

Written evidence submitted by Aldborough Refurbishments Ltd

I am the owner/MD of a small family firm (Aldborough Refurbishments Ltd) that buys property/land for refurbishment/development. With my son, I set up the company seven years ago following forty-one years working for a trade association in the city of London.

The following text was sent to the Treasury Select Committee in the form of an email on Thursday 5th November 2020. Similar messages have been sent over the past six months to HM Treasury, Andrew Rosindell MP, Paul Scully MP and Martin Lewis (@moneysavingexpert) among others. With the exception of my MP Andrew Rosindell who placed written questions before parliament on my behalf, no meaningful help or advice has been forthcoming from any of those contacted.

When the CBILS and BBLs schemes were first launched I approached Lloyds Bank (50 years as a personal customer and 7 years as business client) for a £200,000 CBILS loan. Their perfunctory response was that they no longer provided loans for property development - I build/refurbish properties - and could not help me. Although the BBLs scheme offered a much smaller loan cap it would still have provided a useful support in a difficult business environment and so I decided to make an online application again with Lloyds. The problem this time was that due to the nature of SME house building it is possible to go through a year without selling a newbuild or refurbished property and although I had more than adequate turnover figures for 2017, 2018 and indeed 2020, 2019, apparently the key year in such applications, was an exception with no turnover. Of course with an online application process the algorithm only accepts the actuality rather than the nuances of a situation and rejected my application. In my naivety I approached my business manager at the bank to explain the situation expecting that a resolution could be found, the opposite was true in that she was entirely unsympathetic and offered no support whatsoever. In fact I would go so far as to say that Lloyds have generally offered little help or advice and gave the distinct impression that they were not really interested in considering any application that they thought might carry even a hint of risk.

At this point I followed government advice and having been turned down by my own bank I worked my way through every relevant financial institution registered on the British Business Bank website for both CBILS and BBLs loans. Apart from a small number that were not approached as they did not offer the term loans that I was seeking or e.g. had a minimum loan cut off above my requirements, not one of them were prepared to consider anyone who was not an existing customer.

This whole exercise has occupied me for some eight months and has been both frustrating and extremely stressful, particularly because I have a viable business that could make a significant contribution to the economic recovery that the country will need post-Covid. I am currently surviving due to the financial support of a local businessman/friend, albeit at significant rates of interest but feel somewhat let down when I read about all of the grants, loans etc. that are generally available but not to me as a business owner that does not take a salary, has no direct employees and no separate business premises.

John Dowden

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