



New Plug-in Car Grant Levels from March 2016

1. From 1 March 2016, plug-in car grant levels are changing. The new grant levels will be based on the environmental performance of the vehicle.
2. Ultra low emission vehicles will be placed into categories on the basis of their CO₂ emissions and their zero emission range. The 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
3. From 1 March 2016 the following rates will apply:
 - £4,500 for eligible category 1 vehicles
 - £2,500 for eligible category 2 vehicles
 - £2,500 for eligible category 3 vehicles
4. The grant will be maintained at these levels until March 2017, or until a prescribed number of each type of vehicle have been sold, whichever is sooner. A list of which vehicles fall into which category is set out below.
5. The trigger points for a further review of grant levels will be 40,000 category 1 vehicles, and 45,000 combined sales of category 2 and 3 vehicles, with both totals including cars sold before March 2016. As of December 2015, 23,000 claims had been submitted for category 1 vehicles and 28,000 claims for category 2 and 3 vehicles.

6. To encourage zero emission vehicles and maximise the number of everyday motorists who can benefit, a price cap for category 2 and 3 vehicles will operate from 1 March. Vehicles that cost £60,000 and above will no longer be eligible for the grant. There will be a derogation for category 1 vehicles, which will remain eligible for the full grant.
7. We have planned for a spike in grant uptake in the last few weeks of the £5,000 grant rate. However, for the plug-in car grant to be successful it has to be sustainable. Due to higher than forecast sales it has been necessary to restrict the number of £5,000 grants in the final weeks before 1 March. Please speak to your local dealer to check availability of the grant.

Currently Eligible Vehicles

Category 1 Vehicles

- BMW i3
- BYD e6
- Citroen CZero
- Ford Focus Electric
- Kia Soul EV
- Mercedes-Benz B-Class Electric Drive
- Mitsubishi iMiEV
- Nissan e-NV200 5-seater and 7-seater
- Nissan LEAF
- Peugeot iON
- Renault Fluence
- Renault ZOE
- Smart fortwo electric drive
- Tesla Model S
- Toyota Mirai
- Volkswagen e-up!
- Volkswagen e-Golf

Category 2 Vehicles

- Audi A3 e-tron
- BMW i8*

- BMW 225xe
- BMW 330e
- Mercedes-Benz C350 e
- Mitsubishi Outlander
- Toyota Prius Plug-in
- Vauxhall Ampera
- Volkswagen Golf GTE
- Volvo V60 D6 Twin Engine
- Volvo XC90 T8 Twin Engine**

Category 3 Vehicles

- Mercedes-Benz S500 Hybrid*
- Porsche Panamera S E-Hybrid*

*The recommended retail price for these cars is above £60,000, so they will not be eligible for the plug-in car grant from 1 March 2016. However, they remain genuine ultra low emission vehicles.

**Variants with a recommended retail price over £60,000 will no longer be eligible for the plug-in car grant from 1 March 2016. Variants with a recommended retail price below £60,000 will remain eligible for the plug-in car grant from 1 March 2016, provided that the full purchase price (including number plates, vehicle excise duty and VAT) is also below £60,000. All variants remain genuine ultra low emission vehicles.

Frequently Asked Questions

Up to 29 February 2016:

1. I have already ordered a vehicle but am taking delivery after 1 March – will I still get a £5,000 grant?

Yes – as long as the dealer has correctly submitted the claim for the vehicle to OLEV, then it will qualify for a £5,000 grant. However, the car must be delivered within 9 months of when the claim was submitted.

2. If I order a vehicle before 1 March but it is not delivered and registered until after 1 March (i.e. so that it has 2016 plates), will I still get a £5,000 grant?

For most vehicles yes – as long as you order the vehicle before 1 March and the dealer has correctly submitted the claim for the vehicle to OLEV. However, due to higher than forecast sales, we have had to restrict the number of £5,000 grants in the final weeks before 1 March. Your dealer will be able to notify you of the grant you will be eligible for at the time of ordering the car.

3. If I place an order before 1 March, 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.

4. I ordered a vehicle more than 9 months ago and it still hasn't been delivered / won't be delivered until after 1 March. Will it still qualify for a £5,000 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.

5. It is not yet 1 March, but my dealer has informed me that the car I wish to purchase is no longer eligible for the full £5,000 grant. Is this correct?

Due to higher than forecast sales, we have had to restrict the number of £5,000 grants during the final weeks before 1 March. For some cars, the new grant rates (including the price cap for category 2 and 3 cars over £60,000) will apply before 1 March. Your dealer will notify you of the grant you will be eligible for at the time of ordering the car.

6. Are the same cars still eligible for the higher rate of the grant (£5,000) until 29 February?

The eligibility criteria are unchanged up to 29 February. However, due to higher than forecast sales, we have had to restrict the number of £5,000 grants claimed by some manufacturers. For these cars, the new grant rates (including the price cap for category 2 and 3 cars over £60,000) will operate. Please speak to your dealer to confirm the grant rate available for each car.

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

Not all hybrids are ultra low emission vehicles. 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 75gCO₂/km. Please refer to the OLEV website for more details of the plug-in car grant criteria.

From 1 March 2016:

8. Are the same cars still eligible for the grant after 1 March?

No – to maximise the number of everyday motorists who can benefit, the grant will no longer apply for category 2 and 3 vehicles that cost £60,000 and above. However, vehicles that meet the emissions qualification and are only excluded from the grant because of the price remain genuine ultra low emission vehicles.

To encourage zero emission driving, all category 1 vehicles will remain eligible for the full grant of £4,500.

9. Can I still get an electric vehicle homecharge scheme (EVHS) grant for a car that no longer receives the grant because it costs over £60,000?

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 because of the price cap.

10. Are vehicles that are no longer eligible for the plug-in car grant because of the £60,000 price cap 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.

Some vehicles will no longer be eligible for the plug-in car grant due to the introduction of a price cap. However, they still meet the necessary environmental performance criteria and should still be considered ultra low emission vehicles.