**CORONAVIRUS** - *08.02.2021*

**BBLS repayment terms relaxed**

Bounce Back Loan Scheme payments are due to start in May 2021. However, the Chancellor has announced some repayment concessions. What are they?

Businesses that have used the coronavirus Bounce Back Loan Scheme already had a number of options to help with their repayments under the government’s Pay As You Grow (PAYG) initiative announced in September. They have the option to extend the loan from six years to ten, and make interest-only payments for six months (up to three times). The original guidance also stated that businesses could take one six month repayment holiday - but only after making the first six repayments.

However, in an attempt to ease the pressure on businesses still struggling, Chancellor Rishi Sunak has today (8 February) announced that the repayment holiday can be taken at any time with no requirement to have made any repayments at all. In practice, this means that a business that took out a loan in May 2020 could opt to delay commencing repayments until November 2021. The option will only be available once.

Full details of the announcement are available <https://www.gov.uk/government/news/chancellor-eases-burden-on-more-than-a-million-businesses-through-pay-as-you-grow-flexible-repayment-options>