

Lilian Greenwood MP
Minister for Future of Roads
Department for Transport
Great Minster House
33 Horseferry Road
London
SW1P 4DR

Our Ref: MP05039

4 August 2025

Dear Lilian,

I am writing on behalf of a constituent who recently contacted me regarding electric vehicles and HMRC rates.

The constituent recently participated in a salary sacrifice scheme with their employer, which allowed them to in essence lease a company car – a new electric vehicle.

The HMRC expenses mileage rate is currently 45p per mile for the first 10,000 miles with diesel and petrol vehicles, and similarly so for people who own their electric vehicles. With a scheme like salary sacrifice, the vehicle is classed as a company car, and as such the mileage rate is then cut down to 7p per mile - this is justified if that vehicle is only charged at peoples homes.

However many people are still unable to charge at home, or have journeys (such as my constituent as a field based employee) who would need to use public charge points. The pricing of these is much higher than being able to charge at home, and as such the 7p per mile rate set by HMRC is going to mean many individuals, including my constituent, are as a result out of pocket to fuel their cars to do their jobs. Salary sacrifice schemes are a great way for people to drive environmentally friendly, new, and safe vehicles, but they shouldn't be punished to then pay out of pocket to cover company mileage, just because it is classed as a company car.

Please may you inform me as to how the Government plans to tackle this injustice.

In relation to this, please may you tell me what action is being done to regulate the private EV charging industry. Current prices range widely, as do rates depending on how fast you charge, or where the charger is located, or which membership you pay. There is not sufficient competition between private charging companies to self-regulate, and as things stand private companies are able to charge what they want, making the economic viability of owning an electric car a post-code lottery.

Thank you for your help with these enquiries.

Yours Sincerely

A handwritten signature in blue ink, reading 'Manuela Perteghella'.

Dr Manuela Perteghella MP
Member of Parliament for Stratford-on-Avon