



£1.3billion Help for Small Firms

FSB How to Guide

Since October 2008 the FSB has been calling for a Small Business Survival Fund worth up to £1billion. This money should be used to support small businesses through the tough credit climate.

The Government announced a £1billion Small Business Finance Scheme within the 2008 Pre-Budget Report, which will go live on 14th January 2009 as the £1.3billion Enterprise Finance Guarantee.

Enterprise Finance Guarantee

The Enterprise Finance Guarantee will consist of the following:

- Government will guarantee loans to 75%,
- Loans will have a life span of 3 months to 10 year maturity,
- Businesses must have a turnover of no more than £25million who find it difficult to access finance,
- The value of loans through the Enterprise Finance Guarantee will be between £1,000 and £1million,

This will be open to all viable businesses who qualify according to the set of factors above.

All major high street banks will be part of the Enterprise Finance Guarantee. The banks are:

- Barclays, Clydesdale/Yorkshire Bank, HBOS, HSBC, Lloyds TSB, RBS/NatWest, Northern Bank,

The FSB encourages all members who have difficulty with accessing finance to make contact with their bank and enquire about the Enterprise Finance Guarantee.

All details for the scheme can be found at this website:

<http://www.businesslink.gov.uk/bdotg/action/detail?type=CAMPAIGN&itemId=1081831680>

More Government Announcements

Other announcements from the Government included:

1. A £10billion Working Capital Scheme for businesses with turnover of up to £500million,
2. A £75million Capital for Enterprise Fund which will be used as a debt for equity fund,
3. As stated in the Pre Budget Report businesses experiencing cash flow difficulties can get help from HMRC (<http://www.hmrc.gov.uk/pbr2008/business-payment.htm>),

FSB Financial Helpline: 08000 193 633

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