

# Low Emission Zone Retrofit Fund

## Eligibility criteria

To qualify for funding, **all** applicants must meet criteria 1-11.

### The applicant

1. The applicant must meet the definition of a micro business; this includes sole traders. For a business to be defined as a micro business, it needs to be a small business that has:
  - a turnover of £632,000 or less or a balance sheet of £316,000 or less; and
  - nine or fewer full-time equivalent employees

2. The applicant must **not** be VAT registered.
3. The applicant must have owned the vehicle(s) for at least 12 months.

If the applicant has purchased a newer replacement vehicle which fits the criteria (see criteria 10), only in this instance the 12-month ownership does not apply. The applicant must have owned their previous vehicle for 12 months.

4. The Low Emission Zone Retrofit Fund cannot be used in conjunction with Transport Scotland's Switched on Taxi Loan or Low Carbon Transport Loan. This is a standalone fund and the applicant must not apply for the aforementioned funding until six months following grant payment from the Low Emission Zone Retrofit Fund. In addition, the applicant must not have received funding from these programmes six months prior to applying.
5. If the applicant has applied for the Low Emission Zone Support Fund for the disposal of an older vehicle, Energy Saving Trust can only provide funding for a **maximum three vehicles** across both Low Emission Zone Support Fund and Low Emission Zone Retrofit Fund.
6. If installing retrofit exhaust after-treatment systems, the applicant must agree to install telematics hardware and share this data with Energy Saving Trust and

Transport Scotland for a period of three years (light commercial vehicles and taxis) and five years (for heavy goods and refuse collection vehicles).

7. The applicant must **read** and **agree** to the terms and conditions outlined in this document.

**The vehicle(s)**

8. The vehicle(s) must be non-compliant with the current proposed low emission zones standards. Vehicles eligible for funding are:
  - pre-Euro 6 standard for diesel taxis and light commercial vehicles
  - pre-Euro 4 standard for petrol taxis and light commercial vehicles
  - pre-Euro VI standard for heavy diesel vehicles
9. The vehicle(s) must be **one** of the following, and must also have an approved [Clean Vehicle Retrofit Accreditation Scheme \(CVRAS\)](#) retrofit solution available for the exact make and model:
  - wheelchair accessible taxi
  - light commercial vehicles – vehicles designed to carry goods that weigh less than 3.5 tonnes
  - heavy goods vehicles – vehicles designed to carry goods that weigh 3.5 tonnes or more
  - refuse collection vehicles – vehicles specially designed to collect and transport solid waste
10. The vehicle(s) must be no more than 13 years old at the point of application.

If the applicant's vehicle exceeds the maximum age limit, the applicant can replace this with a newly purchased, used vehicle that meets the criteria of the scheme. Only in these circumstances will Energy Saving Trust fund works for vehicles that have not been owned for 12 months (see criteria three). The applicant must have owned their previous vehicle for 12 months. Energy Saving Trust will ask you for evidence.

11. The vehicle(s) must operate at least weekly in one of the four proposed low emission zones – Glasgow, Edinburgh, Aberdeen or Dundee.

## Terms and conditions

1. The applicant can only apply to retrofit a **maximum** of three vehicles.
2. The applicant must ensure they have considered the viability of the retrofit solution, including viewing local refuelling infrastructure availability, prior to submission of their application. Energy Saving Trust has no liability to the applicant in respect of the suitability or viability of the retrofit solution. Energy Saving Trust shall not in any circumstances be liable for loss or damage which arises in relation to the selection by the applicant of any or a particular retrofit solution.
3. The applicant must contact their insurance provider to ensure that the proposed retrofit does not affect their cover.
4. The applicant must operate the retrofitted vehicle for at least three years (for light commercial vehicles and taxis) or five years (for heavy goods and refuse collection vehicles) following the retrofit and the maintenance of the installed equipment according to manufacturer's recommendations for this time period as a minimum.
5. Those installing exhaust treatment solutions must commit to install a telematics system allowing Energy Saving Trust to monitor location, fuel consumption, distances driven, hours operated, daily average and instantaneous nitrous oxide (NOx) emissions and diesel exhaust fluid (eg AdBlue) consumption for each vehicle funded.
  - Operators of wheelchair accessible taxis and light commercial vehicles must commit to providing data for a period of up to three years following installation.
  - Operators of heavy goods vehicle or refuse collection vehicles must commit to providing data for a period of up to five years following installation.
6. The applicant must follow all manufacturer's advice to ensure the retrofit system is performing well and achieving desired emissions standards. The applicant must ensure the vehicle and system is regularly and well-maintained. For retrofit

exhaust after-treatment systems, applicants must maintain recommended levels of diesel exhaust fluid (eg AdBlue) in the vehicles as per manufacturers advice.

7. If it is identified that a retrofitted vehicle is not performing as expected, the applicant will receive guidance from Energy Saving Trust to take steps to improve the vehicle's performance. The applicant must show willing to improve the performance of their vehicle and will be required to provide evidence that steps have been taken. Where performance is not improved and applicants do not show willing to improve this, the applicant will be liable to repay to Energy Saving Trust part of the grant in order that the funding can be returned to the Scottish Government. The amount to be repaid would be proportionate to the length of term of the three- or five-year period following installation remaining from when the performance fault was identified.
8. If condition seven is enforced, Energy Saving Trust reserve the right to report the vehicle performance issues to the Clean Vehicle Retrofit Accreditation Scheme (CVRAS) and your vehicle may be removed from a centralised database of retrofitted vehicles compliant with low emission zone and clean air zone standards in the UK. This could result in the vehicle bring penalised or charged when entering any low emission zone or clean air zone in the UK.
9. The applicant agrees that if the vehicle is sold on, written off or exchanged within the three-year period, they will be liable to repay to Energy Saving Trust part of the grant in order that the funding can be returned to the Scottish Government. The amount to be repaid would be proportionate to the length of term of the three-year period following installation remaining. Applicants should also ensure that their vehicle is adequately insured to cover any grant repayment should the vehicle be written off, damaged or stolen.
10. All information provided on the application and in any subsequent interactions with Energy Saving Trust must be correct and accurate. Failure to do so will result in the rejection of an application and withdrawal of any confirmed funding or required repayment of any funding provided.
11. Funding will also be withdrawn or required to be repaid if the applicant uses the grant other than for the approved purpose; if the applicant breaches any of these terms and conditions or no longer meets any of the eligibility criteria; if the applicant receives duplicate funding from a third party in respect of the approved

purpose of the grant; if the applicant commits any breach of applicable laws (including bribery laws); or if the applicant suffers any event of insolvency, bankruptcy, receivership or administration or is unable to pay its debts.

12. The applicant is responsible for ensuring any quote, invoice or evidence sent to Energy Saving Trust is valid and accurate.
13. The applicant is responsible for their relationship with the CVRAS approved installer and must confirm the installer will provide all necessary information to Energy Saving Trust in order to process the grant payment.

### **Terms and conditions – specific to Taxis**

14. The applicant must contact their local licensing authority to ensure that the proposed retrofit meets their minimum standards. **Local taxi licensing rules and regulations will take precedence over the terms of this grant.**

### **Data protection**

To monitor and administer the Low Emission Zone Retrofit Fund, Energy Saving Trust needs to process the applicant's personal data. This may include passing the applicant's data to Transport Scotland (an agency of the Scottish Government), Audit Scotland and other funding bodies who will process it solely for the purposes of administering and auditing this fund.

To monitor the success of Low Emission Zone Retrofit Fund, grantees installing an exhaust after-treatment system with telematics will be required to provide Energy Saving Trust with access to the vehicle's telematics data including GPS location data for a period of up to three or five years following install (see condition five). This data will be reviewed to understand the impact of the fund and your retrofit solution in improving local air quality when operating within the boundaries of a low emission zone. Findings will be reported to Transport Scotland and CVRAS. Data will only be used to assess the effectiveness of the retrofitted solution and will not be shared with any further parties.

Energy Saving Trust may need to confirm the applicant's personal details with the applicant's chosen CVRAS approved supplier as stated in the applicant's initial application. Energy Saving Trust will not share this information with any other suppliers or any other third parties.

Energy Saving Trust will contact the applicant in the future to assess customer satisfaction or carry out evaluation of the fund.

Please read Energy Saving Trust's full [privacy policy](#) or contact EST's data protection officer at [DataProtectionOfficer@est.org.uk](mailto:DataProtectionOfficer@est.org.uk).

### **Funding restrictions**

- Funding is available to cover 80% of the total cost of the chosen retrofit, capped at the following amounts:
  - up to £5,000 per light commercial vehicle and wheelchair accessible taxi installing retrofit exhaust after-treatment systems
  - up to £10,000 per wheelchair accessible taxi installing re-powering technology
  - up to £16,000 per heavy goods vehicle or refuse collection vehicle
- For **retrofit exhaust after-treatment systems** and heavy goods vehicles, funding also covers 100% of the total cost of a telematic system and related data subscriptions services. Energy Saving Trust will cover the cost of data subscription services yearly.
- The applicant must pay any necessary deposit towards the conversion to the CVRAS accredited installer and is responsible for any VAT costs.
- The chosen retrofit solution must be [CVRAS accredited](#) and meet the minimum standards of the planned low emission zones (see eligibility criteria eight). The applicant must adhere to all maintenance guidance to ensure the vehicle continues to meet the standards of the planned low emission zones.
- Funding will not be offered retrospectively, and the applicant must not arrange the retrofit measures prior to receiving their formal grant offer letter.
- Once the offer of grant has been accepted, the applicant will have **three months** to claim the grant, unless stated otherwise. If the grant is not claimed within the required timeframe, the funds will be reallocated.

- The grant available to an applicant covers the cost of the agreed measure(s) only; it does not include other costs such as delivery. The grant must be used only for the purposes declared by the applicant during the application process and for no other purpose.
- The favourable terms of the grant 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 ("the Public Subsidies Rules"). The grant 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 grant in accordance with the Value Threshold and we may be required to withhold payment of, or reclaim all or any part of the grant from you, to the extent necessary to ensure that the grant, 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.
- Energy Saving Trust will pay the grant directly to the CVRAS approved installer, on behalf of the applicant, upon completion of the work and the applicant notifying Energy Saving Trust that they are satisfied with the work which has been carried out by the CVRAS approved installer. Evidence to prove the work has been completed will be required and may include (but is not limited to) photographic evidence and confirmation that adequate advice has been provided to ensure the effective running and maintenance of the new system. Energy Saving Trust has no liability to the applicant in respect of the work carried out by the CVRAS retrofit installer. Energy Saving Trust shall not in any circumstances be liable for loss or damage which arises in relation to or as a result of the work carried out by the CVRAS retrofit installer.

### **CVRAS approved solutions**

Manufacturers of abatement equipment need to get their equipment accredited before it can be added to the list of CVRAS approved devices available to vehicle operators. This ensures that approved solutions meet minimum technical standards and that vehicles

fitted with these approved systems meet the proposed low emission zone emissions standards.

Please review the full list of [CVRAS approved companies and abatement systems](#).

### **Monitoring, evaluation and feedback**

- Energy Saving Trust reserves the right to carry out site inspections in order to verify that the grant conditions have been complied with and/or to monitor the effectiveness of the measures that have been implemented under the scheme.
- Applicants must agree to ongoing cooperation with Energy Saving Trust in providing feedback and assisting with evaluation of the scheme for up to three or five years. This could include completing customer satisfaction surveys, providing data upon request after the grant has been issued, participate in monitoring of telematics data including reviewing NOx and / or particulate reduction and any further information requested by Energy Saving Trust to assist in the evaluation of the scheme.
- Energy Saving Trust may wish to publicise the applicant's involvement in the scheme which may include acknowledging in promotional literature or case studies that Energy Saving Trust has supported the applicant with a grant, funded by Transport Scotland. Energy Saving Trust will always ask the applicant's permission before publicising any information about them.

### **Criminal convictions and business probity**

- Applicants, their directors or other persons with powers of representation, decision or control of the applicants must be of good standing. Applicants must declare prior to submitting an application if they, their directors or other persons with powers of representation, decision or control of the organisation have any prior convictions for any common law or statutory offence referred to in Regulation 57 of the Public Contracts (Scotland) Regulations 2015.
- Applicants must also declare if they are subject to any kind of bankruptcy, administration, insolvency, winding up or debt relief order or proceedings, if they are in an arrangement with creditors, if their business activities are suspended, or if they are in any analogous situation arising from any similar procedure under the laws and regulations of any jurisdiction. They must also declare, prior to applying, if



they have committed an act of grave professional misconduct or failed to fulfil obligations relating to the payment of social security or tax contributions.

- Declaration of any of the offences, matters or circumstances referred to above may result in the application being rejected, but Energy Saving Trust reserves the right to consider on a case by case basis. Failure by an applicant to disclose true and accurate information on any of the above offences, matters or circumstances will result in an application being rejected.
- These eligibility criteria and terms and conditions and the contract of which they form part and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with them, shall be governed by the laws of Scotland and Energy Saving Trust and the applicant agree to submit to the exclusive jurisdiction of the Scottish courts.

For any questions, please contact [LEZFund@est.org.uk](mailto:LEZFund@est.org.uk).