

CDFIS and the Growth Guarantee Scheme

DR STEVE WALKER

LYNN WYKE

CHIEF EXECUTIVE

SENIOR BUSINESS
DEVELOPMENT MANGER

ART Business Loans

BCRS Business Loans

November 7th 2024



Information- where to start ?

- Knowledge of what is available remains a major issue for ALL but best places for information:
- **For sources of private and public sector finance including details of the types of funding and support.**

www.british-business-bank.co.uk

For CDFIs across the country.

www.findingfinance.org.uk

For social enterprises:

www.goodfinance.org.uk



A changing world.....

- Since the Banking crisis of 2008 many new funding sources have emerged –known as Alternative Funders.
- Some have survived and grown , some have failed or moved up market (size of loan). Some failed...
- The majority compete with the Banks and together with asset finance providers last year **for the first time lent more than the banks to the SME market.**
- But borrowers and advisors need to be wary-there can be issues.
- CDFIs are an **additional** source of finance.



CDFIs and the difference.

- CDFIs are not for profit lenders who take a different view. Mixture of private and public funding.
- Relationships are the key and understanding the needs of the businesses. Not computer driven .
- If not able to help will signpost viable businesses to others .
- With many alternative lenders need to look at **terms of the loan- NOT** just the interest rate but also the duration of the loan.
- Care many are 30% plus and maximum two years.
- 3% per month.....= 36% per annum.



What ART Business Loans offers

- Loans from £10,000 to £150,000 across the West Midlands Region and adjoining counties
- 6 Months to 7 years –mostly 5 years duration.
- No early repayment penalty
- **Only where a traditional lender unable to assist fully**
- Will lend alone or in partnership with others.
- Relationship lending –individuals from ART will visit the business, if able.
- Prefer businesses that have traded 12 months +
- Most sectors supported.



What BCRS Business Loans offers

We offer

- Loans from £10,000 to £250,000
- Term of up to 5 years
- Funds can be used for a multitude of purposes
- Lend to majority of sectors
- Interest rate of 12% plus base
- Arrangement fee of 4%
- No early repayment charges

Being a not-for-profit lender

- Allocate a dedicated lending manager
- Story-based lender – we listen to the customer and understand their needs.
- Help businesses start the next chapter in their story
- Refer to other professionals and advisory services



Growth Guarantee Scheme

- Successor to Covid Loan schemes GGS is available and ART and BCRS are both accredited lenders.
- Decisions to lend are fully delegated to the lender.
- The borrower is fully liable for the debt and personal guarantees can be taken.
- Banks are now not deeply involved especially at the smaller end under £250k .
- GGS Scheme has a number of **benefits to businesses:**
- Can keep previous loans e.g. Bounce Back, CBILS, RLS
- Reduced interest rates and fees.

NB: It is a guarantee scheme TO THE LENDER and lenders' terms do differ.



CONTACT ART BUSINESS LOANS

**JOBS • OPPORTUNITY • GROWTH • INNOVATION •
ENTERPRISE**

ART Lending Team:-

- Graham Donaldson
- Roz Haque
- Martin Edmonds
- **Contact details on website, case studies and additional hints and tips: www.artbusinessloans.co.uk**

Email: art@artbusinessloans.co.uk



CONTACT BCRS BUSINESS LOANS



Angie Preece
Senior Business
Development
Manager



Andy Hustwit
Head of Business
Development



Lynn Wyke
Senior Business
Development
Manager



Louise Armstrong
Senior Business
Development
Manager



Mark Savill
Business
Development
Manager



Dave Malpass
Senior Business
Development
Manager