



UK Government

February 2026



Backing your business to grow:

How to get financial support

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In partnership with
 **BUSINESS GROWTH SERVICE**
 **Enterprise Nation**



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Introduction

Why access finance?

Access to finance can shape the decisions a small business is able to make, whether that's getting started, investing in equipment, taking on staff, developing a new product or managing short-term cash-flow pressure.

Some businesses need finance to fund their growth. Others need it to smooth out the gaps between paying suppliers and getting paid by customers.

This guide sets out the main sources of government-backed finance and related support that are currently available to small businesses across the UK.



It focuses on practical routes you can explore, including:

- loans and guarantees delivered through the British Business Bank
- export finance support
- innovation funding support
- tax relief that can improve cash flow, and
- help for dealing with payment problems and late payment

Who this guide is for

This guide is for UK-based small businesses, including sole traders, partnerships and limited companies. It's relevant if you're:

- starting a business and looking for a first source of finance
- growing and need capital to invest
- facing uneven cash flow and want to understand your options
- dealing with payment issues or late payment and need support

What you'll find in the guide

The guide explains what each type of financial support is for, when it may be relevant and where online you can find it. It covers:

- [Start Up Loans \(British Business Bank\)](#)
- [Nations and Regions Investment Funds \(British Business Bank\)](#)
- [R&D tax relief \(HMRC\)](#)
- [Support with payment problems \(HMRC\)](#)
- [Small Business Commissioner support \(including help related to late payment\)](#)
- [UK Research and Innovation \(for testing ideas before going to market\)](#)
- [Horizon Europe \(for research and development\)](#)
- [UK Export Finance support \(for businesses exporting or preparing to export\)](#)

The details of schemes and services can change. Where you need the latest information on eligibility and how to apply, use the links above as your trusted source.

Understanding finance needs in practice



Most businesses don't start by looking for a specific scheme. They start with a practical need.

The clearer you are about why you need finance, and how it'll be repaid or recovered, the easier it is to find an option that fits.

Common reasons businesses seek finance

Starting out

Early-stage businesses may need funds to cover the cost of setting up, buy initial stock or pay for equipment and professional services. In some cases, they might need finance to bridge the gap between first sales and steady income.

Investing to grow

Growing businesses often need capital to take on staff, increase production, develop a new offer, improve premises or enter new markets. Finance can also support a step change, such as moving from project work to longer-term contracts.

Managing uneven cash flow

Even profitable businesses can face cash-flow pressure when money comes in and goes out at different times. This can be caused by seasonal trading, large upfront costs or delays between invoicing and payment.

Dealing with late payment or payment problems

Late payment can put a strain on your cash flow and limit the choices your business can make. Some government-backed services focus on helping businesses deal with payment problems and understand their options when customers don't pay on time.

Different types of support

The finance options in this guide fall into a few broad types. Knowing the difference helps you decide where to start.

Loans

A loan provides funding that you repay over time, usually with interest added. Some government-backed loans are designed for specific stages, such as when you first start a business.

Guarantees

A guarantee isn't a loan itself. It's a form of backing that can help a lender offer finance to a business. Guarantees are often used where a lender would otherwise consider the risk too high.

Investment and regional funds

Some support is designed to provide better access to finance in specific regions or sectors. This can include investment funds and programmes that help smaller lenders provide finance.

Tax relief and cash-flow support

Some support does not provide money upfront, but can benefit cash flow through reliefs or time-to-pay arrangements. These options can be used alongside other finance.



Government-backed finance and cash-flow support



This section brings together the government-backed finance options and related support included in this guide.

The schemes and services below have different purposes. Some provide lending for early-stage businesses. Others help lenders offer finance to established firms. A few aren't "finance" in the traditional sense, but can make a meaningful difference to cash flow.



Start Up Loans

- **What they are:** A government-backed personal loan scheme aimed at people who are starting a business or in the early stages of trading and looking to grow.
- **How you can use them:** You can use a Start Up Loan to fund early costs such as buying equipment or initial stock, or paying for marketing or professional support. It's most relevant when a business needs capital to move from planning into trading, or to stabilise in the early months when income is still building. Start Up Loans also include 12 months of free business mentoring.
- **Where to find them:** Visit the [Start Up Loans website](#).

Nations and Regions Investment Funds

- **What they are:** The British Business Bank's Nations and Regions Investment Funds are designed to boost long-term growth across the UK by creating local opportunities for new and growing businesses.
- **How you can use them:** These funds can be relevant if your business is based in one of the fund areas or if you have significant activity there. The funds offer different commercial finance options: smaller loans, debt finance and equity finance. You can use the funding, for example, to finance expansion projects, make asset acquisitions or launch a new product or service. They can also help businesses understand what support exists locally.
- **Where to find them:** Visit the [British Business Bank's Nations and Regions Investment Funds web page](#).

R&D tax relief

- **What it is:** Tax relief through HMRC for businesses carrying out specific types of research and development (R&D). It isn't a grant or loan, but it can benefit your cash flow by reducing the amount of Corporation Tax you owe.
- **How you can use it:** This can be relevant if your business invests in innovation, product development or technical improvement. You'd typically use it after you've made that investment, so it's often part of broader cash-flow planning rather than a source of upfront funding.
- **Where to find it:** Visit [GOV.UK](#).

Support with payment problems

- **What it is:** HMRC support for businesses that are struggling to pay the tax they owe.
- **How you can use it:** If your business is facing cash-flow pressure and can't pay an HMRC bill on time, this is how you should contact HMRC and discuss your position. It's important to use official channels and to act early, as delaying it can limit the options available to you.
- **Where to find it:** Visit [GOV.UK](#).

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The Nations and Regions Investment Funds offer different commercial finance options: smaller loans, debt finance and equity finance

Small Business Commissioner

- **What it is:** A service that supports small businesses dealing with late payment and payment-related disputes, with information and practical guidance.
- **How you can use it:** This may be relevant if late payment is affecting your cash flow and you need support to understand your options, or to approach the issue in a structured way. Late payment can trigger a need for finance even in otherwise healthy businesses, so support here can sit alongside borrowing or other measures.
- **Where to find it:** Visit the [Small Business Commissioner website](#).

UK Export Finance

- **What it is:** Financial support related to exporting. This is separate from general business lending and is focused on helping businesses manage the financial aspects of selling overseas.
- **How you can use it:** This may be relevant if you're exporting, preparing to export or taking on export contracts that put added pressure on your working capital or increase your payment risk.
- **Where to find it:** Visit the [UK Export Finance website](#).

For more information on other government export support, [check out our free guide](#).

UK Research and Innovation

- **What it is:** Funding to help transform research into market-ready products and services.
- **How you can use it:** Funding is available to test the market for your idea and understand who your target audience is, develop a prototype or proof of concept to take your research to market and to help scale your innovation into a thriving business.
- **Where to find it:** Visit the [UK Research and Innovation website](#).

Horizon Europe (information for applicants)

- **What it is:** Guidance for businesses interested in innovation funding opportunities through Horizon Europe.
- **How you can use it:** This may be relevant if your business is exploring different innovation funding routes and wants to understand how Horizon Europe works, what the process involves and where to start.
- **Where to find it:** Visit the [Horizon Europe Hub](#).

Using finance support in practice

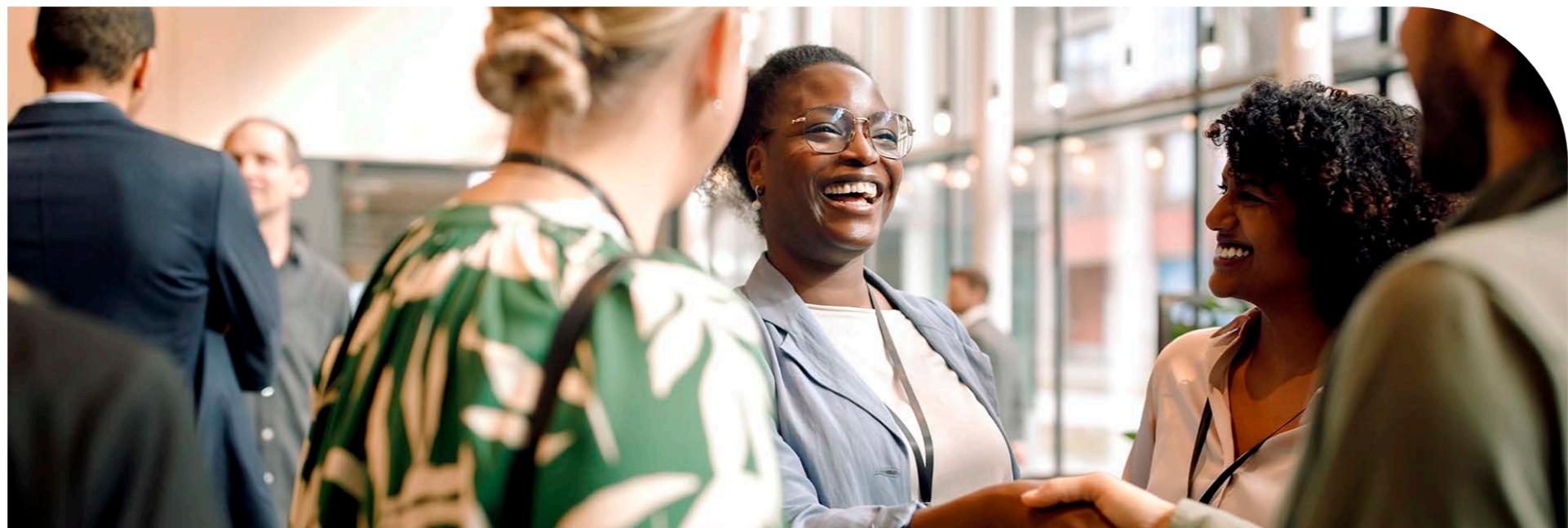
Most small businesses use finance in response to a specific pressure or opportunity. The options in this guide cover different situations, so it helps to be clear about what you're trying to solve before you choose a route.

Start with the problem you need to fix

A useful first step is to write down what the finance is for and when you need it. Here are some common starting points:

- **You're setting up or newly trading** and need funds to cover early costs before income is steady.
- **You want to invest in growth** such as staff, equipment or a larger order book.
- **Your business is viable but cash flow is tight** because money comes in later than it goes out.
- **You're behind on tax payments** because of a short-term issue with cash flow.
- **Late payment is causing strain** and you need support to deal with it.
- **You're developing something new** and want to understand whether you're eligible for tax relief or innovation funding.
- **You're exporting or preparing to export** and need to understand finance linked to overseas sales.

Being clear about the problem reduces the risk of pursuing a scheme that doesn't match your situation.



Match the type of support to your situation

The links in this guide point to official information. In broad terms, these are the kinds of situations each route is designed to address:

- **Starting out**
[Start Up Loans](#)
- **Regional finance and investment options**
[Nations and Regions Investment Funds](#)
- **Tax relief that can support cash flow for innovation-led businesses**
[R&D tax relief](#)
- **Support if you cannot pay an HMRC bill on time**
[HMRC payment problems enquiries](#)
- **Support if late payment is affecting cash flow**
[Small Business Commissioner](#)
- **Funding to turn research into market-ready products and services**
[UK Research and Innovation](#)
- **Applicant guidance for Horizon Europe opportunities**
[Horizon Europe Hub](#)
- **Finance support linked to exporting**
[UK Export Finance](#)

Which option is right for your business is something you must work out. Use the links above to check eligibility, current terms and how to apply.

Prepare before you apply or make contact

Whether you're applying for a loan, speaking to a lender or contacting a support service, it helps to have a few basic details ready – see the [Access to finance checklist](#) on page 9.

Take a staged approach

Many businesses start by gathering information, then narrow down to one or two routes. That can be more effective than applying widely without a clear fit.



Case study

Resolving unpaid invoices with support from the Office of the Small Business Commissioner (OSBC)

This case study has been anonymised for confidentiality reasons.

When a small scientific consultancy based in south-west England completed a series of projects for a much larger company in the energy sector, it expected to be paid within the agreed terms. Instead, five invoices dated throughout 2025 remained unpaid, leaving the business uncertain about how it would recover a significant sum.

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We'd highly recommend this service and will be passing details on to our business contacts.

When payment terms were missed

The consultancy had completed all the work it was asked to do and was initially told it would receive payment within the 30-day terms agreed for each invoice. When that window passed, communication with the client slowed.

Emails went largely unanswered and, despite the client's repeated promises to pay, the consultancy didn't receive any money. The consultancy was aware that the client had recently gone through a restructuring, which meant its usual contacts were no longer available.

After two months of chasing, the situation hadn't improved. The client still wouldn't provide any clear dates for payment. Unsure what steps to take next, the consultancy contacted the Office of the Small Business Commissioner (OSBC) for help.

Support from the OSBC Casework Team

Within 24 hours, the OSBC Casework Team contacted the consultancy for more information. This included details of the work it had completed and the payment terms it had agreed.

Once they received the information, the Casework Team contacted the client directly to establish why it still hadn't paid the consultancy for the work. The client responded the following day.

After this initial contact from the OSBC, the issue was resolved quickly. The client paid all five overdue invoices in full. The total amount recovered for the consultancy was over £300,000.

The small business's experience

The consultancy had been referred to the OSBC by a trusted long-term business contact. Reflecting on the experience, it said:

“The Small Business Commissioner was recommended to us. This was extremely fortunate as when we needed help to recover a large and long overdue debt, the speed and professionalism we experienced was superb.

“We'd highly recommend this service and will be passing details on to our business contacts. Thank you for helping us with this debt – getting it cleared has really made a difference.”

Access to finance checklist and next steps

We've designed this checklist to help you prepare before applying for finance or speaking to a support service. Not every point will apply to every business, but working through them can help you clarify what you need and avoid any delays.

Finance readiness checklist

Your finance need

- You can explain what the money is for and what it'll change in the business.
- You know roughly how much you need and when you need it.
- You've thought about whether the need is short-term cash flow support, longer-term investment or a mix of both.

Affordability and repayment

- You have a view on how repayment could work, based on expected income and costs.
- You understand the impact repayments would have on monthly cash flow.
- You've considered what happens if sales are lower than expected or costs rise.

Your financial position

- You have recent figures for income, costs and cash position.
- You can summarise any existing borrowing, credit arrangements or other commitments.
- You've identified the main drivers behind any cash flow pressure, such as seasonal trading or late payment.

Supporting information

- You have a basic plan for how you'll use the finance, even if it's short.
- You can show how the finance links to trading activity, such as orders, contracts or planned investment.
- If you're pursuing innovation-related support, you can describe the work you're doing and the costs involved.

Late payment or tax pressure

- If late payment is part of the problem, you have records of invoices, payment terms and any chasing you've already done.
- If you're struggling to pay an HMRC bill, you're prepared to explain the situation and provide relevant details.

Next steps

1. Write down the basics

Set out what the money is for, how much you need and when you need it. If it's a cash-flow issue, note what's driving it, such as late payment, seasonal dip or a tax bill.

2. Choose one route that fits your situation

- Start-up finance if you're newly trading.
- Growth lending support if you're investing.
- Export finance if overseas sales put pressure on your working capital or increase your payment risk.
- HMRC support if you can't pay a tax bill.
- Small Business Commissioner guidance if late payment is your main problem.
- Innovation routes if you're developing new products or processes.

3. Get your information ready before you apply or make contact

Have recent figures for income, costs and cash position, any existing borrowing and a simple view of what you can afford. Keep any relevant paperwork to hand, such as orders, contracts, invoices or a basic forecast.

4. Use the official pages linked earlier in this guide

Check eligibility and what it takes to apply, then proceed from there. If the route isn't right, move to the next best option using the same information.



Have recent figures for income, costs and cash position, any existing borrowing and a simple view of what you can afford.



Backing your business

Discover the guidance and funding your business needs.

Backing your business is a national campaign delivered by Enterprise Nation in partnership with the Department for Business and Trade (DBT). It's designed to help small businesses understand what government support is available and how to use it in practice.

The campaign focuses on four areas that are central to many businesses: exporting, access to finance, digital tools and high street resilience.

Through practical guides, webinars, newsletters and real business stories, **Backing your business** brings together support from across government, including DBT and other departments and agencies.

The aim is to make it easier for small businesses to find relevant help and apply it to real decisions they face as they start, grow or adapt.

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