**SMMT NEW CAR REGISTRATIONS**

4 October 2024 (data for September 2024)  
**High-res charts and data available via Dropbox:** [**https://www.dropbox.com/scl/fo/q8ghj4rdy0modtss4j9dg/ABkIBr82Xat8nFca8epuipg?rlkey=vycz12zdhupm2exbq7h14uyl8&st=1yc53jpu&dl=0**](https://www.dropbox.com/scl/fo/q8ghj4rdy0modtss4j9dg/ABkIBr82Xat8nFca8epuipg?rlkey=vycz12zdhupm2exbq7h14uyl8&st=1yc53jpu&dl=0)

**Unprecedented EV discounting shores up September new car market**

* New car market up 1.0% to 275,239 units in key ‘74’ plate change month of September as heavy EV discounting shores up demand.
* Record 56,387 BEV registrations in September, driven by massive manufacturer discounting, pushes YTD market share to 17.8%, with 18.5% forecast by year end – still below the zero emission vehicle mandate.
* [SMMT and major vehicle manufacturers write to Chancellor](https://www.smmt.co.uk/wp-content/uploads/UK-Auto-Open-letter-to-the-Chancellor-ZEV-incentives-call.pdf) calling for urgent consumer support as growth in private buyer demand for diesel outstrips EVs in September.

**Friday 4 October, 2024**The UK new car market rose 1.0% in the key ‘74’ plate change month of September, to 275,239 units, according to the latest figures from the Society of Motor Manufacturers and Traders (SMMT). In what is traditionally a bumper month for new car registrations, second only to March, the performance was the best since 2020, but still -19.8% off pre-Covid September 2019.1

Growth was driven by fleet purchases, up 3.7% to 149,095 units and representing 54.2% of the overall market. Private consumer demand fell, by -1.8% to 120,272 units, accounting for 43.7% of registrations, while the smaller business sector saw volumes fall -8.4% to 5,872 units.

Uptake of plug-in hybrids (PHEV) grew faster than any other fuel type in the month, up 32.1% to take an 8.9% share of the market. Hybrid electric vehicle (HEV) registrations rose 2.6%, boosting market share to 14.2%, while petrol and diesel registrations declined by -9.3% and -7.1% respectively, although together they were still the choice of 56.4% of buyers in September.

Demand for the latest battery electric vehicles (BEV) hit a new record volume for any month in September, up 24.4% to 56,387 units, achieving a 20.5% share of the overall market, up from 16.6% a year ago. This was not enough, however, to shift market share significantly, which edged up from 17.2% in the first eight months, to 17.8% from January- September. It is expected to reach 18.5% by the end of the year.

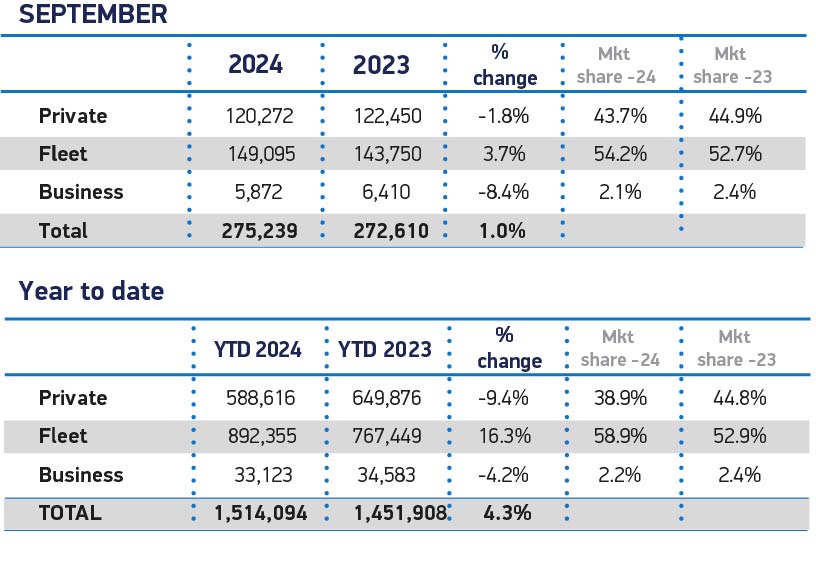
Fleets drove much of this growth, with deliveries rising 36.8% to account for more than three quarters (75.9%) of BEV registrations. Private BEV demand also rose, up 3.6% after unprecedented manufacturer discounting, but this was equivalent to just 410 additional registrations. Consumer demand for diesel grew at a faster rate, increasing 17.1% in September – a volume uplift of 1,367 units.

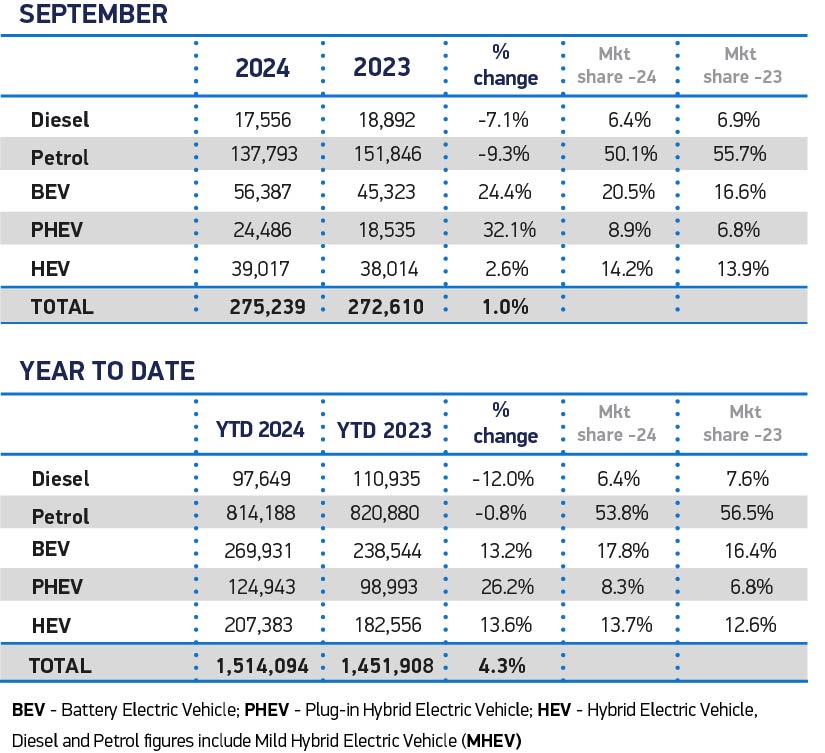
Year-to-date private BEV demand remains down -6.3% – underlining the scale of the challenge involved in moving the mass market to meet the mandated targets that were conceived in very different economic, geopolitical and market conditions. Previous assumptions of a market delivering steady BEV growth, cheaper and plentiful raw materials, affordable energy and low interest rates have not come to fruition, with the upfront cost of BEV models remaining stubbornly high. Added to this is consumers’ lack of confidence in the UK’s charging provision – despite recent investment and growth – which still acts as a barrier to BEV take up.

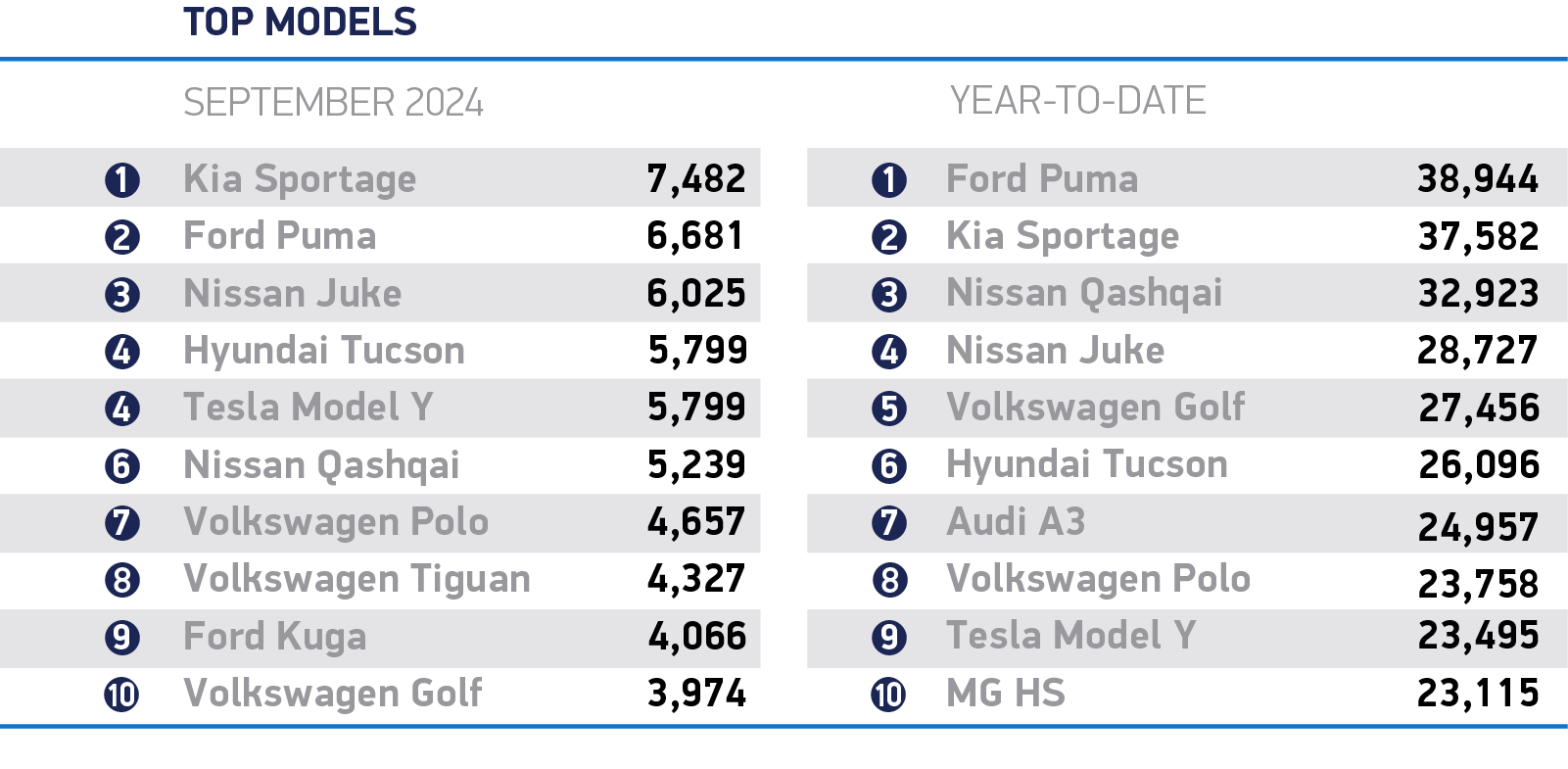
In an effort to offset this underlying paucity of demand, SMMT calculates that manufacturers are on course to spend at least £2 billion on discounting EVs this year.2 Given the many billions already invested to develop and bring these models to market, the situation is untenable and threatens manufacturer and retailer viability. For this reason, [SMMT and 12 major vehicle manufacturers representing more than 75% of the market, have today written to the Chancellor](https://www.smmt.co.uk/wp-content/uploads/UK-Auto-Open-letter-to-the-Chancellor-ZEV-incentives-call.pdf) calling for measures to support consumers and help speed up the pace of the EV transition. These include:

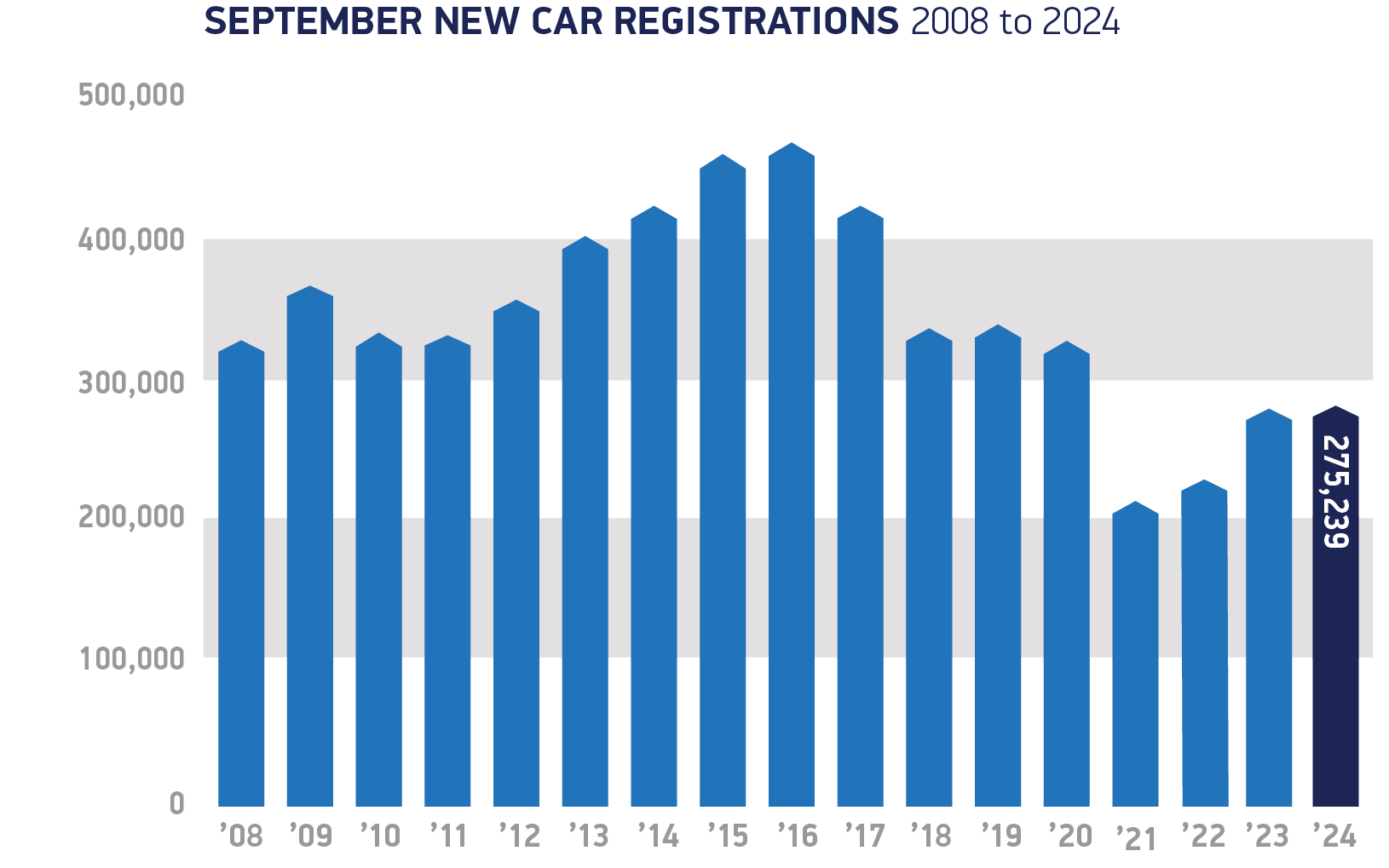
* Temporarily halving VAT on new EV purchases to put more than two million new ZEVs (rather than petrol or diesel) on the road by 20283
* Scrapping the VED ‘expensive car’ tax supplement for ZEVs, due next year, to avoid penalising buyers
* Equalising VAT on public charging to match the 5% home charging rate, and mandating infrastructure targets to support those who cannot charge at home
* Maintaining and extending the business incentives that are working, including Benefit in Kind which supports company cars and those on salary sacrifice schemes, and the important Plug-in Van Grant

**Mike Hawes, SMMT Chief Executive,** said, “September’s record EV performance is good news, but look under the bonnet and there are serious concerns as the market is not growing quickly enough to meet mandated targets. Despite manufacturers spending billions on both product and market support – support that the industry cannot sustain indefinitely – market weakness is putting environmental ambitions at risk and jeopardising future investment. While we appreciate the pressures on the public purse, the Chancellor must use the forthcoming Budget to introduce bold measures on consumer support and infrastructure to get the transition back on track, and with it the economic growth and environmental benefits we all crave.”









**Notes to editors**

1 343,255 registrations September 2019

2 £2 billion based on average discount reported by Auto Trader on BEVs in September of 12.1% as proportion of average retail price of a new BEV (£49,600, based on JATO data) multiplied by SMMT’s full year BEV market outlook of 364,000 units. To note this does not include finance offers or incentives given to large fleets

3 SMMT calculations

**About SMMT and the UK automotive industry**  
The Society of Motor Manufacturers and Traders (SMMT) is one of the largest and most influential trade associations, representing the automotive industry in the UK.

The automotive industry is a vital part of the UK economy, integral to growth, the delivery of net zero and the UK as a global trade hub. It contributes £93 billion turnover and £22 billion value added to the UK economy, and invests around £4 billion each year in R&D. With 198,000 people employed directly in manufacturing and some 813,000 across the wider automotive industry. Many of these automotive manufacturing jobs are outside London and the South-East, with wages that are around 13% higher than the UK average. The sector accounts for 12% of total UK exports of goods with more than 140 countries importing UK produced vehicles, generating £115 billion of trade in total automotive imports and exports.

The UK manufactures almost every type of vehicle, from cars, to vans, taxis, trucks, buses and coaches, as well as specialist and off-highway vehicles, supported by more than 2,500 component providers and some of the world's most skilled engineers. In addition, the sector has vibrant aftermarket and remanufacturing industries. The automotive industry also supports jobs in other key sectors – including advertising, chemicals, finance, logistics and steel.

More detail on UK Automotive available in SMMT's Motor Industry Facts publication at [www.smmt.co.uk/reports/smmt-motor-industry-facts/](http://www.smmt.co.uk/reports/smmt-motor-industry-facts/)

**Broadcasters:** SMMT has an ISDN studio and access to expert spokespeople, case studies and regional representatives.

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