



Regional access to equity finance

What are the most powerful actions local government can take to help businesses secure equity finance in the UK's nations and regions?

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Overview

Barclays conducted a review to better understand which local government actions have proved most impactful in helping local businesses secure equity investment across the UK. The review gives consideration to both 'direct' action (formal policy delivery; direct investment of public monies; direct provision of advice and services) and 'indirect' action (network facilitation; convening and connecting powers; signposting of third-party information) to achieve this outcome.

The review leveraged 'on the ground' business insights from across Barclays' own regional experts, supplemented with survey data from the wider business community to understand the most commonly identified local government drivers/enablers of equity investment. Overall, we found that local government has both the opportunity and the licence to play a more active role when it comes to supporting greater equity flows to nations and regions and that this support would have the greatest impact if it focused on helping smaller businesses (<250 employees) to navigate the landscape.

We ultimately conclude that every nation and region should have access to a place-based investment fund to support businesses in this space, and that local and devolved government has a key role to play in signposting and celebrating this fund in order to grow business trust in and understanding of it.

Gap analysis and research question

Disparities in regional investment and growth is a recognised UK challenge that has attracted considerable public sector attention, policy development and debate in recent years.

The previous **Conservative Government's** policy response has been predominantly coordinated through the 'Levelling up' agenda, which encompasses a range of interventions including:

- **Freeports:** Freeports offer various tax and customs reliefs, simplified import and export procedures, enhanced trade promotion, and additional support for innovation, increasing their attractiveness to both domestic and international businesses. They also benefit from seed capital from central government and the full local retention of business rates revenue from qualifying new development.
- **Investment Zones:** Investment Zones are focused on channelling private investment into priority sector innovation in a particular locality. Eight areas in England have been invited to co-develop an Investment Zone proposal: Greater Manchester; Liverpool City; North East; South Yorkshire; West Midlands; West Yorkshire; East Midlands; Tees Valley.
- **Levelling Up Partnerships:** These partnerships are intended to provide bespoke place-based regeneration in some of the most deprived parts of England, based on percentage of adults with Level 3+ qualifications and gross value added (GVA) per hour worked (among other measures).
- **Levelling Up Fund:** The Levelling Up Fund brings together the Department for Transport, the Ministry for Housing, Communities and Local Government and the Treasury to invest £4.8 billion in high-value local infrastructure across the country

The Government also works through the **British Business Bank (BBB)** to support the supply of credit and business advice services to business across the UK. This includes administering the Nations and Regions Investment Funds to support economic growth and innovation among businesses right across the UK;

providing start up and scale up advice to growing businesses; and delivering the 'Regional Angels Programme' which is focused on seed and early-stage equity finance for smaller businesses.

The Labour Party (now the new **Labour Government**) has also recognised driving UK growth through investment, devolution and skills development as an election mission and policy priority. The Party's 2024 election manifesto included the commitment to *"reform the British Business Bank, including a stronger mandate to support growth in the regions and nations and make it easier for small and medium sized enterprises to access capital"*. Since being elected to power on 7 July 2024, the new Government has confirmed its intention to deliver these reforms and has announced plans to *"align the UK Infrastructure Bank and the British Business Bank under a new National Wealth Fund that will invest in the new industries of the future"*¹. The National Wealth Fund represents £7.3bn of state funding that will be delivered via the UKIB and BBB with the intent of catalysing (or 'crowding in') further private sector investment into strategic sectors such as sustainability and manufacturing.

The context for these initiatives and support is that the flow of equity investment – which can be used as a proxy for early stage / high growth business investment – sees considerable variance in both volume and value across UK regions, even when accounting for business population. According to the British Business Bank's 2023 'Nations and Regions Tracker' report, in 2021-22 50% of the UK's overall deal count took place in London (representing 65% of the total investment value for the year). This was despite London being home to just 19% of smaller businesses. By contrast, only 3% of equity deals (2% by investment value) were in Yorkshire and the Humber, despite that region being host 7% of the UK's smaller businesses.²

These findings are validated by Barclays' own research. A Barclays & Censuswide survey of small business founders in September 2023 found that nearly half (49%) agree that where their business is based restricts access to investors and/or funding.³ Barclays' 2023 'Unlocking Investment' report⁴ also shows a significant disparity in the proportion of equity investment between regions in the UK (H2 2023 data):

- London: 49%
- North East: 2%
- N Ireland: 1%

Barclays has sought to better understand and respond to this challenge over the years through research and active, on-the-ground support for businesses looking to grow:

- Eagle Labs⁵ is a growing UK-wide network of 35 hubs that aim to incubate, inspire and educate UK founders, startups and scaleups and help them to succeed and grow – wherever they are based across the country. These sites provide a platform to connect the UK's entrepreneurial ecosystem to investors, support programmes and academia. Eagle Labs has supported over 16,000 businesses since launch in 2015 and the companies supported by Barclays have successfully raised £4.7bn in equity or fundraising.

¹ <https://www.gov.uk/government/news/boost-for-new-national-wealth-fund-to-unlock-private-investment>

² <https://www.british-business-bank.co.uk/about/research-and-publications/nations-and-regions-tracker-2023>

³ <https://home.barclays/news/press-releases/2023/10/barclays-launches-uk-banking-first--demo-directory---a-free-onli/>

⁴ <https://labs.uk.barclays/learning-and-insights/news-and-insights/thought-leadership/unlocking-investment-trends-for-high-growth-companies-h1-2023/>

⁵ <https://labs.uk.barclays/>

- Our Demo Directory⁶ helps scaling businesses to navigate the funding landscape and connect to potential investors and vice versa. As a wholly digital platform, the Demo Directory enables ambitious founders to showcase their businesses to a selected group of attested investors, entirely unconstrained by geography.
- Hannah Bernard, Head of Barclays UK Business Banking, is also co-Chair of the Government's 'Investing in Women Taskforce' which is focused on unlocking support and opportunities for female entrepreneurs in the UK.

But our experience has highlighted that there is an important role for local and devolved government organisations in raising levels of equity investment in specific geographic areas. Our 'Unlocking Growth' report series⁷ (funded by the Government's Digital Growth Grant and delivered in partnership with Beauhurst) identified that highly effective local ecosystems comprise of:

- Numerous investment sources from business angels to private equity
- Support structures such as universities, accelerators and incubators; and
- Good local governance that offers partnerships and other initiatives to assist with growth.

However, it is unclear exactly what role local and devolved governments should be playing within this tapestry of initiatives to support businesses in accessing growth and investment opportunities locally. We therefore seek – through this review – to draw on Barclays experience as a full-service bank with a pan-UK footprint to explore the following research question:

What is the most impactful role that local and devolved governments can play to support equity investment flows to businesses across UK nations and regions?

Note that by focusing on this specific question, we are choosing not to explore – on this occasion – adjacent policy considerations such as access to grant or other growth funding options; how best to structure finance vehicles for growth; or how to get businesses 'growth finance ready' in the first place. These are all important parts of the wider picture, however we hope to add value to the debate by focusing very specifically on the above research question which we believe has been under-examined to date.

Methodology

The following methodology was used to undertake this review:

Business surveys

We used two different surveys to source the views of businesses across the whole of the UK, in each case asking four questions (see Appendix 1.1) on the topic of equity investment and local or devolved government action in this space.

- The Savanta Business Sentiment Tracker: A syndicated, online survey of 1,000 businesses. Our bespoke questions were included in the February 2024 tracking wave, which ran from 7-26 February

⁶ <https://labs.uk.barclays/demo-directory/>

⁷ <https://labs.uk.barclays/learning-and-insights/unlocking-growth-reports/>

2024. The sample included c.750 businesses with less than 250 employees, and c.250 businesses with 250 employees or more.

- Barclays' Corporate Tracker: A biannual survey, run by BVA BRDC on behalf of Barclays, of 600 businesses with annual turnover greater than £6.5m. Fieldwork took place from 20 February – 1 March 2024.

Both surveys were open market and sector agnostic, and were used to probe businesses on the following:

1. **Their situation in relation to equity investment:** Whether or not they have previously secured it; want to secure it in the short- or mid-term; have previously been unsuccessful in securing it; or have no plans to try.
2. **Their view on which organisations would be best placed to help them secure equity investment, if they wanted to:** Multiple choice across a range of public and private actors, including local or devolved government.
3. **Their view on the most useful actions that local or devolved government⁸ in their area could take/offer to support businesses in accessing equity finance:** Multiple choice across a range of options including direct support; indirect support; network facilitation and education.
4. **Their view of any actions they have seen their local or devolved government take in their area to support businesses in accessing equity investment:** Multiple choice across the same list of options used for Question 3.

Mid-Corporate Regional Heads of Teams engagement

In addition to the open market surveys, we also sought views from Barclays' Mid-Corporate Regional Heads of Teams (also referred to as "Team Leads") between March and May 2024. These are individuals that are responsible for overseeing Barclays' corporate banking relationships and services in a particular UK nation or region. Their roles bring them into regular direct contact with businesses across each locality and gives them a strong understanding of the business ecosystem in each – including its local nuances and considerations. Given our specific interest in UK nations and regions, we excluded Team Leads based in London and the South East from this stage of engagement.

We sought the Team Lead's views in two ways:

1. First, through a short survey shared with the Regional Heads of Teams for written input (see Appendix 1.2) This included questions that explored their perceptions of businesses' ability to access equity finance in the region; their view on the importance of local or devolved government on this topic; what they have seen their local or devolved government do to support businesses' access to equity finance in their region; and what they believe would be the most important action local or devolved government could take in this space.
2. We then conducted 45-minute follow-up interviews with three of the Mid-Corporate Regional Heads of Teams that had offered either particularly unique or (conversely) representative views on this topic, based on their survey results. These conversations were free-flowing and discursive but focused on the underlying challenge(s) at play, and what 'best practice' local or devolved government action might look like in this space.

⁸ Defined in the survey as: "councils, mayoral offices, devolved governments or other organisations established, funded or led by the public sector."

Results

Having reviewed the outputs of the various surveys and interviews, the following key themes and learnings emerged from the data:

Key Learning 1 – Size matters

It is clear from the quantitative data that there is a significant knowledge gap between smaller and larger businesses on the topic of access to equity finance:

	Small (<250 employees) (Savanta)	Mid & large (>=250 employees) (Savanta)	Mid & large (>£6.5m turnover) (Corp Tracker)
'Don't know' which organisations are 'best placed to help' with securing equity finance	27% (2 nd)	11% (10 th)	8% (10 th)
'Don't know' the 'most useful actions local government could take'	29% (1 st)	9% (9 th)	6% (9 th)
'Don't know' of any 'actions currently seen offered by local government'	44% (1 st)	15% (9 th)	10% (9 th)

Key:

##% = Response rate

= Response ranked in worst third

= Response ranked in middle third

= Response ranked in best third

(#th) = ranking Vs other answers

Demand considerations do play a role in these answers, however. When we isolated responses from 'engaged' small businesses (those that have sought equity – successfully or unsuccessfully – in the past, or indicated an interest in doing so in the future) versus 'disengaged' small businesses (those that have never sought equity and have no plans to do so) we saw that the volume of 'don't know' responses was primarily driven by the disengaged group:

	ENGAGED Small (have sought in past or plan to in future)	DISENGAGED Small (have never sought and never plan to)
'Don't know' which organisations are 'best placed to help'	5% (10 th)	41% (1 st)
'Don't know' the 'most useful actions local government could take'	6% (9 th)	43% (1 st)
'Don't know' of any 'actions currently seen offered by local government'	11% (9 th)	65% (1 st)

Whilst this split may be understandable (if fewer small businesses want equity finance, they may therefore spend little time thinking about how to secure it) it nonetheless continues to reinforce the observation that size does matter in this debate – both from an engagement and a knowledge perspective. Our Regional Heads of Teams agreed, calling this out as a market challenge they have also observed – and one that can become self-reinforcing:

Example 1: *“The challenge tends to be twofold: 1) Smaller businesses tend not to know where to go for equity investment; and 2) there remains a shortage of available equity options at the smaller level <£5m...”*

“...There are a lot of grants available that businesses simply don't know about – again it comes down to being able to navigate where to go to advice...”

Example 2: *“The banks and the professional communities are very well tuned into [the help that is available], however... the very small companies looking for equity can find it hard to navigate.”*

Example 3: *“The vast majority of deals are done with in-region advisors. And the fact that there are very few or almost no equity providers based in [the region] – is it chicken or egg?”*

Key Learning 2 – Local government isn't currently seen as a critical player, but it could be

Businesses of all sizes don't typically see local government or public-sector actors as 'best placed' to help:

Which actor do you consider to be 'best placed' to help?	Small (<250 employees) (Savanta)	Mid & large (>=250 employees) (Savanta)	Mid & large (>£6.5m turnover) (Corp Tracker)
'Your local government'	7% (9 th)	11% (9 th)	14% (=8 th)
'Your Local Enterprise Partnership'	7% (11 th)	13% (7 th)	10% (10 th)
'Local chambers of commerce'	7% (10 th)	11% (10 th)	13% (9 th)
'Central UK Government departments or websites'	8% (6 th)	18% (5 th)	15% (6 th)
'Your main business bank'	32% (1 st)	33% (1 st)	40% (1 st)

'Your own personal networks'	20% (3 rd)	18% (4 th)	17% (3 rd)
'A venture capital or private equity fund'	9% (5 th)	15% (6 th)	16% (5 th)

However, whilst Barclays' Regional Heads of Teams hold a similar view, they are more optimistic about the potential for local or devolved government to play a positive role – particularly in support of smaller businesses:

Example 1: *"Clients don't really mention [local government] as a common source of introductions, however I think there is a role to play for government in highlighting the opportunities available to SMEs".*

Example 2: *"I don't believe businesses look to local or devolved government to connect them to equity – this is the job of business advisors, accountants, and perhaps [local investment agencies]"*

Example 3: *"I think [the role of local government] is [very important], but I don't see enough of it at a scale that can make a significant change to businesses."*

Example 4: *"The [region] is still relatively fragmented geographically on a number of fronts. Local / devolved government is critical in connecting the collective regional business community"*

Key Learning 3 – If local government were to play a more active role, it would be 'most useful' for it to help businesses to navigate the landscape.

Businesses typically responded positively to advice and connectivity support options, with local government directly engaging with them, advising them, and connecting them with investors:

'Most useful' action that local government could take	Small (<250 employees) (Savanta)	Mid & large (≥250 employees) (Savanta)	Mid & large (>£6.5m turnover) (Corp Tracker)
Directly connecting individual businesses in the region with investors / sources of equity	24% (2 nd)	29% (2 nd)	26% (5 th)
Meeting with businesses in the region to discuss their growth ambitions and needs	21% (3 rd)	28% (3 rd)	31% (1 st)
Providing businesses with advice on how to secure equity finance	21% (4 th)	27% (5 th)	25% (6 th)

Signposting businesses to other sources of advice on how to secure equity finance	14% (9 th)	19% (9 th)	16% (8 th)
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Regional Heads of Teams, however, saw more of a role for local or devolved government in signposting and educating businesses on the landscape to help them navigate it themselves:

Example 1: *“Educate young companies on the [regional] equity landscape and build a stronger network within [the region] of equity providers and individuals who are willing to take stakes in young businesses”.*

Example 2: *“Help businesses to identify where to go, particularly for smaller scale equity investment.”*

Example 3: *“Be visible, make it clear what could be out there for them. Share good news stories of where it might have happened.”*

Example 4: *“Education and support in this area would help in addition to promoting the benefits and raising the profile of local government options”*

Key Learning 4 – The provision of public (or publicly-backed) finance via regional funds can help overcome both equity supply and demand challenges for small businesses.

The direct provision of investment by local or devolved government was recognised as reasonably helpful across all businesses, and among larger businesses in particular:

‘Most useful’ action that local government could take	Small (<250 employees) (Savanta)	Mid & large (>=250 employees) (Savanta)	Mid & large (>£6.5m turnover) (Corp Tracker)
Investing directly in local initiatives or infrastructure to support growth in the region	18% (6 th)	27% (4 th)	26% (4 th)

However, this theme came out very strongly among the Regional Heads of Teams, many of whom had seen place-based, publicly backed finance initiatives having a positive impact in their local areas. The Team Leads further saw place-based investment funds in particular as a potential solution to both supply and demand challenges that smaller businesses face in the equity finance market, because this form of finance is seen as ‘softer’ than traditional venture capital or private equity. Note that there are many forms that these place-based finance initiatives can take, from provision of equity through to partnership finance arrangement or debt lending guarantees. For the purpose of this report, we use the term ‘place-based finance initiatives’ as a broad term to capture all sources of finance that are delivered to a locality with some form of public-sector support or endorsement, and ‘place-based investment funds’ to denote a source of equity finance specifically.

Example 1: *"Local government is essential for making equity available for businesses that require funding sub-£2.5m."*

Example 2: *"Security supported and part funded initiatives [would be 'most useful'] to encourage lending and growth for scale up of businesses."*

Example 3: *"[We have two local finance initiatives] that are business lending arms for local authorities and they're very well-received, well-regarded and the individuals are good... First port of call is usually a bank, and they would be a secondary line of funding. But [the local initiatives] do funding for start-ups and slightly riskier funding."*

Example 4: *"We work with a number of multigenerational family businesses, and there is often an understandable reticence to relinquish any degree of control [of their business]. Equally there is a misconception around equity investment. Whilst [investors] can seek a relatively quick return in 3-5 years, the array of offering in the market has become far broader than this, with a longer-term investment horizon often aligned to shareholder aspirations..."*

...Take options such as the Business Growth Fund 'BGF'. They tend to take a longer-term investment approach aimed toward value creation. More recently, you've also seen the likes of the British Business Bank launch regional investment funds – including here in [our region] to provide targeted support to regional economic growth. It means there are an increasing number of softer options in the market for equity that don't mean ceding significant control. It also often goes beyond this in providing not only funding, but beneficial intellectual industry guidance (and people networks) provided by the board appointments that come with such investment..."

...Options such as [our new regional investment fund] and the Business Growth Fund have gone a long way to addressing the equity gap, particularly for SMEs... I have introduced one business to them... They were looking for equity to grow, there wasn't an immediate option in the market for them, and this seemed to fit. Whereas historically they probably would have struggled to find a solution to fund their growth plans. So, it is filling that gap."

Key Learning 5 – Fragmentation and lack of strategic alignment across both local government and business groups can severely impact regional growth opportunities in the round

Finally, an observation that came out particularly strongly through the qualitative Regional Heads of Teams reviews was the impact that divided interests, fragmentation and in-fighting can have on the extent to which local government effectively fosters regional growth. This is also true when considering the converse, with many Team Leads citing the impact that can be achieved when all local actors are united behind an agreed approach – whether that has been catalysed by a major project in the region, or through particularly visionary leadership:

Example 1: *"In terms of the public sector there used to be about ten different councils and now there's two.... If you go back historically, it's just been infighting for different bits of funding and having a say. They've now gone to two councils – so let's see how they're doing in a year or two. That's the big change I've seen recently, and it should make a big difference."*

Example 2: *"The [local research centres of excellence] were created by a handful of individuals... [the key individual] literally sat down with three others and said, 'what can we do with the site?'. He then persuaded the government and [the local university] to put money in, and they built [the centres]."*

Example 3: *"With the [major local factory], you have [the local County Council] working in partnership with [the local college] to address the skills gap.... [you can see] a partnership being formed between government and education to address some of these skills needs".*

Example 4: *"There's definitely a plan around the aerospace sector because it's so key to the country. The local authority has worked with [the major local business in this space] to help ensure the region can support the needs of that sector... it's a linked up private sector-public initiative."*

Overarching take-aways

We believe that the five key learnings identified through our enquiries support the conclusion that local or devolved government has both the opportunity and the licence to play a more active role when it comes to supporting greater equity flows to nations and regions. Furthermore, we believe this support would have the greatest impact if local government:

- Focused on small businesses (<250 employees) where the knowledge and confidence gap appears highest
- Offered dot-joining, signposting and education support regarding the options for businesses in the region
- Ensured that the region they operate in had access to its own place-based finance initiative.

Public Policy Recommendations

Through this project, Barclays has sought to understand both business and expert views on the question of equity flows to regions in order to identify what best practice might look like in terms of local or devolved government action in this space. In particular, we wanted to identify policy changes or enhancements that might help in addressing some of the disparities in equity flow that are seen across the country, and ultimately support increased regional growth opportunities.

We recognise that equity investment is one of several avenues available to businesses looking to grow, and that this kind of financing may not suit all businesses. However, having considered the evidence base, and reached our conclusions, we recommend the following 'best practice' policy actions that local or devolved government could take to support businesses in this space:

Recommendation 1: Businesses in every nation and region should have access to some form of place-based, publicly backed investment fund. These funds should bring deep knowledge and connectivity to their work within a locality and offer specific support options for smaller firms in particular (<250 employees).

Whilst we recognise and celebrate the work already being done through the British Business Bank (BBB) to achieve this, we see two areas where the BBB needs to be thoughtful going forward. First – clarity is needed on how this regional lens will be maintained and further embedded under the new National Wealth Fund reforms. It is critical that these central structural reforms do not detract from the regional mission the BBB has begun to make good progress on.

Second, our insights also imply that coverage alone is not the only consideration. The above findings suggest that having funds that are widely recognised, trusted and understood by the local business community – and smaller businesses in particular – is critical to their success and impact. Local businesses need to feel that these organisations are ‘open for business’ and part of the fabric of a locality. This came out clearly in our Regional Heads of Teams conversations about the impact of those existing local finance initiatives that have very strong local brand recognition, deep local knowledge and trust, and are filling a gap in that local economy. For this reason, we also recommend that:

Recommendation 2: Local and devolved governments should actively promote their nearest place-based investment fund as a source of finance and support for businesses in the region – and smaller businesses in particular.

This aligns with our evidence that businesses of all sizes would see benefit in local and devolved government playing more of a ‘dot-joining’ role, helping to connect and signpost businesses to sources of advice and guidance regarding equity finance. We believe that this responsibility could be delivered through the following simple actions:

- a) Each local or devolved government should use all communication channels at their disposal to signpost businesses to **the nearest place-based investment fund**. This could be further built out to signpost alternative sources of equity and growth finance, or debt finance too. However, we recommend that details of the place-based investment fund should be highlighted as a minimum requirement.
- b) Local and devolved government should work in active partnership with both the local/regional media and the local investment fund to help **showcase success stories** from the fund, in order to grow business awareness of, and confidence in, the fund and its work.

Recommendation 3: Local and devolved governments should seek proactively to champion the investment opportunities available in their locality throughout their routine engagement with business.

Local and devolved governments are uniquely placed in their ability to look across the breadth and depth of the local economic ecosystem – often being able to spot opportunities and forge networks between actors that would not usually meet. Our evidence suggests that this capability is recognised and valued by the business community, and small businesses in particular.

We therefore believe that local and devolved governments should think about how they can more actively maximise the benefit of their routine interactions with businesses (e.g. on planning applications; business rates etc) to identify and connect potential growth opportunities in the locality. This should include working to amplify existing work by other public and private actors that are already seeking to help join dots – such as the Barclays Eagle Labs Ecosystem programme, which seeks to collaborate with local corporate partners to give startups the resources they need to grow and advance.

Recommendation 4: Where possible, local and devolved governments should seek to reduce the number of hand-offs and divides that exist within a region's governance – particularly in relation to the development and oversight of economic strategy.

We observed through this work that failing to achieve alignment among local authorities and government actors in a locality can be one of the most damaging factors when it comes to fostering local economic growth and enabling a thriving business community. Whilst we did not gather data on this question explicitly, it was a theme that came out regularly in our Regional Heads of Teams interviews, and we see as a key driver of regional growth opportunities in the round (if key local growth or innovation opportunities are not being maximised effectively, there is less opportunity for trickle down benefits and opportunities for other businesses in the region).

Whilst we were working from a small sample on this point, we did observe that where Councils were being (or had been) streamlined to minimise such hand-offs, there was local optimism about the impact this would have on local growth and ambition.

Conclusion

For equity to flow effectively to regions, you need more than just finance providers. You need business confidence, appetite, and understanding of the regional landscape too. We believe the above recommendations represent some simple steps that local and devolved governments could take to play their part in this ecosystem, and potentially unlock currently unrealised growth and opportunity in their local areas.

Appendix 1.1 – External business survey questions

In the next four questions we refer to 'equity investment' by which we mean obtaining new funds to grow your business from an outside investor in return for which they obtain shares in the business.

- 1) Which statement most closely represents your business' situation in relation to equity investment?
 - We have successfully raised it in the past
 - We have not done it yet but are planning to do it in the next 12 months
 - We have not done it yet but are planning to do in it the next 12 –36 months
 - We have not done it and currently have no plans to do so
 - We have unsuccessfully tried to raise it in the past
 - Don't know

- 2) If you were to seek equity investment, which of the following organisations do you think would be best placed to help you, if needed? (Multiple choice)
 - Your local chamber of commerce
 - Your local government (e.g. councils; mayors; devolved governments; public sector administrative bodies etc)
 - Your main business bank
 - Banks other than your main business bank
 - A Venture Capital or Private Equity fund
 - The British Business Bank (BBB)
 - Your Local Enterprise Partnership (LEP)
 - Central UK Government departments or websites
 - A consulting firm
 - Your own personal networks
 - Other (please specify)
 - I don't know

In the next two questions we refer to 'local or devolved government and/or authorities', by which we mean councils, mayoral offices, devolved governments or other organisations established, funded or led by the public sector.

- 3) If you were seeking equity investment and if they were offered by your local or devolved government and/or authorities in your area, which of the following actions would you find most useful? (Multiple choice)
 - Organising networking events in the region for businesses and investors
 - Developing and publicising a growth strategy for the region
 - Actively showcasing businesses seeking growth opportunities to investors
 - Providing businesses in the region with advice on how to secure equity finance
 - Directly connecting individual businesses in the region with investors / sources of equity
 - Signposting businesses to other sources of advice on how to secure equity finance
 - Meeting with businesses in the region to discuss their growth ambitions and needs
 - Investing directly in local initiatives or infrastructure to support growth in the region
 - Other (please specify)

- Don't know
- 4) Which of the following actions to support businesses in accessing equity investment have you seen offered by local or devolved government and/or authorities in your area? (Multiple choice)
- Organising networking events in the region for businesses and investors
 - Developing and publicising a growth strategy for the region
 - Actively showcasing businesses seeking growth opportunities to investors
 - Providing businesses in the region with advice on how to secure equity finance
 - Directly connecting individual businesses in the region with investors / sources of equity
 - Signposting businesses to other sources of advice on how to secure equity finance
 - Meeting with businesses in the region to discuss their growth ambitions and needs
 - Investing directly in local initiatives or infrastructure to support growth in the region
 - Other [please specify]
 - Don't know

Appendix 1.2 – Internal Mid-Corporate Regional Heads of Teams survey questions

The following questions are intended to explore your perceptions of local businesses' ability to secure equity investment in your local area, based on your direct experience and/or what you're hearing via your local client and business networks. We are interested in understanding the major enablers and barriers that are at play and – in particular – the importance you place on the role of local and devolved governments in this process.

Throughout the questions, we refer to 'equity investment' by which we mean funds to grow a business that come from an outside investor in return for which they obtain shares in the business. We also refer to 'local and/or devolved government, or authorities', by which we mean councils, mayoral offices, devolved governments or other organisations established, funded or led by the public sector in your local area.

1. What are your perceptions (based on direct experience, and/or what you're hearing via your local client and business networks) of businesses' ability, in your region, to access equity investment for growth if/when they need it? Are there any major enablers or barriers that you are aware of?
[Open text]
2. How important do you consider the role of local and/or devolved government to be in helping local businesses to connect with and secure equity investment in your region? Please give reasons for your answer.
[Open text]
3. a. Can you recall, or have you heard of, any examples over the past 24 months of local and/or devolved government actors in your region taking steps to help businesses secure equity investment?
 - Yes
 - No

If answered 'Yes', then asked 3b.

3. b. What action(s) have you seen local and/or devolved government actors take, and what was the outcome? Why do you believe it delivered this outcome?
[Open text]
4. What do you believe would be the most impactful action that local and/or devolved government could take to help businesses within your region to secure equity investment? Please give reasons for your answer.
[Open text]
5. Thinking more broadly (i.e. beyond local and devolved government actors), which other institutions, organisations or resources do you believe are helping businesses in your region to access equity investment? What support are they providing?

[Open text]

6. Any other comments?

[Open text]