

Business Van Loan 2025/26 Eligibility Criteria

The Electric Van Loan for Businesses is funded by Transport Scotland and managed by Energy Saving Trust (EST). The scheme is open to micro businesses and sole traders who operate in Scotland.

After receiving a loan offer, you must be able to submit an invoice and claim your funds by the expiry date of your loan offer OR by Sunday 22 February 2026, whichever date comes first.

BUSINESS CRITERIA

Our support fund has been set up to support businesses that meet the definition of a **microbusiness or sole trader**.

To fit this definition, you must:

- Employ nine or fewer full-time equivalent employees.
- Report a turnover of £632,000 or less, or a balance sheet of up to £316,000 in the preceding and current financial year.

Key criteria – You or your organisation must:

- Become the named owner of the vehicle.
- Be active at the time of submitting an application.
- Have been continuously active, without interruption, for a minimum of 3 years/36 months at the time of submitting an application.
- Not receive any other Scottish Government grants or loans towards the purchase of the electric vehicle.
- Be based in Scotland or be able to demonstrate your organisation currently and actively operates in Scotland.
- Not currently be repaying or have outstanding repayments for a loan, for any vehicle type, under any iteration of EST's interest free Low Carbon Transport Loan.

- If an applicant has an outstanding or previous loan, and is applying for 25/26 funding, EST will assess the repayment history relating to all historic loans before making a decision. An organisation cannot borrow more than £40,000 from any of EST's business transport loans at any time.

VEHICLE CRITERIA

- With the loan, you can purchase **new** or **used** electric **vans**.

Vehicle Type	Max Loan Amount	Max Vehicle Cost
New electric vans	£40,000	£40,000
Used electric vans	£30,000	£30,000

- The van must be fully electric and listed as eligible under the vans category of the [UK OZEV plug-in grant](#) list.
- Plug-in Hybrid vehicles or any other electric vehicle variant are **ineligible**.
- The loan value covers basic, standard-specification costs of the electric van; we **cannot** cover delivery costs or optional extras, such as a road fund licence.
- Except for an initial deposit, you must not purchase or take ownership of the electric van prior to receipt of the loan offer. Your application will be rejected if you fail to comply.
- The maximum repayment period is six years; however, if we determine a shorter repayment period is appropriate, a new loan agreement will be issued to you for completion.

Repayment period

Vehicle Age	Max Repayment Term
under 6 years old	6 years (72 months)
6 years or older	5 years (60 months)
8 years or older	4 years (48 months)

- If purchasing a **used** vehicle, the electric van **must** be purchased from a dealership. We may determine your chosen dealership is not acceptable, and if so, will inform you.

Your application may be delayed until you can identify an acceptable dealership. The dealerships we accept 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. These dealerships must have an up-to-date website, own the vehicles for sale and have reputable customer support services, as well as robust warranty procedures in place. This dealership must transparently outline the vehicle's age, battery capacity, mileage and the interior and exterior condition of the vehicle on any sale document provided.

SUPPORTING DOCUMENTS

Applications must be submitted with:

- Bank statement within the last three months
- Utility bill at registered business address (mobile phone is not accepted)
- Tax document SA103/SA100 (if you are applying as a sole trader)
- Tax document SA800 (if you are applying as a partnership)
- Quote (new vehicles only)

OTHER CRITERIA

- Applications are to be completed and returned, with supporting documentation, by you. Third party submissions are not accepted, unless otherwise agreed by us.
- If you are applying as a limited company, partnership or charitable trust, your organisation must have the power to enter into a loan agreement with us.

- You must be able to repay the loan, and a credit check is required to submit your application. This means you or your organisation's credit report will be searched and supplied to us by credit reference agencies.
- 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 vehicle(s), if not fully covered by the funding from our loan. More information is provided in the application form.

Public subsidy statement:

- The loan is being provided in accordance with the Minimal Financial Assistance (MFA) subsidy within the meaning of section 36(1) of the Subsidy Control Act 2022 (SCA). The requirements of the SCA do not apply to an MFA subsidy if the total amount of MFA or comparable types of small subsidy (see section 42(8) of the SCA) received by an enterprise [or its group companies] within the applicable period does not exceed £315,000 over the applicable period. In other words, MFA or comparable types of small subsidy received by an enterprise within the applicable period cumulate, and where they total more than £315,000 during that period, the enterprise will not be eligible for further such subsidies and any further subsidies to the enterprise will not benefit from the MFA exemption.
- To confirm you as the applicant are eligible to receive this assistance you must declare the full amount of any MFA or comparable types of subsidies that you, your business and its group companies have received in the applicable period and any outstanding applications for such subsidies.
- Before any payment, you will be required to provide written confirmation that the total cumulative amount of MFA received in the applicable period, including the loan from EST, will not exceed £315,000. We will notify you when that confirmation is required.