



Commercial Vehicle Grant

A £10.05 million fund is available to support to Small & Medium-sized Enterprises (SMEs) within the West Midlands region to upgrade or replace HGVs, coaches and vans with vehicles that meet the emission standards of Birmingham's Clean Air Zone.

Eligibility Criteria:

1. An applicant must be an SME based in the West Midlands and has been actively trading for more than twelve months.
 - An SME must:
 - employ fewer than 250 people
And either have an
 - Annual turnover not exceeding €50 million (£41.81m) or
 - Annual Balance sheet not exceeding €43 million (£35.96m)
2. An applicant must own or lease Heavy Duty Vehicle(s) (i.e. vehicle categories N1, N2, N3) or a Light Goods Vehicles (s) (i.e. vehicle category M3) that are subject to the Clean Air Zone daily charge because they do not meet the emission standards of the zone.
 - Eligible non-compliant vehicles must be registered and located within the West Midlands area.
3. An applicant must be able to evidence the frequency of entry to the Clean Air Zone, based on current commercial operations.
 - Evidence of entry to the zone should at least twice a week over a three-month period.

Grant Administration:

1. The total grant package for each applicant is up to £180,000.
 - Relocation/exit lease costs – Up to a maximum of £15,000 per applicant
 - For Heavy Duty Vehicles (**HDV**) – (N2, N3, & M3)



- Up to a maximum of £15,000 per vehicle towards purchase, lease or retrofit solution
 - For Light Goods Vehicle (**LGV**) – (N1)
 - Grant per vehicle will be up to 35% of the cost of the upgrade up to a maximum grant amount of £4,000 per vehicle towards purchase, lease or retrofit solution
2. The Commercial Vehicle Grant will be administered in accordance with the [Subsidy Control Regime](#).

Information required for applications including Heavy Duty Vehicles:

1. **Most recent 2 years full accounts** – and where the applicant is part of a group, consolidated group accounts - Micro/Abbreviated accounts are **NOT** acceptable.

The accounts must include Profit & Loss or Comprehensive Income Statement. Highlight and explain any major variations in accounting policies or activity affecting the Statement of Accounts and/or the Management Accounts that are being provided.

2. **Management accounts** – must be up to the present day - Only if the most recent account are more than six months old.
3. **Evidence of vehicle usage in the Clean Air Zone** – Evidence of conducting commercial operations within the Clean Air Zone, at least two or more times per week over a three-month period. This can take the form of; contracts outlining regular work within the Clean Air Zone, any permit or parking documents related to the vehicles within the Clean Air Zone, or data from fleet tracking devices. Other forms of evidence will be considered and the decision on whether evidence is classified as credible will be at the discretion of the management.
4. **Evidence of ownership of non-compliant vehicle(s)** – The Government vehicle checker must confirm non-compliance and Full V5C document(s).
5. **A preferred supplier quote** – for each of the expenditure items in the proposed project. The quotes provided should include the following:



- Vehicle make/model
- Euro Standard
- Tonnage
- Price (This should specify whether VAT is included or additional)
- Details of the Supplier

Where retrofit technology is not available, written correspondence must be shown to indicate when the technology will be commercially ready.

6. **Bank Statement** – Copy of a current, up to date, itemised, one month's business bank statement for the applicant business showing bank name, business name and address, account name, account number and sort code.
7. **If relocating** – a copy of the current and new lease (minimum term of 3 years), in addition to a copy of the lease payment statement (showing rental payments to date and any outstanding balance including exit lease costs).

Information for applications including Light Goods Vehicles:

1. **Evidence of vehicle usage in the Clean Air Zone** – Evidence of conducting commercial operations within the Clean Air Zone, at least two times per week over a three-month period. This can take the form of; contracts outlining regular work within the Clean Air Zone, any permit or parking documents related to the vehicles within the Clean Air Zone, or data from fleet tracking devices. Other forms of evidence will be considered and the decision on whether evidence is classified as credible will be at the discretion of the management.
2. **Evidence of ownership of non-compliant vehicle(s)** – The Government vehicle checker must confirm non-compliance and Full V5C document(s).
3. **A preferred supplier quote** – for each of the expenditure items in the proposed project. The quotes provided should include the following:
 - i. Vehicle make/model
 - ii. Euro Standard
 - iii. Tonnage
 - iv. Price (This should specify whether VAT is included or additional)
 - v. Details of the Supplier



- b. Where retrofit technology is not available, written correspondence must be shown to indicate when the technology will be commercially ready.
4. **Bank Statement** – Copy of a current, up to date, itemised, one month's business bank statement for the applicant business showing bank name, business name and address, account name, account number and sort code.



Further Specifics:

1. Retrofit:

- Where retrofitting, works must be compliant with Euro VI vehicle standards.
- Retrofit provider and technology must be accredited under the [Clean Vehicle Retrofit Accreditation Scheme](#) (CVRAS).
- If successful, the following information will need to be provided prior to payment of grant:
 - Evidence of retrofit completion.
 - Invoice for the completed retrofit works.
 - Evidence of invoice payment (a copy of the applicant bank statement).

2. Purchase/Lease:

- Purchase/lease of Euro VI vehicle(s). The replacement vehicle(s) must be equivalent to the current non-compliant vehicle(s) ([N1, N2, N3 and M3](#) only).
- If successful, the following information will need to be provided prior to payment of grant:
 - A sales receipt (or certification of destruction) of the replaced non-compliant vehicle.
 - Registration details of the newly purchased/leased vehicle(s) (V5C).
 - Invoice for the purchased/leased vehicle(s).
 - If leasing, a copy of the lease agreement.
 - Evidence of invoice/deposit/monthly payment(s) (a copy of the applicant bank statement).



Application Process:

1. Create a Brum Account if you do not already have one. A Brum Account can be created by visiting: <https://www.birmingham.gov.uk/myaccountpage>
2. If you already have a Brum Account login and apply for the Commercial Vehicle Grant.
3. Submission of application to Birmingham City Council will generate an e-mail with a unique reference number. – The reference should be included within the subject header of all future correspondence.
4. The application will then be checked to ensure that all documentation required have been submitted.
5. If at this stage it is felt that additional information or documents are required, you will be contacted.
6. Once all documentation has been received, a financial appraisal and project assessment will be undertaken. You may be contacted at this stage if anything needs clarifying.
7. If both assessments are passed, the project will be considered at a Panel or Investment Board meeting where a decision will be made.
8. Approval is not guaranteed, and we will make one of three decisions:
 - Application recommended for approval.
 - Application deferred. In this case, you will be contacted for additional information before the application can be re-presented at another Panel or Investment Board meeting.
 - Application declined. In this case, you will receive a letter outlining the reasons why your application was declined.

Approved applications:

1. If your application is approved, the following will be sent to you:
 - Funding Agreement stating the grant amount awarded and the terms and conditions of the grant



- Supplier Form & Guidance Notes
- 2. The Funding Agreement must be completed and returned to Birmingham City Council by email.
- 3. The 'Supplier Form' must be completed and returned to Birmingham City Council by email. This will enable us to prepare for the payment of the grant.
- 4. The Funding Agreement is signed by the Birmingham City Council Official and a fully signed contract is sent to you, notifying you of the start of your project.

Payment of grant:

1. Provide evidence that the work has been satisfactorily undertaken, in line with the offer as stated within the Funding Agreement:
 - If successful, the following information will need to be provided prior to payment of grant for all retrofit works:
 - i. Evidence of retrofit completion.
 - ii. Invoice for the completed retrofit works.
 - iii. Evidence of invoice payment (a copy of the applicant bank statement).
 - If successful, the following information will need to be provided prior to payment of grant for all purchase/leases:
 - i. A sales receipt (or certification of destruction) of the replaced non-compliant vehicle.
 - ii. Registration details of the newly purchased/leased vehicle(s) (V5C).
 - iii. Invoice for the purchased/leased vehicle(s).
 - iv. If leasing, a copy of the lease agreement.
 - v. Evidence of invoice/deposit/monthly payment(s) (a copy of the applicant bank statement).
 - If successful, the following information will need to be provided prior to payment of grant for all exit lease costs:



- i. Exit lease payment statement showing the payment made with no outstanding balance
 - ii. Evidence of invoice/payment(s) (a copy of the applicant bank statement).
- If successful, the following information will need to be provided prior to payment of grant for all relocation costs:
 - i. Evidence of relocation taking place
 - ii. Evidence of invoice/payment(s) (a copy of the applicant bank statement).
2. All expenditure undertaken as part of the Commercial Grant MUST be paid for by cheque or bank transfer so that a clear evidence trail can be demonstrated. Any payments made in cash will not be reimbursed.
3. Birmingham City Council will only reimburse against invoices for eligible expenditure dated after the date when the Funding Agreement was signed by both parties.
4. Grant payments are issued as a reimbursement of eligible expenditure (i.e. paid in arrears) incurred by the business and will be paid on production of relevant evidence, i.e. copies of invoices for approved eligible costs and bank statements to evidence the payments.
 - All documents listed above submitted as part of a grant claim should clearly state 'Certified as a true copy of the original' and be signed and dated by a person legally responsible for the business. Any documents submitted without this will be returned and reimbursement will be delayed.
5. Grant payment will only be made on evidence of Defrayal and supporting documents under the terms of your Funding Agreement.
6. Grant payments will not include VAT.
7. Grant payments will be reimbursed as per your Funding Agreement for eligible expenditure submitted until the approved grant amount has been reached or until the project end date.



8. Grant payments will be made directly to the business's bank account using details supplied on the supplier form. Grant payments will not be made to third parties.

Claw back of grant:

The Council may require repayment of the Grant from the Applicant forthwith in the event of any of the following but not limited to:

1. Applicant providing false information
2. Administration/liquidation of the business within 3 years will result in claw back of grant paid.
3. Sale of grant funded vehicle(s) within 3 years will result in claw back of grant paid.
4. Overpayment of Grant

Please Note:

- Grants are awarded based on the applicant's approved quotes and evidence of defrayed expenditure. If successful, should the defrayed expenditure fall below the grant offer, the grant award will be adjusted accordingly.
- Businesses applying for funding towards the purchase/lease of a compliant vehicle can only do so on a 'like for like' basis.