



Rt Hon. Mel Stride MP  
Chair of the Treasury Committee  
House of Commons  
Committee Office  
London, SW1A 0AA

Samir Desai CBE  
Chief Executive  
Funding Circle  
71 Queen Victoria St  
London, EC4V 4AY

24 April 2020

**RE: Information on operation of coronavirus business interruption loan scheme (CBILS)**

Dear Mr Stride,

Thank you for your letter outlining the Treasury Select Committee's request for information on the operation of the Coronavirus Business Interruption Loan Scheme (CBILS), and the Future Fund.

As you will be aware, Funding Circle has recently been accredited by the British Business Bank (BBB) to facilitate lending through CBILS. By way of background, Funding Circle is the UK's largest online small business loan provider. Since 2010, a wide range of investors have used our platform to directly lend c. £6.2bn to more than 57,000 small businesses. In 2019 our platform accounted for c.6% of the total flow of <£500k UK SME debt finance (excluding commercial mortgages). We are looking forward to playing our part in helping businesses access vital finance during this challenging period.

While our formal CBILS accreditation is complete, this is akin to an 'agreement in principle', and a handful of further legal and operational points remain to be agreed with the BBB before we can begin accepting CBILS applications. We expect to launch our CBILS loans—and subsequently start facilitating funding through the scheme—shortly.

Once our CBILS programme becomes fully operational, we are keen to work with the BBB to provide data to the Committee. We will provide the BBB with an update within the first month of taking applications. As a public company, we need to ensure that the frequency and substance of any information we provide is compliant with our financial reporting obligations. Unlike banks, our sole focus is on lending to small businesses and in order to help businesses through this period we are focusing entirely on CBILS lending for the foreseeable future. Lending data therefore has the potential to be market-sensitive. We will address these points with the BBB to ensure this does not conflict with our ability to provide the Committee with helpful and timely information.

We believe we are in a unique position as the only non-bank lender accredited to both CBILS in the UK and the Paycheck Protection Programme in the US. My team would be glad to



provide the Committee and its staff with a more detailed briefing on our perspective towards supporting SMEs through this period. I would also like to take this opportunity to highlight how effective and responsive the BBB has been. Our two organisations have had a productive working relationship since the BBB began lending through our platform in 2013, and I am encouraged by their prominence in the delivery of the Government's business support measures. Once the UK is through the worst of the Covid-19 crisis, I hope the Bank's remit can be expanded; similar to our experience with the Small Business Administration and the KFW development bank in our US and German markets.

Thank you again for your letter. I look forward to working constructively with the Committee, and my team is keen to provide further information should you require.

Yours Sincerely

A handwritten signature in black ink, appearing to read "SD", written over a dotted line.

.....  
Samir Desai CBE  
Founder and CEO