

## COMPARING PLUG-IN CAR COSTS WITH DIESEL

	Volkswagen Golf GTE 5dr	Volkswagen Golf GTD DSG 5dr
P11D	£30,580	£29,080
Plug-in car grant (PICG)	£2,500	n/a
Residual value (48m/40,000 miles)	£10,175	£10,400
Depreciation from P11D	51.01ppm/£20,405	46.70ppm/£18,680
Depreciation including PICG	44.76ppm/£17,905	n/a
Fuel	7.97ppm/£3,188	9.12ppm/£3,648
SMR	4.19ppm/£1,676	4.44ppm/£1,776
Running cost	56.92ppm/£22,768	60.26ppm/£24,104
CO2 emissions (g/km)	38	129
BIK tax band 17-18/18-19/19-20	9%/13%/16%	27%/29%/32%
Three-year BIK tax charge (20%/40%)	£3,253/£6,506	£5,118/£10,236
Three-year Class 1A NI charge	£1,604	£3,531
Three-year VED*	£260	£440

	BMW i3	BMW 120d Sport auto 5dr
P11D	£33,015	£28,375
Plug-in car grant (PICG)	£4,500	n/a
Residual value (48m/40,000 miles)	£8,600	£9,675
Depreciation from P11D	61.04ppm/£24,416	46.75ppm/£18,700
Depreciation including PICG	49.79ppm/£19,916	n/a
Fuel	3.12ppm/£1,248	7.62ppm/£3,048
SMR	2.35ppm/£940	3.85ppm/£1,540
Running cost	55.26ppm/£22,104	58.22ppm/£23,288
CO2 emissions (g/km)	0	109
BIK tax band 17-18/18-19/19-20	9%/13%/16%	23%/25%/28%
Three-year BIK tax charge (20%/40%)	£2,509/£5,017	£4,313/£8,626
Three-year Class 1A NI charge	£1,731	£2,976
Three-year VED*	£0	£420

	Mercedes-Benz E 350e AMG Line	Mercedes-Benz E 350d AMG Line
P11D	£47,995	£46,800
Plug-in car grant (PICG)	£2,500	n/a
Residual value (48m/40,000 miles)	£17,850	£18,275
Depreciation from P11D	75.36ppm/£30,144	71.31ppm/£28,524
Depreciation including PICG	69.11ppm/£27,644	n/a
Fuel	9.48ppm/£3,792	10.98ppm/£4,392
SMR	7.90ppm/£3,160	7.24ppm/£2,896
Running cost	86.49ppm/£34,596	89.53ppm/£35,812
CO2 emissions (g/km)	57	153
BIK tax band 17-18/18-19/19-20	13%/15%/18%	32%/34%/37%
Three-year BIK tax charge (20%/40%)	£4,416/£8,832	£9,642/£19,284
Three-year Class 1A NI charge	£3,046	£6,673
Three-year VED*	£895	£1,400

\* VED based on 2017 values

Plug-in hybrids and fully electric vehicles are still only cost-effective in certain roles, but their appeal compared to conventional fuel alternatives continues to grow, as our examples show.

Plug-ins are more suited to urban areas with lower annual mileage than vehicles spending much of their time on motorways.

Using running cost figures on the *Fleet News* website, and taking account of the plug-in car grant to adjust the depreciation cost based on the transaction price, a number of plug-in cars offer lower running costs over four years/40,000 miles.

Also, projected benefit-in-kind (BIK) tax rates over the next three years suggest plug-ins are also more appealing for drivers to minimise tax liability.

The GTD, the Golf's best-selling derivative in the UK, has similar performance to the plug-in hybrid GTE. But the GTE, which qualifies for a £2,500 grant, is projected to offer a £1,300 saving in running cost over four years, as well as a saving in employers' National Insurance (NI) contributions of around £1,900 over the next three years – the current extent of NEDC CO2 emissions and BIK tax bands.

The BMW i3 has a P11D value almost £5,000 higher than a BMW 120d Sport auto. However, the effect of a £4,500 plug-in car grant on depreciation, combined with the lower charging costs of a pure electric car compared with fuelling the 1 Series with diesel, as well as lower servicing costs, give the i3 a saving of around £1,100 in running costs over four years/40,000 miles.

NI savings for employers amount to around £1,200 over three years, while there is zero VED to pay in that period compared with £420 for the 120d.

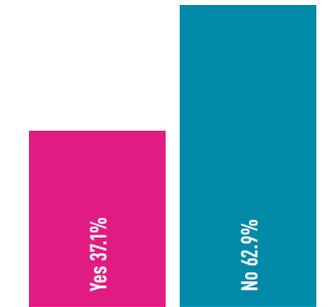
CO2 emissions on the E 350e top 50g/km but it qualifies for the plug-in grant because its range exceeds 20 miles and it costs less than £60,000.

A running cost saving of £1,200 over a similarly specified diesel E 350d over four years/40,000 miles is boosted by a £505 projected advantage in VED, while employers' NI contributions are £3,600 for the plug-in car. BIK charges for the driver are around half as much as for the diesel over the next three years.

## FLEET FACTS AND FIGURES

### OPINION POLL

Do you think banning the sale of new 'conventional' diesel and petrol cars and vans by 2040 is a good idea?



### FleetNews view:

Our poll shows that almost two-thirds of respondents were not impressed with the Government's air quality announcement. However, the devil was in the detail, with the Government acknowledging that hybrid engines using either fossil fuel will still be allowed. Considering the increasing availability, and popularity, of hybrid technology, we believe fleets will already have made the switch by 2040.

This week's poll: What will your next company car be?  
[fleetnews.co.uk/polls](http://fleetnews.co.uk/polls)

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