

# GOVERNMENT SUPPORT FOR BUSINESS INTERRUPTION

As there is such a large volume of information to digest in terms of support for businesses from the Government, as your broker we wanted to bring the below to your attention as we feel it is particularly pertinent.

## SUPPORT FOR BUSINESSES THROUGH THE CORONAVIRUS BUSINESS INTERRUPTION LOAN SCHEME

The new Coronavirus Business Interruption Loan Scheme supports SMEs with access to working capital (including loans, overdrafts, invoice finance and asset finance) of up to £5 million in value and for up to 6 years.

The government will pay to cover the first 12 months of interest payments and any lender-levied fees, so smaller businesses will not face any upfront costs and will benefit from lower initial repayments.

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.

This scheme is being delivered through commercial lenders, backed by the British Business Bank.

## ELIGIBILITY

**You are eligible for the scheme if:**

- your business is UK based, with turnover of no more than £45 million per year
- your business meets the other British Business Bank eligibility criteria

## HOW TO ACCESS THE SCHEME

The scheme is now open for applications. To apply, you should talk to your bank or one of the **40 accredited finance providers** (not the British Business Bank) as soon as possible, to discuss your business plan. You can find out the latest on the best ways to contact them via their websites.

All major banks are offering this scheme. If you have an existing loan with monthly repayments you may want to ask for a repayment holiday to help with cash flow.

The full rules of the scheme and the list of accredited lenders are available on the **British Business Bank website**.

## FURTHER INFORMATION

Please do take a look at the Government website for a more comprehensive guide to what is available. **Click here** for the main page or use the links below to be directed to specific areas.

The CBI is also running a daily Coronavirus Webinar at 10am covering a range of topics that are relevant to business owners, such as sick pay and cyber security. For further details and to register, please **click here**.

- Support for **businesses through the Coronavirus Job Retention Scheme**
- Support for **businesses through deferring VAT and Income Tax payments**
- Support for **businesses who are paying sick pay to employees**
- Support for **retail, hospitality and leisure businesses that pay business rates**
- Support for **nursery businesses that pay business rates**
- Support for **businesses that pay little or no business rates**
- Support for **larger firms through the COVID-19 Corporate Financing Facility**
- Support for **businesses paying tax: Time to Pay service**