

Growth Guarantee Scheme (GGS)

Invoice Finance



What is the Growth Guarantee Scheme (GGS)?

The successor scheme to the Recovery Loan Scheme, The Growth Guarantee Scheme (GGS) launched in July 2024 and is designed to support access to finance for UK small businesses as they look to invest and grow.

The Growth Guarantee Scheme aims to improve the terms on offer to borrowers. If Aldermore can offer a commercial loan on better terms, they will do so.

Growth Guarantee Scheme-backed facilities are provided at the discretion of Aldermore. We are required to undertake our standard credit and fraud checks for all applicants.



Aldermore are accredited for the Invoice Finance and Term Loan variants of the GGS.



The scheme provides the lender with a 70% government-backed guarantee against the outstanding balance of the facility after it has completed its normal recovery process. The borrower always remains 100% liable for the debt.

What is the Growth Guarantee Scheme (GGS)?

The GGS is available to both existing Aldermore Invoice Finance clients and new prospective clients.

There are two possible bolt-on products available to an SME in conjunction with an Invoice Finance facility.

Invoice Finance

- A **fixed £ value up** to a maximum of the facility review limit. Value is determined by the lender.
- A **maximum facility of £2m** per business group
- Available for terms between **3 months and 3 years**
- **The facility limit can be increased to accommodate some extraordinary events** but cannot include inter-company debt, aged debtors and disputed debt

Term Loan

- **Sits alongside the client's invoice finance** facility with Aldermore
- Term Loans between **£25k and £2m** per business group
- Available for **terms between 3 months to 6 years**

Personal guarantees can be taken at our discretion, in line with our normal commercial lending practices. Principal Private Residences cannot be taken as security within the Scheme.

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What are the key eligibility criteria for the scheme?

- **Turnover limit:** The scheme is open to smaller businesses with a turnover of up to £45m (on a group basis, where part of a group);
- **UK-based:** The borrower must be carrying out trading activity in the UK and, for most businesses, generating more than 50% of its income from trading activity;
- **Viability test:** Aldermore must consider that the borrower has a viable business proposition;
- **Business in difficulty:** The borrower must not be a business in difficulty, including not being in relevant insolvency proceedings;
- **Subsidy limits:** Borrowers will need to provide written confirmation that receipt of the Growth Guarantee Scheme facility will not mean that the business exceeds the maximum amount of subsidy they are allowed to receive. All borrowers in receipt of a subsidy from a publicly funded programme should be provided with a written statement, confirming the level and type of aid received.
- **Access to multiple schemes:** Businesses that took out a Coronavirus Business Interruption Loan Scheme (CBILS), Coronavirus Large Business Interruption Loan Scheme (CLBILS), Bounce Back Loan Scheme (BBLS) or a Recovery Loan Scheme (RLS) facility before 30 June 2024 are not prevented from accessing Growth Guarantee Scheme, but borrowing under these schemes may reduce the maximum amount the borrower is eligible for.

Other Aldermore specific criteria will apply. If we can offer finance on normal commercial terms, we will do so.

What is the British Business Bank?

The Growth Guarantee Scheme is managed by the British Business Bank on behalf of, and with the financial backing of, the Secretary of State for Business & Trade. British Business Bank plc is a development bank wholly owned by HM Government. It is not authorised or regulated by the PRA or the FCA.

The British Business Bank's Business Guidance pages have a range of [guidance and resources for businesses](#), including information on how to manage your cashflow and where to find independent advice.

Visit www.british-business-bank.co.uk/finance-options/debt-finance/growth-guarantee-scheme



What is the applicable process?

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|----------|--|----------|-----------------------|
| 1 | Get in touch | 4 | Credit decision given |
| 2 | Eligibility check to review the BBB specific eligibility | 5 | Documentation raised |
| 3 | Invoice Finance survey completed (new clients only) | 6 | Completion |

Please note, the following are not eligible under Growth Guarantee Scheme: banks, building societies, insurers and reinsurers (excluding insurance brokers), public sector bodies, state-funded primary and secondary schools.

Get in touch

To apply for the scheme, please contact us on 0330 920 1640.

If you're an existing Aldermore client, please contact your Relationship Manager.

FIND OUT MORE



Subject to status. Security may be required. Any property or asset used as security may be at risk if you do not repay any debt secured on it.

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