

SMART THINKING FOR BETTER BUSINESS SERIES

VOLUME

11

# FINANCIAL SUPPORT



**I**ntroducing sustainable business practices, like turning down the thermostat or promoting public transport, often cost little or nothing. No matter the size of the project, whether upgrading appliances, or completing refurbishments or changing light fittings and taps, financial help is available for businesses wishing to introduce new sustainable technologies through a range of grants and funding options.

Sustainability can bring many benefits to your business, but in order to 'go green' investments must be commercially justifiable. By carefully researching the funding options available to your business, you might be able to offset a large proportion of your project costs.

Grants and awards are available from a number of sources and are often dependent on the size of your business and the project you wish to undertake. Some of the main financial support packages available are highlighted in the following pages.

Please note that the funding landscape regularly changes and it is advisable to get specialist advice.



## Resource Efficient Scotland SME loans

**Scottish Government funding to support businesses looking to reduce costs through improved energy, material resource and water efficiency.**

The scheme is aimed at Scottish businesses that fall within the EC definition of a small or medium-sized enterprise (SME) – those organisations with fewer than 250 employees, private sector landlords, not-for-profit organisations and charities.

For more information and access to the application form visit the SME loan information page:  
[www.energysavingtrust.org.uk](http://www.energysavingtrust.org.uk)

There are a number of criteria you must meet if applying for a Resource Efficient Scotland SME Loan, and these are summarised in a checklist at the front of the application form. Any application must be accompanied by a qualifying report recommending the measure(s) you plan to undertake.

A qualifying report can either be a report from [Resource Efficient Scotland](#) or a Green Deal Advice Report (generated from a Green Deal assessment).

If you are interested in applying please contact **Resource Efficient Scotland Helpline** on 0808 808 2268 (9.00am – 5.00pm Monday to Friday) to discuss further or at [enquiries@resourceefficientscotland.com](mailto:enquiries@resourceefficientscotland.com)



## Enhanced Capital Allowances

The Enhanced Capital Allowance scheme enables businesses to claim a 100% first year capital allowance on investments in certain energy and water saving equipment, against the taxable profits of the period of investment.

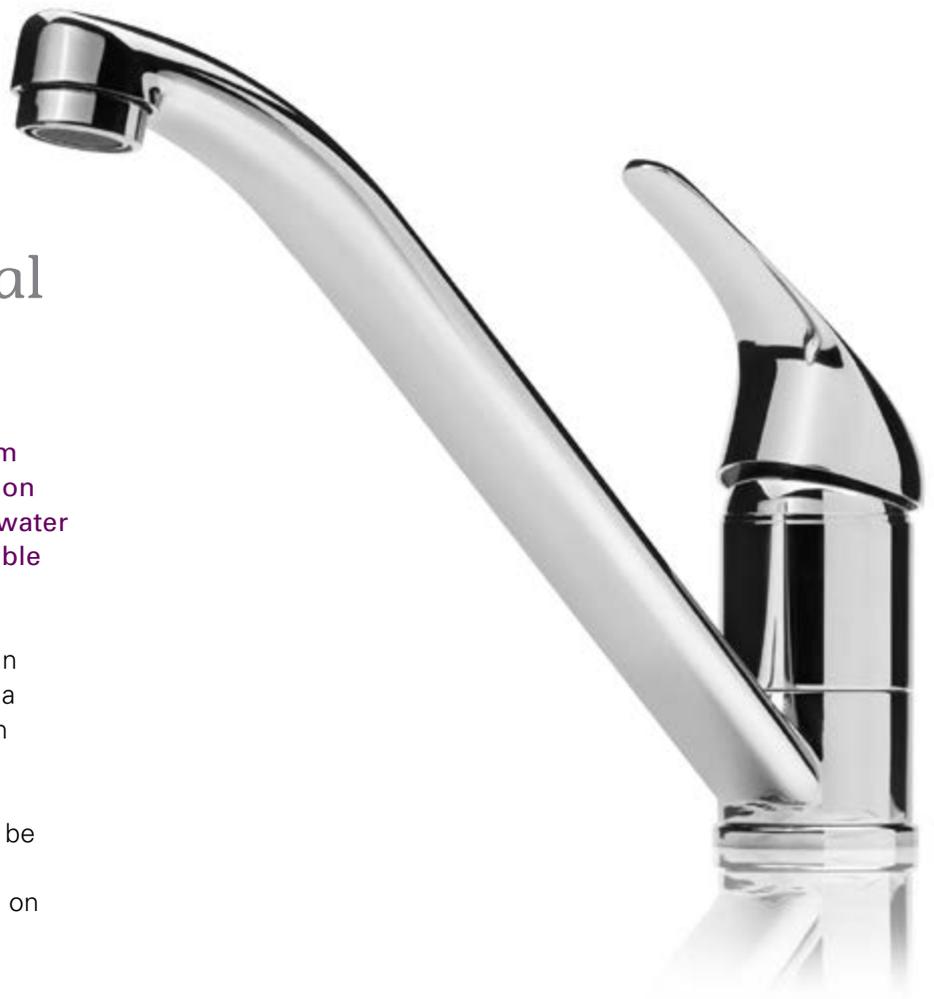
This allows investments to be made in resource efficiency improvements at a much lower cost to the business than would otherwise be the case. It also improves cash flow. A wide range of energy and water saving devices can be funded through this arrangement. To qualify the equipment needs to be on the energy or water technology list. (See links below)

### Example:

If a business pays corporation tax or income tax at 24%, every £1,000 spent on qualifying equipment would reduce its tax bill in the year of purchase by £240.

For more information and a list of the energy saving products, including for example lighting, boilers, heat pumps, refrigeration, pipework insulation, visit: [www.etl.decc.gov.uk](http://www.etl.decc.gov.uk)

For information on capital allowances for water saving technology, like efficient taps, toilets, showers, rainwater harvesting equipment, for example, visit: [www.hmrc.gov.uk](http://www.hmrc.gov.uk)



## Renewable Energy

### *Feed-In Tariffs (FITs) and the Renewable Heat Incentive (RHI)*

Feed In Tariffs (FITs) and the Renewable Heat Incentive (RHI) provide income to encourage investment in renewable electricity projects (FITs) and renewable heat (RHI).

Information on [Feed-In Tariffs scheme](#)  
Information on [Renewable Heat Incentive](#)

## Green Deal

Green Deal allows organisations and individuals to pay for energy efficiency improvements to their buildings through savings on their energy bills.

The Green Deal Oversight and Registration Body (ORB) manages the authorisation scheme for participants in the Green Deal – assessors, installers and finance providers.

For more information visit:

[www.gov.uk](http://www.gov.uk)

[www.energysavingtrust.org.uk](http://www.energysavingtrust.org.uk)

## Scottish Loan Fund

Part-financed by the Scottish Government, the Scottish Loan Fund (SLF) provides mezzanine loans from £250,000 to £5 million to qualifying Scottish businesses on a commercial basis.

Mezzanine finance is a hybrid product that sits between traditional bank debt and equity within the capital structure of a business and is typically used to fund the growth of companies. The fund is designed to help SMEs secure funding for opportunities that drive growth. [www.mavencp.com](http://www.mavencp.com)

## Further information

- [Resource Efficient Scotland](#)
- [Energy Saving Trust](#)



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[www.visitscotland.org/sustainable-business-series.aspx](http://www.visitscotland.org/sustainable-business-series.aspx)

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