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## **YORKSHIRE REGION NAMED SECOND BIGGEST START-UP HUB AFTER LONDON**

### ***Government-backed programme has lent over £450m to start-ups and early stage businesses since 2012***

Yorkshire and The Humber has overtaken the West Midlands to become the UK's most entrepreneurial region outside of London and the South East, according to new figures published today.

Data from The Start Up Loans Company shows that the Government-backed scheme has lent over £41 million to small businesses in the region since it launched six years ago, compared with £38 million for the West Midlands.

Yorkshire and The Humber was beaten only by London and the South East as the most entrepreneurial region in the UK. According to the figures, the Start Up Loans Scheme has lent more than £114 million to start ups in the Capital and over £44 million to start ups in the South East.

The figures suggest that entrepreneurship is thriving in the region, with over 5,000 loans, averaging £8,000 each, issued to small business owners

One of these businesses is the Steam Yard Coffee Co, an award-winning coffee house in Sheffield which was set up in 2014 by Nick Pears, an expert barista, and Matthew Cotrill, a graphic designer.

A former Starbucks barista, Nick had always wanted to take the independent route and sell artisan coffee. He decided to join forces with Matthew, who had spent 10 years in marketing and design and with the help of a start-up loan, he finally fulfilled his ambition of setting up an artisanal coffee shop.

The business now employs three full time staff and four part-time workers and continues to grow each year, with trade increasing by 40% last summer.

#### **Nick Pears, the co-founder of the Steam Yard Coffee Co, said:**

“We’ve always wanted to start our own business here in Sheffield – to create a space for people to feel welcome, whether that’s catching up over a good cup of coffee or trying one of our fresh donuts.

“The funding from the Start Up Loans Company was invaluable as it provided us with the capital needed in the early stages of starting up. We have since grown from a team of 2 to a family of 14 and use numerous local suppliers who are growing their own businesses and employing people here in Sheffield.”

#### **A spokesman for The Start Up Loans Company, said:**

“We’re delighted that we’re supporting so many aspiring business owners in Yorkshire and The Humber with our fixed rate of interest loans and mentoring schemes. Successful

businesses supported by The Start Up Loans Company are making a significant contribution to the UK economy. For every £1 lent, £3.30 is reinvested into the UK economy.

“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 across the UK.

The Start Up Loans Programme has lent over £468m, providing 61,000 loans, since its inception five years ago (as at end December 2018)

### Breakdown of loans by region

UK Region	Loans Made	Amount Lent (£)	Average Loan Amount (£)
East Midlands	3,449	24,343,080	7,058
East of England	4,048	30,093,717	7,434
Isle of Man	1	5,000	5,000
London	14,432	112,145,205	7,771
North East	3,515	26,513,559	7,543
North West	7,400	55,402,491	7,487
Northern Ireland	955	6,666,442	6,981
Scotland	3,617	26,088,837	7,213
South East	5,345	43,807,074	8,196
South West	5,031	38,060,365	7,565
Wales	2,681	23,679,248	8,832
West Midlands	5,161	37,723,756	7,309
Yorkshire and The Humber	5,107	41,500,552	8,126
Grand Total	60,742	466,029,326	7,672

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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 of up to £25,000 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 The Start Up Loans Company is provided by the Department for Business, Energy and Industrial Strategy (BEIS). The Start Up Loans Company a subsidiary of the British Business Bank. British Business Bank plc is a development bank wholly owned by HM Government which is not authorised or regulated by the Prudential Regulation Authority (PRA) or the Financial Conduct Authority (FCA). British Business Bank plc and its subsidiary entities are not banking institutions and do not operate as such.

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, The Start Up Loans scheme has delivered nearly 61,000 loans, providing more than £468m 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 2017/18, the scheme provided 8,539 loans with a total value exceeding £91.2m - helping to support around 27 businesses every day of the year
- \* 21% of loan recipients were formerly NEET (not in employment, education or training) and 39% were formerly unemployed or economically inactive.
- \* Approximately one in five loans go to residents in the UK's most deprived communities.
- \* 17% of loan recipients were aged between 18 and 24
- \* The overall return on investment of the scheme is £3.30 per £1 invested.
- \* Loan recipients report estimated average turnover of £44,000 in the first year.
- \* In the November Budget 2018, the Chancellor announced that the programme would be extended with a target of 10,000 additional loans being issued in the year to April 2021
- \* 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.*