

# Low emission zone retrofit fund

## Terms and Conditions

### **You and your business**

1. Funds are only available to eligible micro businesses and sole traders operating within one of Scotland's low emission zones on a weekly basis.
2. The applicant must meet the definition of a micro business; this includes sole traders. For a business to be a micro business, it must meet the following:
  - a. report a turnover of £632,000 or less or a balance sheet of £316,000 or less
  - b. retain nine or fewer full-time equivalent employees
3. The applicant business must have been operational for at least 12 months.
4. The applicant must not be VAT registered.
5. The applicant must hold a UK bank account utilised for business purposes.
6. The fund is open to businesses and sole traders, and not for personal vehicles.
7. If the applicant has previously received funding from the Low Emission Zone Support Fund within 12 months of applying to the Low Emission Zone Retrofit fund, the value of the Low Emission Zone Support Fund grant will be deducted from any successful Low Emission Zone Retrofit Fund offer on a vehicle-by-vehicle basis.
  - a. Once a maximum of three vehicles are funded through the Low Emission Zone Retrofit Fund, applicants will no longer be eligible to apply to the Low Emission Zone Support Fund.
8. 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.
9. 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.
10. 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.

## **Your vehicle(s)**

11. Applicants can apply for a maximum of three vehicles through the Low Emission Zone Retrofit Fund.
12. The vehicle to be retrofitted must be uncompliant with zone standards.
13. The vehicle must have a Clean Vehicle Retrofit Accreditation Scheme (CVRAS) approved solution available.
14. If a previous vehicle was disposed in exchange of funds through the Low Emission Zone Support Fund, the value of the previous grant will be deducted from your Retrofit grant offer.
15. Applicants must own and be the named registered keeper of the vehicle outright and therefore have the legal right to retrofit the vehicle, with no outstanding finance remaining.

## **Retrofitting your vehicle**

16. The applicant must ensure they have considered the viability of the retrofit solution, including viewing local refueling 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.
17. The applicant must contact their insurance provider to ensure that the proposed retrofit does not affect their existing cover and arrange any changes to their insurance to ensure the vehicle is adequately insured once retrofitted if required.
18. The applicant is responsible for ensuring any quote, invoice or evidence sent to Energy Saving Trust is valid and accurate.
19. 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.
20. 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.
21. 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 (NO<sub>x</sub>) emissions and diesel exhaust fluid (e.g. AdBlue) consumption for each vehicle funded.
22. Operators of wheelchair accessible taxis and light commercial vehicles must commit to providing data for a period of up to three years following installation.
23. Operators of heavy goods vehicle or refuse collection vehicles must commit to providing data for a period of up to five years following installation.

## **Compliance**

24. 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 (e.g. AdBlue) in the vehicles as per manufacturers advice.
25. 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.
26. If the above condition is enforced, Energy Saving Trust reserves the right to report the vehicle performance issues to 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 being penalised or charged when entering any low emission zone or clean air zone in the UK.

## **Specific to taxis**

27. 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.

## **Grant conditions**

28. Funding is available to cover 70% of the total cost of the chosen retrofit, capped at the following amounts:
  - Up to £6,000 per light commercial vehicle and wheelchair accessible taxi installing retrofit exhaust after-treatment systems.
  - Up to £12,000 per wheelchair accessible taxi installing re-powering technology system.
  - Up to £16,000 per heavy goods vehicle or refuse collection vehicle.
29. As stated in condition 14, if the applicant has received funding from the Low Emission Zone Support Fund, the value of the previous grant will be deducted from your Retrofit grant offer.
30. 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.

31. Funding values are subject to change.
32. The applicant is responsible for paying any necessary deposit towards the conversion to the CVRAS accredited installer and is responsible for any VAT costs.
33. 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.
34. Funding will not be offered retrospectively, and the applicant must not have their vehicle retrofitted prior to receiving their formal grant offer letter.
35. The applicant will have three months to claim the grant from the grant offer date, unless stated otherwise. If the grant is not claimed within the required timeframe, the funds will be reallocated.
36. Applicants must notify Energy Saving Trust of their acceptance of the grant within 30 days of the offer being made or by 28 February 2024, whichever occurs first, or no funds will be allocated. To formally accept the grant a grant acceptance form must be completed, and evidence of deposit payment or booking is provided.
37. Your vehicle must be retrofitted, and claim submitted by your grant expiry date or 31 March 2024 whichever occurs first, in order to claim funding.
38. 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.
39. The grant is offered on a first come, first served basis and is subject to available funding. Energy Saving Trust reserves the right to remove or amend this offer at anytime.
40. The grant is only paid directly to the CVRAS-approved installer of the vehicle solution following completion of works and submission of paperwork required by Energy Saving Trust. Evidence to prove the work has been completed will be required and may include (but is not limited to) a solution invoice, solution certificate, photographic evidence of installation and confirmation that the unit is running is producing results via telematics. The installer must ensure 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.
41. Energy Saving Trust reserves the right to and will at its sole discretion assess on a case-by-case basis applications that fall outside any of the eligibility requirements set out in this form. Such applications will be assessed on their merits, bearing in mind the intent of the Low Emission Zone Retrofit fund.
42. 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.

## **General**

43. Energy Saving Trust is unable to accept any applications or third-party involvement on behalf of the applicant from representatives from the following: vehicle sales, authorised treatment facilities, scrapyards, vehicle servicing and maintenance services or vehicle conversion/retrofitting services. Energy Saving Trust have the right to refuse any other third parties where a conflict of interest is found.
44. Energy Saving Trust can only accept applications from one business under a single address. We will not accept applications from multiple businesses, partnerships or soletraders that share an address. If your business operates from a shared office or business premises, Energy Saving Trust will verify this before accepting an application.
45. All information you provide on the application and in any subsequent interactions with Energy Saving Trust must be correct and accurate. If you are unable to or subsequently fail to meet any of these criteria, your application will not be progressed.
46. If you are found to have breached any criteria after your grant has been paid, you will be required to repay the funding amount in full.
47. If any information provided in relation to this application is subsequently found to be untrue, inaccurate or incomplete, this may invalidate the entire application.
48. You must notify Energy Saving Trust at [LEZfund@est.org.uk](mailto:LEZfund@est.org.uk) without delay if at any time after this application is submitted there is any material change to any of this information, in particular to any information that would affect eligibility for any grant under the fund.
49. 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.
50. You must disclose all relevant information in relation to any grants or other forms of assistance from state resources in the three years prior to the date of this agreement, for example, grants, loans, guarantees or other forms of assistance from central or local government, regional development agencies, devolved administrations or business links (the "Previous Subsidies") so as to enable the Energy Saving Trust to be reasonably satisfied that the sum of the Previous Subsidies (including any 'de minimis' aid granted prior to 31 December 2020 under Commission Regulation (EU) No 1407/2013) taken together with all sums to be taken into account in connection with this loan agreement does not exceed the €325,000 Special Drawing Rights (approximately £344,600) value threshold set out in Article 3.2(4) of Chapter 3 of Title XI of the Trade and Cooperation Agreement between the European Union and the UK (as that limit may be amended from time to time).
51. You must ensure that receipt of the grant monies will not be incompatible with

- any laws, regulations, rules and guidance applying in the UK and/or the UK's international obligations in relation to public subsidies (which place restrictions on the circumstances in which public funds may be granted to businesses or other organisations carrying out economic activities).
52. The information made available by the Energy Saving Trust on its website and elsewhere in relation to the grant fund and more generally in relation to vehicles is intended to act as a guide only, and accordingly the Energy Saving Trust cannot and does not accept any liability for any loss or damage that you may suffer as a result of using that information.
  53. The Energy Saving Trust and/or the Scottish Government reserves the right, at its sole and absolute discretion and at any time, to change any of the eligibility requirements set out in this form and/or to introduce new or additional terms and conditions on giving notice to you.
  54. Should the Scottish Government discontinue the grant fund, applicants who have received a formal written grant offer from the Energy Saving Trust will still be entitled to receive payment of the grant, assuming they still meet the eligibility requirement for the fund and the offer is in date. receive payment of the grant, assuming they still meet the eligibility requirement for the fund and the offer is in date.
  55. The Energy Saving Trust reserves the right in consultation with the Scottish Government to suspend or reject grant applications at any time where a formal written grant offer has not been signed and returned, including where there are insufficient funds available to provide to all applicants.
  56. The Energy Saving Trust reserves the right to reject any application for a grant and Energy Saving Trust's decision as to whether an applicant is eligible for a grant will be final. The Energy Saving Trust may seek further information to determine eligibility and you must provide this information within the specified time frame if you wish to continue with the application. Neither the Energy Saving Trust nor any of its officers, employees, agents or subcontractors shall be liable for any losses, damages or costs suffered by you which arise out of or in connection with the application process whether caused by the negligence of the Energy Saving Trust, any of the Energy Saving Trust's officers, employees, agents or subcontractors or otherwise.
  57. The Energy Saving Trust reserves the right to and will at its sole discretion assess on a case-by-case basis applications that fall outside any of the eligibility requirements set out in this form. Such applications will be assessed on their merits, bearing in mind the intent of the Low Emission Zone Retrofit fund.
  58. The arrangements applicable to this Low Emission Zone Retrofit Grant fund will be governed by and construed in accordance with the laws of Scotland and will be subject to the non-exclusive jurisdiction of the Scottish Courts.
  59. Failure to meet terms and conditions will result in your offer being withdrawn.

## **Data Protection**

60. To monitor and administer the Low Emission Zone Retrofit Fund, we need to

process your personal data. This may include passing your 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, evaluating and auditing this fund.

61. By submitting your application, you acknowledge and agree that we may make searches at fraud prevention agencies who will supply us with your personal data. We may also share your personal data with financial and other organisations involved in fraud prevention to protect ourselves and others from theft and fraud. If you give us false or inaccurate information and we suspect fraud, we will record this. We and other third parties may use this information if decisions are made about you or others at your address(es) on credit or credit-related services or motor, household, credit, life or any other insurance facilities. It may also be used for tracing and claims assessment.
62. By submitting an application, you give permission for Energy Saving Trust to verify your evidence with the DVLA as required.
63. Energy Saving Trust may contact you in the future to assess customer satisfaction, participation in case studies or carry out evaluation of the fund.
64. 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. 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. Applicants must agree to clarify any questions Energy Saving Trust may have regarding telematics or their install.
65. Energy Saving Trust may need to confirm the applicant's personal details, status of order and any ongoing unit repairs/maintenance with the applicant's chosen CVRAS approved supplier, including their subcontractors, 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.
66. Energy Saving Trust's full privacy policy is available at [energysavingtrust.org.uk/privacy-policy](https://energysavingtrust.org.uk/privacy-policy) or upon request from the data protection officer at [DataProtectionOfficer@est.org.uk](mailto:DataProtectionOfficer@est.org.uk).