

Financing Facility Support

What help is available?	What does the help entail?	Which companies are eligible?	What is the criteria (if any) for applying?	How to apply	When will the finance be available?
<p>Coronavirus Business Interruption Loan (CBIL) Scheme</p>	<ul style="list-style-type: none"> • Government is providing lenders with a guarantee of 80% on each loan. • Scheme is designed to boost lenders' confidence in providing finance to small businesses. • Scheme supports loans and other types of financing of up to £5 million in value. • Scheme is offered through accredited lenders. • Companies can access the first 12 months of the finance interest-free, as government will cover the first 12 months of interest payments. • Finance terms are up to six years for term loans and asset finance facilities and up to three years for overdrafts and invoice finance facilities. • There is no fee for smaller businesses to access the scheme, but there is a fee for lenders to access it. • Personal guarantees may be requested for loans above £250,000 but capped at a maximum of 20% of the outstanding balance of the CBILS facility after the proceeds of business assets have been applied. • A principal private residence cannot be taken as security to support a personal guarantee or as security for a CBILS-backed facility. • Insufficient security is no longer a prerequisite. 	<ul style="list-style-type: none"> • Small businesses. • Companies that generate more than 50% of turnover from trading activity. <p>Detailed eligibility criteria should be consulted here and an eligibility checklist can be consulted here. CBIL scheme covers a range of finance products including term facilities, overdrafts, invoice finance facilities and asset finance facilities.</p>	<ul style="list-style-type: none"> • Business activity must be UK-based. • Must have a turnover of no more than £45 million per annum. • Must operate within an eligible industrial sector. • Company must have a borrowing proposal, which would be considered viable by the lender were it not for the COVID-19 pandemic. • Self-certify that business has been adversely impacted by COVID-19. 	<ul style="list-style-type: none"> • Companies should look to apply via a lender's website in the first instance. <p>A full list of participating lenders can be found here.</p> <p>The British Business Bank is accepting applications for new lenders to undergo accreditation.</p>	<p>This scheme has now launched. An in-depth FAQ page can be accessed here.</p>

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<p>Coronavirus Large Business Interruption Loan Scheme (CLBILS)</p>	<ul style="list-style-type: none"> Government will provide lenders with a guarantee of 80% for loans of up to £25 million Scheme is designed to boost lenders' confidence in providing finance to businesses impacted by COVID-19. Loans backed by guarantee under scheme will be offered at commercial rates of interest. 	<ul style="list-style-type: none"> Businesses with an annual turnover of between £45 million and £500 million. 	<ul style="list-style-type: none"> Must have a turnover of between £45 million to £500 million per annum. Business must be unable to secure regular commercial financing. <i>Expected: Business activity must be UK-based.</i> <i>Expected: Company must have a borrowing proposal, which would be considered viable by the lender were it not for the COVID-19 pandemic.</i> <i>Expected: Borrowing proposal must convince lender that the business can trade out of any short-term to medium-term difficulty.</i> 		<p>This scheme is not yet available. Further details and criteria are expected before the end of April.</p>
<p>Covid Corporate Financing Facility (CCFF)</p>	<ul style="list-style-type: none"> HM Treasury and the Bank of England are providing a financing facility to help companies bridge through COVID-19-related cash flow disruption. CCFF provides funding by purchasing commercial paper of up to one-year maturity issued by businesses materially contributing to the UK economy. The terms of CCFF will be comparable to those prevailing in markets prior to the COVID-19 economic shock. The fund will purchase commercial paper during a defined period each business day. The minimum size that of an individual security that the fund will purchase from an individual participant is £1 million nominal. 	<ul style="list-style-type: none"> UK-incorporated companies making a material contribution to the UK economy. Businesses can have foreign-incorporated parents but must have genuine business in the UK. Businesses capable of issuing commercial paper. <p>Terms and conditions can be found here.</p>	<ul style="list-style-type: none"> Businesses must be able to prove they were in sound financial health prior to the economic shock produced by COVID-19. Businesses need not have previously issued commercial paper. Commercial paper will need to have a maturity of one to 12 months; where possible a credit rating of A-3/P-3/F-3 from at least one of Standard & Poor's, Moody's and Fitch as at 1 March 2020; and issued directly into Euroclear and/or Clearstream. <p>Companies that do not have a credit rating can review the advice on this page.</p>	<p>Application forms have been published on the Bank of England's website and can be found here.</p> <p>The documents that need to be completed include: CCFF Application Form, Issuer Eligibility Form, Issuer Undertaking and Confidentiality Agreement, Guarantee document (if commercial paper is issued by entity other than primary entity in group) and associated legal opinion from primary group entity.</p> <p>Completed application documentation should be sent to CCFF-Applications@bankofengland.co.uk.</p> <ul style="list-style-type: none"> Businesses whose commercial paper will be offered to the fund in the primary market are asked to contact the Bank of England via the following email address: applications@bankofengland.co.uk 	<ul style="list-style-type: none"> The facility is now available. <p>Application forms, terms and conditions, operating procedures and a full pricing schedule are available here.</p> <p>Not all banks issue commercial paper, a full list of the banks that do can be found here.</p> <ul style="list-style-type: none"> Purchase operations are held every working day between 10 and 11:00 a.m.

Other Financial Support

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Insurance	<ul style="list-style-type: none"> Government has stated that since advice to avoid social gatherings on 17 March 2020, businesses with insurance cover for both pandemics and government-ordered closure will be able to make claims. 	<ul style="list-style-type: none"> Businesses with insurance cover for pandemics and/or government-ordered closure. 	<ul style="list-style-type: none"> Businesses will need to check the terms and conditions of their specific policies. 	<ul style="list-style-type: none"> Businesses will need to contact their insurance providers. 	Claims can be made as of now.
Grant Relief From Business Rates	<ul style="list-style-type: none"> Additional funding provided for local authorities to support small businesses that benefit from the small business rate relief (SBRR) and pay little to no business rates. One-off grant of £10,000 to help meet ongoing business costs. 	<ul style="list-style-type: none"> Companies currently eligible for SBRR or rural rate relief. 		<ul style="list-style-type: none"> Eligible companies will be contacted by their local authorities and do not need to apply. 	Funding for the scheme will be provided to local authorities in early April. Guidance will be published soon.
Relief From Business Rates	<ul style="list-style-type: none"> A business rates holiday for retail, hospitality and leisure businesses for 2020 to 2021 tax year. Businesses that received the retail discount in the 2019 to 2020 tax year will be rebilled by their local authority as soon as possible. £25,000 grant will be provided to businesses operating from smaller premises, with a rateable value between £15,000 and £51,000. 	<ul style="list-style-type: none"> Retail, hospitality and leisure businesses. <p>Properties that will benefit from the relief will be occupied properties wholly/mainly used as:</p> <ul style="list-style-type: none"> Shops, restaurants, cafes, drinking establishments, cinemas, live music venues, properties for assembly and leisure, hotels, guest and boarding premises, and self-catering accommodation. 	<ul style="list-style-type: none"> Company must be based in England. 	<ul style="list-style-type: none"> No action to be taken. The business rates holiday will be applied to next council tax bill in April 2020. <p>A business rates calculator is available here to calculate the charge saved.</p> <p>Any enquiries on cash grants should be directed to the relevant local authority.</p>	<ul style="list-style-type: none"> Relief to apply as of April 2020. Guidance for local authorities published here.

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Support for Businesses Paying Tax	<ul style="list-style-type: none"> Support made available for businesses and self-employed people in financial distress with their outstanding tax liabilities. Support is provided through HMRC's Time to Pay service. 	<ul style="list-style-type: none"> All arrangements are to be agreed on a case-by-case basis. Arrangements will be tailored to individual circumstances and liabilities. 	<ul style="list-style-type: none"> Businesses and self-employed people in financial distress. 	<ul style="list-style-type: none"> Calls can be to HRMC's dedicated helpline on 0800 0159 559. 	<p>Calls can be made as of now.</p>
Statutory Sick Pay (SSP)	<ul style="list-style-type: none"> Refund to cover up to 2 weeks' SSP per eligible employee off work due to COVID-19. Companies can reclaim expenditure for any employee who has claimed SSP because of COVID-19. 	<ul style="list-style-type: none"> Business must be UK based. Business must be an SME. <p>SMEs: A company is considered an SME if it meets two out of three of the following criteria:</p> <ul style="list-style-type: none"> Turnover of less than £25 million Fewer than 250 employees as at 28 February 2020, and/or Gross assets of less than £12.5 million 	<ul style="list-style-type: none"> Employers must have fewer than 250 employees determined by the number of people employed as of 28 February 2020. Employers should maintain records of staff absences and payments of SSP, but a GP fit note is not required from employees. If evidence is required by an employer, those with COVID-19 symptoms can get an isolation note from NHS 111 online and those living with someone that has symptoms can obtain a note from the NHS website. Eligible period for scheme will commence the day after the regulations on the extension of SSP to those staying at home comes into force. 	<ul style="list-style-type: none"> A rebate scheme is being developed and further details will be available once the relevant legislation is passed. 	<p>The government will be working to set up the repayment as soon as possible. No date has been set yet.</p>

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Self-Employment Income Support Scheme (SEISS)	<ul style="list-style-type: none"> Scheme allows people who are self-employed or a member of a partnership to claim a taxable grant worth 80% of trading profits up to a maximum of £2,500 per month for the next 3 months. 	<ul style="list-style-type: none"> Must have submitted an Income Tax Self Assessment tax return for 2018-19 tax year. Must have traded in 2019-20 tax year. Must either be trading when applying or would be trading were it not for COVID-19. Must intend to continue trading in 2020-21 tax year. Must have lost trading/ partnership profits as a result of COVID-19. 	<ul style="list-style-type: none"> Self-employed trading profits must be less than £50,000. More than half the person's income must come from self-employment. This test can be met if at least one or both of the following conditions applies: <ul style="list-style-type: none"> Having trading profits/ partnership trading profits in 2018-19 of less than £50,000 and these profits constitute more than half of total taxable income. Having average trading profits in 2016-17, 2017-18, 2018-19 of less than £50,000 and these profits constitute more than half of average taxable income in same period. 	<ul style="list-style-type: none"> HMRC will contact those eligible for the scheme and invite them to apply online. 	This scheme has not yet launched.

Key Contacts



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