

Additional written evidence submitted by Rangewell Business Finance

About Rangewell

[Rangewell](#) are business finance specialists who work with UK SMEs and their advisors to help them find, compare and apply for business finance.

The breadth and depth of Rangewell's regional, market and sector knowledge give them a unique, real-time insight into the UK SME Business Lending Landscape.

- In 2019, Rangewell transacted with 87 different Business Lenders in the UK.
- Since lockdown (March 23rd), Rangewell has received offers or closed transactions with 33 different lenders.
- Rangewell have supported over 450 Coronavirus Business Interruption Loan (CBIL) Applications and Bounce Back Loan Applications.

Out of 1900 NACFB members, Rangewell are one of the six finalists in the 2020 NACFB Broker Innovation Awards due to their unique combination of machine learning technology, data mapping and human expertise.

Summary

1. For companies that have been able to access the Schemes, the support has been extremely effective and has saved many businesses from significant economic distress.
2. For companies that have not been willing or able to access the Schemes, the effects will be disastrous - leading to the loss of long-standing pillars of local economies, countless jobs and a reduction in the long-term productivity and competitiveness of the UK globally.
3. Lenders who are participating in the Schemes have worked tirelessly and efficiently to implement these hugely complex Schemes.
4. The majority of borrowers whose CBIL applications have been rejected:
 - a. Would be better off receiving alternative Government support rather than being encouraged to take on unsustainable debt funding
 - b. Are in at-risk business sectors or regions
5. On the 22nd of April 2020, [Rangewell wrote to the Chancellor of Exchequer](#), Rishi Sunak, calling for immediate improvements in the transparency of the Government's Coronavirus Business Interruption Loan Scheme - this was not to "Bash the Banks" but to enable a clear, data-driven landscape of regions and business sectors that required alternative support to debt funding.
6. Releasing more detailed information on the sectoral and regional distribution of CBIL loans will allow Government Departments, Banks, Trade Associations, Local Authorities and others to monitor, in real-time, which sectors and regions may need more bespoke support.

- 7. We suggest the Treasury Committee request detailed data on how the Schemes have been distributed across Regions and Business Sectors to provide transparency to the Schemes and highlight funding gaps that would otherwise not be visible.**

Immediate improvements in the clarity and transparency of the Coronavirus Business Interruption Loan Schemes to offer better financial support to UK businesses.

As highlighted in Rangewell's main submission to the Committee, we believe the Government and the CBIL Lenders are providing significant and effective support to borrowers who are able to access the CBIL Scheme.

However, there is currently no way to independently monitor the success, or otherwise, of the Coronavirus Business Interruption Loan Schemes **on a Regional or Business Sector Basis**.

Rangewell believes there should be real-time detailed, weekly reporting on such figures which would allow Government Departments, Banks, Trade Associations, Local Authorities and others to monitor which business sectors and regions may need more bespoke support.

This information is already being collected and there are precedents for such information to be provided - UK Finance already publishes SME lending figures and trends on a postcode by postcode basis quarterly, as part of their commitment to being transparent about the geographical spread of lending across the UK.

Rangewell suggests the Treasury publish weekly Open Data statistics for each approved lender:

- The number and monetary value of applications the lender has received
- The number and monetary value of applications the lender has credit-approved
- The number and monetary value of applications the lender has paid out on
- Provide standardised reasoning/wording across lenders as to the reasons applications are being rejected.

Furthermore, to identify regions and sectors that need additional support, The Treasury should publish loan-by-loan, anonymised data (*redacted in cases where volumes are low to preserve customer confidentiality*) for the following:

- The SIC Sector Code of each successful and rejected application
- The postcode of each successful and rejected application.

Releasing such information in an Open Data format will significantly improve the scrutiny and transparency of the Schemes and highlight, in real-time, the business sectors and regions that are failing to get the support required by the Schemes - allowing other, more suitable support to be developed and provided in a timely manner.