

Energy Saving Trust Low Carbon Transport Loan (Used Electric Vehicle Business) 2022/23

Eligibility Criteria

The Low Carbon Transport Loan (Used Electric Vehicle) for business is funded by Transport Scotland and managed by Energy Saving Trust, with the support of Home Energy Scotland advice centres. The scheme is open to businesses (of all sizes) and other organisations in Scotland, including not-for-profits and charities. Organisations operating primarily in agriculture, coal and fisheries sectors do not automatically qualify. Additionally, public sector bodies that are funded by the Scottish Government or one of their agencies do not automatically qualify and will be considered on a case-by-case basis. To be eligible for funding, please consider the following criteria:

- Your organisation must be based in Scotland, or you must be able to demonstrate that your organisation currently and actively operates in Scotland. You must also demonstrate that your employees working in Scotland will benefit from the implementation of the used electric vehicle(s).
- Your organisation must have been trading or operational for at least 12 months.
- Loans are only available and can only be used for the purchase of used electric vehicle(s), which can include cars, vans, mopeds and motorcycles.
- The total funding available to your organisation is as follows:
 - For limited companies, a maximum of £90,000 (unless otherwise agreed in writing by us).

- For sole trader or partnership, a maximum of £75,000 (unless otherwise agreed in writing by us).

This means that multiple applications can be made (subject to availability of funds), but an organisation cannot owe us more than the total funding amount at any time.

- The loan can support the purchase of a used electric:
 - Car – maximum list price capped at £30,000. *
 - Van – maximum list price capped at £30,000. *
 - Moped – maximum list price capped at £5,000. *
 - Motorcycle – maximum list price capped at £5,000. *

*Price caps are inclusive of VAT.

- The loan value only covers the cost of purchasing the basic, standard-specification of the used electric vehicle(s); it does not cover delivery costs, optional extras, upgrades or other non-standard changes made to the vehicle(s) (whether during or after manufacture).
- The loan can support the purchase of an electric ex-demonstrator vehicle, only if the vehicle has over 1,000 miles and is more than 6 months old.
- Except for an initial deposit, your organisation must not purchase or take ownership of the used electric vehicle(s) prior to receipt of the loan offer. Your application will be rejected if you fail to comply.
- The used electric vehicle(s) must be purchased from a dealership. The dealerships that are acceptable are as follows:
 - A traditional brick and mortar dealership based in the UK where their sales are conducted in-person, as well as through their online platforms. This dealership must be accredited by the [Motor Ombudsman](#) or be part of a trade association signed up to the

National Conciliation Service ([National Franchised Dealers Association](#), [Independent Garage Association/Trust My Garage](#), [Scottish Motor Trade Association](#), [National Motorcycle Dealers Association](#), [Motorcycle Industry Association](#), [Retail Motor Industry Federation](#)).

- A dealership operating solely online. This dealership must have an up-to-date online presence, own the vehicles for sale and have reputable customer support services, as well as robust warranty procedures in place. Additionally, this dealership must transparently outline, at the very least, a vehicle's age, battery capacity, mileage and the interior and exterior condition of the vehicle(s) on any sale document(s) provided.
- Your organisation must be able to repay the loan and thus be in good financial standing. We are supplied with your credit score and credit information by credit reference agencies at submission of the application. If you are requesting £75,000 or more of funding, you must also provide us with a full year of financial accounts.
- The maximum repayment period is five years; however, where the payback is likely to be less than five years or, where we otherwise determine a shorter repayment period is appropriate in all circumstances, then a shorter repayment period will be set.
- Our loans cannot be used to pay off another finance or loan agreement. You must indicate how you are paying for the rest of the used electric vehicle(s), if not fully covered by the funding from our loan. If you intend to purchase the used electric vehicle(s) with our loan alongside a finance agreement, you must confirm:
 - the type and the duration of the finance agreement(s);
 - the identity of the person with whom you have entered or will enter into the finance agreement(s) (i.e., the provider of the finance); and

- the finance will be applied directly towards the cost of purchasing and thus owning the vehicle.
- You must also provide a copy of the finance agreement(s) which have been or will be entered into by you.

We reserve the right to require that for any loan offered, the repayment period matches the duration of the relevant finance agreement(s), subject to the maximum repayment period of five years.

- The favourable terms of the loan (including interest forgone) may constitute a public subsidy in terms of the laws, regulations, rules and guidance applying in the UK and/or the UK's international obligations in relation to public subsidies ("Public Subsidies Rules").

The loan is being provided in accordance with Article 3.2(4) of Chapter 3 of Title XI of the Trade and Cooperation Agreement between the European Union and the UK. This allows single economic actors to receive less than 325,000 Special Drawings Rights (approximately £344,600) ("the Value Threshold") of public subsidies over any three-year fiscal period without the subsidy having to comply with the other provisions set out in that Chapter.

Your organisation must be eligible to receive the loan in accordance with the Value Threshold and we may be required to withhold payment of, or reclaim all or any part of the loan from you, to the extent necessary to ensure that the loan, either on its own or when taken together with any other financial assistance given or to be given to you by us or any third party, complies with the Public Subsidies Rules.

- Where the applicant is a limited company, partnership or charitable trust, your organisation (according to its constitutional documents and any applicable laws) must have the power to enter into a loan agreement with us, governing the receipt and repayment of a loan under the scheme.
- Your organisation must have regular, day-to-day access to a domestic, workplace or ChargePlace Scotland publicly accessible charge point

located in Scotland. If your organisation does not currently have access to a charge point, you must demonstrate the arrangements being made to have one installed in time for the delivery of the used electric vehicle(s), or that you will become a member of the ChargePlace Scotland network before delivery of the vehicle(s). This excludes electric vehicle(s) that do not require a dedicated charge point, such as electric mopeds or motorcycles.

- Applications are to be completed and returned, with supporting documentation, by you. Third party submissions are not accepted, unless otherwise agreed by us.
- Applications can be submitted with:
 - a Fleet Review and/or Vehicle Comparison Report provided by your Sustainable Transport Coordinator
 - quote(s)
- Applications must be submitted with:
 - A full year of financial accounts if you are requesting £75,000 or more of funding