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CBILS AND BBL UPDATE

Coronavirus Business Interruption loan

The government has given banks extra time to grant state-backed loans to medium-sized and larger businesses in an extension of Covid-19 support packages until 30 November. The original deadline for CBILS was put at September 30, while the cut-off for the larger scheme was October 20.

The British Business Bank wrote to lenders last week to say that applications for the coronavirus business interruption loan scheme, or CBILS, aimed at medium-sized businesses with turnover of up to £45 million had to be in by midnight on September 30, but that they had two more months to consider the cases.

That pushes the final approvals date to November 30. The deadline for approving larger CBILS has been set for December 31.

The bank said yesterday that it had given “an update clarifying the closing of applications”. Some lenders interpreted this as an extension of the loans, which may be the first step in a move to keep the schemes open into next year.

Bounce Back Loans

The bounce back loan scheme, is aimed at smaller businesses and is due to end on November 4. No extra time has been given for approvals of bounce back loans as they were designed to be agreed by banks speedily, with minimal affordability checks.

Almost £52 billion has been lent under the schemes, including £35 billion in bounce back, £13.4 billion in CBILS and £3.4 billion in larger CBILS.

Please contact us if you need help in applying for a loan.