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## **BUSINESS LOANS – WINTER ECONOMY UPDATE**

### **GOVERNMENT ANNOUNCES MORE FLEXIBILITY TO PAY BACK LOANS**

More than a million businesses who took out a Bounce Back Loan will be given longer to repay them through a new “Pay as You Grow flexible repayment system”. This will provide flexibility for firms repaying the Loan.



This includes extending the length of the loan from six years to ten, which will cut monthly repayments by nearly half.

Interest-only periods of up to six months and payment holidays will also be available to businesses.

The Government has stated it also intends to give Coronavirus Business Interruption Loan Scheme lenders the ability to extend the length of loans from a maximum of six years to ten years if it will help businesses to repay the loan.

Chancellor Rishi Sunak also announced he would be extending applications for the government’s coronavirus loan schemes until the end of November.

More businesses will now be able to benefit from the Coronavirus Business Interruption Loan Scheme, the Coronavirus Large Business Interruption Loan Scheme, the Bounce Back Loan Scheme and the Future Fund. This change aligns all the end dates of these schemes, ensuring that there is further support in place for those firms who need it.

We will provide you with further updates as the details become known.

For more information on the Winter Economy Plan see:

<https://www.gov.uk/government/news/chancellor-outlines-winter-economy-plan#history>