



Nottinghamshire
County Council
Community Services

Trading Standards *Information*

Financing work on your home

There are several ways of financing home improvement work. You do not have to agree to credit arranged by the supplier of the work but there may be advantages if you do (see Equal liability below). You can pay cash or you can look around to find the best credit deal to suit you. Many loans for home improvement work are secured against your property -if you don't keep up the payments you could lose your home. These are often called second mortgages. Unlike a mortgage to buy a house a home improvement loan does not give you any tax concessions. Before you sign any credit agreement make sure that you fully understand all the terms and conditions.

Choosing a finance deal

Look around at the deals being offered by banks, building societies and finance companies. Compare the APR rates -in general the lower the APR the better the deal. Ask for the total cost of the loan when all the interest you will pay has been added on. Think about how long you want the loan to last -do you want to make large monthly payments over a short period or less each month for a longer time?

If your property is in a severe state of disrepair ask the district council about home improvement and/or renovation grants although these are usually only given to bring a house up to a habitable state.

If you are refused a loan ask for the name of the Credit Reference Agency the company used to check on you. For a £1 fee you can ask to see what information the Agency holds on you and can insist that any wrong details are changed. For more information ask for the leaflet 'No Credit?' at Trading Standards Advice Centres.

Problems repaying the loan

Many finance companies offer insurance policies to cover illness or unemployment. Make sure that you fully understand the terms and conditions -the cover for unemployment usually only covers redundancy, not dismissal or problems when self-employed; and pre-existing medical conditions are rarely covered. If you have to go on income support you may not get any help with the interest payments on the loan. The most important thing is not to over commit yourself -think about what could happen in the future before you take out the loan.

Please turn over...

Trading Standards County Hall West Bridgford Nottingham NG2 7QP Tel: 08450 505 200	Trading Standards 16 Regent Street Mansfield Nottinghamshire NG18 1SS Tel: 08450 505 200	Trading Standards 2 Middle Gate Newark Nottinghamshire NG24 1AG Tel: 08450 505 200	Trading Standards 17B The Square Retford Nottinghamshire DN22 6DB Tel: 08450 505 200
Website: www.consumercomplaints.org.uk		Minicom: 0115 9772395	

Equal liability

If you have a dispute with the trader about the work and the trader does not meet his responsibilities you may be able to claim compensation from the credit company if the credit was arranged by the trader or you paid by credit card. Contact the Trading Standards Advice Centre for more details.

Cancellation rights

You should never sign a credit agreement unless you are sure you are doing the right thing. However some times you have a few days in which you can cancel the agreement. This is only if you discuss the deal face-to-face with the trader or lender (not over the phone) and if you sign the agreement at home. A few days after you sign the agreement a copy will be sent to you through the post. You have five days from then to tell the trader you want to cancel. You must do this in writing.

All our information leaflets are available in a range of formats, including tape, large print or Braille. They can also be translated into any main language spoken in Nottinghamshire. If this would be useful to you please contact us on 0115 9773389.