

# A growth plan for the UK

How to provide the best environment  
in which independent small  
businesses can thrive.



Enterprise  
Nation



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# Context

Due to extreme economic factors – the Ukraine war, the energy crisis and high inflation – the UK is entering an age of high taxes and low growth.

While we welcomed the Prime Minister's latest statement on the need for innovation and to incubate for scale-ups, the gap between where we stand as a country now, and our ambitions for the future, is widening.

Enterprise Nation supports one of the largest communities of entrepreneurs, micro business and start-ups across the UK. Our reach encompasses a wide cross-section of the population from school-leavers, Generation Z, self-employed professionals, the over-50s and everyone in between.

The Prime Minister has encouraged business groups to submit their own ideas for growth. As a key representative for the UK's 4.1 million start-ups, early-stage and micro businesses, we welcome this opportunity, and set out our growth plan in this document.

## Why the UK needs a growth plan

The backbone of the UK economy must remain strong and ambitious. Small businesses need to see a clear vision for a brighter future, especially during these challenging times. Without such a plan, they can feel at the mercy of government transience and anxious about the future. They might also struggle to build long-term planning into their decision-making.

# What is needed for growth

At Enterprise Nation, we can help bridge the gap between our ambitions for the UK as a high-growth, entrepreneurial community rivalling Silicon Valley, and where we stand now – a country with high potential but significant barriers to success.

Start-ups and early-stage businesses are key to delivering on that ambition. These new businesses are being built to survive in a modern economy. They are naturally innovative and have energy-saving and sustainability at their core.

Enterprise Nation already drives learning and planning initiatives with corporate partners, and which are free to access. These include businesses such as Uber, Mastercard, Vodafone, Dell, Adobe and Amazon. Through this work, we've identified four key deliverables that entrepreneurs and small businesses need to thrive.

Access to finance / Access to markets  
Access to people / Access to spaces

Without these elements, start-ups, micro and small business will struggle to innovate and scale quickly enough.

Taking each of the policy areas in turn, we have made recommendations on where government can support the small business community and deliver a strategy which unleashes a nation of entrepreneurial success.



# Access to people

- Develop an entrepreneurial education strategy across the curriculum in line with other countries.
- Learn from successful private-sector training initiatives, building on those that work well to create a knowledge bank and mapping what works and what doesn't, without the government having to fund projects with weak evidence.
- Allow self-employed people to benefit from the same tax breaks as employees – this happens in 21 of the 30 OECD countries.
- Widen the scope of training tax breaks to include other forms of accredited training.
- Boost the provision of self-employment training on back to work programmes such as Restart.
- Allow employers that pay the Apprenticeship Levy to transfer even more of their funds to smaller companies down their supply chain, or replace the Apprenticeship Levy with a Skills Levy.
- Offer better visa guidance through the GOV.UK website, a separate landing page, or a chatbot that can guide employers and employees based on their circumstances.
- Reduce the cost of visas and extend the High Potential Individual (HPI) visa to the world's best graduates.
- Back a national mentoring effort to connect small businesses with mentors who have experienced the challenges being faced by current owners.
- We have seen at first hand from our work on recruiting voluntary mentors for the government's Help to Grow: Management course that experienced entrepreneurs and advisers are willing to step up and give their time to support the next generation.



[Read the Access to People report](#)



# Access to finance

- Sort out late payment once and for all. Around 65% of invoices to small businesses were paid late in May 2022, according to a study from Intuit QuickBooks, with an average of £22,700 per business outstanding. Boost the resources of the Small Business Commissioner to tackle large businesses that delay payment and make clearer recommendations to small businesses to ensure they invoice with clear terms and charge interest to those that pay late.
- Reform the pension charge cap. Unleash a fresh form of investment for start-ups from UK pension funds, giving everyone of all ages an incentive to back British business. This in turn could help support pioneering firms that are creating new ways to create renewable energy or use less energy to achieve the same or greater results, contributing to long-term energy independence for the UK.
- Measure targets among angel investors and lenders to ensure finance is accessible to women and founders from ethnic backgrounds.
- Confirm commitment to the roll-out of Making Tax Digital for Income Tax Self-Assessment (MTD for ITSA) in April 2024. We believe this will support small businesses to more easily adopt digital tools and manage money.
- Leverage support platforms to take small businesses on a sensible lending journey from StartUp Loans to growth funding via the British Business Bank.



[Read the Access to Finance report](#)



# Access to markets

- Unleash an export boom. Small businesses have put international trade on hold. It's time to get exporting and go global. The government can facilitate this through re-introducing programmes such as Tradeshow Access and launching Export Vouchers that enable small businesses to get advice from an export specialist with match funding of their own.
- Increase government spending with small businesses. Enterprise Nation's Access All Areas: Government report found that despite the ambition to spend 25% of its procurement budget directly with small firms, the government has only so far managed to spend 10%.
- Leveraging technology by connecting government's tier one suppliers to suitable subcontractors would help. It is small and nimble businesses that will inject new ideas and innovation into contracts.

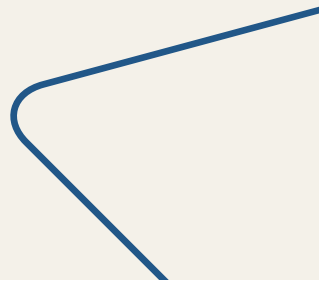


[Read the Access to Government report](#)



# Access to spaces

- Stand behind businesses and households. According to Enterprise Nation's latest Small Business Barometer, 44% of small businesses are now started as a side hustle and operate within the home, putting added pressure on consumer energy bills.
- Publish the long-awaited entrepreneurship strategy to recognise the positive surge in start-ups and reflect how government policies in areas from finance to housing can create positive conditions to start a business from home and leverage efficient broadband and transport infrastructure to sell well at home and overseas.
- Tweak legislation to ensure landlords are incentivised to work with independent retailers and offer flexible arrangements to start-ups and early-stage businesses including retailers and high street shops.

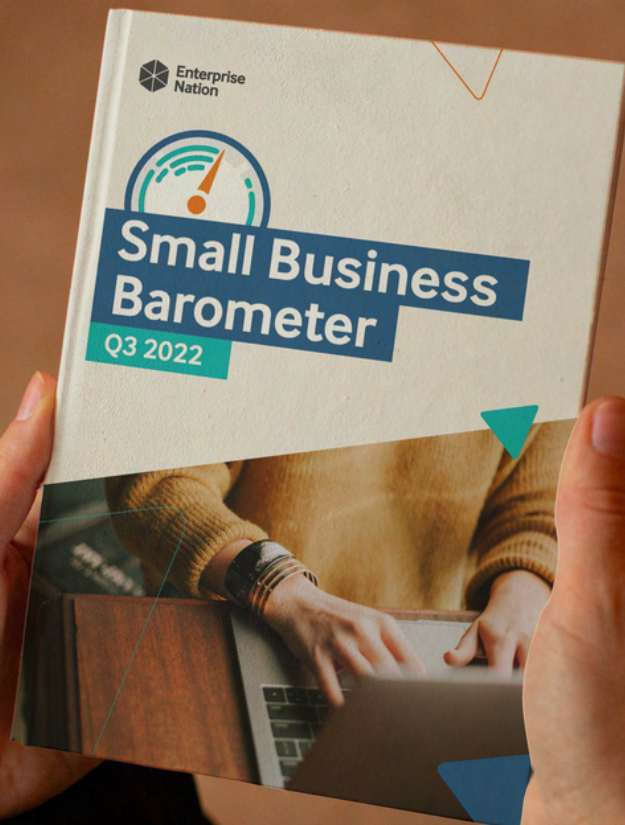


Readers appreciate accurate information

# Enterprise Nation

Enterprise Nation is a business support platform and provider. We supported over 700,000 small businesses in 2022, seeing 50,000 monthly searches on the platform and providing data and insight on small business challenges and the support that has the greatest impact.

We're ready and able to work with government to deliver a public or private solution to make sure small businesses have access to the right resources at the right time to deliver growth for businesses and the UK economy.



# Join the community

Get the right support to start and grow your business

Join for free

