



# £1.3billion Help for Small Firms

**Since October 2008 the FSB has been calling for a Small Business Survival Fund worth up to £1billion. This money would 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 was launched on 14<sup>th</sup> January 2009 as the £1.3billion Enterprise Finance Guarantee.

## Enterprise Finance Guarantee

The Enterprise Finance Guarantee consists 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 and have found it difficult to access finance,
- The value of loans through the Enterprise Finance Guarantee will be between £1,000 and £1million,

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

Many major high street banks are part of the Enterprise Finance Guarantee. The banks are:

- Barclays, Clydesdale/Yorkshire Bank, HBOS, HSBC, Lloyds TSB, RBS/NatWest, Northern Bank (for Northern Ireland)

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> or

<http://www.businesslink.gov.uk/bdotg/action/detail?type=CAMPAIGN&itemId=1081831704>

## 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>),

**We need to hear of your experience in trying to access these funds. Please send reports of your experience to [nick.winch@fsb.org.uk](mailto:nick.winch@fsb.org.uk) and [priyen.patel@fsb.org.uk](mailto:priyen.patel@fsb.org.uk)**