

# Housing Secretary confirms £1 billion of finance to support small and medium sized builders

- Housing Secretary gives green light to £1 billion in finance to support small and medium sized builders
- Loans from banks to help local builders deliver new homes in areas across England
- Partnership between government and UK finance industry will help level up the regions in England

Millions of pounds in new loans will be paid out to support small and medium sized firms get building, the Housing Secretary Rt Hon Robert Jenrick MP has announced today (29 January 2020).

The £1 billion guarantee scheme set-up by the government ensures enough credit is available to allow smaller housebuilders to enter the market.

In an announcement to Parliament the Housing Secretary confirmed the British Business Bank's ENABLE Build Programme will shortly begin guaranteeing millions in new loans for local, independent construction businesses to deliver new homes.

Local builders will be able secure loans from participating banks to help the government deliver its commitment of at least a million new homes in the next five years.

Housing Secretary Rt Hon Robert Jenrick MP said

Small housebuilders are vital to building the homes this country needs but too often struggle to access affordable finance.

Today I am giving the green light to a scheme that will help to fix this. Supporting £1 billion of new loans so that local builders can kickstart building, level up the country and turbocharge the housing sector.

Housing Minister Rt Hon Esther McVey MP added:

When it comes to building houses, we mean business – this fund will give everyday lenders the confidence needed to do deals with

smaller builders which get shovels in the ground.

Today I have given the green light to £1 billion in loans to boost local builders, so they can deliver the homes our communities need across England.

Reinald de Monchy, Managing Director, Guarantee and Wholesale, British Business Bank said:

The ENABLE Build programme is a great example of using a cross-government approach to tackle an important, complex issue.

Working in partnership with the Ministry of Housing, Communities and Local Government, the Department for Business, Energy & Industrial Strategy and Homes England to address both access to finance and the UK housing shortage, the ENABLE Build programme will allow us to build on our ENABLE Guarantee's success in supporting smaller housebuilders that have traditionally struggled to access the funding they need.

Since the scheme opened for applications in May 2019, the government has received interest from specialist and mainstream lenders – including high street banks – which want to be involved in this innovative scheme to deliver homes.

Following the credit crunch in 2008 figures show that only 1,737 small to medium size builders operate in England, with more needed to help respond to the demand for new homes.

The information published in the House of Commons sets out when the ENABLE Build scheme will start to provide the guarantee finance and how lenders and house builders can get involved.

The Housing Minister has laid a [written ministerial statement](#) setting out more details about the Government's ENABLE Build scheme.

The ENABLE Build programme was announced by the Chancellor of the Exchequer at the 2018 Autumn Budget. It opened to applications from lenders in [May 2019](#).