

Pay As You Grow

How will each option affect my Bounce Back Loan repayments and my total repayment amount?

The Government has announced Pay As You Grow options for Bounce Back Loan borrowers to help businesses get back to regular trading. Pay As You Grow could give you more time and flexibility to pay back your loan.

This document shows you how taking each of the Pay As You Grow options can affect your monthly repayments and overall cost of your Bounce Back Loan.

1 Reduce your monthly repayments for six months by paying interest only.

The table below shows the full illustrative examples and the impact on your monthly repayments and overall cost of your Bounce Back Loan if you take this option.

Loan amount (including any Top-up amount taken)	Without PAYG option		With PAYG interest only option	
	Current monthly payment (at month 13)	Total repayment amount	New monthly payment amount (at month 13)	Total repayment amount
£2,000	£37.58	£2,177.32	£4.25	£2,202.35
£3,000	£56.37	£3,265.88	£6.37	£3,303.39
£4,000	£75.16	£4,354.50	£8.49	£4,404.51
£5,000	£93.95	£5,443.18	£10.62	£5,505.73
£6,000	£112.74	£6,531.82	£12.74	£6,606.85
£7,000	£131.53	£7,620.38	£14.86	£7,707.92
£8,000	£150.32	£8,709.08	£16.99	£8,809.19
£9,000	£169.11	£9,797.68	£19.11	£9,910.25
£10,000	£187.90	£10,886.32	£21.23	£11,011.37
£11,000	£206.69	£11,975.00	£23.36	£12,112.56
£12,000	£225.48	£13,063.61	£25.48	£13,213.66
£13,000	£244.27	£14,152.13	£27.60	£14,314.72
£14,000	£263.06	£15,240.89	£29.73	£15,416.03
£15,000	£281.85	£16,329.50	£31.85	£16,517.08
£16,000	£300.64	£17,418.07	£33.97	£17,618.24
£17,000	£319.43	£18,506.77	£36.10	£18,719.40
£18,000	£338.22	£19,595.42	£38.22	£19,820.52
£19,000	£357.01	£20,683.98	£40.34	£20,921.60

	Without PAYG option		With PAYG interest only option	
Loan amount (including any Top-up amount taken)	Current monthly payment (at month 13)	Total repayment amount	New monthly payment amount (at month 13)	Total repayment amount
£20,000	£375.80	£21,772.71	£42.47	£22,022.86
£21,000	£394.59	£22,861.28	£44.59	£23,123.93
£22,000	£413.38	£23,949.88	£46.71	£24,225.07
£23,000	£432.17	£25,038.60	£48.84	£25,326.25
£24,000	£450.96	£26,127.19	£50.96	£26,427.39
£25,000	£469.75	£27,215.81	£53.08	£27,528.42
£26,000	£488.54	£28,304.38	£55.21	£28,629.57
£27,000	£507.33	£29,393.07	£57.33	£29,730.79
£28,000	£526.12	£30,481.65	£59.45	£30,831.81
£29,000	£544.91	£31,570.39	£61.58	£31,933.13
£30,000	£563.70	£32,658.98	£63.70	£33,034.18
£31,000	£582.49	£33,747.56	£65.82	£34,135.31
£32,000	£601.28	£34,836.32	£67.95	£35,236.45
£33,000	£620.07	£35,924.88	£70.07	£36,337.62
£34,000	£638.86	£37,013.47	£72.19	£37,438.68
£35,000	£657.65	£38,102.20	£74.32	£38,539.91
£36,000	£676.44	£39,190.81	£76.44	£39,640.97
£37,000	£695.23	£40,279.38	£78.56	£40,742.16
£38,000	£714.01	£41,367.98	£80.68	£41,843.27
£39,000	£732.81	£42,456.68	£82.81	£42,944.47
£40,000	£751.60	£43,545.27	£84.93	£44,045.53
£41,000	£770.38	£44,633.87	£87.05	£45,146.70
£42,000	£789.18	£45,722.60	£89.18	£46,247.86
£43,000	£807.97	£46,811.20	£91.30	£47,349.00
£44,000	£826.75	£47,899.80	£93.42	£48,450.08
£45,000	£845.55	£48,988.48	£95.55	£49,551.33
£46,000	£864.34	£50,077.06	£97.67	£50,652.38
£47,000	£883.12	£51,165.73	£99.79	£51,753.55
£48,000	£901.92	£52,254.35	£101.92	£52,854.72
£49,000	£920.71	£53,342.95	£104.04	£53,955.75
£50,000	£939.49	£54,431.60	£106.16	£55,056.94

2 Take a payment holiday for six months.

The table below shows the full illustrative examples and the impact on your monthly repayments and overall cost of your Bounce Back Loan if you take this option.

Loan amount (including any Top-up amount taken)	Without PAYG option		With PAYG payment holiday option	
	Current monthly payment (at month 13)	Total repayment amount	New monthly payment amount (at month 13)	Total repayment amount
£2,000	£37.58	£2,177.32	£0.00	£2,204.04
£3,000	£56.37	£3,265.88	£0.00	£3,306.07
£4,000	£75.16	£4,354.50	£0.00	£4,408.01
£5,000	£93.95	£5,443.18	£0.00	£5,510.08
£6,000	£112.74	£6,531.82	£0.00	£6,612.06
£7,000	£131.53	£7,620.38	£0.00	£7,714.06
£8,000	£150.32	£8,709.08	£0.00	£8,816.12
£9,000	£169.11	£9,797.68	£0.00	£9,918.13
£10,000	£187.90	£10,886.32	£0.00	£11,020.07
£11,000	£206.69	£11,975.00	£0.00	£12,122.10
£12,000	£225.48	£13,063.61	£0.00	£13,224.13
£13,000	£244.27	£14,152.13	£0.00	£14,326.17
£14,000	£263.06	£15,240.89	£0.00	£15,428.21
£15,000	£281.85	£16,329.50	£0.00	£16,530.13
£16,000	£300.64	£17,418.07	£0.00	£17,632.13
£17,000	£319.43	£18,506.77	£0.00	£18,734.23
£18,000	£338.22	£19,595.42	£0.00	£19,836.19
£19,000	£357.01	£20,683.98	£0.00	£20,938.14
£20,000	£375.80	£21,772.71	£0.00	£22,040.26
£21,000	£394.59	£22,861.28	£0.00	£23,142.28
£22,000	£413.38	£23,949.88	£0.00	£24,244.26
£23,000	£432.17	£25,038.60	£0.00	£25,346.31
£24,000	£450.96	£26,127.19	£0.00	£26,448.20
£25,000	£469.75	£27,215.81	£0.00	£27,550.25
£26,000	£488.54	£28,304.38	£0.00	£28,652.26
£27,000	£507.33	£29,393.07	£0.00	£29,754.30
£28,000	£526.12	£30,481.65	£0.00	£30,856.27
£29,000	£544.91	£31,570.39	£0.00	£31,958.36
£30,000	£563.70	£32,658.98	£0.00	£33,060.32

Loan amount (including any Top-up amount taken)	Without PAYG option		With PAYG payment holiday option	
	Current monthly payment (at month 13)	Total repayment amount	New monthly payment amount (at month 13)	Total repayment amount
£31,000	£582.49	£33,747.56	£0.00	£34,162.32
£32,000	£601.28	£34,836.32	£0.00	£35,264.37
£33,000	£620.07	£35,924.88	£0.00	£36,366.35
£34,000	£638.86	£37,013.47	£0.00	£37,468.30
£35,000	£657.65	£38,102.20	£0.00	£38,570.47
£36,000	£676.44	£39,190.81	£0.00	£39,672.37
£37,000	£695.23	£40,279.38	£0.00	£40,774.40
£38,000	£714.01	£41,367.98	£0.00	£41,876.32
£39,000	£732.81	£42,456.68	£0.00	£42,978.46
£40,000	£751.60	£43,545.27	£0.00	£44,080.42
£41,000	£770.38	£44,633.87	£0.00	£45,182.40
£42,000	£789.18	£45,722.60	£0.00	£46,284.45
£43,000	£807.97	£46,811.20	£0.00	£47,386.45
£44,000	£826.75	£47,899.80	£0.00	£48,488.42
£45,000	£845.55	£48,988.48	£0.00	£49,590.51
£46,000	£864.34	£50,077.06	£0.00	£50,692.47
£47,000	£883.12	£51,165.73	£0.00	£51,794.47
£48,000	£901.92	£52,254.35	£0.00	£52,896.48
£49,000	£920.71	£53,342.95	£0.00	£53,998.53
£50,000	£939.49	£54,431.60	£0.00	£55,100.49

3 Request a term extension of your loan term from six years to 10 years at the same interest rate of 2.5%

The table below shows the full illustrative examples and the impact on your monthly repayments and overall cost of your Bounce Back Loan if you take this option.

Loan amount (including any Top-up amount taken)	Without PAYG option		With PAYG term extension option	
	Current monthly payment (at month 13)	Total repayment amount	New monthly payment amount (at month 13)	Total repayment amount
£2,000	£37.58	£2,177.32	£22.77	£2,277.30
£3,000	£56.37	£3,265.88	£34.15	£3,415.99
£4,000	£75.16	£4,354.50	£45.53	£4,554.61
£5,000	£93.95	£5,443.18	£56.92	£5,693.29
£6,000	£112.74	£6,531.82	£68.30	£6,831.81
£7,000	£131.53	£7,620.38	£79.67	£7,970.67
£8,000	£150.32	£8,709.08	£91.06	£9,109.42
£9,000	£169.11	£9,797.68	£102.44	£10,248.01
£10,000	£187.90	£10,886.32	£113.82	£11,386.68
£11,000	£206.69	£11,975.00	£125.21	£12,525.38
£12,000	£225.48	£13,063.61	£136.59	£13,664.06
£13,000	£244.27	£14,152.13	£147.97	£14,802.60
£14,000	£263.06	£15,240.89	£159.36	£15,941.38
£15,000	£281.85	£16,329.50	£170.74	£17,079.97
£16,000	£300.64	£17,418.07	£182.12	£18,218.63
£17,000	£319.43	£18,506.77	£193.51	£19,357.30
£18,000	£338.22	£19,595.42	£204.89	£20,495.96
£19,000	£357.01	£20,683.98	£216.27	£21,634.58
£20,000	£375.80	£21,772.71	£227.66	£22,773.30
£21,000	£394.59	£22,861.28	£239.03	£23,912.04
£22,000	£413.38	£23,949.88	£250.41	£25,050.67
£23,000	£432.17	£25,038.60	£261.80	£26,189.40
£24,000	£450.96	£26,127.19	£273.18	£27,328.06
£25,000	£469.75	£27,215.81	£284.56	£28,466.65
£26,000	£488.54	£28,304.38	£295.95	£29,605.36
£27,000	£507.33	£29,393.07	£307.33	£30,744.01
£28,000	£526.12	£30,481.65	£318.71	£31,882.60
£29,000	£544.91	£31,570.39	£330.10	£33,021.28
£30,000	£563.70	£32,658.98	£341.48	£34,159.96

Loan amount (including any Top-up amount taken)	Without PAYG option		With PAYG term extension option	
	Current monthly payment (at month 13)	Total repayment amount	New monthly payment amount (at month 13)	Total repayment amount
£31,000	£582.49	£33,747.56	£352.86	£35,298.60
£32,000	£601.28	£34,836.32	£364.25	£36,437.29
£33,000	£620.07	£35,924.88	£375.63	£37,575.96
£34,000	£638.86	£37,013.47	£387.00	£38,714.70
£35,000	£657.65	£38,102.20	£398.39	£39,853.42
£36,000	£676.44	£39,190.81	£409.77	£40,992.01
£37,000	£695.23	£40,279.38	£421.15	£42,130.65
£38,000	£714.01	£41,367.98	£432.53	£43,269.26
£39,000	£732.81	£42,456.68	£443.92	£44,407.98
£40,000	£751.60	£43,545.27	£455.30	£45,546.66
£41,000	£770.38	£44,633.87	£466.68	£46,685.24
£42,000	£789.18	£45,722.60	£478.07	£47,824.01
£43,000	£807.97	£46,811.20	£489.45	£48,962.64
£44,000	£826.75	£47,899.80	£500.83	£50,101.23
£45,000	£845.55	£48,988.48	£512.22	£51,239.97
£46,000	£864.34	£50,077.06	£523.60	£52,378.62
£47,000	£883.12	£51,165.73	£534.98	£53,517.31
£48,000	£901.92	£52,254.35	£546.36	£54,656.06
£49,000	£920.71	£53,342.95	£557.74	£55,794.57
£50,000	£939.49	£54,431.60	£569.12	£56,933.31

Important information

The examples in tables 1 and 2 above assume that you will choose to extend your loan term for an additional 6 months in respect of the payment holiday or interest only period (as applicable). This would mean that your total loan term would be 6 years and 6 months.

The 'Total repayable amount' columns include the Business Interruption Payment (BIP) amount. The BIP is the amount the government pays in the first year to cover your interest.

The information in the tables are based on each PAYG option being taken individually and assume the option is taken before the first repayment date is due. The figures have been calculated and based on a 31-day month, so your repayment amount may be different due to the specific date you've taken out your Bounce Back Loan. Please note that the tables are solely for information purposes and offered as a guide to how your repayments could be impacted by taking one of the PAYG options. They are not meant to be relied upon as giving you an accurate representation of what your actual repayments will be.

Using these options won't affect your credit score, or negatively affect your credit file. We may use requests for Pay As You Grow options to help us assess affordability in future lending applications, for example we will take into consideration incomings and outgoings, including existing debt repayments such as the Bounce Back Loan, and also your total debt exposure, which will include the outstanding Bounce Back Loan.

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