



Changes to the Plug-in Car Grant

1. **Plug-in car grant levels have now changed.** The changes focus our funding on the cleanest vehicles, and ensure that the grant remains sustainable as the UK market for ultra low emission vehicles develops.
2. The changes came into effect at 00:01 on Sunday 21 October.
3. The temporary restrictions placed on orders of demonstrator, internal purchase and leased cars for the transition period no longer apply.

New Grant Levels

4. Ultra low emission vehicles are placed into different categories on the basis of their CO₂ emissions and their zero emission range.
5. These categories are:
 - Category 1 – CO₂ emissions of less than 50g/km and a zero emission range of at least 70 miles
 - Category 2 – CO₂ emissions of less than 50g/km and a zero emission range between 10 and 69 miles
 - Category 3 – CO₂ emissions of 50 to 75g/km and a zero emission range of at least 20 miles
6. Following the change in rates, the grant rates are now as follows:
 - The grant rate for Category 1 vehicles has moved from £4,500 to £3,500
 - Category 2 and 3 vehicles are no longer eligible for the grant.
7. The list of eligible vehicles, and the categories into which they fall, has been updated to reflect the new grant rates:
<https://www.gov.uk/plug-in-car-van-grants>

8. Please note that the Portal for plug-in grant orders has not yet been updated with the new rates. These changes will be applied later, but the new rates will apply as above. For operational reasons, it may take some time for this change to be made.

Limits on new orders during the transition period

9. We expected an increase in orders during the transition period, as customers brought forward their purchases to take advantage of the higher grant rates. We therefore put limits on the number of orders that could be claimed at the new grant rates during the transition period. If these limits were reached, then the new grant rate would come into effect as of the next day. Otherwise the grant rates would change on 9 November. This was clearly communicated when the changes to grants was announced.
10. We set two different limits: one for new Category 1 orders, and for new Category 2/3 orders. The Category 1 grant rate would reduce if the Category 1 limit was reached and the Category 2/3 grant rate would reduce if the Category 2/3 limit is reached.
11. We set these limits at a level that was considerably higher than the number of orders we would typically expect if we were not changing grant levels. This was to take into account the likely increase in orders during the transition period.
12. In practice, the increase in orders was significantly greater than this, and the limits for both caps were met on the afternoon of Friday 19 October.

Information for car buyers

If I ordered a vehicle before the grant rates changed, but it is not delivered and registered until after the grant rates change, will I still get a £4,500/£2,500 grant?

Yes. As long as you ordered the vehicle before the grant rates changed and the dealer has correctly submitted the claim for the vehicle to OLEV. However, the car must be delivered within 9 months of when the claim was submitted.

Have the grant rates now changed?

Yes. The new grant rates apply for orders placed from 00:01 on 21 October 2018.

If I placed an order before the change in grant rate, is there a time limit for when the car must be delivered?

Yes. Your car must be delivered within 9 months of when your dealer submitted the grant claim to OLEV to be eligible for the plug-in car grant. If it is not delivered within 9 months, the grant claim will be cancelled. If you have any questions, please contact your dealer.

I ordered a vehicle more than 9 months ago and it still hasn't been delivered / won't be delivered until after the grant rate change. Will it still qualify for a £4,500/£2,500 grant?

If a vehicle is not delivered within 9 months of when your dealer submitted the grant claim to OLEV, the grant claim will be cancelled. Please speak to your dealer if you think this applies to your order.

It is not yet 9 November, but my dealer has informed me that the car I wish to purchase is no longer eligible for the full £4,500/£2,500 grant. Is this correct?

Yes, the limits we placed on numbers of new orders that could be made during the transition period were met on 19 October. The new grant rates apply for orders made from 00:01 on 21 October.

Are the same cars eligible for the grant now the grant has changed?

No. Now the grant has changed, Category 2 and 3 vehicles are no longer eligible for any grant subsidy. However, although they are no longer eligible for the grant, plug-in hybrid vehicles remain a good

option for some buyers. They are still ultra low emission vehicles and qualify for other government incentives.

Are the same cars still be eligible for the Category 1 grant (now £3,500) from 21 October?

The eligibility criteria for Category 1 vehicles are unchanged, but the value of the grant has changed to £3,500.

I'm looking at buying a particular vehicle but can't see it listed as an eligible vehicle, why not?

Eligible vehicles must meet the criteria for the plug-in car grant, including for CO₂ emissions and zero emission range. The most common reason for exclusion of a plug-in car from the list is that it does not meet the CO₂ requirement of less than 50gCO₂/km. Manufacturers must apply to be eligible for the scheme and provide evidence that their vehicle meets the strict criteria.

Can I still get an electric vehicle homecharge scheme (EVHS) grant for a car that is no longer eligible for the plug-in car grant?

Yes. All ultra low emission vehicles remain eligible for the electric vehicle homecharge scheme grant, even if they are no longer eligible to receive the plug-in car grant. The list of currently eligible vehicles is here: <http://www.gov.uk/government/publications/electric-vehicle-homecharge-scheme-eligible-vehicles>.

Are vehicles that are no longer eligible for the plug-in car grant still eligible for other forms of local and government support (e.g. exemptions from congestion charges)?

Eligibility for local government measures is determined by the local authority. You should check with them to see which vehicles are eligible for particular forms of local support.

I want to buy a plug-in van/taxi/motorcycle that is currently eligible for a grant. Are these vehicles still eligible?

Yes. The change in rates applies only to the plug-in car grant.

Detailed guidance for vehicle manufacturers and dealers

1. The information below was intended for manufacturers and dealers who are using the portal to create orders. It covers the restrictions that we put on leased and demonstrator/internal purchase car orders during the transition period.
3. To ensure eligibility for the grant, we advised all portal users to ensure that all orders were registered on the portal as soon as possible. No orders were guaranteed until they had been saved on the portal.
4. During the transition period, new orders could not be saved on the portal without a customer's details. Customer details also could not be edited once an order had been saved without clear justification and prior approval from the portal administrators. This was to ensure that each order was linked to a customer.

One month transition period

5. The new grant rates were due to be implemented one month after the announcement date (i.e. at 23:59 on 9 November 2018), unless order limits were reached first. This period of up to a month after the announcement of new grant rates is referred to in this document as the transition period (11 October to 9 November).

Limits on new orders during the transition period

6. We set a limit of 3,000 new Category 1 orders that could be created during the transition period before the Category 1 grant rate would be reduced to the new rates. Similarly, there was a limit of 6,000 Category 2 and 3 orders that could be created during the transition period before Category 2/3 vehicles would become ineligible for the grant.
7. When one of these limits was reached, we were to send an email out to all portal users letting them know that this limit has been reached and that orders of that Category of vehicle would shortly switch to the lower grant rate. This email was to be sent by noon at the latest on the day that the category limit was hit. Portal users would then have until 23.59 on that day to load any final orders for that category. Any new orders, of the relevant category, created after 23.59 on that day

would be ineligible for the current grant rates. They would either attract the lower grant rate, in the case of Category 1 orders, or be deleted by portal administrators in the case of Category 2/3 orders.

8. For those who were interested in keeping an eye on how close we were getting to hitting these order limits, we provided daily email updates on weekdays during the transition period on the numbers of orders remaining against the Category 1 and Category 2/3 order limits. Interested stakeholders could register to receive this daily email at the following link:

<https://mailchi.mp/29c2f944fe5a/olev-landing-page>

9. If the Category 1 limit was reached during the transition period, the portal would not be immediately updated to take account of the new rates. Therefore, there would be a time when the level of grant shown on the portal for new Category 1 orders would be incorrect. Dealers could continue to place Category 1 orders during this period. All orders are to be amended retrospectively to reflect the correct grant rates.
10. If we noted an extremely large number orders from one manufacturer or detect anomalous behaviour, we reserved the right to limit the number of orders from that manufacturer that could be claimed at the higher rate.

Demonstrators and internal purchases

11. To ensure a fair distribution of limited orders between dealers/manufacturers, no demonstrator or internal purchase (orders placed by vehicle manufacturers for their own vehicles) orders for cars were permitted during the transition period. However, we made an exception for demonstrator or internal purchase orders submitted on the day of the announcement itself (11 October). In effect therefore, this restriction began at 23.59 on 12 October and was due to end at 23.59 on 9 November at the latest. In practice, this restriction ended at 00:00 on 21 October 2018.
12. Category 1 demonstrator or internal purchase cars registered during the period were eligible for the new lower grant rate of £3,500. PICG orders for these vehicles were not to be created during the transition

period, but could be created retrospectively with the assistance of the portal administrators after 9 November.

13. Category 2/3 demonstrator or internal purchase cars were no longer eligible for the PICG from 23:59 on 12 October.

14. We reserved the right to cancel any:

- demonstrator or internal purchase car orders placed during the transition period.
- orders considered to be demonstrator vehicles but not created as such on the portal.

Leased cars

15. We allow dealers and manufacturers to create leased orders using the leasing company's information in place of the final customer's information, if they do not yet have the final customer details. To ensure a fair distribution of limited orders between dealers/manufacturers during the transition period, all lease purchase car orders placed were required to include final customer details. In other words, these orders had to contain:

- Keeper details, if it was a private order, e.g. First name, Last name, Address and Postcode.
- Business details, if it was a business order, i.e. Business name, Address and Postcode.

16. They could not contain lease company details in place of this information. We reserved the right to cancel any:

- lease purchase car orders placed during the one month notice period that did not include actual final customer details.
- internal purchases made via lease purchase during the one month notice period.
- any orders considered to be lease purchase vehicles but not created as such on the portal.

17. This restriction began at 23.59 on 12 October and was due to end at 23.59 on 9 November at the latest. In practice, this restriction ended at 00:00 on 21 October 2018.