



The Rt Hon Hilary Benn MP

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**Lord Carlile of Berriew CBE KC,
Chair, Northern Ireland Scrutiny Committee**
House of Lords
London
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Via Email: hlniscrutiny@parliament.uk

10 February 2026

Our reference: MC/26/94

Dear Alex,

Following your original letter of 15 May 2025, in regard to the issues being faced by the NI motor industry, you have asked for a further update from the Government.

Consumers in Northern Ireland should have the same choice of new vehicles as those in Great Britain, and dealerships should be able to operate on the same basis as those in Great Britain.

Whilst it has been very clear from the outset that there are no technical impediments to manufacturers dual-approving a single vehicle, in light of growing concerns from the NI car industry, the Government is taking action.

We intend to legislate to mandate that vehicles placed on the market in Great Britain must hold dual GB and EU type approvals and markings, in order to enable their sale in both Great Britain and Northern Ireland. A Written Ministerial Statement was published on 18 December 2025 to this effect. This step will address the problem where a small number of manufacturers have been approving and marking vehicles separately for GB and NI, resulting in reduced choice for NI consumers and commercial challenges for NI dealerships.

As part of this decision, the Department for Transport has published a call for evidence to understand why some manufacturers have chosen not to dual approve

and to understand any other options to address the current challenges being faced with regard to dual-approving vehicles. This call for evidence will be open until 12 February 2026 and will ensure Government and industry can work together in protecting the UK's car market.

This follows from the Budget announcement that the Government is introducing a temporary easement to mitigate the increasing benefit in kind tax of plug-in hybrid electric vehicle (PHEV) company cars resulting from new emission standards, applied retrospectively from 1 January 2025 to 5 April 2028. In a statement to Parliament on 21 July, the Government communicated that this taxation easement would be introduced subject to consultation outcomes on Euro 6e emissions standards for cars and vans.

However, having worked closely with the Department for Transport and His Majesty's Treasury, I can confirm the easement will apply to Northern Ireland irrespective of consultation outcomes for Great Britain. This will have the effect of reducing the value of the benefit in kind charge that applies, to ensure consistency with the tax rate applied in Great Britain.

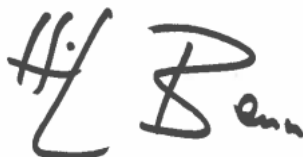
In addition, as part of the Government's Road Safety Strategy announced on 7 January, the Government has commenced consultation on adopting new safety technologies that the EU has recently agreed to strengthen mandatory safety requirements.

All of these decisions build on the Government's confirmation to manufacturers that it intends to align requirements and ensure consistency between the GB and EU type approval schemes. This in itself will have provided manufacturers with the confidence needed to design a single model for the whole of the UK market, but the Government's intention to legislate to mandate dual marking reinforces the message that Northern Ireland consumers must have access to the same vehicles and models available in Great Britain.

Altogether, the Government believes that these measures will lead to a more effective single UK market for vehicles, by maintaining consumer choice as well as business flexibility in how car dealers source and supply vehicles. Most importantly, this underlines that the Government is serious about reducing barriers for businesses and protecting Northern Ireland's car market.

I hope this is helpful.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'H. Benn', written in a cursive style.

**THE RT HON HILARY BENN MP
SECRETARY OF STATE FOR NORTHERN IRELAND**