



Part of

Support for businesses and self-employed people during coronavirus (<https://www.gov.uk/coronavirus-taxon/businesses-and-self-employed-people>)

Guidance

Apply for a coronavirus Bounce Back Loan

The Bounce Back Loan Scheme (BBLs) enables smaller businesses to access finance more quickly during the coronavirus outbreak.

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From:

Department for Business, Energy & Industrial Strategy

(<https://www.gov.uk/government/organisations/department-for-business-energy-and-industrial-strategy>)

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The scheme helps small and medium-sized businesses to borrow between £2,000 and up to 25% of their turnover. The maximum loan available is £50,000.

The government guarantees 100% of the loan and there won't be any fees or interest to pay for the first 12 months. After 12 months the interest rate will be 2.5% a year.

If you need a larger loan, you may be entitled to other government support (<https://www.gov.uk/government/collections/financial-support-for-businesses-during-coronavirus-covid-19>).

Eligibility

You can apply for a loan if your business:

- is based in the UK
- was established before 1 March 2020
- has been adversely impacted by the coronavirus

If your business was classed as a business in difficulty (<https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-schemes/bounce-back-loans/faqs-for-small-businesses/#f23>) on 31 December 2019 you'll need to confirm that you're complying with additional state aid restrictions (<https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-schemes/bounce-back-loans/faqs-for-small-businesses/#f22>).

Who cannot apply

Businesses from any sector can apply, except:

- banks, insurers and reinsurers (but not insurance brokers)
- public-sector bodies
- state-funded primary and secondary schools

If you're already claiming funding

You cannot apply if you're already claiming under:

- Coronavirus Business Interruption Loan Scheme (CBILS) (<https://www.gov.uk/guidance/apply-for-the-coronavirus-business-interruption-loan-scheme>)
- Coronavirus Large Business Interruption Loan Scheme (CLBILS) (<https://www.gov.uk/guidance/apply-for-the-coronavirus-large-business-interruption-loan-scheme>)
- COVID-19 Corporate Financing Facility (<https://www.gov.uk/guidance/apply-for-the-covid-19-corporate-financing-facility>)

If you've already received a loan of up to £50,000 under one of these schemes you can transfer it into the Bounce Back Loan scheme. You have until 4 November 2020 to arrange this with your lender.

How long the loan is for

The length of the loan is 6 years, but you can repay early without paying a fee. No repayments will be due during the first 12 months.

How to apply

There are 11 lenders participating in the scheme including many of the main retail banks. You should approach a suitable lender yourself via the lender's website.

The lender will ask you to fill in a short online application form and self-declare that you are eligible.

The lender will decide whether to offer you a loan or another type of finance and you'll be responsible for repaying 100% of the amount borrowed.

Find a lender (<https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-schemes/bounce-back-loans/for-businesses-and-advisors/>)

If the lender turns you down

If one lender turns you down, you can apply to other lenders in the scheme (<https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils-2/for-businesses-and-advisors/>).

You may want to consider using a broker to find the right type of finance for your needs, or do your own research using the British Business Bank's finance guide (<https://thebusinessfinanceguide.co.uk/>).

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1. 4 May 2020

Businesses that were undertakings in difficulty on 31 December 2019 can apply.

2. 4 May 2020

Applications for Bounce Back Loans are now open.

3. 28 April 2020

Granted-funded further-education establishments can now apply for a Bounce Back Loan.

4. 27 April 2020

First published.

Related content

- Financial support for businesses during coronavirus (COVID-19) (<https://www.gov.uk/government/collections/financial-support-for-businesses-during-coronavirus-covid-19>)
- Find coronavirus financial support for your business (<https://www.gov.uk/business-coronavirus-support-finder>)
- Coronavirus (COVID-19): Business support (<https://www.gov.uk/coronavirus/business-support>)
- Claim for wages through the Coronavirus Job Retention Scheme (<https://www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme>)
- Claim a grant through the Self-Employment Income Support Scheme (<https://www.gov.uk/guidance/claim-a-grant-through-the-self-employment-income-support-scheme>)
- Coronavirus (COVID-19): Business support (<https://www.gov.uk/coronavirus/business-support>)

Detailed guidance

- Apply for the Coronavirus Business Interruption Loan Scheme (<https://www.gov.uk/guidance/apply-for-the-coronavirus-business-interruption-loan-scheme>)

Collection

- Financial support for businesses during coronavirus (COVID-19) (<https://www.gov.uk/government/collections/financial-support-for-businesses-during-coronavirus-covid-19>)

Explore the topic

- Business finance and support (<https://www.gov.uk/business/finance-support>)
- Support for businesses and self-employed people during coronavirus (<https://www.gov.uk/coronavirus-taxon/businesses-and-self-employed-people>)
- Funding and support for businesses during coronavirus (<https://www.gov.uk/coronavirus-taxon/funding-and-support>)
- Managing your business during coronavirus (<https://www.gov.uk/coronavirus-taxon/managing-your-business-during-coronavirus>)