

Start Up Loans

The UK Government's Start Up Loans scheme was first created in 2012 and has now provided over £600 million in loans to small businesses outside London - with over £94 million received by businesses and entrepreneurs in the North West of England alone.

The initiative, run by the British Business Bank, offers extensive support for a wide range of smaller businesses providing more opportunities to create jobs, expand and develop.

Small Business Minister, Paul Scully, said:

“There is so much creativity and dynamism across the UK, but without access to funding and support it's difficult to fully unlock the entrepreneurial spirit that makes this country great. The Start Up Loans programme has helped a diverse range of entrepreneurs across the UK to get their business off the ground, levelling up the entire country and enabling talented business leaders from all backgrounds to flourish.”

Aspiring business owners can apply for a Start Up Loan of between £500 and £25,000 by visiting www.gov.uk/apply-start-up-loan. Applicants must live in the UK, be 18 years of age or over, and must have (or plan to start) a UK-based business that has been fully trading for less than 24 months.

Unlike a business loan, it is a government-backed, unsecured personal loan. The

loan itself is repayable over a period of 1 to 5 years and charged at a fixed interest rate of 6 percent per year. As well as the loan itself, businesses also get free support and guidance to write a business plan, and up to 12 months of free mentoring.



Recipient of the £600 millionth pound

The recipient of the Start Up Loans programme's £600 millionth pound was Will Smith, from Northern Ireland. Taking out a loan of £6,000 in January 2020 to launch a bespoke wooden furniture company – Woodwork by Will – the business owner was able to invest in essential machinery and a table saw.

He said:

“The support I have received from the British Business Bank has accelerated my business 12 months beyond where it would have been. I found the whole process with the Bank very straightforward and would have no hesitation in recommending Start Up Loans to other entrepreneurs.”

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