



# The South Gloucestershire Home Energy Loan

**A simple ten step guide to help you apply...**



# The South Gloucestershire Home Energy Loan

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The South Gloucestershire Home Energy Loan is a new initiative which offers you the opportunity to improve your home with energy efficiency measures and renewable technology installations.

## So what is it?

The South Gloucestershire Home Energy Loan has been set up by South Gloucestershire Council, Wessex Home Improvement Loans (creditor) and Severn Wye Energy Agency (broker) specifically to help people to install energy efficiency measures in their home.

The loan allows you to spread the cost of the improvements over time – but to gain from the benefits straight away.

## Do I qualify?

If you are a homeowner in the South Gloucestershire Council area, and you are living in the property as your main residence, you may be eligible.

The loan is subject to a credit check and survey.



*The terms included in this booklet are subject to change. This booklet is intended to provide information on the loan and the loan process, and should not be considered as financial advice. It should not be seen as an alternative to reading the loan information you will receive from South Gloucestershire Council and Wessex Home Improvement Loans.*

*It is important to ensure you can comfortably pay back any loan you take out. An affordability test will be carried out by the loan provider. You may also wish to seek advice from an independent financial advisor (or other relevant body or qualified person).*

*Severn Wye Energy Agency is registered with the Financial Conduct Authority (FCA) for credit brokerage and credit intermediaries. Reference number 650659. Severn Wye is an authorised credit broker working with a small number of loan providers.*

# The South Gloucestershire Home Energy Loan

Here's a summary of important factors to remember:

- The loan is for a minimum of £1,000 and a maximum of £15,000, including VAT and any charges.
- The term of the loan is for a minimum of six months and a maximum of fifteen years. There is no penalty for early repayments of the loan.
- The loan is 4% fixed rate of interest.

## Typical 4.1%APR

- The scheme is facilitated by Severn Wye, a local sustainable energy charity. A 5% charge (plus VAT) on the total cost of the works will be payable to Severn Wye to cover project management costs.

- The loan will be secured on your property using an equitable mortgage. It is also registered at the Land Registry meaning the property cannot be sold or change ownership without the loan being repaid.
- On or before the date of the loan agreement there is a £20 charge to cover the Land Registry fee, payable on registration of the security.
- With this type of loan the monthly repayment covers both interest and capital. The loan is repaid in full over a fixed term.

**IMPORTANT: YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON A MORTGAGE OR ANY OTHER DEBT SECURED ON IT.**

The table below shows two representative examples for a loan taken out over 5 and 10 years. The amount you could expect to repay will vary depending on the amount of loan you take out and the term.

For both examples the Severn Wye fee will be £300 and the Land Registry fee will be £20. Only the Severn Wye fee has been included in the tables below as the Land Registry fee is usually paid separately.

	Example 1: 5 year term	Example 2: 10 year term		
	Not including fees	Including Severn Wye fee	Not including fees	Including Severn Wye fee
<b>Amount of Loan</b>	£5,000	£5,300	£5,000	£5,300
<b>Total amount of interest</b>	£524.96	£556.45	£1,074.40	£1,139.20
<b>Number of monthly repayments</b>	60	60	120	120
<b>Value of monthly repayments*</b>	£92.08	£97.61	£50.62	£53.66
<b>Fixed interest rate</b>	4%	4%	4%	4%
<b>Total amount repayable</b>	£5,524.96	£5,856.45	£6,074.40	£6,439.20
<b>Representative % APR</b>	4.1%	4.1%	4.1%	4.1%

\*Please note your first or final payment may differ slightly from this amount to ensure the monthly repayments over the term of the loan equals the total amount payable.

# Ten steps to a warmer home

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There are 10 simple steps to follow if you want to access the South Gloucestershire Home Energy Loan:

- 1. Contact:** Get in touch with Severn Wye Energy Agency through the Warm and Well advice line to find out how to reduce your energy bills.
- 2. Assessment:** Have a home energy assessment, if you haven't already, to see which measures will be suitable for your home.
- 3. Options:** Receive a report detailing the options you can take.
- 4. Quotes:** Request an application pack from South Gloucestershire Council and obtain at least two quotes from a Link to Energy installer for each measure you would like to undertake.
- 5. Apply:** Complete and return your application pack to the council.
- 6. Visit:** Wessex Home Improvement Loans will then arrange a visit to your home to go through a more detailed application and to complete a financial assessment with you.
- 7. Decision:** Wessex will then review your application. They will always notify you of the outcome of their decision.
- 8. Approval:** Once you have received approval for the loan, you can then arrange to have the work carried out.

**9. Installation:** Once it is complete, the work may be checked by a council officer to ensure it meets the criteria and standards.

**10. Completion:** Your loan will then be paid out and Direct Debit payments will then be set up – and you will be able to enjoy your warmer home.

Now read on for more information about each of the 10 steps...



# Step 1 | Contact

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You may already have done so, but your first step should be to find out how you can reduce your energy bills.

Contact the Severn Wye-managed Warm and Well advice line on **0800 500 3076** (free from a landline) or **01452 833 605**, and speak to one of their trained energy advisors.

They will be able to give you free advice on saving energy in your home. They will also be able to discuss renewable energy options with you.

An advisor will then be able to take your details and discuss step 2.

The South Gloucestershire Home Energy Loan may not be the only option for you and the

advisors can also tell you if they are aware of any other current funding options.

Homeowners may also be eligible for additional forms of funding, such as the Green Deal, the Energy Company Obligation (ECO), Feed-in Tariff or Renewable Heat Incentive.

# Step 2 | Assessment

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To apply for the loan you must have had an accredited quality home energy assessment, such as a Green Deal Advice Report.

If you have had one already, you may be able to use this. If you have not, an Assessor from Severn Wye will be able to visit your property to carry out a home energy assessment. There may be free assessments available for clients in certain circumstances, otherwise there will be a charge.

During this assessment, the Assessor will consider both the property itself and the energy you use.

Once complete, your Assessor will be able to talk you through the options and tell you which measures you may be able to get funding for under the loan.

You will then receive a report which will detail the Assessor's findings and explains where the improvements could be made to your property.

The assessment and the loan are separate. Once you have had an assessment there is no obligation for you to take out the loan. Having an assessment does not guarantee that you will be able to access the loan.

## Step 3 | Options

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If you have any questions regarding your assessment please speak to your Assessor who will be able to discuss this further.

They will also describe which of the finance options may be available to you.

If you want to apply for the South Gloucestershire Home Energy Loan you can now use your report to decide which measures you would like to install.

There is a list of measures which are approved under the loan. Your Assessor or an advisor on the Warm and Well advice line will be able to tell you more about these.

Double glazing cannot be installed under this loan. If this is an improvement that you would

like to make, please call the Warm and Well advice line for further information.

If you wish to proceed, Severn Wye will send your details to South Gloucestershire Council, who will send you a basic application form.

## Step 4 | Quotes

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You can now proceed to get quotes, if you haven't done so already. Always get more than one quote whenever undertaking home improvements.

For the South Gloucestershire Home Energy Loan you must receive at least two comparable quotes from installers for each measure you consider undertaking. These must be from installers registered on the Link to Energy website: [www.linktoenergy.org.uk](http://www.linktoenergy.org.uk).

Link to Energy is a free-to-use database of installers in Gloucestershire, South Gloucestershire and Wiltshire. It contains over 100 local businesses, from large regional organisations to much smaller operations.

If you know of a company that you would like to carry out the work, but which isn't registered on the site, they can sign up free of charge.

Quotes must be itemised with a breakdown of costs, and should be addressed to you.

Please ensure the company you select is accredited to carry out the works you are having installed. If you are unsure, or you have any questions about Link to Energy, please ask a Warm and Well advisor for guidance.

## Step 5 | Apply

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Your next step is to complete and return your application, alongside your quotes, to South Gloucestershire Council.

If you get stuck at any point while completing the application form, please contact your Home Energy Coordinator at South Gloucestershire Council who will be able to help (see page 10).

Once your application has been submitted, officers at the council will then review your application form and quotes. Once these checks are complete, they will then send your details onto Wessex.



## Step 6 | Visit

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A representative from Wessex will then contact you to arrange a visit to your home to complete your financial assessment and the full application form.

They will discuss the different options for the loan, such as the term of the loan and the total amount borrowed.

You can include the fees as described on page 2, into the loan up to a maximum amount of £15,000.

Alternatively, you can pay these fees separately. If you do pay them separately the Land Registry fee will be payable upon signing the loan agreement, and the project management fee would be payable after the loan agreement has been signed, but before

the loan is paid out.



## Step 7 | Decision

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Once your application has been submitted, officers at the council and at Wessex will then review your application to confirm you meet the loan eligibility criteria.

The standard procedure checks will include a credit check, affordability check and Land Registry search.

Wessex will always notify you if they are unable to assist you with a loan.

If you would like to proceed with the loan, your Wessex advisor will return to your house to go through the paperwork with you, and if you are then happy to proceed, this can be signed.



## Step 8 | Approval

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Once you have signed your loan agreement forms and received formal approval for the loan, work can then begin on your home improvements.

If work begins before the loan is approved your application may become invalid and approval revoked.

At this stage, the security against your home will be registered with the Land Registry.

When work does commence on your home, you will need to notify your contact at South Gloucestershire Council (see page 10).





## Step 9 | Installation

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As soon as your installer or builder has completed their work, you need to notify South Gloucestershire Council.

A technical officer from the council may come to your home to inspect the standard of the work.

If the council officer does find any problems or is not satisfied, the contractor may be required to carry out extra works before payment is made.

If there are any variations to the proposed works, call your contact at the council (see page 10). They will be able to visit your home, and consider any variations to the works.

As a condition of the loan, the works must be completed within six months of the date on which the formal approval certificate was issued.



## Step 10 | Completion

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If the officer from the council is happy with everything, they will confirm to Wessex that the funds can be released.

If you have included the project management fee in the loan this will now be paid by Wessex. If you have decided not to include the project management fee in the loan then you must make this payment before the funds are released.

Once the loan funds are released the loan repayments will be taken monthly by Direct Debit.

And now the work is complete you can enjoy a more comfortable home – and feel more secure against rising fuel prices in the future.

Your final step is to let us know how the process worked for you. And, if you have any friends or relatives who you think would be eligible and would benefit from the scheme, why not let them know how it helped you.

# Further information

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Here are a few other answers to questions you may have...

## **1. What happens if I die, sell my house or it is no longer my main residence?**

As the loan is secured against the property, should any of the above events happen the outstanding balance becomes repayable. Wessex appreciates it can take time to sell a house or deal with the estate of a deceased person and therefore would work with the client or their families to give them enough time to either sell the house or act upon the requests of the will. Each case would be looked at on an individual basis.

## **2. Do I have to have insurance?**

Yes. Part of the loan conditions are for buildings insurance to be in place throughout the duration of the loan.

## **3. Can I repay the loan early and will there be any early repayment penalties?**

The loan can be repaid in full at any time and there are no early repayment penalties or admin fees to pay. One off lump sum payments may also be paid into the loan without incurring a penalty.

## **4. Can I choose the installer?**

You can choose, on the following conditions:

- a) The installer must be signed up to the Link to Energy website. This is free for them to join and it only takes a few moments to register.
- b) They should be the lowest of two quotes (if you have a preference for the installer with the higher quote, the difference should be marginal).
- c) The choice must be approved by South Gloucestershire Council.

## **5. Who will pay the installer?**

On completion of the works, the loan funds can be either paid to you to pay the contractor, or directly

to the contractor. Note, you will need to provide the account details of your chosen contractor, along with any reference/invoice numbers.

## **6. Do I need to do anything once the measures have been installed?**

You must ensure that measures are maintained and have regular checks, e.g. boilers have a yearly check by gas safe registered engineer.

## **7. Does the loan cover extended warranties?**

No.

## **8. Do I have to own the property?**

Yes. If your property is registered with the Land Registry you will need to be registered as an owner. If your property is unregistered you will need to provide your deeds for a solicitor to confirm ownership. A charge will be entered on the Land Registry, meaning that your property cannot be sold or change ownership without the loan being repaid.

## **9. What if more than one person owns the property?**

Wessex will only lend to the owners. Therefore, if the property is in joint names, the loan will also need to be in joint names, even if only one of the owners lives at the property.

## **10. Do I need to tell my mortgage company?**

Not all clients will need to get consent from their mortgage company. This depends upon the type of restriction (or wording) the mortgage company have included on the Land Registry. Out of courtesy, Wessex will always write to a client's mortgage company to let them know about a loan.

# Notes

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This booklet has been produced by Severn Wye Energy Agency in partnership with Wessex Home Improvement Loans and South Gloucestershire Council.

Severn Wye Energy Agency is a not-for-profit company and charity (charity no. 1083812), established in 1999 under the European Commission SAVE programme to promote sustainable energy and affordable warmth through partnership, awareness-raising, innovation and strategic action.

The Warm and Well advice line is managed by Severn Wye Energy Agency, in partnership with the local authorities in Gloucestershire and South Gloucestershire.

This is not financial advice. Your Assessor will discuss the different options open to you that Severn Wye is aware of. Severn Wye does not intend to and will not provide advice or make recommendations on financial matters. You should always seek independent financial advice and investigate other means of funding for any home improvement works before committing yourself.

Severn Wye will only refer to responsible lenders and/or Green Deal Providers who are registered with the appropriate bodies and are required to follow to the principles of responsible lending.

## Contact details:

### Severn Wye Energy Agency

Unit 15 Highnam Business Centre, Highnam,  
Gloucester GL2 8DN

Tel: 0800 500 3076 or 01452 833 605

Email: [warmandwell@severnwyenergy.org.uk](mailto:warmandwell@severnwyenergy.org.uk)

Web: [www.severnwyenergy.org.uk](http://www.severnwyenergy.org.uk)

Twitter: @Severn\_Wye

### South Gloucestershire Council – Home Energy Coordinator

Civic Centre, High Street, Kingswood, BS15 0DR

Tel: 01454 865453

Email: [debby.paice@southglos.gov.uk](mailto:debby.paice@southglos.gov.uk) / [calum.allan@southglos.gov.uk](mailto:calum.allan@southglos.gov.uk)

allan@southglos.gov.uk

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

### Wessex Home Improvement Loans

Heatherton Park Studios, Bradford on Tone,  
Taunton, Somerset TA4 1EU

Tel: 01823 461099

Email: [enquiries@wrcic.org.uk](mailto:enquiries@wrcic.org.uk)

Web: [www.wrcic.org.uk](http://www.wrcic.org.uk)



# The South Gloucestershire Home Energy Loan

This is a new initiative offering South Gloucestershire homeowners the chance to improve the energy efficiency of their home by installing a range of suitable measures.

This booklet takes you through the process step-by-step, explaining how the loan works and what it offers.

The aim is to give you the information you need to help you decide whether the loan is right for you.

