LeasePlan

Driving Asigner

What to expect in 2022

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News and updates: What to expect in 2022

After a fast-paced 2021, the next 12 months are likely to bring further changes for motorists. We've had a look at the most important updates below.

01 A new focus for chargepoint funding

Eligibility for the Electric Vehicle Homecharge Scheme, which provides up to £350 (or 75% of the cost) of installing a home chargepoint, will change from 1 April. OZEV is targeting its funding on flats, rental accommodation and apartment blocks, but this will mean drivers in single occupancy properties, such as houses and bungalows, will no longer be able to claim.

02 Smarter charging

The government has set out legal requirements for all new home and workplace chargepoints, to encourage smarter use of grid capacity. Units installed from 30 June must be pre-set to defer charging until after peak hours, capable of recording usage, and include a data connection enabling sessions to be slowed or paused when grid demand is highest. However, drivers will be able to override delays and charge immediately, without interruptions, if they need to.



Europe is facing once-in-a-generation gas and electricity price rises as demand outpaces supply. Some charging networks have already raised prices to meet rising costs, but UK regulator Ofgem's strict limits on household bills means this hasn't affected what drivers pay at home.

Price caps are adjusted every six months, and new rates from 1st April will be 50% higher than those introduced last October, potentially raising energy bills for 22 million UK households. For a typical mid-size electric car covering 10,000 miles per year, that amounts to an annual cost increase of £274 (+51%).

04 Record high pump prices

Drivers of petrol, diesel and hybrid cars don't escape rising costs either. According to the latest AA figures, pump prices increased by more than a quarter in the 12 months to the end of January 2021. Based on the average efficiency figures HMRC uses to set advisory fuel rates, a mid-size petrol car would cost £275.40 extra per year, or £241.04 for an equivalent diesel. Annual fuel costs (£1,475.20 and £1,320.40 respectively) are twice that of the electric car (£808.39) mentioned previously.

5 More clean air zones

Two additional cities will launch clean air zones affecting car drivers in 2022. The pilot stage of the Oxford Zero Emission Zone went live on 28 February, covering a small area of the city centre between 7am and 7pm, and only electric vehicles (0g/km CO₂) are exempt. Bristol will follow during the summer, covering a much larger area and operating 24/7, but only applying to petrol vehicles that don't meet 2005's Euro 4 emissions standard, and diesels that don't meet 2015's Euro 6 limits.

Stay Up to Date:

Our LeasePlan Insights website offers regular updates and advice about issues affecting motorists. To keep up with what's happening, visit **insights.leaseplan.co.uk**

Intervention Interventinterventinterevention Intervention

- new rules for the road

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Some major changes to the Highway Code came into effect at the end of January. Here's what you need to know.

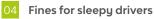
Protecting vulnerable road users All road users are responsible for looking after their own safety and that of others, but new rules put the greatest responsibility on those who can cause the most harm in a collision. In practice, this gives priority to pedestrians, then cyclists and horse riders, then cars, vans and trucks. Drivers must give way at junctions and crossings, even if pedestrians haven't begun to cross, and avoid manoeuvres which cause more vulnerable road users to stop or swerve.

02 Parking and Charging

Drivers are now encouraged to open doors with the hand on the opposite side of the body to the door (known as the 'Dutch Reach'). This naturally makes people turn their heads, so they are more likely to see anyone who is at risk of injury from the door opening. Electric vehicle drivers are also warned to be aware of potential trip hazards from charging cables and are responsible for limiting the risk to others.

03 Roadworthiness checks

The Code stresses the value of regular walkaround roadworthiness checks, especially for commercial vehicles. Although these are advisory, rather than law, they can be used in court to establish liability after a collision.

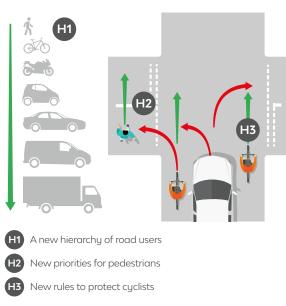


Previous changes, announced last September, require drivers to get 'sufficient sleep' before a journey, with unlimited fines or jail time if they don't. Anyone stopping in emergency areas or the hard shoulder to take a break could face fines and driving bans if it leads to an accident.

05 Stricter rules for mobile phone use

Finally, there is one change that was flagged well in advance, but is finally coming into effect. Rules are being tightened up so people using a handheld device while driving (rather than just for calls or texts) will face a £200 fixed penalty notice and six points on their licence.

Protecting vulnerable road users:



Read the full review

The full <u>Review of The Highway Code</u>, designed to improve road safety for cyclists, pedestrians and horse riders, is available on the UK Government's website.

News and updates: Clamping down on parking fines

The government has issued its first code of practice for private car parks, designed to provide more clarity for motorists and protect them from excess costs.

Private parking firms issued 22,000 tickets per day in 2019, according to PA Media research, and the lack of clear, consistent rules is a common bugbear for motorists. An AA driver survey found one in five drivers who had received a fine weren't aware they had done anything wrong at the time.

Concerned that this could slow high street recovery after the pandemic, the government has stepped in to bring private companies – currently a self-regulated sector – in line with local authority parking charges. It's hoped that doing so will protect motorists from unreasonable charges and rogue operators, while still creating a deterrent for rule-breakers.

How is the industry being regulated?

The Private Parking Code of Practice is set to come into force across England, Scotland and Wales by the end of 2023, and will apply to car parks, short stay areas and prohibited parking zones, but not public highways. That long implementation phase offers time for operators to adjust, and for the regulatory infrastructure to be put in place, including:

- An independent certification scheme for parking associations, required to access DVLA data – if they don't comply, they can't issue charges.
- An independent appeals service for motorists.
- A scrutiny and oversight board to monitor the system, including reviewing the code every two years based on judgements made by the appeals service.

What does this mean for motorists?

It sets a consistent set of rules which should make it harder to accidentally fall foul of an operator's terms and conditions. The most important measures are:

- Grace periods: Drivers will get at least five minutes after they arrive to either find a space or leave without getting charged, and another ten minutes after their ticket has expired to get back off site. Large or complex sites will be advised to offer more time on arrival, short stay facilities and areas which don't invite parking will be able to charge straight away
- **Communication:** Clear signage explaining tariffs, terms and conditions and penalty charges, and (where necessary) how to display a ticket and what to do if payment machines are out of service. Private operators will also have a templated design for notices, differentiating them from legally enforced local authority parking charges.
- Accessibility: Car parks will have to provide clearly marked bays and at least one sign showing terms and conditions (with specific guidance for Blue Badge schemes) that can be read without getting out of the vehicle. Operators are also encouraged to consider adjusting any grace periods to account for disabled users.
- **Capped charges:** The Code introduces three tiers of charges for parking contraventions, and stops operators charging for debt recovery. For most cases, this will be capped at £50, with a 50% (up from 40%) early payment discount, but there are higher limits for blocking charging points (£70) or parking in bays for residents and Blue Badge holders (£100).
- **Controls on operators:** Operators will have to get written permission from landowners before enforcing parking regulations. They won't be able to incentivise attendants based on how many charges they give out, and enforcement vehicles with cameras will have to be clearly marked.
- Appeals and complaints: There are also requirements for a document complaints procedure and for operators to offer an appeals process within 28 days, or longer for exceptional cases. Mitigating circumstances for cancelling charges include entering a number plate incorrectly, breaking down, or forgetting to display a Blue Badge.

What's new? **The latest electric** car launches

Following a year of record demand, manufacturers are readying an even broader choice of new electric vehicles for 2022. Here's what's hitting UK roads in the next few months.





What is it? SEAT's performance brand, Cupra, is readying an electric hot hatch. The Born is closely related to the Volkswagen ID.3 but features adaptive steering and suspension for a sportier drive, and an 'E-Boost' function which enables a 6.6-second sprint to 62mph. Production is CO₂-neutral, and the cabin also makes widespread use of recycled materials.

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Electric range: 263 miles	Price (OTR): £33,735-£37,375	When: Spring 2022
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Mercedes-Benz EQB

What is it? The only compact electric SUV with seven seats - the third row is designed for passengers under 5ft 4in but with room for boosters. Two and four-wheel drive versions are available from launch, the latter capable of towing up to 1,800kg, and its clever navigation system can plan routes using the shortest charging stops. A longer-range battery will follow.

Electric range: 260-297 miles Price (OTR): £52,145-£56,645 When: Q1 2022

Tesla Model Y

What is it? A premium SUV closely related to the UK's best-selling electric car, the Model 3 compact executive saloon. Tesla is launching with two versions, offering either a 315mile range or 3.5-second sprint to 62mph, and both include four-wheel drive with 1,800kg towing capability. However, unlike the United States, there's no seven seat option.

Electric range: 298-315 miles Price (OTR): £54,990-£64,990 When: Available now

Volkswagen ID.5

What is it? The ID.4 SUV's sportier sibling will launch with a single battery option and three power outputs, including the 299hp 'GTX' performance version. It features aerodynamic coupe-like bodywork with an integrated rear spoiler, which offers improved efficiency compared to the boxier ID.4, while 135kW fast charging recovers 250 miles in 30 minutes.

Electric range: **296-313 miles** Price (OTR): **£50,550-£58,640**

When: Available now



Volvo C40 Recharge

What is it? Volvo will only sell electric vehicles from 2030, and the C40 Recharge is the first product sold without any combustion engine versions. It's launching with a choice of single or dual-motor versions, with a choice of leather-free interiors, lifetime over-the-air software updates and up to 408hp from its most powerful model, which can also tow up to 1,800kg.

Electric range: **275 miles**

Price (OTR): £44,800-£58,900 When: Early 2022

NEW CAR NEWS

There's a full list of 2022's most important vehicle launches available on our website. Click here to read the full article, including all the latest updates.



Efficient driving: The pros and cons of plug-in hybrids

Plug-in hybrids can be a useful stepping stone on the way to electric driving, but only if they're deployed and used correctly. Here's how to get to get that right.

What is a plug-in hybrid?

Plug-in hybrids have a combination of a combustion engine and electric motors, similar to hybrids like the Toyota Prius. However, they also have a mains-rechargeable battery, offering fully electric driving for around 25-30 miles before they use any fuel.

This offers several advantages, including:

- Electric driving with zero tailpipe emissions in cities
- Reduced fuel bills and low CO₂ emissions, which results in low company car tax and vehicle excise duty
- Short petrol or diesel refuelling stops on longer journeys
- Getting used to charging routines before switching to an electric vehicle

However, there are some downsides:

- Combustion engine maintenance is more expensive than a full EV
- Boot space, seating and fuel tank capacities are often compromised compared to a petrol or diesel car
- Charging rates are usually a lot slower than an EV
- They rely on regular charging to cut fuel costs

How fuel efficient are they?

Driver behaviour is key. High mileage users who rarely, or never, plug in will struggle to get anywhere near the published figures, while those with mostly local routes and a diligent charging schedule might find they rarely use any fuel at all.

Independent testing by Emissions Analytics revealed a 37.2mpg average fuel efficiency figure for plug-in hybrids once the electric range is used up. Using this as a baseline, the following table illustrates how a higher share of electric driving impacts average efficiency.

Electric Driving Share	Fuel Efficiency
0% in EV mode	37.2mpg
25% in EV mode	49.6mpg
50% in EV mode	74.4mpg
75% in EV mode	148.8mpg

These savings add up. If all of the UK's PHEVs were driven on battery power for half of their annual mileage, it would reduce tailpipe CO_2 emissions by 130,760 tonnes compared to not charging at all. That's equivalent to the annual CO_2 emissions of 83,000 petrol cars.

What do they cost to run?

Average fuel economy is only part of the picture. Most drivers will charge at home, and the electricity used isn't free, so it's important to include those costs in any calculations. Based on the UK-wide average of 18.5p/kWh in 2021, a PHEV would cost about £2.50 to charge.

Fuel	Cost per mile
Diesel*	13p
Petrol*	15p
PHEV (0% EV driving)	18p
PHEV (25% EV driving)	15p
PHEV (50%)	13p
PHE∨ (75%)	10p
PHEV (100%)	7р

* Based on AFRs for mid-size petrol and diesel vehicles (WLTP -15%)

*** MPkWh figure is based on typical 30-mile range and 12kWh (usable) battery capacity

In this example, fuel and electricity costs for the plug-in hybrid would be less than an equivalent diesel for any journeys where 50% of the distance can be carried out on battery power.

Tax incentives for low-emission fleets are outlined in our Essential Guide to Fleet Funding and Taxation:

Electric vehicles: **Frequently Asked Questions**

Electric vehicles are one of the biggest changes in the history of automotive. We've had a look at some of the common questions, as the UK moves towards net-zero transport.

Q.What grants are available for EVs? Electric vehicle list prices are still higher than their petrol or diesel counterparts, but there is grant funding to help close the gap:

- Cars with 0g/km CO₂ emissions and a list price of less than £32,000 are eligible for grant funding covering up to 35% of the list price (capped at £1,500).
- Vans with CO₂ emissions under 50g/ km and an electric range of at least 60 miles are also eligible for funding covering up to 35% of the purchase price. This is capped at £2,500 for small vans, or £5,000 for large vans.

Q. Will I be able to drive a petrol or diesel car after 2030?

Yes. The government is banning the sale of new petrol and diesel cars and vans in 2030, and hybrids will follow five years later. There are no plans to ban vehicles sold beforehand, but it is possible that future <u>clean air zones</u> could charge drivers to take them into city centres.

Q.Can the grid cope with everyone charging their electric cars?

Absolutely. National Grid Group says peak demand was at its highest in 2002, and more efficient homes and increased solar panels have led to a 16% decline in the meantime. With smarter chargepoints enabling sessions to be scheduled to avoid demand spikes, and energy to be returned to the grid, it's projecting only a 10% rise in peak demand once everyone switches to electric vehicles. That's still lower than in 2002.

Q.Is manufacturing an electric vehicle bad for the environment?

Electric vehicles do require more energy to build than their combustion engine counterparts. But that's only half of the story.

According to a recent Volkswagen Group study, manufacturing the ID.3 electric hatchback (including processing raw materials) produces almost twice as much CO_2 as the equivalent petrol or diesel Golf. However, it adds, even without factoring in the carbon-neutral factory where the ID.3 is built, lifecycle CO_2 emissions comfortably undercut its combustion engine counterpart.

This isn't an unusual scenario. New research suggests whole-life CO_2 emissions for an electric car are lower than a petrol equivalent in almost every country across the world. With vehicle manufacturers working towards localised and more sustainable production, and the UK's electrical grid on target for net zero CO_2 emissions by 2025, the environmental benefits are increasingly weighted in favour of electric.

Q.Can electric vehicle batteries be recycled?

Batteries can have a second life as static energy storage after being used in an electric vehicle, and can be recycled at the end of their lifespan. However, this isn't always happening. The European Commission is considering setting targets for recycled content in new battery packs, warning that lithium – which is cheaper to produce from new than to recover from end-of-life batteries – is too often wasted.

Battery companies are already preparing for an influx of recyclable materials as larger numbers of electric vehicles reach the end of their life, and vehicle manufacturers are doing the same. Volkswagen Group, which recently opened a pilot recycling plant in Germany, is targeting a 50% share of recycled content in new cells by 2030.

Here to help

LeasePlan has spent years working with drivers and fleets as they adopt electric vehicles. We've compiled a list of the common concerns which you'll find in our full Frequently Asked Questions Guide.

Is an electric vehicle right for you?

Choosing an electric vehicle can feel like a giant leap for drivers, but it doesn't have to be daunting...

With an ever-expanding range of versatile, desirable, long-range electric cars to choose from, and renewed incentives from government, we think there's never been a better time for drivers to make the switch.

Of course, we also recognise that it's a new technology, and it's important to understand how well it fits your needs. So we've developed a suite of free online tools to help walk you through the process and alleviate any concerns along the way.

With our vehicle tool, answer a few simple questions about your usage, driving habits and what you need out of a car, and we'll help you to understand how different options could suit your lifestyle, with clear guidance on the next steps and suggestions of further tools to help with the transition. It only takes a couple of minutes.

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Could an electric car work for you?

Health and Wellbeing Driver resources

We've all had a tough time since 2020, but LeasePlan offers a range of resources if you need extra support.

Your mental health matters. Depression doesn't care what day, week or month it is. People need support at any time of the year, which is why our charity partners at Mind have a comprehensive set of resources available for those affected by depression <u>today</u>, and <u>every day</u>.

We also have our <u>NextGen LeasePlan</u> <u>Community</u> which was originally created to help our colleagues and their families with homeworking but is now open to customers as well. As the pandemic has gone on, we've added more and more content around exercise programmes, healthy eating, learning new skills, dealing with stress and finding ways to connect, including an integrated social network. You don't have to pay to use it and you can get involved as much, or as little, as you want.

We'd also like to highlight the CALM driver campaign. CALM stands for the 'Campaign against living miserably' and they have teamed up with National Highways and Driving for Better Business to create a selection of helpful resources for UK-based fleets. You can find out more about it <u>here</u>. There are many more resources available too. So, whatever you're struggling with, or whoever in your life needs help, we hope you can find something that gives you the support you need:

Mind	Our charity partner, offering general mental health support 0300 123 3393	FIND OUT MORE
BEN	The UK's only specialist charity for people who work in the motoring industry (and their families) offers financial and emotional support	FIND OUT MORE
CALM Driver Scheme	In partnership with Campaign Against Living Miserably, Highways England and Driving for Better Business (DfBB)	FIND OUT MORE
Samaritans	Available 24/7 for anyone who needs to talk Freephone 116 123	FIND OUT MORE
Cruse Bereavement Care	Support with bereavement 0808 808 1677	FIND OUT MORE
Money Advice Service	Free and impartial money advice 0800 138 7777	FIND OUT MORE
National Domestic Abuse Helpline	Domestic abuse 0808 2000 247	FIND OUT MORE
NHS	General health advice Freephone 111	FIND OUT MORE
Relate	Support with relationships 0300 003 0396	FIND OUT MORE

Discovering electric:

LeasePlan Electric Moments

Our Electric Moments campaign celebrates the 'lightbulb' moments when electric vehicle drivers and fleet managers realise just how good these vehicles are – or discover that something they thought was a drawback is actually nothing to worry about.

To encourage more people to find their own Electric Moments we've partnered with YouTube series Fully Charged to create a series of videos exploring EV ownership. These feature Robert Llewellyn (perhaps best known as Kryten in Red Dwarf) and Maddie Moate, who presents Do You Know? for CBeebies. Each video also has contributions from members of the public talking about their electric cars. **Episode 1:** What life is like with an electric car and how easy it is to switch

Episode 2: How charging works and where you can do it

Episode 3: Explaining 'range' and what you can do maximise it

Episode 4: The real costs of owning an electric car – they're more affordable than you might think

Episode 5: How an electric car can be the start of wider green journey

Episode 6: Understanding the 2030 ban on new petrol and diesel vehicles

Episode 7: Exploring electric vans – options and affordability

Episode 8: From tax incentives to grants - the benefits of going electric

Episode 9: The best hints and tips from EV drivers. <u>Watch now</u>



Understanding the opportunity: Electric vehicles

We've created a set of EV tools designed to make it easier for you to evaluate how well these vehicles might work in your business. The tools can help car and van drivers explore if an EV would be right for them, as well as giving you a way to calculate how much an electric vehicle might cost you to run on a per mile basis.



For help with your vehicle please call the LeasePlan DriverLine on **0344 493 7644**