



£1.3billion Help for Small Firms

FSB How-to Guide

The FSB has been calling for a £1 billion Small Business Survival Fund since October 2008 to help small businesses struggling with access to credit and cash flow.

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

The introduction of this money should be used to support small businesses through the economic downturn.

Enterprise Finance Guarantee

Details of the Enterprise Finance Guarantee:

- Government will guarantee loans to 75 per cent
- Loans will have a life span of three months to 10 year maturity
- Businesses must have a turnover of no more than £25million and find it difficult to access finance
- The value of loans through the Enterprise Finance Guarantee will be between £1,000 and £1million
- The scheme is available until March 2010

Viable businesses who meet the above criteria may apply for these loans from Barclays, Clydesdale/Yorkshire Bank, HBOS, HSBC, Lloyds TSB, RBS/NatWest and Northern Bank. Other banks may also apply to distribute the funds.

The FSB is encouraging 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 on 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 issued 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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