# London’s van scrappage scheme falls short as just 2% switch to electric vehicles



Small businesses in London face significant financial and operational challenges in transitioning from diesel vans to electric vehicles (EVs), despite concerted efforts by Transport for London (TfL) to encourage cleaner transport options. Diesel vans, which remain prevalent among small firms, are notable contributors to Nitrogen Dioxide emissions, a harmful pollutant. Although TfL’s £122 million van scrappage scheme has been welcomed as a step forward, the low rate of electric vehicle adoption underscores the magnitude of these barriers. Recent polling indicates that 67% of Londoners believe small businesses need more support to switch to EVs, reflecting public awareness of the difficulties faced by firms in this transition.

TfL announced plans to wind down its Ultra Low Emission Zone (ULEZ) scrappage scheme, which has invested over £186 million to assist almost 54,000 applicants in upgrading to less polluting vehicles. The scheme, launched in January 2023, aimed to help Londoners, businesses, and charities replace non-compliant vehicles ahead of the ULEZ expansion. TfL has urged remaining eligible applicants to apply before the 7 September 2024 deadline. Any applications received by this date will be guaranteed to be processed, marking a final opportunity for financial assistance.

Despite this substantial funding and the scheme’s broad reach, uptake of electric vans remains strikingly low. Data analysis by multiple campaign groups, including Clean Cities and Transport & Environment, reveals that only around 2% of vans scrapped under the scheme were replaced with electric vehicles. Out of 16,579 approved applications from January 2023 to May 2024, only 372 vans were substituted with EVs. This suggests that while the scrappage payments have facilitated the removal of polluting vehicles, they have fallen short in incentivising an electric switch for small businesses.

The Mayor’s office has highlighted that recipients of the scrappage grant are not obligated to purchase electric vehicles, allowing businesses discretion in how they use the funds. This flexibility might contribute to the low replacement rate with EVs, especially as small firms weigh the upfront costs and operational challenges associated with electric vans. Increased scrappage payments and grants for electric replacements have not yet proved sufficient to overcome these hurdles. The data raise important questions about the effectiveness of current policies in fostering a rapid and widespread adoption of electric vehicles in the van sector, particularly among small and micro businesses.

The findings point to a pressing need for enhanced support measures, tailored financing options, and possibly stricter regulatory incentives to accelerate the green transition. Without such reforms, the goal of cleaner air through electric transport in London risks being undermined, given the continuing reliance on diesel vans which contribute heavily to urban pollution.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.standard.co.uk/business/the-mayors-new-congestion-charge-for-ev-vans-is-a-penalty-for-going-green-b1238415.html)
* Paragraph 2 – [[2]](https://tfl.gov.uk/info-for/media/press-releases/2024/august/tfl-calls-for-final-scrappage-scheme-applications-as-scheme-planned-to-wind-down)
* Paragraph 3 – [[3]](https://www.interchange-uk.com/news/only-2-of-londons-ulez-scrapped-vans-replaced-by-evs), [[4]](https://www.fleetnews.co.uk/news/van-scrappge-scheme-failing-to-deliver-electric-switch), [[5]](https://www.cityam.com/ulez-only-two-per-cent-of-scrappage-scheme-vans-replaced-by-electric/), [[6]](https://cleancitiescampaign.org/mayors-100-million-ulez-scrappage-scheme-fails-to-fuel-electric-van-surge/), [[7]](https://www.standard.co.uk/news/transport/ulez-vans-scrappage-scheme-electric-vehicles-mayor-london-ultra-low-emission-zone-b1166920.html)

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.standard.co.uk/business/the-mayors-new-congestion-charge-for-ev-vans-is-a-penalty-for-going-green-b1238415.html> - Please view link - unable to able to access data
2. <https://tfl.gov.uk/info-for/media/press-releases/2024/august/tfl-calls-for-final-scrappage-scheme-applications-as-scheme-planned-to-wind-down> - Transport for London (TfL) announced the planned closure of its Ultra Low Emission Zone (ULEZ) scrappage scheme, which has committed over £186 million to support nearly 54,000 applicants in transitioning to cleaner vehicles. The scheme, launched in January 2023, aimed to help Londoners, businesses, and charities replace non-compliant vehicles ahead of the ULEZ expansion. TfL urged remaining eligible individuals to submit applications by 7 September 2024, with any application made before this deadline guaranteed to be processed.
3. <https://www.interchange-uk.com/news/only-2-of-londons-ulez-scrapped-vans-replaced-by-evs> - Data from campaign groups Clean Cities and Transport & Environment revealed that only 2% of vans scrapped under London's ULEZ scrappage scheme were replaced with electric vehicles. Despite TfL offering over £100 million in funding to support businesses, of the 16,579 approved applications to scrap a petrol or diesel van between January 2023 and May 2024, only 372 were replaced with an electric vehicle. This highlights the challenges small businesses face in transitioning to electric vehicles.
4. <https://www.fleetnews.co.uk/news/van-scrappge-scheme-failing-to-deliver-electric-switch> - Analysis of figures from Transport for London (TfL) by campaigners Clean Cities shows that only 2% of vans scrapped under the Ultra Low Emission Zone (ULEZ) scrappage scheme were replaced with electric vehicles. Despite increased scrappage payments and grants for electric replacements, the uptake remains low. The Mayor's office stated that recipients of the scrappage grant are not required to spend the money on electric vehicles, which may contribute to the low replacement rate.
5. <https://www.cityam.com/ulez-only-two-per-cent-of-scrappage-scheme-vans-replaced-by-electric/> - Analysis from campaigners Clean Cities found that only 2% of polluting vans scrapped under the ULEZ scrappage scheme were replaced with electric models, despite TfL pledging over £100 million to businesses. Of the 16,207 approved applications to scrap a petrol or diesel van between January 2023 and May 2024, only 372 were replaced with an electric vehicle. This raises concerns about the effectiveness of the scheme in promoting the adoption of electric vehicles among small businesses.
6. <https://cleancitiescampaign.org/mayors-100-million-ulez-scrappage-scheme-fails-to-fuel-electric-van-surge/> - New data revealed that only 2% of polluting vans scrapped under the ULEZ scrappage scheme have been switched to electric vehicles, despite Transport for London (TfL) committing over £100 million in funding to businesses. Of the 16,579 approved applications to scrap a petrol or diesel van between January 2023 and May 2024, only 372 were replaced with an electric vehicle. This highlights the need for enhanced support and policy reform to encourage the adoption of electric vans.
7. <https://www.standard.co.uk/news/transport/ulez-vans-scrappage-scheme-electric-vehicles-mayor-london-ultra-low-emission-zone-b1166920.html> - Data published by Transport for London (TfL) shows that out of 16,965 successful applications to scrap non-compliant vans by the end of May 2024, just 372 were replaced with electric vehicles. The Mayor's office stated that the scrappage scheme does not require vehicles to be replaced only with electric alternatives, and that Londoners can choose how to spend the money. This raises questions about the effectiveness of the scheme in promoting the adoption of electric vehicles among small businesses.