

Business Loan Schemes

(Most recent guidance first)

Recovery Loan Scheme and Restart Grant Scheme launches

The Government launched a new loan scheme on 6th April 2021, which aims to provide further support for businesses and jobs. In its [Guidance](#) Government confirmed;

- The scheme is open from 6 April 2021 until 31 December 2021. However, the closing date is subject to review.
- Businesses could loan up to £10 million however the actual amount is at the discretion of the lenders.
- This is broken down into
 - term loans or overdrafts of between £25,001 and £10 million per business
 - invoice or asset finance of between £1,000 and £10 million per business
- Loans are to be made available through a system of accredited lenders. The loans will include 80% government guarantee and an interest rate cap however, the borrower businesses will still be 100% liable for the debt.
- To be eligible, a business must be trading in the UK and be able to prove that they;
 - would be viable were it not for the pandemic
 - have been adversely impacted by the pandemic

Grants were also made available from 1 April 2021

- The Restart Grant scheme was introduced with the aim of supporting the reopening of businesses following the lifting of COVID-19 restrictions.
- These grants were made available from 1 April 2021 and are open to businesses in the non-essential retail sector and hospitality, accommodation, leisure, personal care and gym sectors.
- If eligible, businesses in the non-essential retail sector may be entitled to a cash grant of up to £6,000 from their local council.
- Businesses in the hospitality, accommodation, leisure, personal care and gym sectors may also be entitled to a cash grant from their council of up to £18,000.
- Full guidance can be found [here](#).

Updated 9 April 2021.



Coronavirus Future Fund

- Government have published plans for a new “Coronavirus Future Fund”
- The Future Fund provides government loans to UK-based companies ranging from £125,000 to £5 million, subject to at least equal match funding from private investors.
- The scheme is open for applications until the end of September 2020.

See the guidance [here](#).

Updated 20 May 2020.

Additional Support

On 27 April 2020, Government announced further support available to small businesses.

- Businesses will be able to borrow between £2,000 and £50,000 and access the money within days.
- Loans will be interest free for the first 12 months, and businesses can apply online
- The scheme will launch for applications on Monday 4 May. Firms will be able to access these loans through a network of accredited lenders.
- The government will work with lenders to ensure loans delivered through this scheme are advanced as quickly as possible and agree a low standardised level of interest for the remaining period of the loan.

View the full announcement [here](#).

Updated 27 April 2020

Initial Guidance

- Replaces the Enterprise Finance Guarantee
- The Scheme opened to applicants on Monday 23 March.
- The Scheme is co-ordinated by the British Business Bank and currently has 40 accredited lenders
- This scheme will help any viable business with a turnover of up to £45m to access government-backed finance of up to £5m.
- The government will provide lenders with a guarantee of 80% on each loan (subject to a per-lender cap on claims) to give lenders further confidence in continuing to provide finance to SMEs
- The government will not charge businesses or banks for this guarantee
- Interest payments and any lender-levied fees for businesses will be covered by the government for an initial period of up to 12 months
- Applicants need to have a viable borrowing proposal with business plan etc and personal guarantees

View the full guidance [here](#).

The information changes so rapidly and we will try our best to keep you updated but for full and accurate updates, we would recommend checking the Government website.



Updated 27 March 2020