

Loan and Funding Sources



Grants finding and advice

Supporting you through effective funding identification, application and management, please see further information [here](#)

Enterprise South - Virgin Start Up Loans:

- Borrow up to £25,000 per co-founder.
- Borrow over 1-5 years at a rate of 6% fixed p.a.
- No set up fee or early repayment penalties.

Every loan comes with one-to-one support from a business advisor and a mentor, hand-picked for your start-up. See our 'delivery partners' [here](#)

Start-up Loans Company - Start or grow your own business

- Borrow up to £25,000
- Fixed interest rate of 6% p.a.
- 1-5-year repayment term
- 12 months of free mentoring
- Government-backed

For further information, please click [here](#)

Supporting Town Centres Fund

Enterprise M3 LEP has launched a 'Supporting Town Centres Fund'. This fund covers:

- Pedestrian Space
- Movement of People
- Queueing Requirements
- Traffic Management

For further information, please click [here](#)

New Forest Rural Business Resilience Fund

Rural Business Resilience Fund for New Forest businesses - Grants of up to £2,500 will be provided to rural, small and medium-sized businesses looking to develop alternative ways of working during the coronavirus pandemic. The grants must be matched with private funds (50% of total costs); funding will be provided in advance, with full evidence of expenditure required within three months.

To be eligible, projects must safeguard jobs and demonstrate how they will benefit the New Forest's rural economy.


For full details and to apply, [click here](#).

Crowdfunding – Pay it forward

The Pay it Forward initiative enables the self-employed, micro and small businesses to generate sales by pre-selling their goods or services or diversifying their offer.

Crowdfunder will help you to tell your story, Enterprise Nation will support with online sales, marketing and finance training, and we will match any funds raised through the scheme.

For full details on how to start a Pay it Forward campaign [please click here](#).



The Prince's Trust and NatWest have launched a £5million grant fund for young entrepreneurs aged 18-30. Grants can be used to maintain core business operations during the crisis, as well as meet any existing financial commitments, such as paying for essential equipment or settling invoices from suppliers. In conjunction with these grants, the initiative will also offer one-to-one support and guidance to applicants who need it. [More information can be found here.](#)

Funding for the charity, community, and voluntary sector


The Chancellor has announced an extra £750 million coronavirus funding for frontline charities, including:

- £360 million direct from government departments and £370 million for smaller charities, including through a grant to the [National Lottery Community Fund](#).
- Government will match donations to the National Emergencies Trust as part of the BBC's Big Night In fundraiser later this month – pledging a minimum of £20 million.

Further details about how the funding will be available will be made as soon as possible.

The Charities Aid Foundation have set up a fund for smaller charities, not for profit organisations, social enterprises, and unregistered community groups. Grants of up to £10,000 are available to help continue to deliver support within local communities. And can help with core costs, staffing, volunteer costs, supplies and equipment, communications, or other critical charitable areas. [More information can be found here.](#)

Youth Music have launched an emergency fund for music-making organisations affected. Grants of up to £10,000 are available and priority will be given to people and organisations in the most immediate need. [More information can be found here.](#)



Understanding the make up of the market

Apart from the current Central Government and Local Government schemes (which includes many of the main primary, secondary and specialist lenders) and those through the LEPs, there are c.140 commercial finance lenders who are patrons of the main professional associations / bodies. 1600+ commercial finance brokers are members of such professional groups – not all brokers register however.

The patrons / lenders range from the 1st Tier Lenders (High Street), Secondary lenders (Aldermore, Shawbrook) across to those with purely an online presence (ESME, IWOCA, Inksmoor, Catalyst Finance, Funding Circle etc), Alternative Finance providers (Thin Cats), private equity firms (IGF), specialist lenders (for the purpose of a MBO / MBI, Asset Finance, Invoice Finance, Cash Flow Finance, Bridging Loans, VAT loans etc) and generalists.

The financial regulator (FCA) also works with other authorised organisations such as the Money & Pensions Service.

Then of course there are the many Crowd Funding platforms.

Government Covid-19 Schemes

For all businesses, Q1 VAT payments have been deferred with immediate effect there will be no payments between now and the end of June. Businesses will have until April 2021 to pay this back, easing cash flow immediately. Self-assessment payments are also deferred until January 2021

All businesses that have outstanding tax liabilities because of cashflow issues can request extra help through HMRC's Time to Pay system. Click [here](#) to find out which support scheme you could be eligible for.

Extra advice can be found on the governments dedicated Business Support website. The website also has a very useful FAQs section. There is also a helpline if you are unable to find the advice you need on 0300 456 3565, and UK Finance has a dedicated coronavirus web hub [here](#).

Small Businesses - Support available

A dedicated helpline for SMEs has been launched on **0800 024 1222**

Business Rate Discount for Small Retail Leisure & Hospitality

For small retail, leisure and hospitality businesses, the Business Rates retail discount in England has been raised to 100% for the 12 months of 2020-21 for all retail properties, and retail properties that have a rateable value of below £51,000 will also be eligible for a grant of up to £25,000 distributed by local authorities. Guidance can be found [here](#). This has been updated to include other settings such as estate agents, lettings agencies and bingo halls.

Statutory Sick Pay

Small businesses will also be able to reclaim Statutory Sick Pay paid for sickness absence due to coronavirus, for up to two weeks of an employee's salary. The rebate mechanism for this is being developed at present, and more information on eligibility can be found [here](#)

CBILS (Coronavirus Business Interruption Loan Scheme)

Small firms (up to £45m in turnover) will be able to apply for a loan facility of up to £5m with no interest payable for the first 12 months. It will offer firms both interest and fee-free loans via one of the following financial products: an overdraft, a term loan, invoice finance or asset finance. To access these loans, businesses should contact their banks or finance providers directly. Full details are available from the British Business Bank [here](#)

Small Business Rates Relief and Rural Rates Relief

All businesses in receipt of this fund will also be eligible to receive a £10,000 cash grant. These will be distributed through Local Authorities and details can be found [here](#). Businesses should anticipate Local Authorities getting in touch with them regarding this in early April. You can also find out more information about the Small Business Grants Fund (SBGF) and Retail, Hospitality and Leisure Grant Fund (RHLGF) in the [following guidance](#). To apply to for a Local Authority Grant you need to have your Business Rates Reference Number. If that paperwork has been filed away at a premises that can't be accessed, you can locate your number remotely [here](#)

Bounce Back Loan

Small businesses can access a new Bounce Back Loan. The scheme will enable businesses to borrow between £2,000 and £50,000, loan terms will be up to 6 years. No repayments will be due during the first 12 months.

Discretionary Grant Fund

The Local Authority Discretionary Grant Fund was announced on 1 May 2020. Guidance for the scheme has been published and updated on [GOV.UK](https://www.gov.uk).

This funding is **aimed at small and micro businesses** impacted by Covid-19 that were not eligible for previous grant funding support. Government has established a small number of mandatory national criteria for eligibility, but we recognise that economic need will vary across the country. Therefore we want Local Authorities to exercise their local knowledge and discretion to determine which cases to support within those mandatory criteria.

Businesses must be able to meet the find criteria which includes but is not limited to:

- Have fewer than 50 employees
- They were trading on 11th March 2020
- Not be eligible for the Small Business Support Grant or Retail, Leisure and Hospitality Support Grant
- Demonstrate a significant drop in income owing to the Coronavirus restriction measures

We encourage Local Authorities to consider collaborating within their functional economic area (e.g. a Mayoral Combined Authority or Local Enterprise Partnership area) to ensure consistency and alignment with neighbouring authorities.

It is a matter for Local Authorities to determine how many grants a business should receive. As businesses based in shared spaces are one of the priority groups, we would expect to see instances of more than one grant per property.

If the business is **not** eligible for any other HMG grant funding, a business can be considered for a discretionary grant.

For further information on this fund, please see [here](#)

Large Businesses – Support Available

A dedicated helpline for larger businesses has been launched on **0800 015 9559**

For Retail, Leisure and Hospitality Businesses

The Business Rates retail discount in England has been raised to 100% for the 12 months of 2020-21 for all retail properties. Guidance can be found [here](#). This also now includes estate agents, lettings agencies and bingo halls.

Covid Corporate Finance Facility

The Bank of England has a new lending facility for large businesses experiencing severe short-term disruption to cashflows – the Covid Corporate Financing Facility. Companies that need **£5m** or more will be able to contact their existing bank to request commercial paper under the Bank of England scheme. Initially available for 12 months, the CCF will provide funding to business by purchasing commercial paper of up to one-year maturity, issued by companies that make a material contribution to economic activity in the UK. This will cover UK incorporated companies, including those with foreign-incorporated parents and with a genuine business in the UK. This scheme is open now and applications can begin being made by contacting banks on the details listed here. More information on this scheme can be found [here](#)

Coronavirus Large Business Interruption Loan Scheme

The Coronavirus Large Business Interruption Loan Scheme are available. It provides a government guarantee of 80% to enable accredited lenders to provide finance for companies with a turnover of over £45m.

Future Fund

This scheme will issue convertible loans, between £125,000 to £5 million, to innovative companies which are facing financing difficulties due to the coronavirus outbreak. This will allow businesses that contribute significantly to the UK economy, but that do not have their parent company based in the UK because they participated in a non-UK based accelerator programme, to apply to the scheme.

Developed by government and delivered by the British Business Bank, the Future Fund launched in May and will initially be open until the end of September. As at 28 June, the Future Fund has approved over £320.6m of convertible loans to 322 innovative businesses across the UK.

Your business is eligible if:

- it is UK-incorporated - if your business is part of a corporate group, only the parent company is eligible
- it has raised at least £250,000 in equity investment from third-party investors in the last 5 years
- none of its shares are traded on a regulated market, multilateral trading facility or other listing venue
- it was incorporated on or before 31 December 2019
- at least one of the following is true:
 - half or more employees are UK-based
 - half or more revenues are from UK sales

For more information on eligibility criteria and how to apply, you can visit the Future Fund webpages [here](#). You can also read the press release announcing the update [here](#).