsetting their up-front cost, supporting our goal of eliminating tailpipe greenhouse gas emissions in our drive towards net zero, as well as removing air pollutants that harm human health.

The government has invested over £1.5 billion since 2010, supporting nearly half a million vehicles. The approach has worked – it has helped to kickstart a market that is now moving forward at pace.

Over 150,000 zero emission cars have been sold so far this year, more than 1 in 10 of all new cars sold. Electric van uptake is also accelerating at pace, with grant orders up 250% this year compared with 2020. And almost 50% of mopeds sold in 2021 have been electric, with some models costing the same upfront as an internal combustion engine equivalent.

Last year, the government announced a further £582 million to continue the plug-in grants until at least 2022 to 2023, and more money was allocated at the Spending Review in October. This funding remains in place. However, with demand so strong, it is right that we seek to focus the grants, which are funded by the taxpayer, on the areas where they will have the most impact and where the market still needs government support.

From today, the government will provide grants of up to £1,500 for electric cars priced under £32,000, focusing on the more affordable vehicles and making best use of taxpayers' money.

Wheelchair accessible vehicles are being prioritised, with a higher grant of £2,500 for vehicles priced under £35,000. Small vans will also receive £2,500, and large vans £5,000, with a per financial year limit of 1,000 grants per business to ensure that funding is spread fairly. There will be no changes for small or large trucks, which receive £16,000 and £25,000 respectively.

Motorcycles priced up to £10,000 (L3e category) will receive £500 and mopeds (L1e) will get £150. These changes will allow the scheme's funding to go further, helping more people and businesses to switch to an electric vehicle.

Generous tax incentives, including zero road tax and favourable company car tax rates, which are a strong driver of uptake and can save drivers over £2000 a year, remain in place. It is expected that the total cost of EV ownership will reach parity during the 2020s compared to petrol and diesel cars.

Improving drivers experience of charging

The UK has been a global front-runner in supporting provision of charging infrastructure along with private sector investment. Our vision is to have one of the best infrastructure networks in the world for electric vehicles, and we want chargepoints to be accessible, affordable and secure.

Government and industry have supported the installation of over 27,600 publicly available charging devices including more than 5,000 rapid devices. Government has also supported the installation of almost 250,000 chargepoints in homes and businesses.

Earlier in the year, government consulted to improve the consumer experience at public electric vehicle chargepoints. Next year we will introduce new rules that will increase confidence in our electric vehicle charging infrastructure. This will mandate a minimum payment method – such as contactless payment – for new 7.1 kw and above chargepoints, including rapids.

Consumers will soon be able to compare costs across networks in a recognisable format similar to pence per litre for fuel and there will be new standards to ensure reliable charging for electric vehicle drivers.

Conclusion

Today’s announcement, which is part of a wider package of £3.5 billion funding that this government is investing to support the automotive sector and consumers in the transition to zero emission vehicles, is in response to a market-led acceleration towards greater electric vehicle ownership.

Birmingham to receive £72 million in government funding for vital transport link

- government protects tens of thousands of daily journeys in region with £72 million investment in Tame Valley Viaduct
- scheme will prevent link from closing and support other local initiatives – boosting the region’s economy

- works due to start in 2022 with structure remaining open to traffic throughout

Birmingham will benefit from £72 million in government funding for essential maintenance work on a vital road link between the city centre and the M6, providing a huge boost to the local economy and ensuring the region continues to build back better from the pandemic.

Following years of use and carrying 80,000 vehicles a day in and out of Birmingham city centre — including 900 buses and roughly 8,000 heavy goods vehicles (HGVs) — the Tame Valley Viaduct, which forms the northern section of the Aston Expressway, is starting to show signs of deterioration.

This significant, multimillion-pound investment by the government will ensure the link remains open for years to come. Maintaining the link's future will also support and uphold access to other initiatives in the region, including the Birmingham City Centre Enterprise Zone, HS2 Curzon Street rail station and the Food Hub in Witton.

Transport Minister Baroness Vere said:

> This viaduct is the lifeblood of Birmingham, carrying tens of thousands of vehicles in and out of the city centre every single day and connecting it to the surrounding motorways and the rest of the country.
>
> We recognise its importance and that's why we're investing such a significant amount of money — £72 million — to safeguard the future of the structure and keep local supply chains and public transport services running smoothly.
>
> This is further good news for the region following our Integrated Rail Plan, which will see quicker and easier journeys between Nottingham and Birmingham. We'll continue to level up transport across the country, support local economies and build back better.

Without government funding, the viaduct is expected to need weight and width restrictions within a few years and, over time, the link could potentially face full closure.

Proposals involve major strengthening and refurbishment works on the viaduct, ensuring it can continue to carry heavy vehicles. It will remain open to traffic throughout the duration of works.

Councillor Waseem Zaffar, Cabinet Member for Transport and Environment at Birmingham City Council, said:

> This is a significant investment into a key piece of our city's highways infrastructure.

> If we are to ensure people can move around the city as easily as possible and help business flourish, it is vital we carry out projects like this.
>
> This work will ensure the viaduct plays a key part in our transport network for many years to come and help prevent the need for even more significant works in future.

Andy Street, the Mayor of the West Midlands and chair of the West Midlands Combined Authority, said:

> The Tame Valley Viaduct is a vital part of our regional road network, but one that urgently needs some work. The 80,000 vehicles a day it carries is far more than what it was designed for when it opened in the early 1970s and so I am delighted that, thanks to the government putting this cash on the table, we can now press on and get this essential maintenance work done.
>
> We are making a huge effort to encourage people to use public transport across the West Midlands, but people who rely on the car cannot be ignored and roads such as the Aston Expressway remain a critical part of our region's infrastructure.

There are also plans to apply a protective anti-corrosion paint system to the structure alongside other general refurbishments, preserving the longevity of the viaduct and minimising the need for future work.

The scheme is set to be carried out in 2022 and will take almost 5 years to complete.

The total costs of the scheme come to £93.46 million with the remaining funding coming from Birmingham City Council and the Local Growth Fund.

Today's (15 December 2021) announcement comes following last month's announcement of the biggest ever public investment – £96 billion – in Britain's rail network.

Journeys across HS2 and Northern Powerhouse Rail, both from London and across the Pennines, will be faster, more frequent and reliable under the government's Integrated Rail Plan over the next couple of decades – including shorter journeys between Leeds and Manchester, Nottingham and Birmingham, and London and Sheffield.

UK government to match £10 million public donations to Afghanistan appeal

Press release

The UK pledges to match up to £10 million in fundraised public donations to the Disaster Emergency Committee (DEC) Afghanistan Appeal.

- UK pledges to double public donations to the Disaster Emergency Committee (DEC) Afghanistan Appeal, up to £10 million
- funds raised by the DEC appeal will support 13 leading UK charities to provide lifesaving aid to those at risk of famine
- UK aid for Afghanistan has been doubled this year with £125 million already allocated to international aid agencies

The UK government will match the first £10 million of donations from the British public to the Disasters Emergency Committee's (DEC) Afghanistan Appeal, to provide life-saving humanitarian aid.

Money raised from the appeal will support the critical work of 13 leading British charities and their local partners, helping them to provide emergency food and nutrition to children, support healthcare facilities and deliver winter kits to displaced families. The charities will also supply clean drinking water and protect women and girls.

The World Food Programme has warned over half the Afghan population are facing acute hunger and are in urgent need of humanitarian assistance this winter.

Foreign Secretary Liz Truss said:

> The British people have shown incredible generosity and the UK is determined to do all we can for the people of Afghanistan. We have doubled our aid this year to save lives, protect women and girls and support stability in the region.

The support is part of the £286 million the UK has pledged to give to Afghanistan this year. £125 million has already been allocated through the UN and aid agencies to support more than 3.4 million people with emergency food, health, shelter, water and protection.

UK aid funding will be channelled through trusted partners with significant experience delivering humanitarian aid in fragile contexts and conflict-affected states. No funding will go directly to the Taliban.

At the G7 meetings in Liverpool last week the Foreign Secretary called for greater international cooperation to tackle the humanitarian crisis, preserve regional stability, protect the gains of the last 20 years and to stress to the Taliban the essential need for Afghan girls of all ages to go back to school.

- the UK government will match, pound for pound, the first £10 million of public donations to the DEC Afghanistan Appeal through the Foreign, Commonwealth and Development Office’s UK Aid Match scheme.
- donations can be made at www.dec.org.uk or by calling 0370 60 60 900.
- through UK Aid Match the Foreign, Commonwealth and Development Office gives the British public the opportunity to have a say in how the UK aid budget is spent whilst boosting the impact of the very best British charities to change and save the lives of some of the world’s poorest and most vulnerable people. UK Government match funding will double British public’s own donations to the DEC appeal up to £10 million and will ensure that DEC member charities working on the ground can reach even more people in need
- UK Aid Match has increased the impact of a number of DEC appeals to help those in need around the world, including most recently to support people affected by the coronavirus pandemic in fragile states and refugee camps as part of the DEC’s Coronavirus Appeal in 2020
- through UK Aid Match, FCDO gives the British public the opportunity to decide how the UK aid budget is spent and support people in desperate need by matching their donations pound-for-pound
- about the DEC: When large-scale disasters hit countries without the capacity to respond, the DEC brings together 15 leading UK aid charities to raise funds quickly and efficiently. In these times of crisis, people in life-and-death situations need our help and our mission is to save, protect and rebuild lives through effective humanitarian response. The DEC’s 15 member charities are: Action Against Hunger, ActionAid UK, Age International, British Red Cross, CAFOD, CARE International UK, Christian Aid, Concern Worldwide UK, International Rescue Committee UK, Islamic Relief Worldwide, Oxfam GB, Plan International UK, Save the Children UK, Tearfund and World Vision UK
- thirteen of the DEC’s 15 members are responding in Afghanistan, either directly or through national affiliates or trusted local partners, and will receive funds from this appeal. They are Action Against Hunger, ActionAid UK, Age International, British Red Cross, CAFOD, CARE International UK, Christian Aid, Concern Worldwide UK, International Rescue Committee UK, Islamic Relief Worldwide, Save the Children UK, Tearfund and World Vision UK

- at the G7 meetings last week the Foreign Secretary announced £75 million funding, which follows an announcement on 31 October of the allocation of £50 million for humanitarian aid, as well as the previous Foreign Secretary's announcement on September 3 of the allocation of up to £30 million for Afghan refugees in the region

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[11 countries removed from the UK's red list]

- Pre-departure tests and PCR testing measures on or before day 2 remain in place, with a review of all travel measures in the new year
- Change comes as the government calls on all adults to come forward and Get Boosted Now

As the Health Secretary set out earlier today, Ministers have agreed to remove all 11 remaining countries from the UK's red list from 4am tomorrow (15 December), following review of the latest risk assessment from the UK Health Security Agency (UKHSA).

Passengers returning from Angola, Botswana, Eswatini, Lesotho, Malawi, Mozambique, Namibia, Nigeria, South Africa, Zambia, and Zimbabwe will not have to stay in a managed quarantine hotel on arrival in England from this date.

As Omicron cases rise in the UK and in countries around the world, the travel red list is less effective in slowing the incursion of the variant from abroad and these temporary measures are no longer proportionate. The red list has served its purpose in delaying the spread of Omicron into the UK to buy time for the government to learn more about this variant and prepare for its potential impact.

All vaccinated passengers arriving in the UK must continue to take a pre-departure test (PCR or lateral flow) 2 days before they depart for the UK and must take a PCR test on or before day 2 and self-isolate until they receive a negative result. Unvaccinated passengers must also take a pre-departure test, PCR test on day 2 and 8, and self-isolate for 10 days. Test to release remains an option to shorten their self-isolation period.

These testing measures are vital in helping to prevent any additional cases of Omicron from entering the UK, stopping travellers from passing it on to others if they are infected, and in helping government to monitor the risk posed by overseas travel.

The government recognises the impact that temporary health measures have on the travel and aviation industry.

These measures – the red list, testing for arrivals and self-isolation requirements for vaccinated travellers – will be reviewed again early in the new year on 5 January.

The government would like to extend its thanks to South Africa once again for their early sharing of information and continued engagement which is helping the global community better understand the risks posed by Omicron.

Health and Social Care Secretary Sajid Javid said:

> Now there is community transmission of Omicron in the UK and Omicron has spread so widely across the world the travel Red List is now less effective in slowing the incursion of Omicron from abroad.
>
> Whilst we'll maintain our temporary testing measures for international travel, we will be removing all eleven countries from the travel Red List effective from 4am tomorrow morning.

Transport Secretary Grant Shapps said:

> With community transmission here as well as similar rates around the world, it's right that we remove the 11 countries from our red list and these changes are the next sensible steps as we continue to tackle this variant.
>
> We remain focused on meeting our booster target for all adults by the end of the year, and while we will keep our travel testing measures in place for now, we will review this position in the first week of January.

While all countries have now been removed from the red list, the managed quarantine hotel policy remains in place to act as a crucial line of defence against the importation of variants of concern. Restrictions will be re-imposed should there be a need to do so to protect public health.

Given early evidence of the reduced incubation period of the Omicron variant, passengers are advised to continue to take the pre-departure test as close as possible to their scheduled departure to the UK and no earlier than 2 days before departing.

Airlines must continue to check all passengers for pre-departure tests alongside their completed Passenger Locator Form, and passengers will not be allowed to board a flight without providing evidence of a negative test result.

In light of emerging data on vaccine effectiveness, the government is offering every adult who has had a second dose of the vaccine at least three months ago the chance to get their booster before the New Year.

The government will take further action if necessary to contain the virus and the new variant, as has been the case throughout the pandemic. The UKHSA continues to monitor the situation closely, in partnership with scientific and public health organisations across the world, and the government is working collaboratively with the World Health Organisation and countries around the world to better understand the new variant.

Background

- The Government took quick, decisive action to reduce the importation of Omicron from the epicentre of the outbreak.
- Anyone who has tested positive will need to continue to stay in Managed Quarantine.
- We are working urgently to make arrangements for individuals' early release from Managed Quarantine. We will set out further guidance for the affected individuals imminently.
- Passengers who booked a hotel room in Managed Quarantine for after 4am Wednesday 15 December are entitled for a full refund and should contact their hotel operator or booking operator.