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Brits overestimate cost of electric cars by £5,000

- Drivers think the cheapest new EV costs around £20,000 – but entry models start at £14,995
- Home charging costs just £12/month – less than half the £30 most expect & cheaper than Netflix
- Lloyds' research shows widespread misconceptions about EV costs and benefits are slowing the UK's shift to cleaner transport

Most UK drivers overestimate the cost of buying an electric vehicle (EV) by around £5,000, according to new research from Lloyds.

The Plugging Into the Future report from Lloyds and Frontier Economics reveals that there are a series of misconceptions among drivers when it comes to the cost, benefits and convenience of EVs, delaying the UK's shift to cleaner transport.

The study, which is based on a YouGov survey of 2,187 UK drivers who have bought a car in the past two years, found that the average driver believes the cheapest new five-seater battery electric vehicle (BEV) costs £20,000. In reality, the entry-level Dacia Spring is priced at just £14,995 – a full 25% less.

Less than 15% of drivers correctly placed the cost of the cheapest BEV in the £10–15k bracket. This suggests that over eight in 10 (85%) drivers may have outdated views on EVs, with the average purchase price falling by 24% in the period between September 2023 and July 2025, according to Auto Trader data.

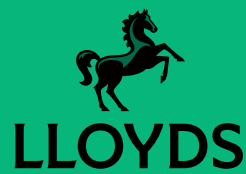
Lower running costs for EVs

Alongside falling upfront costs, EVs are much cheaper to run compared to petrol or diesel cars. Lloyds' own data, based on the biggest fleet in the UK (348,000 vehicles), shows that EVs can be up to 49% cheaper to maintain over a four-year period.

Additionally, charging a typical five-seater BEV at home overnight for an average annual mileage of 7,000 -7,500 costs £12 per month – less than a standard Netflix subscription – compared with £92 per month in petrol at current fuel prices. Even with the Government's proposed changes to 'pay per mile' and fuel duty announced as part of the budget – annual savings for BEVs could still reach £780.

Lloyds has compared drivers' perceptions of EVs to the reality, showing that they are a lot cheaper

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and more convenient than many people think.

	Drivers' perception	The reality
Price of the cheapest new EV	£20,000	£14,995
Cost of charging a BEV at home overnight	£30	£12
Amount of time it takes to charge a BEV to 80% (using an ultra-rapid charger)	60 minutes	32 minutes
BEV battery lifespan	Eight years	18 years
Proportion of motorway service stations that have EV chargers	70%	97%

Nick Williams, Managing Director Transport at Lloyds Banking Group, said: “There’s a stubborn myth that electric cars are out of reach for ordinary families, but in many cases that’s just not true. Entry-level battery electric vehicles are already on the market for under £15,000 – cheaper than many petrol models, especially when you consider the lower running costs for electric vehicles (EV) too. It is vital that we tackle these myths to ensure drivers understand the benefits of EVs and consider making the switch, reducing emissions and helping the UK to meet its Net Zero targets.

“This research serves to highlight how important building public awareness of the benefits of going electric is – especially as we wait to see the impacts on EV adoption following the Autumn Budget. Industry and government must work together to give households the confidence to make the switch.”

The report concludes that, while BEV adoption is rising, misconceptions remain a bigger barrier than infrastructure – by improving understanding now, we can help ensure households that are ready to make the switch benefit as options become more affordable and widely available.

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Notes to editors

The information in this release is intended for the sole use of journalists and media professionals. It has been prepared from information that we believe is collated with care, but it is only intended to highlight issues and it is not intended to be comprehensive.

About Lloyds Banking Group Transport

Lloyds Banking Group currently funds more than 1.1 million vehicles across its Transport brands; Tusker, Lex Autolease and Black Horse. As part of the Group's commitment to sustainability, it is working hard to help businesses and individual drivers transition towards a zero-emission future, and both businesses have long track records of winning industry and customer awards for their propositions and services.

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