

## Factsheet

# Renewable Energy Grants - Businesses



Depending on a number of criteria, Scottish businesses may be eligible to receive funding towards the costs of installing renewable energy technology. In addition to several government led initiatives which provide direct funding assistance, businesses could also qualify for both tax and Climate Change Levy exemptions which would result in further financial savings.

As well as investigating the various routes to funding outlined in this factsheet, it would be advisable to check with your local council and enterprise company to ascertain whether funding could be accessed at a local level.

### **The Low Carbon Buildings Programme (LCBP)**

The LCBP aims to demonstrate how energy efficiency and renewable energy can work hand in hand to create low carbon buildings.

Scottish businesses are potentially eligible to receive funding under Phase 1 of the scheme which allows for a maximum grant of 40-50% of the total installed costs of the technology to a maximum of £100k.

Technologies eligible for funding under the scheme include;

- Solar photovoltaics
- Wind turbines
- Small hydro
- Solar thermal hot water

- Ground/water/air source heat pumps
- Bio-energy

To apply for LCBP funding it is first necessary to preregister (form is available via the link at the end of factsheet). A funding application form will then be sent to you along with a deadline for its completion. Applications will be assessed every quarter.



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## The Scottish Biomass Support Scheme

The Scottish Executive is keen to promote the level of biomass usage in Scotland and has introduced a support scheme aimed at boosting the development of the industry.

Grants are available to a wide range of businesses considering a biomass installation. The scheme is Scotland wide with total funding of £7.5 million to be spent over the financial years 2006/07 and 2007/08.

The application process for 2006/2007 has now closed, but may reopen in the future.

More detailed information regarding the scheme (including how to apply if the scheme reopens) can be found via the link provided at the end of the factsheet.

## Enhanced Capital Allowance

The Enhanced Capital Allowance (ECA) scheme is a key part of the UK Government's programme to manage climate change. It provides businesses with enhanced tax relief for investments in equipment that meets certain energy-saving criteria.

Under the scheme businesses can write off the whole of the capital cost of their investment in these technologies against their taxable profits of the period during which they make the investment.

Eligible renewable energy technologies include:

- Biomass boilers and stoves
- Heat pumps
- Solar thermal systems

ECA claims should be submitted as part of your normal corporate or income tax return.

More information on the scheme, eligible technologies and how to apply can be found on the ECA website (listed at the end of the factsheet).



## Loan Action Scotland

Through Loan Action Scotland Scottish Small to Medium sized Enterprises (SMEs) can apply for interest free loans ranging from £5,000 to £100,000 to assist with the capital costs of installing certain renewable energy technologies.

As these loans accrue no interest and have no arrangement fee, what you borrow is what you repay. Loans can be repaid over a period of up to 4 years with the aim of being "capital neutral" - the savings from the new

energy saving equipment will cover the cost of repayments.

For more information or for an application pack please call the Loan Action Scotland helpline on 0800 092 9002

## Energy Advice for Businesses

The Scottish Executive through the Energy Saving Trust operates a 'one-stop shop' to provide Scottish SMEs with advice on all matters relating to energy. A network of regional Business Advisers are used to help companies throughout Scotland, regardless of their sector or role.

To take advantage of this free and independent advice in the Highlands and Islands area please contact:

Dr Stephen Cribb  
EST Business Adviser  
The Highland Council  
Kinmylies Building  
Leachkin Road  
Inverness  
IV3 8NN  
Tel: 0845 458 5040  
Email: [stephen.cribb@est.org.uk](mailto:stephen.cribb@est.org.uk)  
Web: [www.energy-efficiency.org](http://www.energy-efficiency.org)



## Useful Links

Low Carbon Buildings Programme website - including download of application form  
[www.lowcarbonbuildings.org.uk](http://www.lowcarbonbuildings.org.uk)

Scottish Biomass Support Scheme - Guidance for Applicants  
[www.scotland.gov.uk/Topics/Business-Industry/infrastructure/19185/BioSupport/BioSupportGuide](http://www.scotland.gov.uk/Topics/Business-Industry/infrastructure/19185/BioSupport/BioSupportGuide)

The Enhanced Capital Allowance Energy Scheme  
[www.ea.gov.uk/etl](http://www.ea.gov.uk/etl)

Information on Loan Action Scotland  
[www.est.org.uk/housingbuildings/funding/scottishbusiness/financialassistance](http://www.est.org.uk/housingbuildings/funding/scottishbusiness/financialassistance)