



Business Banking  
Resolution Service

# The impact of covid-19 loan schemes on business banking dispute resolution

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Business Banking Resolution Service

**London, May 2020**

## About the BBRS

**The BBRS is a non-profit organisation set up to resolve disputes between eligible small and medium-sized businesses and participating banks.**

It has been established to deliver an accessible and transparent service, giving eligible businesses the opportunity to have their complaint heard and independently reviewed. It will make decisions based on what is fair and reasonable in the circumstances and seek to inspire confidence through consistency of approach. It was established in response to the [commitments](#) made by the banking and finance industry following the [Simon Walker Review](#). It flagged up the need for an independent service to resolve eligible historical and current complaints for small and medium sized businesses that have not previously had access to independent review.

The service is in a [Live Pilot](#) phase and will be fully launched later this year. There are currently seven participating banks for which the BBRS is able to accept complaints: Barclays, Danske Bank, HSBC, Lloyds Banking Group (including Lloyds Bank and Bank of Scotland), RBS Group (including Royal Bank of Scotland, NatWest and Ulster Bank Northern Ireland), Santander UK plc, Virgin Money (including Clydesdale Bank and Yorkshire Bank).

## Foreword by Lewis Shand Smith

Dear friends and colleagues,

Last week, we published the [interim findings](#) from our Live Pilot, which we are using to shape our innovative service. Our report also demonstrated that the system for handling SME complaints against their banks needs a deep rethink if we are to ensure we do not repeat the mistakes of the financial crisis, and if we are to prepare for a difficult future.

The crisis is going to send the UK economy into its sharpest recession on record. This will create a severely challenging environment for the country's almost six million small and medium sized businesses.

The Government announced "temporary, timely and targeted measures" in March to support public services, people and businesses. Together with the banks, it is providing financial aid measures to the economy at an unprecedented scale, much of which comes in the form of bank loans.

Government-backed loan schemes have provided a lifeline. But it is critical for customers to understand that, just like any other loan, they will be required to repay 100% of the money they borrow under these new schemes. There needs to be clarity about that now to avoid the risk of storing up problems for the future. The banks have been working hard to support many of their SME customers in this context. The BBRS will not have access to a 'magic wand' to wish away unpaid loans.

But, even with that message out there, we equally need to be clear that the covid-19 loans and inevitable economic pressures ahead have the potential to give rise to a significant volume of complaints. The BBRS is ideally placed to consider complaints - where they are within our scope - that cannot be resolved by participating banks themselves.

It has never been more important for British businesses to get fair treatment from their banks. Doing so will, in turn, safeguard the reputation of the sector. The BBRS will play a vital role in making sure this happens.

Today, we are looking ahead to what the landscape might look like after the crisis. It is clear that all of those involved in business banking disputes need to be ready for an increase in the volume of cases each requiring patient and careful attention. Once fully launched, we hope other lenders will be inspired to join the BBRS too, enabling us to extend the offer of this crucial service to more SMEs and banks across the UK.

To explore this issue in greater depth, we polled a representative sample of 500 UK small businesses decision makers and owners about their experiences with the current covid-19 support schemes.

The results speak for themselves and show that, while they have played a crucial role in saving many businesses and livelihoods, the aid schemes have the potential to create a wave of post-crisis disputes.

There are some striking findings:

- **Almost a third (29%)** of customers state that they have experienced behaviour from their bank this year that would give them cause to lodge a complaint; encouragingly, **75%** expect their bank to handle a complaint transparently and fairly, but a **significant minority (20%)** do not
- **66%** would be willing to challenge their bank in the courts if needed
- **56%** of our respondents stated that they have taken out a loan as part of one of the covid-19 support schemes. **43%** of those who have taken out these Government-backed loans say they do not expect to repay them, either because they do not think they will be able to or because they do not think that the Government will pursue the debt (it is, in fact, in most cases the bank's job to do this)
- **37%** of SME decision makers said they would consider swapping the debt for the Government taking equity in their business, an idea which has been floated in some quarters
- **One third of respondents (33%)** are aware of the BBRS and **82%** agree that lenders accredited by the Government loan schemes should participate in the BBRS

These are clearly challenging statistics, and they require all of us to be ready to offer a way of resolving past and future disputes in a manner that removes the stress, acrimony and costs for those involved. Doing so will enhance the reputation of the banking sector, and help build future customer relationships based on trusting partnership.



Lewis Shand Smith  
Chairman of the BBRS

# Introduction

In the lead up to the United Kingdom officially leaving the European Union in January, the domestic economy had already been showing signs of strain even before the arrival of the covid-19 pandemic.

The current crisis will send shock waves through the global and national economies. We do not yet know the full effects. Businesses have dealt with a wide range of challenges from a financial and operational perspective. For their part, SMEs are having to manage fixed recurring costs associated with rent, employee pay and stock production, while sales and revenues are falling, and, in some cases, for instance in the hospitality sector, have come to a complete halt.

In the first three months of this year, the UK experienced the sharpest economic contraction since the peak of the financial crisis in 2008. The 5.8% single-month fall in GDP in March was the biggest on record since 1997<sup>1</sup>. The longer the lockdown, the greater will be the damage to our businesses and the economy. Our 5.8 million SMEs are particularly vulnerable in such circumstances, employing as they do 16.6 million people in the UK<sup>2</sup>.

In this report, we will take a closer look at the impact of the Government covid-19 measures on the small and medium sized business community and publish the results of our own poll of 500 SME businesses across the UK.



<sup>1</sup>Resolution Foundation, The economic effects of coronavirus in the UK, 15 May 2020, (<https://www.resolutionfoundation.org/app/uploads/2020/04/The-economic-effects-of-coronavirus-in-the-UK-fast-indicators-8th-ed.pdf>)

<sup>2</sup>FSB, UK Small Business Statistics (<https://www.fsb.org.uk/uk-small-business-statistics.html>)

## View from the supply side: the response to covid-19

From the first cases of coronavirus to be confirmed in the UK in late January to the start of 'lockdown' in March, the timeline and series of crisis events were as dramatic as they were fast-moving. Ministers were quick to realise that help for the UK economy was needed like never before.

The UK Government introduced support packages for small and medium sized businesses to help them mitigate the worst effects of the crisis. The measures became increasingly substantial as the UK moved into lockdown and include grants, tax breaks, job retention incentive measures, as well as loan schemes where the guarantees that the Government provides range from 20% to 100% of the loan value.

Most notably, the Coronavirus Business Interruption Loan Scheme ([CBILS](#)) was announced in late March, in line with the first announcement of the UK 'lockdown'. Administered by the government-owned British Business Bank, CBILS is designed to help small businesses (defined as having an annual turnover of up to £45m) and allows 68 accredited lenders to provide loans and overdraft facilities of up to £5 million, to be repaid over a term of up to six years.

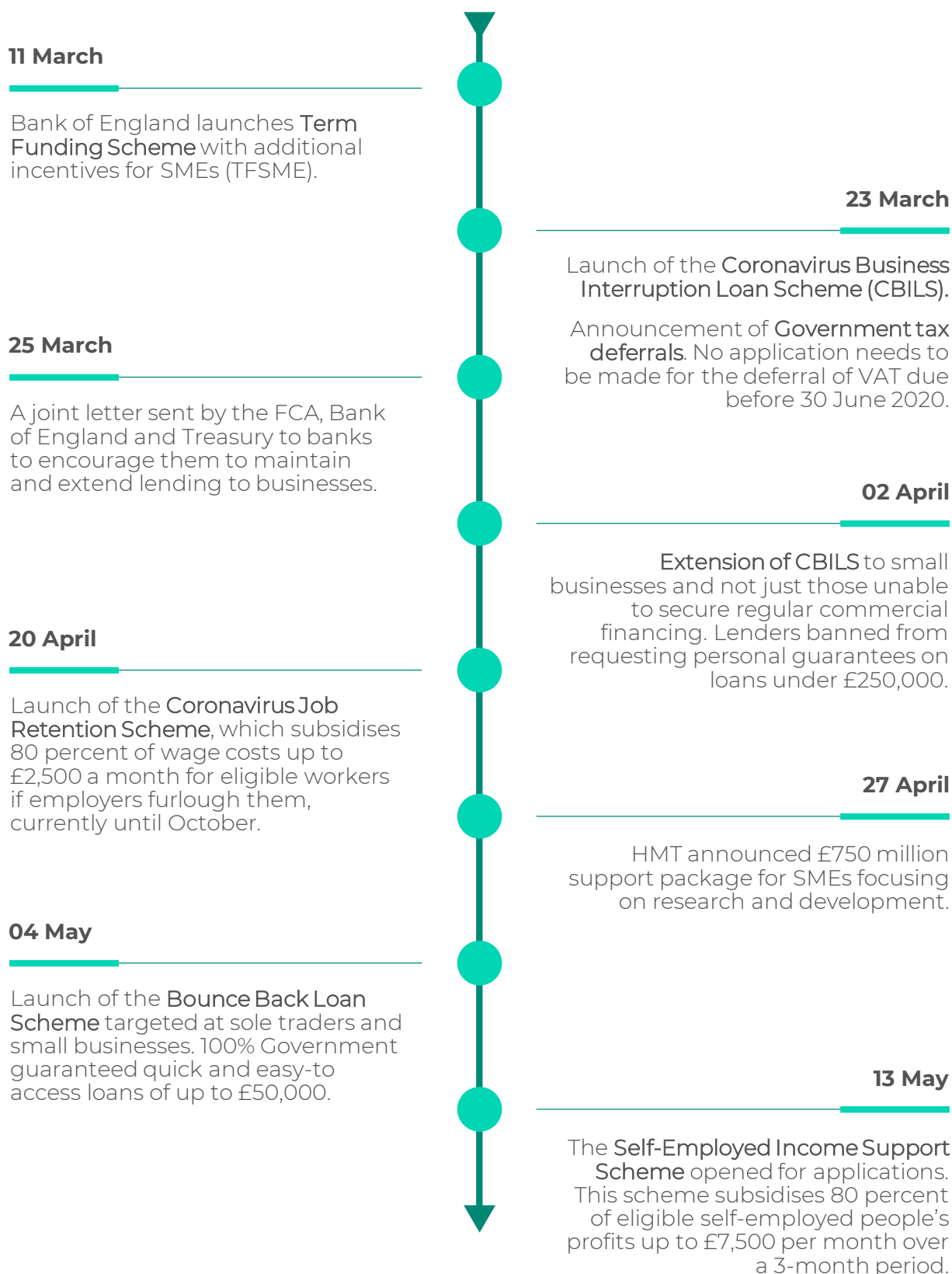
One of the more recently introduced measures is the launch of the 100% Government guaranteed [Bounce Back Loan Scheme](#), targeted at sole traders and small businesses specifically, and providing quick and easy-to access loans of up to £50,000, with an application and approval process based on self-certification.

In addition, in line with many other companies including insurance companies and utility providers who have introduced allowances for their customers, banks have announced working capital extensions, overdraft extensions, capital repayment holidays and asset-based finance solutions. A number of sectors - banks included - have shown compassion and forbearance in seeking to support their customers and this deserves recognition.

***However, the banks are left having to deal with their own operational and capacity challenges. They have had to face disruption to their businesses, including the challenges of moving their entire operations to remote ways of working almost overnight while managing an unprecedented number of customer enquiries***

Again, this has been an extraordinary effort, and a testament to their widespread commitment to putting their customers first.

## Figure 1: The 2020 timeline of UK Government covid-19 support measures

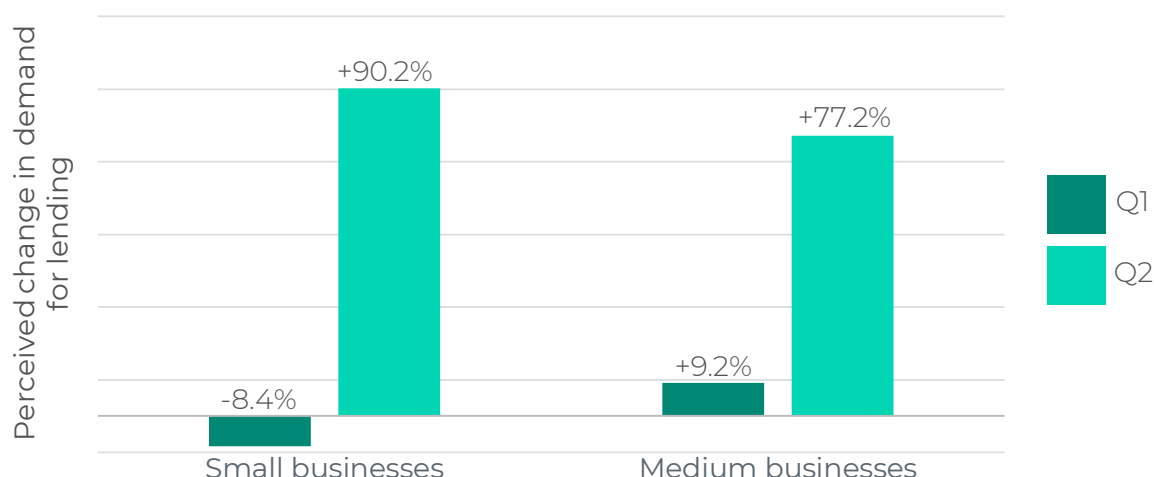




## View from the demand side: a surge of loan applications

And how have UK businesses responded to the various support schemes and measures? Given the scale of the existential crisis for many businesses, it is no surprise that early indications suggest the demand has been very pronounced.

**Figure 2: Lenders' perceptions of the change in demand for lending among small and medium sized businesses**



Source: Bank of England, Credit Conditions Survey Q1 2020: (<https://www.bankofengland.co.uk/credit-conditions-survey/2020/2020-q1>) NB: for medium businesses the survey asked for views on medium sized Private Non-Financial Corporations (PNDC) only

Figure 2 shows the result of a Bank of England survey conducted in March 2020. It asked banks and building societies for their view on the demand for lending from small and medium sized businesses. Specifically, it asked how they believed demand:

1. Had changed in the preceding three months (a proxy for Q1)
2. Is expected to change in the next three months (a proxy for Q2)

To provide an assessment of overall market sentiment, the results are given in terms of net percentage balances with answers weighted according to the market share of the respondent.

***As of 17 May 2020, 81,124 CBILS applications had been made and 40,564 had been approved<sup>3</sup>. Approved CBILS loans totalled £7.25bn, of which the seven BBRS participating banks have provided over 80%<sup>4</sup>. Their commitment to supporting the scheme reflects the depth of their willingness to play a leading role in supporting the economy through a very tough period***

<sup>3</sup>GOV.UK, Latest figures show millions benefitting from Treasury coronavirus support schemes, 19 May 2020 (<https://www.gov.uk/government/publications/latest-figures-show-millions-benefitting-from-treasury-coronavirus-support-schemes>)

<sup>4</sup>BBC, BBC, Coronavirus: Fewer loans approved as firms rush to get lifeline, 30 April 2020 (<https://www.bbc.co.uk/news/business-52483460>); UK Finance, Coronavirus Business Interruption Loan Scheme (CBILS) Data Table (<https://www.ukfinance.org.uk/data-and-research/data>)



Seven of the largest lenders received more than 130,000 Bounce Back Loan Scheme applications on the first day of the scheme opening. Over £2bn of Bounce Back Loans were approved within 24 hours of the scheme going live<sup>5</sup>. As of 17 May 2020, 464,393 Bounce Back Loans amounting to £14.18bn have already been approved<sup>6</sup>.

The BBRS polled 500 UK businesses decision makers about their experiences with the Government financial aid schemes (BBRS covid-19 Survey, 14 May 2020). 56% of respondents said they had accessed government financial aid schemes, with an average loan value of £360,000.

While the uptake and the overwhelmingly positive response to these measures gives hope that they will meet their objectives to the largest extent possible, the sheer number of loans and the circumstances give reason to reflect on some of the risks the situation brings with it, in particular, the risk of complaints arising as the schemes and other support measures unwind in the coming months and years. The BBRS is ideally placed to consider complaints, where they are within our scope, that cannot be resolved by the participating banks.

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## What might the aftermath bring?

What is clear about the above support mechanisms is that they were delivered at startling pace. Vital support was delivered very quickly in a high volume. The conditions of the schemes also give us pause for thought.

It is critical for customers to understand that the money they borrow under these new schemes, they will need to repay, just like any other loan. There needs to be clarity about that now to avoid storing up problems for the future.

The BBRS survey shows that around a third (32%) of businesses have submitted a complaint to their bank in the past, of which about a third were dissatisfied with the way it was handled. Moreover, almost one third of respondents (29%) say they have experienced behaviour from their bank *this year* that could give them cause to lodge a fresh complaint. Encouragingly, three quarters (75%) trust their bank to handle that complaint transparently and fairly. But a significant minority (20%) do not.

At the same time, the appetite to go to court if needed is high (66%). However, experience tells us that for SMEs the cost and time of pursuing matters through the courts serves as a real deterrent to taking action: indeed, this is where the [Simon Walker Review](#) came in.

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<sup>5</sup>GOV.UK, Over 69,000 loans approved in the first day of the Bounce Back Loan Scheme, 6 May 2020 (<https://www.gov.uk/government/news/over-69000-loans-approved-in-the-first-day-of-the-bounce-back-loan-scheme>)

<sup>6</sup>GOV.UK, Latest figures show millions benefitting from Treasury coronavirus support schemes, 19 May 2020 (<https://www.gov.uk/government/publications/latest-figures-show-millions-benefitting-from-treasury-coronavirus-support-schemes>)

The 2018 Walker Review examined the complaints and alternative dispute resolution landscape for the UK market. It noted over 415,000 complaints from business customers against their banks between 2015-2018 and concluded that there is a gap in access to resolution for these larger SMEs which are outside of Financial Ombudsman Service's jurisdiction, but might not have time or resources to pursue resolution through the courts.

According to the report, the most frequently raised complaints related to<sup>7</sup>:

- General administrative and customer service issues (35%)
- Errors or bank staff not following their instructions (19%)
- Delays and timescale related issues (15%).
- Other complaint categories included disputes over sums/charges (10.8%), product performance/features (3.7%), unsuitable advice (1.8%), product disclosure/information (1.3%), unclear guidance/arrangement (<1%).

***From our own experience, complaints that customers have brought so far to the BBRS include exactly those identified by The Walker Report as well as others emanating from the service relationship between bank employees and business customers, human errors, delays or timing related issues, alleged mis-sales of products, unclear or incorrect advice, or 'terms & conditions'***



<sup>7</sup>Simon Walker Review, Review into the complaints and alternative dispute resolution (ADR) landscape for the UK's SME market, 23 October 2018 (<https://www.ukfinance.org.uk/system/files/Review-into-the-complaints-and-alternative-dispute-resolution-ADR-landscape-for-the-UK%E2%80%99s-SME-market-301018.pdf>)

# Our findings: four emerging areas of risk

While the Government's financial aid measures have provided an indispensable lifeline for the economy, we believe there are four emerging areas of risk for SME's that could lead to complaints that need to be planned for now:

## 1. Lending criteria may put the customer's assets at risk

As part of the Coronavirus Business Interruption Loan Scheme, the Government provides an 80% partial guarantee, which means lenders are underwriting 20% of their own risk exposure. The British Business Bank, which is administering the scheme on behalf of the Government, requires banks to establish that a business is viable and, as such, the loan application is assessed in line with relevant commercial lending criteria. This includes asking for personal guarantees to address this risk exposure where appropriate.

In an environment where the likelihood of default is rising, this increases the risk to the personal assets of a greater number of business owners', including lifetime savings and homes.



## 2. Application processes may lead to rejections

*Our own research suggests that almost one third (27%) of respondents do not feel confident in taking out a loan as part of the covid-19 support schemes*

There are questions about accessibility and the potential for the Government measures to reach all businesses that apply for them. Of course, some businesses may not be suitable and it is right that they should be turned down on the basis of the available evidence.

But customers have expressed concerns that the application process itself is complicated, requiring the submission of management accounts, cash flow forecasts, a business plan, historic accounts and details of assets. Some have claimed that their loan applications have been rejected as they have struggled to provide the necessary documentation.

Customers have found it particularly difficult to demonstrate that they will be able to repay the loans given uncertainty over the length of the lockdown and its potential impact on future projections for future earnings<sup>8</sup>. Clearly, there is a difficult balancing act to be made between securing those businesses that have a strong story to tell, versus shoring up the those unable to demonstrate viability in a highly uncertain market.

To date, 50% of CBILS applications have been approved<sup>9</sup>. In the meantime, our survey suggests customers are becoming aware of alternative options from other providers.



<sup>8</sup>Financial Times, Frustration despite UK coronavirus bailout loans reaching £450m, 8 April 2020 (<https://www.ft.com/content/afd2deb3-cc47-4d57-b5c2-8959d53b4774>)

<sup>9</sup>HM Treasury, Covid business lending data, 19 May 2020 (<https://www.gov.uk/government/publications/latest-figures-show-millions-benefitting-from-treasury-coronavirus-support-schemes>)



### 3. The scale of demand may lead to delays

Banks have had to cope with unprecedented levels of interest at a time when all industries are having to find new ways of operating. There is no doubt that the mainstream and other lenders have been pulling out all the stops to address capacity requirements and support businesses at a critical time, and this huge effort deserves recognition and praise. But with this effort comes challenges.

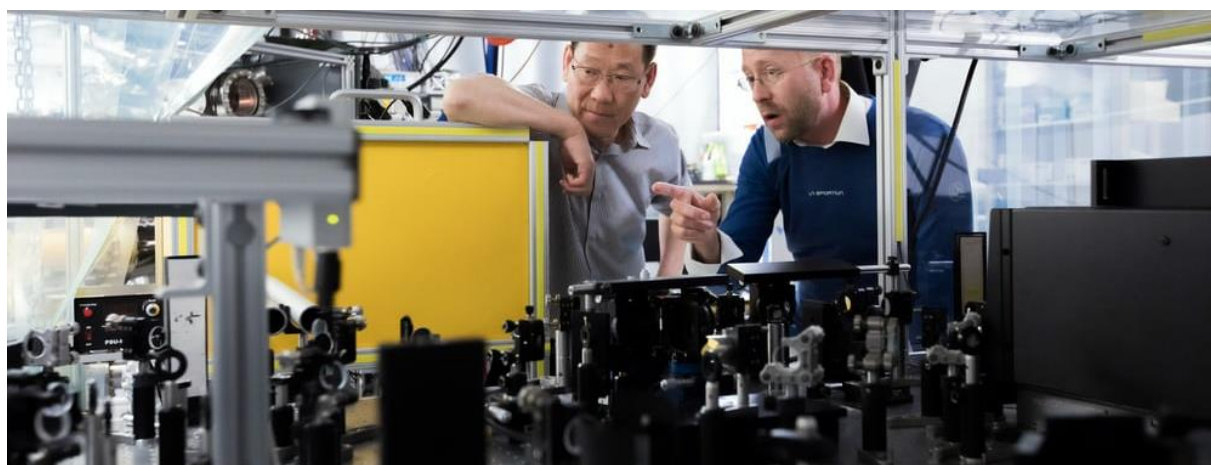
Firstly, a clear feature of the covid-19 crisis is that many large businesses, including lending banks, have had to shift their operations to remote ways of working overnight as well as cope with the influx of SME customer enquiries and loan applications.

Secondly, it has been reported that there are challenges in securing sufficient access to SME lending specialists to meet the increased loan requests and customer queries<sup>10</sup>.

Thirdly, frontline staff are working at reduced capacity as people are self-isolating, working in lockdown or looking after family. The potential for complaints about customer service deserves consideration<sup>11</sup>.

***Any delays in approving loan applications may mean, for some small businesses, it will be a case of too little too late***

Some are already running out of cash, as we have heard, and delays in receiving their loans may add to financial difficulties and the potential for insolvency. The banks are – to some extent – between a rock and a hard place: taking the time to do the due diligence that is required yet not being able to provide finance quick enough for an SME client seriously struggling, or pushing out a loan quickly only for this to store up a problem down the line.



<sup>10</sup> Euromoney, CBILS faulty: Sunak's flagship UK lending scheme looks unfit for purpose, 24 April 2020 (<https://www.euromoney.com/article/bllbgfwr72nn3/cbils-faulty-sunaks-flagship-uk-lending-scheme-looks-unfit-for-purpose>)

<sup>11</sup> UK Finance, Banking and finance sector provides over £1.1 billion to SMEs through Covid-19 lending scheme, 15 April 2020 (<https://www.ukfinance.org.uk/press/press-releases/banking-and-finance-sector-provides-over-£1-1-billion-to-smes-through-covid-19-lending-scheme>)

## 4. Misinterpretation of Government-backed loans

Based on our current experience, including complaints submitted to the BBRS, product features such as Government guarantees can become subject to misinterpretation.

Customers may misinterpret the nature of the guarantees of the covid-19 related financial support packages: customers receiving a CBIL may think that they are receiving a 'Government grant' even though they are liable for the loan. Non-payment of the loan principle or interest may lead to a loan default, have an adverse impact on credit rating or undermine the ability to get access to lending in the future<sup>12</sup>. The need for clear communication of the features of these loans and the perspective of customers to them is clearly an issue.

Our research shows that a significant proportion of customers who have taken out a Government-backed loan told us that they may not pay it back. A number said they would not repay the loan because they did not expect the Government to pursue the debt. But the loans are loans like any other in most respects and banks will be expected to pursue them where repayment requirements are not met.

With such a high level of Government participation in the economy arising as a result of the pandemic crisis, some observers, anticipating the repayment challenges that lie ahead, have already floated the possibility of the state taking a stake in those businesses it has supported.

***Some 37% of business customers polled said they would be willing to swap debt for the Government taking equity in their business, with 40% unwilling***



<sup>12</sup> UK Finance, UK Finance responds to the publication of bounce back loan scheme data, 6 May 2020 (<https://www.ukfinance.org.uk/press/press-releases/Uk-finance-responds-to-the-publication-of-bounce-back-loan-scheme-data>)

## Conclusion: ready for the future?

The BBRS has been established on behalf of the seven biggest UK lenders in response to the [Simon Walker Review](#), which suggested changes to the complaints and alternative dispute resolution procedures for small and medium-sized enterprises. Many of the complaints were related to the 2008 financial crisis.

In setting up the BBRS, we always knew our service would be important should there be another financial crisis. No one expected it to happen this soon, nor as a result of something as pervasive and shocking as covid-19.

***Given the need to find a way of resolving future as well as past disputes, we were encouraged that one third (33%) of our survey respondents were aware of the BBRS. Moreover, 4 in 5 customers (82%) agree that lenders accredited by Government loan schemes should be members of the BBRS***

The seven banks that are participating in the BBRS are leading the way by adding this layer of protection to their SME customers and others will do well to follow suit.

Our core aim is to deliver fair and reasonable outcomes by fulfilling two responsibilities. The first is to seek resolution for historical complaints<sup>13</sup> which could go back to 2001. The second is to review current complaints for companies that are outside the Financial Ombudsman Service's jurisdiction<sup>14</sup>.

In broad terms, this means we are there for 'larger' SMEs. They will no longer have to pursue resolution through the courts if they have a dispute with their lender. Instead, they can approach BBRS for a fair and reasonable consideration of their case.

That is what we will be launched to do later this year.

Much has changed since 2008; the regulatory climate is tighter, customers are better protected and safeguarded, and banks are more conscious of how they treat their customers. Progress has been made. The covid-19 crisis is a prime opportunity for the banks to further restore customers' trust in them. They are playing a crucial role alongside the Government to provide support that ultimately may save many thousands of businesses.

However, sometimes, things go wrong. And sometimes, neither party can agree on who is at fault. In those cases, the BBRS is poised to play its part, alongside others, in supporting a recovering business community.

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<sup>13</sup>Historical complaints are those which relate to the period 1 December 2001 to 31 March 2019

<sup>14</sup>Those which had an annual turnover of between £6.5m and £10m and assets of no more than £7.5m at the time of the complaint



## How to find out more

As we move towards the full launch of the BBRS later this year, we want to include different perspectives on the impact and likely aftermath of the crisis, what complaints and their resolution will look like in the future. Our next report will provide insight into this discussion.

If you have not done so already, please sign up for one of our upcoming webinars. These will take place on 28 May, 4 June and 16 June (<https://thebbrs.org/webinars/>). You will have the opportunity to meet our senior team and ask questions.

You can raise a question in advance when you sign up, or ask one during the webinar itself. Please note that we are unable to answer any questions about individual cases. We will capture the webinar content for those who are unable to join.

If you have an unresolved complaint against one of the participating banks, you can register your interest in the BBRS service here (<https://thebbrs.org/register-your-interest/>). Even if the case cannot enter the Live Pilot, it will be ready for early review by our team once we go live.

We also invite you to visit the recently updated 'frequently asked questions' on our website (<https://thebbrs.org/faqs/>). Here you will find information in response to some of the more regular enquiries we receive. And we encourage you to read the statement from our Chair, Lewis Shand Smith, which was recently posted on our news page (<https://thebbrs.org/news-updates/>).

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## Contact Us

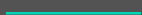
If you have any questions about our service, you can contact us via phone by calling 0345 646 8825.

Alternatively, you can email us at [hello@thebbrs.org](mailto:hello@thebbrs.org).



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# Annex – BBRS survey results



# BBRS survey results

The online fieldwork for the polling was carried out between 14 May – 15 May 2020 (fieldwork time: 7:30pm until 7:00am) by Portland Communications, who are a member of the British Polling Council.

The sample is comprised of 500 SME decision makers who were all adults (aged 18+). To qualify as a SME 'decision maker' respondents confirmed that they:

- Currently work in an organisation employing fewer than 250 people.
- Currently hold a senior managerial job title and/or are business owners.
- Currently hold decision-making responsibilities over a major business function.

We surveyed respondents drawn from an online exchange. No weighting was applied.

Sample: 500 online SME Decision Makers in the UK, aged 18+. Any questions please contact Portland PR: [polling@portland-communications.com](mailto:polling@portland-communications.com).

Please note, percentages may not sum due to rounding or multiple responses being valid.

## 1. Please select your gender

	SME Decision Makers
Male	55%
Female	44%
Other / prefer not to say	1%

## 2. What ethnicity are you?

	SME Decision Makers
White or Caucasian	82%
Mixed	5%
Black / African / Caribbean / Black British	6%
Asian or British Asian	8%

### 3. Which sector do you work in?

	SME Decision Makers
Retail	16%
Financial	11%
Education	11%
Other (please specify)	8%
Technology/Media/etc	8%
Construction/real estate	8%
Health Care	7%
Manufacturing	7%
Hospitality	7%
Professional Services	6%
Creative industries	3%
Not-for-Profit	3%
Automotive trades	2%
Distribution/transport	2%
Utilities	2%
Agriculture	1%

### 4. What is your job title or level of responsibility at your business?

	SME Decision Makers
Owner	47%
Senior management with decision-making responsibilities e.g. CEO, director, group-director	53%
Manager e.g. group manager, senior manager, manager, program manager	0%
Analyst	0%
Assistant or associate	0%
Administrative (clerical or support)	0%
Non-administrative	0%
Consultant	0%
Volunteer	0%
Intern	0%
Other	0%

## 5. At your business, are you the primary decision maker over any of the following areas?

	SME Decision Makers
Other	46%
Human resources/people	40%
Operations	35%
IT software	23%
Sales	22%
Finances	22%
IT hardware	19%
Marketing	17%
Legal services	13%
I am not a primary decision maker	0%

## 6. How many employees does your business / the business you work for currently have?

	SME Decision Makers
1	4%
2-50	46%
51-100	26%
101-249	24%
250+	0%

## 7. What is your businesses' current annual turnover?

	SME Decision Makers
£1 - £50,000	8%
£50,001 - £100,000	15%
£100,001 - £500,000	15%
£500,001 - £1,000,000	16%
£1,000,001 - £5,000,000	21%
£5,000,001 - £10,000,000	14%
£10,000,001 - £50,000,000	10%
£50,000,000+	2%

## 8. What region is your business headquartered in?

	SME Decision Makers
London	26%
South East	13%
West Midlands	9%
North West	9%
Scotland	8%
South West	8%
Yorkshire and the Humber	7%
East Midlands	6%
East of England	6%
Wales	4%
North East	3%
Northern Ireland	3%

## 9. To support businesses during covid-19, the Government has launched several financial aid schemes. Which of the following have you accessed since their introduction?

	SME Decision Makers
The Coronavirus Business Interruption Loan Scheme (CBILS)	30%
The Bounce Back Loan Scheme (BBLs)	15%
Other Government support	21%
Commercial bank loan	13%
None of the above	40%
Alternative loan (please specify)	1%

## 10. If you have taken out a loan as part of one of the covid-19 support schemes, how much was that loan?

	SME Decision Makers
Prefer not to say	29%
N/A (have not taken out a loan)	61%
Please specify	£360,400

Average (mean) amount,  
rounded to nearest hundred

## 11. If you have taken out a loan as part of one of the covid-19 support schemes, do you intend on repaying it?

	SME Decision Makers
Yes	32%
No, I won't be able to	9%
No, I don't intend to because the Government won't pursue the debt	15%
N/A (have not taken out a loan)	44%
No, I don't intend to (other reason; please specify)	0%

## 12. How confident would you be in taking out a bank loan as part of one of the covid-19 support schemes?

	SME Decision Makers
Extremely confident	18%
Somewhat confident	44%
Somewhat unconfident	13%
Not at all confident	14%
Don't know	11%

## 13. Has your business taken out either the Government Coronavirus Business Interruption Loan or a Bounce Back Loan Scheme?

	SME Decision Makers
Yes	33%
No	52%
Tried but rejected	6%
Don't know	9%



**14. If you are not able to repay the loan would you consider swapping debt for the Government taking equity in your business?**

	SME Decision Makers
Yes	37%
No	40%
Don't know	23%

**15. How do you think the current loan agreements from alternative finance providers e.g. Funding Circle, Starling Bank and Coutts, compare to those of banks?**

	SME Decision Makers
Much more favourable	17%
Somewhat more favourable	35%
About the same	23%
Somewhat less favourable	8%
Much less favourable	3%
Don't know	15%

**16. This year, have you experienced behaviour from your bank that would give you cause to lodge a complaint?**

	SME Decision Makers
Yes	29%
No	71%

**17. Have you complained about your bank before?**

	SME Decision Makers
Yes	32%
No	68%

**18. If yes, were you satisfied with how your complaint was handled?**

	SME Decision Makers
Yes	33%
No	30%
Don't know	38%

**19. To what extent would you trust your bank to handle a complaint transparently and fairly?**

	SME Decision Makers
Trust completely	18%
Trust somewhat	57%
Distrust somewhat	15%
Distrust completely	5%
Don't know	6%

**20. How willing would you be to challenge your bank in the courts if needed?**

	SME Decision Makers
Completely willing	21%
Somewhat willing	45%
Somewhat unwilling	16%
Completely unwilling	7%
Don't know	11%

**21. What would put you off from challenging your bank in the courts if needed? Select any / all that apply.**

	SME Decision Makers
Time commitment	27%
Risk of losing	31%
Risk of complaint being ignored	20%
Associated costs	50%
Emotional impact	22%
None of the above	14%

## 22. Have you heard of the BBRS (Business Banking Resolution Service)?

	SME Decision Makers
Yes	33%
No	59%
Maybe	8%

## 23. The BBRS is a non-profit organisation set up to resolve disputes between eligible small and medium sized businesses and participating banks. Do you agree or disagree that lenders who are accredited by the Government loan scheme should be members of the BBRS to help resolve complaints?

	SME Decision Makers
Agree completely	35%
Agree somewhat	47%
Disagree somewhat	5%
Disagree completely	2%
Don't know	11%

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**BBRS.**<sup>TM</sup>

Business Banking  
Resolution Service