

Used Electric Vehicle Loan

Frequently Asked Questions (FAQ)

Q) What funding am I entitled to?

- A) Energy Saving Trust offers a zero-interest loan of up to £30,000 for a second-hand pure electric vehicle, subject to eligibility, affordability and credit checks. The repayment period for the loan is up to five years.

Additionally, for successful applicants there is funding available towards the installation of a chargepoint if you have access to off-street parking. OZEV offers £350 through their [Electric Vehicle Homecharge Scheme](#) and Energy Saving Trust offers up to £300 additional funding.

Q) Where can I buy a used electric vehicle?

- A) You can find used electric vehicles at many dealerships, including those specialising in new vehicles (ex-demonstrator vehicles are often sold here). To qualify for our zero-interest loan, you must purchase a used electric vehicle through:

- A UK-based dealership, where their sales are conducted in-person, as well as through their online platforms. This dealership must be subscribed to the Motor Ombudsman or National Conciliation Service, either directly or through membership of a trade body such as the Independent Garage Association, National Franchised Dealers Association or Scottish Motor Trade Association; or
- 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.

You may also want to use your nearest [Electric Vehicle Approved dealership](#).

Person-to-person sales, or vehicles purchased from any source other than one of the approved dealerships covered above are not eligible. If you are unsure, please speak to the dealership directly before making your purchase as we cannot offer funding if you do not meet this requirement.

Q) Can I buy a second-hand electric vehicle from my friend?

A) In order to qualify for our zero-interest loan, you must purchase your used electric vehicle through the accepted dealerships detailed above. If you choose to buy a used electric vehicle directly from the previous owner, you will not be eligible for the loan.

Q) Can I buy an ex-demonstrator vehicle with the loan? What about a pre-registered vehicle?

A) Ex-demonstrator vehicles are eligible for the Used Electric Vehicle Loan if their mileage is over 1,000 and they are over 6 months old. Pre-registered vehicles are not eligible for the loan.

Q) Are used electric motorcycles and mopeds eligible?

A) Motorcycles and mopeds are eligible for the Used Electric Vehicle Loan. The maximum loan amount and the maximum cost for these vehicles is capped at £5,000.

Q) Can I apply for the loan if I already have a pure electric vehicle?

A) Applicants should not own an electric vehicle at the point of applying for the loan

Q) What if I own a plug-in hybrid vehicle and want to apply for the loan?

A) If you own a plug-in hybrid vehicle, you can apply for the loan.

Q) Can I put down a deposit to secure the vehicle?

A) If the dealership allows this, you can put down a deposit to secure the vehicle. Except for an initial deposit, you must not have made any other payment towards or taken ownership of the vehicle before receiving a loan offer. We cannot reimburse you for any deposit paid towards the vehicle.

Before you pay a deposit, please also ensure the vehicle and dealership meet the loan criteria., which can be found on our [Used Electric Vehicle Loan](#) webpage.

Q) What if the vehicle is sold before my loan is processed?

A) If your preferred vehicle has been sold elsewhere prior to the receipt of your loan offer and you wish to purchase another vehicle, please contact us on transportloans@est.org.uk to request approval for a loan offer amendment. Please note that under our Used Electric Vehicle Loan scheme an **initial deposit** can be paid to secure the vehicle. However, no other payment can be made until the loan offer is in place, otherwise Energy Saving Trust will not be able to offer funding. It is also possible to apply for a loan without identifying a specific vehicle.

Q) How will I know if I have received a loan offer?

A) We aim to respond to submitted applications within 10 working days. If all the evidence you have provided is in order and you meet eligibility and credit checks, we will send a loan offer packet via email, or if you have requested an accommodation at the application stage, via post. This packet will detail the loan agreement, how to claim for your loan funds and the total amount being offered.

Q) When will I receive the loan funds?

A) Once you have completed and submitted your loan application, we work to respond within 10 working days. If all evidence is in order and you meet the eligibility and credit checks, we will issue a loan offer which will be valid for two months. To access funds, you will be required to return a signed copy of your loan agreement, direct debit mandate, and submit a copy of your vehicle invoice to allow us to make the payment. We aim to process payments within 10 working days of submission, provided all information has been supplied, and the funds should then be in your account within five working days of being processed. Details of the above requirements will be given at the appropriate stages in the application process.

Q) Why have I received a payment that is less than I was offered?

A) The amount you are paid will depend on the final eligible loan amount, which is based on the loan criteria, and on the final invoice we receive from you or directly from your dealership. We cannot cover discounts, part exchanges or any additional

extras which may be itemised in the invoice you provide us. This means that the paid loan amount may be less than what was originally offered.

Q) What if I miss a payment?

A) We may inform the credit agencies, with the note affecting your credit score. We also reserve the right to take further action if appropriate.

Q) Can I pay off the loan early?

A) Yes, if you would like to do so, please contact us at collections@est.org.uk to request a settlement figure.

Q) Can I cover the remaining cost above the £30,000 cap with my own funds or another payment method?

A) This loan does not cover any vehicles costing more than £30,000. Please also note that you cannot use our loan to pay off any other credit or loan.

Q) I have just bought a used electric vehicle. Can I still apply for funding?

A) No. To qualify for our loan, you must not yet have paid for or taken delivery of the vehicle. We do accept applications where an initial deposit has been paid to secure the vehicle.

Q) Can the loan be put towards replacing the battery or battery cells?

A) No, the loan is meant to facilitate electric vehicle ownership and is not available for upgrading electric vehicles already purchased. The applicant of the loan must not own an electric vehicle at the point of applying for the loan.

Q) Can I use the loan if the battery is on lease with the manufacturer?

A) Yes, second-hand vehicles with batteries leased to the manufacturer are eligible for the loan; however, the loan will not cover the leasing cost of the battery.

Buying a used electric vehicle

Frequently Asked Questions (FAQ)

Q) What should I consider before buying a used electric vehicle?

A) Four things to consider before buying a used electric vehicle:

1. **Vehicle suitability** – choose a model that suits your transport needs.
2. **Charging requirements** – do you have off-street parking where you can install a chargepoint, a chargepoint at work, or will you rely on public charging networks such as [Chargeplace Scotland](#)?
3. **Running costs** – tax, maintenance and fuel costs are typically lower than comparable petrol/diesel models, but you will still need to cover electricity costs of charging your vehicle. If charging from home, consider whether your current electricity tariff is suitable. Did you know there is a range of electric vehicle-specific tariffs available? Consider a 100% renewable electricity supplier for even more carbon savings!

Please read our [Charging Electric Vehicles Best Practice Guide](#) to find out more.

4. **Range requirements** – how far do you typically travel per day or week and how often would you want to charge your vehicle? These questions will help determine your range needs.

Q) How do I know the battery is healthy and does not need to be replaced?

A) This can be checked when viewing the vehicle. Either ask the dealer to pull up the charging capacity on the information screen or ask to see the vehicle at full charge, and this will confirm the available range. Compare this to the expected range at the time the vehicle was launched by researching the size of the battery at the time the vehicle was new, not the size of today's new models – battery sizes are increasingly larger. Typically, you would expect to see a 2% decline in range every year. Judge whether the remaining capacity will suit your mileage needs over the planned period of ownership.

Q) What should I check to ensure the vehicle is in good condition?

- A) Electric vehicles have fewer moving parts, so there are fewer things to check. Take the vehicle on a test drive and listen for any rattling when driving over bumps, as this can indicate issues with suspension. Test the brakes and inspect the tyres, as well as the visual condition of the vehicle. Read the full-service history, vehicle condition report, and HPI (Hire Purchase Investigation), if available, as these will show you the vehicle's history and current condition. Confirm that the software is up to date and charging cables are present and undamaged.

Q) I travel long journeys. What should I consider?

- A) If you travel long distances, it is worth considering your charging needs in addition to the range and how far you can get in the vehicle on a single charge. Remember, using air conditioning, heating, and radio will require battery power, thus reducing range.

Will you need to stop for top-up charges on your journey or at your destination? Check your regular routes for public chargers. If the area is sparse, you can consider supporting vehicle journeys with public transport options, or you may want to look for an electric vehicle with a greater range.

Q) Will an older electric vehicle work with a new charge point?

- A) This will depend on the charge point available. If you already have a charge point installed at your home or workplace, you may want to opt for a vehicle that matches this connector. There are two different standard vehicle inlets: Type 1 and Type 2. Type 2 is now almost standard on new vehicles sold in Europe. If you have a charge point with a Type 2 socket, any vehicle can be charged with an appropriate cable that matches the vehicle inlet.

For public chargers, Combined Charging System (CCS) and CHAdeMO are the main rapid charge inlets, although you do not need to worry about which your vehicle is equipped with as rapid chargers have cables attached to them. You just need to select the correct cable for your vehicle. Again, European market vehicles are standardising around the European CCS connector.

If the vehicle you are looking to purchase does not match your current home charger, you may be eligible for a home charge grant from OZEV and Energy Saving Trust to help cover the new installation cost.

There are often a few connection options at public charge points, so you will not be limited when on the road; you can check the connection type and availability using [Zap-Map](#) or [ChargePlace Scotland](#).

Q) Should I choose a fully electric, plug-in hybrid or extended range electric vehicle?

A) This choice is yours to make based on your needs; however, please note that the loans administered by Energy Saving Trust can only be used to purchase pure electric vehicles.

- **A fully electric vehicle (BEV)** offers the lowest carbon dioxide option with no tailpipe emissions and has the benefit of being powered exclusively by the electric motor. This will result in a smoother, quieter, and greener drive
- **A plug-in hybrid (PHEV)** has an electric and petrol or diesel motor. The vehicle can be driven by the petrol or diesel motor, the electric motor, or both together. When the electric battery is depleted, the petrol or diesel motor can be used for the remainder of the journey. This can form a reliance on the petrol element and will still incur fuel costs and emissions. PHEVs are only efficient and cost-effectively when re-charged frequently
- **An extended range electric vehicle (E-REV)** uses a petrol engine, battery and electric motor. The battery powers an electric motor that drives the wheels, whilst the petrol engine charges the battery. When the battery is depleted to a certain level, the engine powers the electric motor. This helps increase the range; however, fuel and emissions should be considered

Q) I need a used vehicle dealer with experience in electric vehicles. How do I know a dealership is qualified?

A) Look for a dealership certified through the Electric Vehicle Approved Scheme as they will have gone through training on electric vehicle knowledge and excellence.

You can visit the [Electric Vehicle Approved](#) website to check a dealership's status or search for dealers in your area.

Other useful tips

- **Check the range** from the kWh rating, ie the battery's capacity – the higher the number, the greater the range and time it will take to recharge the battery.
- **Find out how fast the vehicle will charge** – on some models faster charging is an option, this may be a useful feature as it will potentially halve the time to recharge at home. Also check to see if the vehicle will rapidly charge as this enables much faster charging if required.
- **Check the battery is included in the sales price** – some early models had leased batteries, so check the finance on the battery lease has been settled and ensure that you understand the lease cost. This cost will depend on the mileage you expect to drive. The vehicle price should be significantly lower where a battery lease is required compared to the same model where the battery is included in the vehicle price.
- **Check the warranty** – electric vehicles usually have a separate warranty for the vehicle and battery. Check that the battery is still under warranty and that the length of the warranty covers your planned period of ownership. You might also want to explore whether an extended warranty option is available to you. Although batteries should last the lifetime of the vehicle, you might want to purchase a replacement to increase the capacity. Battery cells can cost a few hundred pounds.