

## CORPORATE SPONSORS:

# Community Business Loan Fund (CBLF)



Last updated: 19 October 2011

GRANT ID: UGL740

**Reason for Last Update:** Launch of new programme.

## Background

The Royal Bank of Scotland (RBS) supports community-based businesses, such as social enterprises, charities and co-operatives, as well as business activity that has a positive impact on society. The bank has invested £5 million in the RBSG Micro-finance Fund, an independent charity, which is supported by RBS. As a result of this support, the charity has launched the £5 million Community Business Loan Fund (CBLF).

The Fund has been launched as part of RBS' ongoing commitment to support 'businesses of all shapes and sizes', in particular those in the social enterprise sector.

## Objectives of the Scheme

The CBLF has been set up to help potential and existing social entrepreneurs who are unable to access finance through the normal mainstream channels. The Fund offers financial support for the purpose of starting or expanding a community-based business.

The funding provider expects to support in the region of 1,000 businesses through the scheme; some directly and some through Community Development Finance Institutions.

## Available Funding/Support

Eligible businesses can apply for loans of between £30,000 and £500,000. Community Development Finance Institutions, which hand out funds to other firms, can apply for loans of between £200,000 and £ million.

The loans can be tailored to the applicant's requirements and are offered on flexible terms.

### *Match Funding*

Match funding is not a stipulated requirement of this programme.

## Eligible Activities

The Fund offers financial support for the purpose of starting or expanding a community-based business.

## Who Can Apply

Charities, social enterprises, co-operatives and community interest companies operating in the United Kingdom may apply to the Fund. To be eligible for funding, the organisation must be all of the following:

- A business with clear social or environmental objectives which reinvests profits for a social purpose.
- An established third-sector organisation located and trading in the UK.
- Investment ready in terms of management, governance and financial position.

## Exclusions

The loan proposals should not be seeking to replace debt finance.

Loan proposals must not relate to the ongoing delivery or costs of services or projects where funding would normally be available from banks.

Although there are no further exclusions cited within the programme guidelines, those wishing to apply are advised to liaise with the funding provider in the first instance to discuss eligibility.

## Criteria

1. Successful applicants must be able to demonstrate they are financially sustainable and will deliver a positive impact to society and / or the environment.
2. The business must have a history of generating income other than grants.
3. The business must not be insolvent or at risk of insolvency.
4. The loan proposals should not be seeking to replace debt finance.
5. Loan proposals must not relate to the ongoing delivery or costs of services or projects where funding would normally be available from banks.

## Application

Deadline(s):

Applications may be submitted at any time.

Frequency: Rolling programme.

Unspecified.

Link to guidelines:

<http://www.rbs.co.uk/business/banking/g3/community-business-loan-fund.ashx>

Useful information:

Those who wish to apply are asked to send an email to [commloan@rbs.co.uk](mailto:commloan@rbs.co.uk), detailing their interest and someone from the RBS team will contact the interested party to discuss their eligibility.

## Contact

Enquiries  
Royal Bank of Scotland  
RBSG Micro-finance Fund  
36 St Andrews Square  
Edinburgh  
EH2 2YB  
Tel: 0800 096 1958  
E-mail: [commloan@rbs.co.uk](mailto:commloan@rbs.co.uk)  
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