

British Business Bank

West Midlands Innovation & Business Support Forum

July 2024

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Who we are

The British Business
Bank is 100%
Government owned,
but independently
managed. We bring
expertise and capital
to the smaller business
finance markets.



We don't generally lend or invest directly. Instead, we work alongside over **218** delivery partners such as banks, leasing companies, venture capital funds and web-based platforms.



Businesses access capital through our partners who, because they work with us, can lend and invest more, especially to younger and faster growing companies. Operating indirectly gives us greater scale, reach and impact to our interventions.



Our mission

Drive sustainable growth and prosperity across the UK, and to enable the transition to a net zero economy, by improving access to finance for smaller businesses





Our strategic objectives

Driving sustainable growth



ensuring smaller businesses can access the right type of finance they need to start, survive and grow

Backing innovation

ensuring innovative businesses can access the right capital to start and scale



Unlocking potential

unlocking growth by ensuring entrepreneurs can access the finance they need regardless of where and who they are



Building the modern, green economy



financing groundbreaking solutions to climate change and helping smaller businesses transition to net zero so they thrive in a green future



How we operate



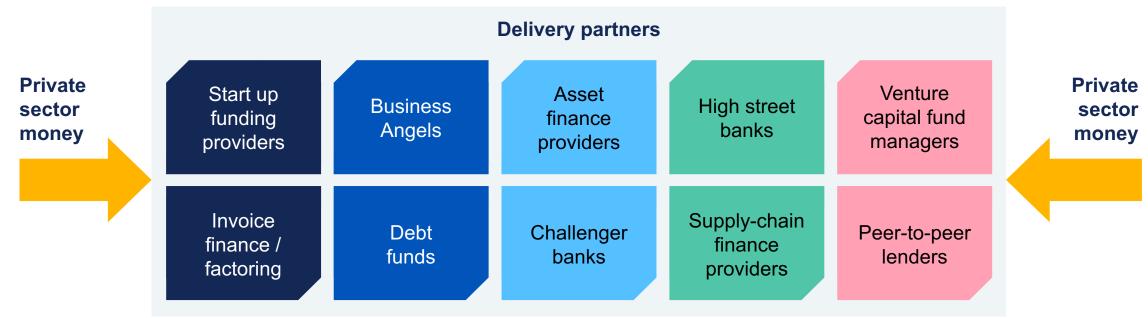
Expertise

Designing solutions to make finance markets work better for small businesses



Money

Over £12.2bn of finance supported by core Bank programmes





Who we work with





Overview of debt solutions

Illustrative

Value of investment

Start Up Loans

- Personal loans up to £25k and free mentoring to new entrepreneurs
- Would not typically qualify for loans from commercial lenders

Support new start-ups

Regional funds supported by UK govt & EU (Northern Powerhouse, Midlands Engine, Cornwall & Isles of Scilly)

Supporting smaller businesses across the nations and regions

Recovery Loan Scheme (RLS)

Available where a participating lender would in absence of the scheme:

- Not have offered a commercial facility on similar terms; or
- Would only have offered the facility at a higher price

Borrower must be a viable SME

Lend to firms on better terms than otherwise would be available

ENABLE Funding & Guarantees / Build

- Funding: help lenders grow SME lending books via securitisation or other forms of capital markets funding
- Guarantees / Build: reduce cost of capital or funding on SME lending, encouraging more lending

Investment Programme

- Fully-commercial investment into alternative lenders and challengers:
 - Debt funds, Asset finance providers
- P2P lenders
- Challenger banks

Expand total lending volume and diversity

Core Themes



Start Up

Mentoring and loans to 'be your own boss'

Start Up Loans

Loans of £500 - £25,000 available

Business support and access to a business mentor for 12 months after receiving funding



110,000+

Start Up Loans delivered since 2012



£1bn+

of loans delivered since 2012



Overview of equity solutions

Illustrative

Venture Solutions Enterprise Capital Fund (ECF) invests into venture capital funds - supports emerging fund **British Patient Capital** Value of investment managers **Regional Angels** Grants • Fully-commercial investment into venture capital Regional funds **Programme** funds and funds-of-funds Non-repayable supported by UK govt funding for research / • Fully-commercial • Typically larger funds seeking higher ticket sizes & EU (Northern new teams scheme Powerhouse, Midlands • Outside of BBB's · Focused on regional Engine, Cornwall remit & expertise imbalances & Isles of Scilly) Delivered by InnovateUK & Growth other bodies Venture Early stage Seed R&D



Just one example of how a British Business Bank programme helps businesses grow

Our Programmes



Nations and Regions Investment Funds

£200m South West Investment Fund (SWIF)



£150m fund for Scottish businesses



£70m expansion for businesses in Northern Ireland



£130m fund for Wales businesses





£660m for the Northern Powerhouse Investment Fund



£400m for the Midlands **Engine Investment Fund**



British Business Investment





Midlands Engine Investment Fund II (MEIF II)



Midlands Engine Investment Fund II

£400m

Providing both debt and equity finance



Smaller loans (£25k - 100K)

Debt (£100k - £2m)

Equity (up to £5m)



Launched February 2024







Funding Options

WM Smaller loans £14m (£25k-100k)

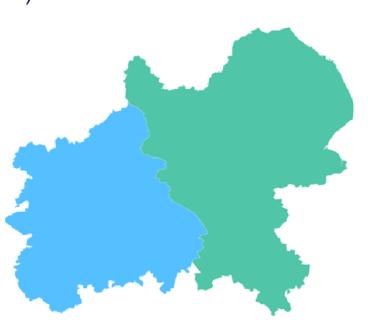


WM Debt £44m (£100k – £2m)



WM Equity £80m (Up to £5m)





ESEM Smaller loans £14m (£25k-100k)



ESEM Debt £46m (£100k - £2m)



ESEM Equity £83m (Up to £5m)





The Finance Hub

Our Finance Hub has been built to help businesses understand and find the finance options best suited to their business, to enable them to survive, prosper and grow

www.british-business-bank.co.uk/finance-hub/





Thank you

Contact details

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