Letter to hall managers Update 5 28/04/2020

Government announces Bounce Back Loans

The Chancellor yesterday (27th April) announced further financial support to help small and medium-sized businesses during the Coronavirus crisis.

The Bounce Back Loan scheme will help small and medium-sized businesses, financially impacted by Coronavirus, to borrow between £2,000 and £50,000. The government will provide lenders with a 100% guarantee for the loan, and the loan will be interest and fee-free for the first 12 months.

Loan terms will be up to six years and no repayments will be due during the first 12 months. The Government will work with a network of accredited lenders to agree a low rate of interest for the remaining period of the loan.

You cannot apply for a Bounce Back Loan if you are already claiming under the Coronavirus Business Interruption Loan Scheme (CBILS). However, if you have already received a loan of up to £50,000 under CBILS. and would like to transfer it into the Bounce Back Loan scheme, you can arrange this with your lender until 4th November 2020.

**Who can apply?**

You can apply for a Bounce Back Loan if your business is:

* based in the UK
* has been negatively affected by Coronavirus
* was not an ’undertaking in difficulty’ on 31st December 2019

**Who cannot apply?**

The following businesses are not eligible for a Bounce Back Loan:

* banks, insurers and reinsurers (but not insurance brokers)
* public-sector bodies
* further-education establishments if they are grant-funded
* state-funded primary and secondary schools

**How and when to apply?**

The Bounce Back Loan scheme will launch on 4th May 2020. The scheme will be delivered through a network of accredited lenders which will be announced soon.