

## Recovery Loan Scheme

A new government-backed loan scheme launched on 6 April is set to provide additional finance to those businesses that need it.

The scheme aims to provide further support to protect businesses and jobs, with loans featuring an 80% government guarantee and interest rate cap at 14.99%.

The Recovery Loan Scheme will ensure businesses continue to benefit from Government-guaranteed finance throughout 2021 as the parts of the economy re-open and the country moves out of the crisis.

A large range of businesses can access loans varying in size from £25,000, up to a maximum of £10 million.

Invoice and asset finance is also available from £1,000.

The scheme, which was announced at budget and runs until 31 December 2021, will be administered by the British Business Bank. Loans will be available through a network of accredited commercial lenders with 26 lenders already accredited for day one of the scheme.

Interest rates have been capped at 14.99% and are expected to be much lower than that in the vast majority of cases, with Ministers urging lenders to ensure they keep rates down to help protect jobs.

The Recovery Loan Scheme can be used as an additional loan on top of support received from the emergency schemes – such as the Bounce Back Loan Scheme and Coronavirus Business Interruption Loan Scheme – put into place last year.

Full details can be found here -

<https://www.british-business-bank.co.uk/ourpartners/recovery-loan-scheme/>

If you need further information regarding this scheme, please email [info@thomsoncooper.com](mailto:info@thomsoncooper.com).

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