Scrapage Scheme application form guidance notes

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INTRODUCTION

Thank you for your interest in the Scrappage Scheme. As part of this application you can apply to either (i) scrap or (ii) scrap and replace or (iii) scrap and receive money towards running costs up to a maximum of three pre Euro 6 vehicles. Organisations can only submit one application for this scheme.

The application process is conducted in two stages. You will need to successfully pass both stages to be eligible for a grant payment from Transport for London (TfL). The two stages are:

**Stage one: initial eligibility checks** – Submission of the Scrappage Scheme application form and supporting evidence. You will need to tell us which vehicle(s) you are applying to scrap and your grant payment option(s) as part of this application. We will then assess your eligibility for the scheme and let you know if your application has been successful.

**Stage two: secondary eligibility checks** – If your initial application is successful we will email you with the procedure for scrapping your vehicle(s) and replacing it where applicable.

**Important information before you start**

Do not scrap your vehicle(s) until you have received written confirmation from TfL that you have satisfied the initial eligibility checks. Any action you undertake before receiving such confirmation from TfL or which is not in accordance with any details we provide is taken at your own risk and TfL will not be liable to make any grant payments to you.

**ORGANISATION ELIGIBILITY**

The following organisations can apply for the scrappage scheme:

**Microbusiness**: which is defined as having:
- 10 or fewer employees;
- Up to £632k turnover or up to £316k balance sheet total in the preceding and current financial year; and
- Companies House registered as an active company or VAT registered

**Sole trader** – means a self-employed person which owns and operates a business as an individual

**Registered charity** – means an entity registered with the Charity commission.
SCRAPPAGE PAYMENT OPTIONS EXPLAINED

There are three Scrappage Scheme grant payment options. The details of each option are shown below. The evidence you need to provide us to meet stage one of the eligibility checks are also set out. You must ensure you will be able to meet both Stage one and two checks to receive a grant payment. Details of evidence needed for Stage 2 checks (if your application is successful) can be found in the ‘Stage 2 eligibility criteria’ section.

Option one: Scrappage of pre-Euro 6 diesel vehicle for frequent users of the Congestion Charging Zone

Grant payment: £3,500

Stage one: Initial eligibility check

Organisation eligibility criteria
For this option organisations must be registered in the United Kingdom and be one of the following:

- An active Microbusiness
- A sole trader
- A registered charity

Vehicle to be scrapped - eligibility criteria
The Vehicle must be pre – Euro 6 diesel and also must be:

- Light van 3,500kg or less Gross Vehicle Weight category N1
- Minibus 5,000kg or less Gross Vehicle Weight category M2 (only applicable to registered charities). Must have 9 seats or more
- driven within the Congestion Charge zone more than 52 times in the six months before the commencement of the Scrappage Scheme (22 February 2019). These journeys must have been paid through an Auto Pay service. For journeys outside Congestion Charge operational hours additional evidence will be considered (i.e. delivery notices, job sheets).
- Insured for business use
- Owned for at least 12 months before the 22 February 2019 (Start of the Scrappage Scheme)
Option two: Scrappage of pre-Euro 6 diesel vehicle and purchase/lease/hire of Euro 6 diesel replacement vehicle for Greater London based organisations

Grant payment: £3,500

Stage one: Initial eligibility check

**Organisation eligibility criteria**

For this option organisations must be registered in the Greater London Area (in a London Borough or City of London Corporation as defined by the Greater London Authority at [www.gov.uk/find-local-council](http://www.gov.uk/find-local-council)) and be one of the following:

- An active Microbusiness
- A sole trader
- A registered charity

**Vehicle to be scrapped - eligibility criteria**

The Vehicle must be pre – Euro 6 diesel and also must be:

- Light van 3,500kg or less Gross Vehicle Weight category N1
- Minibus 5,000kg or less Gross Vehicle Weight category M2 (only applicable to registered charities). Must have 9 seats or more
- Insured for business use
- Owned for at least 12 months before the 22 February 2019 (Start of the Scrappage Scheme)
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Option three: Scrappage of pre-Euro 6 diesel vehicle and contribution towards running costs (including insurance) of an Electric Vehicle (£6,000)

Grant payment: £6,000

Stage one: Initial eligibility check

**Organisation eligibility criteria**

For this option organisations must either be:

- Registered in the **Greater London Area** (in a London Borough or City of London Corporation as defined by the Greater London Authority at [www.gov.uk/find-local-council](http://www.gov.uk/find-local-council)); or

- Organisations registered outside the Greater London Area but within the **United Kingdom** can also apply. In this case you need to be able to prove that the vehicle you want to scrap has been driven within the Congestion Charge Zone more than 52 times during the six months before commencement of the Scrappage Scheme (22 February 2019). These journeys must have been paid through an Auto Pay service, or for journeys made outside of Congestion Charge operational hours TfL will consider evidence of travel (i.e. delivery notices, job sheets).

And be:

- An active Microbusiness
- A sole trader
- A registered charity

**Vehicle eligibility criteria**

The Vehicle must be pre – Euro 6 diesel and also must be:

- Light van 3,500kg or less Gross Vehicle Weight category N1
- Minibus 5,000kg or less Gross Vehicle Weight category M2 (only applicable to registered charities). Must have 9 seats or more
- Insured for business use
- Owned for at least 12 months before the 22 February 2019 (Start of the Scrappage Scheme)
- In the case of applicants registered in the United Kingdom but outside the Greater London Area it must have been driven within the Congestion Charge Zone more than 52 times in the six months before the commencement of the Scrappage Scheme (22 February 2019). These journeys must have been paid through an Auto Pay service, or for journeys made outside of Congestion Charge operational hours TfL will consider evidence of travel (i.e. delivery notices, job sheets).
HOW TO COMPLETE THE SCRAPPAGE SCHEME APPLICATION FORM

You will need to download the Scrappage Scheme application form which can be found at www.tfl.gov.uk/scrappage-scheme.

Completing the form

Complete all relevant sections of the application form using CAPITAL letters; this will speed up your application.

Section 1 – Organisation contact details

Enter details of the applicant applying to the scheme, including their position in the organisation. All correspondence regarding the application will be sent to this person.

Section 2 – Organisation details

Fill in the organisation details that are relevant to you. Complete:

- Section 2.1 if you are a Microbusiness
- Section 2.2 if you are a sole trader
- Section 2.3 if you are a Charity.

Complete all fields. If you are a sole trader you need to provide evidence that you are a sole trader. Tick the relevant box from the list in section 2.2 and submit a copy of this evidence with your application.

IMPORTANT: If your application is successful, a grant payment will be made by cheque, made payable to the named organisation (microbusiness, sole trader or charity).

Section 3 - Details of vehicle(s) applying to scrap or scrap and replace

You can only for up to a maximum of 3 vehicles. Enter the total number of vehicles in section 3.1.

For each vehicle applying to the scheme (sections 3.2 to 3.4) enter:

- the vehicle details (vehicle number plate, make, model and colour)
- select one grant payment option (tick relevant box)
- tick all the boxes to confirm that you are providing the evidence required for this vehicle. You will need copies of these proofs before you submit your application.

If the vehicle is registered to an authorised employee, director or trustee, you must provide proof of employment on business/charity letter headed paper.
Section 4 – State aid de minimis declaration form

In order to minimise distortion of competition the European Commission sets limits on how much assistance can be given by TfL without its prior approval to organisations operating in a competitive market. The declaration in section 4 of the application form sets out what is needed to ensure compliance with those limits. You should note carefully the requirements and the obligations.

Under EU Regulation 1407/2013 (De Minimis Aid Regulation) as published in the Official Journal of the European Union 24 December 2013, the financial support provided is de minimis aid. TfL is providing a maximum grant payment of £18,000.

There is a ceiling of €200,000 which can be provided to one organisation over a three-fiscal year period (i.e. your current fiscal year and previous two fiscal years) combined with the maximum grant payment detailed above which TfL is proposed to provide as de minimis aid. The applicable Euro/Sterling exchange rate as set out at http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/index_en.cfm which applies at the date that TfL confirmed in writing that an offer of a Grant Payment has been made in relation to the Scheme.

Please note if you as the Recipient are part of a group of companies your declaration needs to relate to funds received by all entities within that group for these purposes.

Any de minimis aid provided to you under this Scheme will be relevant if you wish to apply, or have applied, for any other de minimis aid. You will need to declare this amount to any other aid awarding body who requests information from you on how much de minimis aid you have received.

De minimis aid includes not only grants but also assistance such as free or subsidised consultancy services, marketing advice etc.

You must enter the details of any public funding/de minimis aid in section A. This includes the amount you received, the provider of public funding/de minimis aid, the purpose and the date.

In section B enter the details of any other public funding applied to/be applied towards the same costs as the required funding provided by TfL. This includes the amount, the provider, the date (if already granted) and the state aid basis on which the grant was given (i.e. measure under the General Block Exemption Regulation).

If you have received any de minimis aid or public funding in the last three financial years you must complete section A and section B.

If you haven’t received such funding, you can leave sections A and B blank.
Section 5 – Initial eligibility check declaration

Before signing your application, please read the terms and conditions carefully (available at tfl.gov.uk/scrappage-scheme). By signing the declaration, you are entering into a legally binding contract with TfL. Please note that a failure to comply with the terms and conditions might result in the proposed grant payment or a part of it not being made and/or you being required to repay all or part of it.

You must complete all fields and sign the declaration in section 5. Applications cannot be processed unless this section is complete.

STAGE ONE INITIAL ELIGIBILITY CHECKS – EVIDENCE REQUIRED

Once you’ve filled out the Scrappage Scheme application form and you’re ready to upload it you will also need the following evidence to support your application.

For each vehicle you are applying to scrap you will need to provide copies of:

- The registration document (v5c)
- The current MOT certificate
- The current certificate of motor insurance.

Sole traders will also need to submit a copy one of the following documents to confirm sole trader status:

- Tax return (last financial year)
- Proof of current business insurance or employers liability insurance
- Proof of current self-employment from HMRC
- Proof of current membership certificate from Federation of Small Businesses (FSB) or similar reputable trade or professional body.
- Proof of a current business bank account
- Letter from accountant or solicitor confirming sole trader status (dated within the last three months).

If you’re applying for options one and/ or three and the 52 required journeys were made outside of Congestion Charge operational hours (6am – 7pm) you will need to provide evidence of travel. This can include documents as such delivery invoices and job sheets.

IMPORTANT: Make sure you remember to complete the checklist on the Scrappage Scheme application form.
HOW TO SUBMIT YOUR APPLICATION

1. Once you have a copy of your completed application form and all applicable evidence, you will need to create or sign into your London Road User charging account.
2. Then select ‘Scrappage scheme’ on the right hand side of the screen. This will take you to the Scrappage scheme information page.
3. Scroll down the page and select the ‘start/continue application’ button.
4. You will then be directed to make an enquiry, where you must select the ‘Scrappage application’ category and upload your completed form and supporting documents.

IMPORTANT: Please upload your application form and evidence as a single file.

Please note: If any information given in this document is found to be fraudulent, TfL may seek recovery of the Grant Payment in accordance with the Scrappage Scheme Terms and Conditions (also available at tfl.gov.uk/corporate/terms-and-conditions/scrappage-scheme).

WHAT HAPPENS NEXT?

Once you have submitted your application form online, we will aim to process it within 10 working days. We will email you with the outcome of your application and confirm whether you have met the requirements for the initial eligibility checks (stage 1). If you are successful, we will detail the procedure for stage two (secondary eligibility checks).

STAGE TWO ELIGIBILITY CRITERIA

If your application is successful we’ll send you details of the procedure for scrapping your vehicle and evidence to be provided to TfL. The information that will be required under stage two is outlined below and in the terms and conditions. You should be aware of this information when submitting your application form.

You will need to submit evidence for the secondary eligibility check within six months from the date TfL confirmed that you are eligible for this scheme. The evidence that we will need to see will depend on which scrappage scheme payment option(s) you have chosen.

We will only release your grant payment once we have received and verified all the required evidence as set out above.
STAGE TWO ELIGIBILITY – EVIDENCE REQUIRED

For all three grant payment options:

- **Option one:** Scrappage of pre-Euro 6 vehicle for frequent users of the Congestion Charging Zone

- **Option two:** Scrappage of pre-Euro 6 vehicle and purchase/lease/hire of Euro 6 replacement vehicle for Greater London based organisations

- **Option three:** Scrappage of pre-Euro 6 vehicle and contribution towards running costs (including insurance) of an Electric Vehicle (£6,000)

You will need to provide evidence that your vehicle(s) has been scrapped by an Authorised Treatment Facility (ATF), evidenced by a Certificate of Destruction (CoD) that you will receive from the ATF.

**For grant payment options 2 and 3 only you will also need to provide:**

Evidence to confirm the replacement vehicle is a Euro 6 compliant light van (or minibus for registered charities only) and has been purchased, leased or hired. You’ll need to provide:

- Vehicle registration document (v5c) (for new vehicle(s))
- Proof of purchase (i.e. sales invoice) for replacement vehicle(s), or
- Lease or hire agreement (if you have leased or hired a vehicle) which needs to be for a minimum of two years and leased or hired for business use which should be in the name of the sole trader, microbusiness, charity or authorised employee.
- Current Insurance certificate (business use) and insurance schedule including premium - for the replacement vehicles which should be in the name of the business, charity or authorised employee.

**IMPORTANT:** It is your responsibility to make sure any replacement vehicle you intend to purchase, lease or hire is a Euro 6 ULEZ compliant vehicle

**REFUND OF ULEZ CHARGES**

Successful applicants will be automatically eligible for a refund of any ULEZ charges paid via an Auto Pay service. Charges considered will be for the scrapped vehicle and paid during the first three months after the application was submitted.