

Small Loans for Business

South West Loans Fund - supporting business growth within environmental limits

Small Loans for Business is designed to support viable growth businesses in South West England that have been unable to secure all of their funding from the usual commercial sources, particularly those from disadvantaged communities. Successful applicants will receive loans on commercial terms.

Eligible applicants will need to meet a number of criteria and have viable business plans. Certain market sectors are excluded e.g. financial services, forestry and property. For more information speak to your professional advisors or submit the on-line enquiry form (details overleaf).

Small Loans for Business - Main terms

Commercial Standing	Solvent, growth orientated businesses with viable propositions but unable to secure all their funding needs from the usual commercial sources. Particular focus upon disadvantaged and hard to reach groups.
Maximum Amount	£50,000
Term	Maximum 5 years
Interest Charge	Commercial rates of interest will be charged in line with EU guidelines
Security	Security may be required
Security Fee	Valuation and legal fees if applicable will be payable on draw down
Arrangement Fee	1% of loan amount (min. £75) payable on draw down
Monitoring Fee	1% of original loan amount (min. £75) per year
Management Support	Taking up business mentoring and/or other management support services may be required
Multiple Applications	Permitted providing that the business is in compliance with terms of prior borrowing and that the amount outstanding at any time to any business or its group of companies does not exceed £50,000

The scheme, which is part of the South West Loans Fund, is controlled by South West Investment Group (Capital) Limited and managed by South West Investment Group Services Limited. All repayments, fees and interest charges, after meeting administrative costs, will be re-lent to other businesses in the region.

Evaluation criteria / process

Stages	Action
1. Business makes enquiry	Contact SWIG Services on 01872 223883 or complete the enquiry form accessible online at www.swloansfund.co.uk
2. SWIG Services issues eligibility form	Business completes eligibility form.
3. Eligibility confirmed and application form provided for business to complete and submit	Application form completed and submitted along with a detailed business plan. It is recommended that support of a business advisor is sought at this stage but proposal must be applicant's own.
4. SWIG Services assess proposal on written information provided	Further information may be sought by the fund manager. If proposal appears satisfactory and suitable for the Fund a visit to the applicant business will be arranged.
5. Visit to applicant's premises	Opportunity for the fund manager to appraise the business and for both parties to assess whether the commercial relationship will work. Review of the social and environmental impacts of proposal to evidence the contribution towards an environmentally sustainable economy in the South West of England.
6. Credit Decision	The fund manager submits appraisal and recommendation: For loans of £20,000 or less, the decision is made internally; for loans of over £20,000, a credit committee approves or declines the proposal or seeks additional information. Applicants are sent written notification of the outcome on the following business day.
7. Offer letter provided	If the proposal is approved, the applicant receives an offer letter setting out the conditions of the loan and will have 30 days to accept the terms before the offer lapses
8. Completion	Once the offer is formally accepted, its conditions are met and, within an agreed period, the loan is drawn down
9. Reporting	Following completion, the client is required to fulfil certain reporting and information requirements



For further information about the Fund visit www.swloansfund.co.uk or call 01872 223883

For business advice and guidance on applying to the Fund visit www.businesslink.gov.uk/southwest or call 0845 600 99 66

Commissioned by



SOUTH WEST
INVESTMENT
GROUP
CAPITAL

