UK EV READINESS INDEX

Assessing the factors influencing drivers' readiness to switch to electric vehicles

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OPENING SUMMARY

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"If the UK is serious about accelerating EV adoption, 2026 must bring stronger, clearer guidance and meaningful incentives. Only then will we see real momentum and confidence among drivers to make the change."

The AA's second UK EV Readiness Index shows signs of progress on indicators for EV demand, although many drivers continue to face long-standing barriers to adoption.

The Index leverages The AA's proprietary data to track and analyse eight key factors influencing drivers' readiness to switch to EVs. The factors are combined into an overall "Readiness Rating", which offers a snapshot of how practical and appealing EV ownership is for drivers today.

The current Readiness Rating has ticked up to **48.8 (Q3: 47.5)**, indicating that while EVs are a good option for some drivers, significant barriers remain for mass adoption.

Improvement in the Readiness Rating has been supported by the cost of insurance, as EV insurance pricing dropped for some drivers. Although this indicates growing maturity in parts of the insurance market, the launch of new EV models could see higher prices return in the short to mid-term, driven by uncertainty over servicing and parts.

The improvement in insurance was partially offset in the quarter by higher prices in our sample of used electric vehicles, as well as seasonal impacts of cold weather on 'out of charge' call outs.

It has also been an important period for EV policy, with this edition's 'Quarterly Insight' covering the impact of key Government announcements on drivers.

Although a range of policies, including the continued impact of the electric car grant, have helped increase the attractiveness of EVs, the timing of the pay-per-mile (e-VED) announcement at the Autumn Budget highlights the risk of mixed messaging impacting fragile consumer confidence.

KEY FINDINGS

The Q4 2025 EV Readiness Index highlights the key barriers to mass adoption, despite favourable conditions for some drivers to switch to an EV. The Index provides a 1-100 score across eight factors, with 1 denoting that barriers remain too high for all drivers, and 100 indicating that there are clear and significant advantages to owning an EV.

Upfront Costs | Average Score: 50 (Q3: 43)

Upfront costs of EVs improved in the quarter, supported by insurance costs, which offset an increase in the cost of used EVs in the Index's sample set. Although there remain good deals in the used market, depreciation rates are unsustainable for long-term adoption.

The Government's Electric Car Grant continues to support demand for **new EVs**, with SMMT data showing 20,000 discounted EV sales in September, but many remain hesitant or priced-out.

- The average cost of a new EV across the four models selected for the Index remained stable at 28% higher (Q3 Index: 27%) than the petrol equivalents.
- Of the four models, only the Vauxhall Corsa has so far qualified for the grant, which reduced the EV price gap to £5,555 down from £5,870 before the grant.

The EV price gap with petrol vehicles increased in the **used-car market**, where most UK drivers buy their vehicles. However, select models saw a fall in the cost of EVs, highlighting resilient options for drivers looking to buy second hand.

- The price gap increased over the quarter, with used-EVs 11% (Q3 Index: 3%) more expensive than petrol equivalents.
- Depreciation on EVs continues to raise concerns for the longer-term health of the market, with knock-on impacts for fleet operators looking to purchase new EVs.

There was a notable swing in **insurance costs**, with cheaper quotes for some EV drivers reflecting growing maturity in parts of the insurance market.

- However, the launch of new EV models from China and elsewhere could trigger higher prices in the short to mid-term, driven by uncertainty over servicing and parts.
- In the longer-term, maturing supply of parts, as well as better understanding of risk rates and repair costs, should support stable lower costs for average EV premiums.

Charging | Average Score: 40 (Q3: 40)

Charging costs remained flat for EV drivers. There remain clear cost-saving opportunities for drivers with access to home charging, while home charger installation, public charging and charging infrastructure continue to restrict wider EV adoption.

- There was a slight decline in **home charging** costs to 20% (Q3: 22%) more expensive per mile than petrol equivalents, accounting for the average cost of financing home charger installation over a one-year period. Excluding installation costs, home charging was 59% (Q3: 60%) cheaper per mile than petrol equivalents, presenting significant savings opportunities.
- **Public ultra-rapid charging** remained 31% (Q3: 31%) more expensive per mile compared with petrol equivalents.

Despite further progress on **charger installations**, EV infrastructure remains well below the scale required for

mass adoption.

- 2000 additional charging points were installed over the quarter, meeting 29% (Q3:28%) of the Government's target for 300,000 charging points by 2030 - triple the number in 2021.

Upkeep | Average Score: 60 (Q3: 65)

EVs continue to compare favourably with petrol vehicles on upkeep and maintenance, despite seasonal impacts of cold weather on EV out of charge rates.

In **breakdown incidents**, EVs remain are more likely to be fixed at the roadside.

- 88% (Q3: 88%) of EV callouts were fixed at the roadside, compared with 85% (Q3: 85%) of petrol vehicles.

The **'Out of Charge'** call out rate for EVs saw a marginal increase in Q4, reflecting seasonal impact of cold weather spikes. However, the rate remains significantly below historic averages, as 'range anxiety' recedes as a major obstacle.

- Running out of charge accounted for 1.7% (Q3: 1.3%) of all call outs, compared with 8.3% in 2015.

Costs Average = 50 (+7)

Charging Average = 40 (+0)

Upkeep Average = 60 (-5)

UK EV Readiness Index Q4 2025 Dashboard

The Index monitors eight critical factors that influence UK drivers' decisions to switch to EVs. The scores are combined to form an overall "UK EV Readiness Rating", which offers a snapshot of how practical and appealing EV ownership is for drivers today.

Upfront costs

- New EV Prices (vs petrol): 30
- Used EV Prices (vs petrol): 50
- Cost of EV Insurance (vs petrol): 70

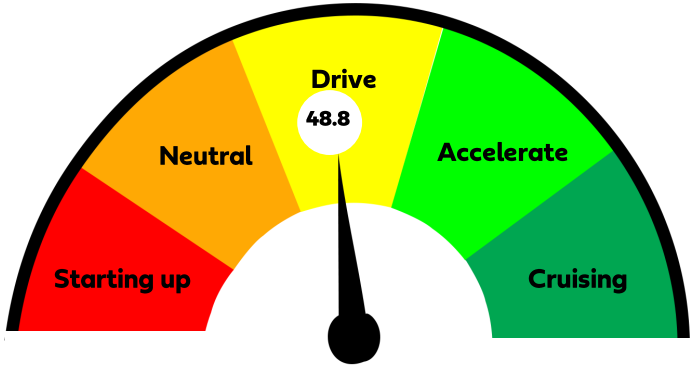
Charging

- Cost of EV Home Charging (incl. installation): 50
- Cost of EV Public Charging (vs petrol): 40
- Access to Charging (vs target): 30

Upkeep

- Out of Charge (% of EVs out of charge): 50
- Roadside EV Repair Rate (vs petrol): 70

UK EV Readiness Rating



Switching to an EV is favourable for some drivers, but conditions need to improve for mass adoption

Rating	0-20	21-40	41-60	61-80	81-100
Scoring Criteria	Barriers are too high for drivers	EV factors are unfavourable for the majority drivers	EV factors are clearly favourable for some drivers	Parity between EV and petrol ownership	There are clear and significant advantages to EV ownership

Quarterly Insight

Since our last Index, the impact of the Electric Car Grant, as well as a range of supportive EV policies, have helped increase the attractiveness of EVs. However, the timing of the pay-per-mile (e-VED) announcement at the Autumn Budget highlights the risk of mixed messaging slowing the EV transition in 2026.

Positive steps for EV demand

Encouragingly for drivers, a range of measures aimed at mitigating cost and charging concerns were announced over the last three months, including:

Upfront Costs

- £1.3bn funding committed to electric car grants through 2026-27, with over 40 models now available for discounts providing important stimulus for new EV demand.
- From April 2026, the Expensive Car Supplement threshold for EVs will increase from £40k to £50k, reducing annual road tax for premium EVs by c. £410 per year.
- Electric car salary sacrifice schemes were unaffected by the Autumn Budget, preserving an important demand driver for non-fleet new EV purchases.

Access to Charging

- £200m funding committed for charging infrastructure expansion, which remains a long-standing area of concern for prospective EV buyers.
- Proposed reforms to remove planning permission to install cross pavement charging gullies, helping lower charging costs for drivers without access to off-street parking.
- EV charge points will receive 100% business rates relief to 2035, providing stability for operators.

e-VED: mixed messages driving uncertainty

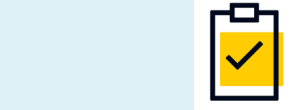
Whilst The AA has always accepted that EV drivers would have to pay their way, the timing of the e-VED announcement at the Autumn Budget risks undermining confidence in the EV transition. Drivers who had been encouraged by clear purchase incentives are now questioning the long-term value of switching.

As a result of the e-VED, the OBR estimates 440k fewer EV sales to 2030-1, of which 320k will be offset by other incentives. Importantly, this highlights the range of factors and complicated cost analysis informing drivers' decision to switch to electric.

Although the proposed model is simple, uncertainty around implementation will further impact driver confidence. The AA is ready to work with the Government to support the delivery of a fair scheme for drivers, including use of its Connected Car proposition to minimise inconvenience for drivers.

Launching the inaugural EV Index in September, The AA highlighted driver uncertainty as a key barrier to adoption. Despite notable policies supporting driver demand, confidence remains fragile. Clear and consistent messaging is essential if drivers are to feel confident in the long-term value of switching to an EV.

AA research



38% say even with the grant, it is too expensive to buy a new EV

24% say they will never buy an EV

20% say they only buy used cars, so the grant doesn't help

5% say the grant is making them consider an EV

1% say they were already buying an EV

The AA conducted an online survey with Yonder, which received 14,915 responses from AA members between the 12th and 20th August 2025. Yonder is a member of the British Polling Council and abides by its rules.

Appendix

The AA's UK EV Readiness Index provides a 1–100 score across eight factors which capture the real-world conditions influencing driver readiness for the switch to EVs. The scores reflects how close the UK is to an optimal environment for EV adoption, with 1 denoting that barriers remain too high for all drivers, and 100 indicating that there are clear and significant advantages to owning an EV.

Factors

1. New Car Prices

Although the majority of new EVs are purchased by fleet operators, the price of new EVs is an important indicator of broader trends in the technological maturity, manufacturing scale and market competitiveness of EVs. Lower entry prices also accelerate the flow of EVs into the second-hand market, which is an important driver of mass adoption. The Index uses OTR prices from OEM websites to compare the cost of EV and petrol variants across four models: Vauxhall Corsa, Hyundai KONA, Audi Q3/Q4 and Mercedes GLB / EQB.* The Index excludes manufacturer deals and includes discounts available through the Government's Electric Car Grant, where applicable.

2. Used Car Prices

Most car sales in the UK are for used cars. Consumers tell us that price parity is of importance to them, so tracking the cost of used EVs is beneficial for drivers. The Index uses proprietary data from AA Cars to compare the cost of used EV and petrol variants across four models: Vauxhall Corsa, Hyundai KONA, Audi Q3/Q4 and Mercedes GLB / EQB.

3. Cost of Insurance

Insuring a car is a legal requirement, but drivers are concerned about the 'on the road' costs of driving, including higher insurance premiums. The Index compares the average insurance premium price for electric vehicles and petrol cars across the quarter, using quotes via The AA's insurance broker service for The AA Silver motor insurance cover.

4. Cost of Home Charging

Drivers want to know how much it will cost them to 'refill' their cars and what is the most economic way to do so. Cost of Home Charging compares the cost of refuelling a petrol vehicle with the cost of charging an EV at home at the Ofgem energy price cap, across the four models in the Index. It also accounts for the cost of home charger installation, spread across a 12-month period.

5. Cost of Public Charging

Cost of Public Charging compares the cost of refuelling a petrol vehicle with the cost of charging an EV at an ultra-rapid charging station, across the four models in the Index.

6. Access to Charging

The Government has set a 'soft' target of 300,000 publicly available chargers by 2030. For drivers, having the ability to charge wherever they are on their journey is important, therefore tracking the progress of the public charging network is crucial to understand prospective adoption. The Index tracks the number of publicly available charge points as a percentage of the UK government's target.

7. Out of Charge

Drivers want to be able to get to their destinations as simply as possible. The Index uses a rolling 12-month average of AA breakdown data to track the number of jobs where an EV has run out of charge.

8. Roadside Repair Rate

The likelihood that a vehicle can be fixed at the roadside is an important indicator for drivers: high roadside repair rates improve confidence in vehicle reliability and reduce disruption and cost. The Index uses a rolling 12-month average of data from The AA's Roadside Service (RSS) to calculate a score from the difference between EV and petrol roadside repair rates.

Rating	Scoring Criteria
0-20	Barriers are too high for drivers
21-40	EV factors are unfavourable for the majority drivers
41-60	EV factors are clearly favourable for some drivers
61-80	Parity between EV and petrol ownership
81-100	There are clear and significant advantages to EV ownership

The four models were selected to offer practical, real-world reference point for UK drivers. This enables like-for-like assessments, mitigating variables introduced by differing vehicle classes or specifications. The AA will review its benchmark vehicle selection every six months to ensure the Index continues to reflect the most appropriate and representative model for tracking the UK's EV transition.

Always
Ahead