

# British Business Bank's £130m Wales Investment Bank in second large debt deal

Swansea-based renewable energy provider, Economy Energy Group, has become the second firm to secure backing from the large debt element of the British Business Bank's £130m Wales Investment Fund.

The large debt element, with a remit to provide loans ranging from £100,000 to £2m, is managed on behalf of the British Business Bank, the economic development bank of the UK Government, by FW Capital. FW Capital is a subsidiary of the Welsh Government-owned Development of Bank Wales. FW Capital fund management activities – it also runs a number of funds in England – generates around a £1m return for the development bank each year.

The first loan from the £130m Wales Investment Fund, which was launched last November, was into Deeside-based scaffolding contractor Palmers Scaffolding with £500,000.

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Economy Energy Group was established in 2014 by veteran electrician Anthony Dixey to carry out electrical work for residential and commercial customers. Since then, the business has taken a lead in the renewable energy sector, and offers services including installing large commercial solar projects and electric vehicle charging points.

Over the past ten years the company has seen demand and its client base grow. Last year it posted revenues of £620,000, compared to £380,000. On the back of the investment it is

forecasting revenues of £1.2m this year.

The £100,000 loan will support further growth and has allowed Economy Energy Group to take on four new members of staff, taking its total workforce to nine. The company has also purchased a fork lift truck, four new vans, completed an office renovation and installed a complete IT system to help manage their ongoing growth.

Mr Dixey said: "We're seeing more and more people come to us looking for solutions to their energy issues and advice on how best to improve and monitor their usage. As a result we have strong growth potential and this loan from the Investment Fund for Wales gives us exactly what we need at the time we need it, to grow and provide green energy to more customers throughout the country."

Rhodri Evans, fund manager for the Investment Fund for Wales at FW Capital, said: "We're delighted to have provided this support to Economy Energy Group. They provide a much-needed range of services in the expanding renewable energy sector to domestic and commercial customers throughout Wales, and there's further scope for them in the coming years as that grows. The support provided from the Investment Fund for Wales will ensure their business can grow viably and sustainably in order to meet that demand."

Mark Sterritt, director, nations and regions investment funds at the British Business Bank, said: "We are particularly pleased to see the Investment Fund for Wales actively working for businesses like Economy Energy Group who are involved in developing the Green Economy and helping us move towards a net zero future.

"Their ambition and the strong demand that they have developed for their services is to be admired and supported and we hope that this new investment will go a long way to helping them realise their goals."

The small debt element of the £130m fund, which provides loans between £25,000 and £100,000. is managed by BCRS. The £50m equity element is managed by Foresight, which can make investments of up to £5m per deal.