



Media release

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**Cost of Living Crisis:**

**West London Business' New Beneficial Loans Toolkit  
Gives Employers Guidance on Interest Free Loans for Staff**

**As employers grapple with how best to help staff in the midst of a cost of living crisis, West London Business has today released its Beneficial Loans Toolkit, giving employers much-needed practical guidance on how to issue small loans to employees as a manageable and safer alternative to high-interest payday lending. The business group has also recommended that HMRC makes their employer guidance on loans to staff easier to find and understand.**

West London Business is the voice of businesses in the UK's most connected region, and the [Beneficial Loans Toolkit](#) is accessible via the West London Business website to all UK employers for free. The toolkit shares best practices, plus examples of how

organisations can aid their employees financially by offering upfront loans that can then be paid for from their net salary and spread out in instalments across a given period. These loans can be used for large upfront bills such as rental tenancy deposits and train season tickets.

The toolkit contains a 'how to' guide on the basics of introducing this scheme, alongside tax FAQs, and case studies from leading employers that already have loan schemes in place, such as Starbucks UK.

**Andrew Dakers, Chief Executive of West London Business**, explains: “Increasingly, employers are thinking about creative ways to help their existing staff with the cost of living crisis, not just by offering competitive wages, but through support mechanisms such as a Beneficial Loans scheme. It is often those employees who rent privately that are the hardest hit by the rising cost of housing in London and larger cities. For many people, simply getting the funds together to put down a rental deposit can be tough. Against a backdrop of record vacancies across the UK, these loans could become part of an employer’s arsenal of benefits to attract new staff too.

“The West London Business Beneficial Loans Toolkit sets out the practicalities to consider when implementing a loan scheme, such as setting out clear terms between the employer and the employee in receipt of the loan. As leading employers such as Starbucks UK have shown, these loans can make a huge difference to the lives of employees and often require very little set-up administration for the employer. The toolkit will now enable small businesses to fairly straightforwardly replicate one of the best practices of larger firms.

“Producing the toolkit has identified some simple improvements that HMRC could make to their employer guidance to make it easier to find, and clearer on the range of beneficial loans that are possible.”

Commenting on the launch of the toolkit, **Rajesh Agrawal, London’s Deputy Mayor for Business** said: “Good employers in London are taking proactive steps to support their employees through the cost of living crisis and this starts with fair pay, through paying at least the London Living Wage. Employers want to go further, but lack direct government support and guidance to do so.

The Mayor’s Good Work Standard sets the benchmark for other financial benefits to support living costs, including payroll loans for childcare or tenancy deposits. The

Mayor welcomes this toolkit as an invaluable resource to help employers develop vital measures like these to help build a fairer, more prosperous London for all.”

The West London Business Beneficial Loans Toolkit focuses on beneficial loans where no tax implications arise due to the HMRC tax exemption of small loans under £10,000. This is a tax category into which tenancy deposits, season ticket loans, and many other small loans fall into.

To download the West London Business Beneficial Loans Toolkit, click [here](#)

**ENDS**

**For further information or to arrange interviews with West London Business, please email [WLB@gecpr.co.uk](mailto:WLB@gecpr.co.uk)**

**Notes to editors:**

Photo 1: The West London Business Beneficial Loans Toolkit

Photo 2: Andrew Dakers, Chief Executive of West London Business

For high resolution version of images, please click [here](#).

**About West London Business:**

West London Business (WLB) ensures West London is a successful, inclusive, environment for responsible business. West London is the UK’s global gateway; a £73billion+ GVA economy underpinned by 120,000+ businesses. We are a business-led leadership forum, with members including Heathrow and Asahi, as well as key regional firms such as Fuller, Smith & Turner and Brompton Bicycle. WLB has 15,000+ supporters and convenes 30+ events per annum, including the West London Business Awards.

Our members work together through WLB to raise West London’s global economic competitiveness and catalyse action for people and planet. Through our work we

inform and influence the work of local, regional, and national government policymakers and promote inward investment.

To find out more, visit [www.westlondon.com](http://www.westlondon.com).

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