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START UP LOANS DELIVERS OVER £20MILLION TO MICROBUSINESSES IN WALES

Government-backed programme has provided more than 55,000 loans to start-ups and early stage businesses since 2012

Wales is fast becoming a hub of entrepreneurship, according to new figures from the Start Up Loans Company, which shows that it has lent over £20 million to small businesses in Wales since it launched six years ago.

A total of 2,361 business in Wales – and over 55,000 across the UK – have received low-interest loans with the average loan size in Wales of £8,500 - from the Government-backed programme since it was set up in 2012.

Chris Evans, the founder of Waterfall Ways, an outdoors activities company in the Brecon Beacons in South Wales, received a loan of £18,500 to set up his business.

He decided to fulfil his lifetime ambition of becoming his own boss after taking voluntary redundancy in 2014.

With the help of the low-interest loan, Chris founded Waterfall Ways, which offers gorge walking, bushcraft, archery, hill walking and other activities designed to encourage team building.

Set up in September 2014, the business now employs 11 people and now generates £220,000 in revenue each year.

Chris is one of six ambassadors who has been hand-picked by the Start Up Loans Company to represent UK start-ups in London this year.

He said: “Starting my own business has always been an ambition of mine, and after deciding to take voluntary redundancy, I realised it was now or never.

“In South Wales, I’m fortunate enough to have the countryside at my fingertips and realised I could use this to my advantage and host outdoor activities specifically designed to encourage team building.

“Since receiving the financial backing from the Start Up Loans Company, the business generates £220,000 in revenue each year and I now employ 11 members of staff to service this growth.”

Commenting on hitting the £20 million milestone, Joanna Hill, managing director at The Start Up Loans Company, said:

“It’s fantastic to see so many people in Wales start their own business through our low-interest loans. Start-ups are a vital part of our economy and we’re delighted that we are able to drive self-employment across the region.

“We recognize that setting up a business can be very daunting, which is why we offer all recipients of our loans access to a free mentoring programme to ensure they are supported every step of the way. It’s our mission to help as many new and early stage businesses in the UK as possible and we look forward to supporting many more aspiring business owners in Wales.”

Secretary of State for Wales Alun Cairns said: “Over the past few years we’ve seen extraordinary growth from Welsh start-ups. The UK Government has been working hard to create the right conditions for growth in Wales, and there are now thousands of recipients operating here.

“The UK Government via the Start Up Loans Company provides vital funding to assist people on their journey to becoming successful in business, and I’m delighted that so many start-up companies have benefitted as a result.”

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Notes to editors

About SULCo:

The Start Up Loans Company (SULCo) was formed in June 2012. SULCo provides personal loans for business purposes at a 6% fixed interest rate per annum, and offers free dedicated mentoring and support to each business.

The primary aim of the Start Up Loans scheme is to ensure that viable start-ups and early-stage businesses have access to the finance and support they need in order to thrive. A network of Delivery Partner organisations support applicants in all regions and industries throughout the UK. The Start Up Loans scheme is not designed to generate a commercial profit. Capital payments together with the interest are recycled to help meet our customers' increasing demand for finance.

Free guides on a range of subjects related to starting a business are available on the SULCo website: <https://www.startuploans.co.uk/free-start-up-guides/> You can find recent media coverage and press releases in the Start Up Loans Media Centre here: <https://www.startuploans.co.uk/media-centre/>

The funding for SULCo is provided by the Department for Business, Energy and Industrial Strategy (BEIS). SULCo is a subsidiary of the British Business Bank. The British Business Bank makes finance markets for smaller businesses work better, enabling the sector to prosper, grow and build economic activity. Their Business Finance Guide explores finance options and the journey from start-up to growth. Access the Business Finance Guide here: <http://www.thebusinessfinanceguide.co.uk/bbb>

Key statistics

- * Since 2012, SULCo has delivered over 55,000 loans, providing more than £406.1m of funding, helping to back 28 businesses a day, and contributing to the creation of more than 60,000 jobs. *NB. that is jobs created or supported by a Start Up Loan including the individual recipient.*
- * In the financial year 2016/17, the scheme provided 9,431 loans with a total value exceeding £91.2m - helping to support around 27 businesses every day of the year.
- * 46% of loan recipients were formerly NEET (not in employment, education or training) and 42% were formerly unemployed or economically inactive.
- * Approximately one in five loans go to residents in the UK's most deprived communities.
- * The overall return on investment of the scheme is at least £3 per £1 invested.
- * Loan recipients report estimated average turnover of £44,000 in the first year.
- * For more information about Start Up Loans, please visit: <https://www.startuploans.co.uk/>

**All of these statistics are gross estimates, with the exception of the return on investment numbers, and are based upon Start Up Loans CRM and externally commissioned research undertaken by Qa Research.*