

Reference FOI 25-049

06 November 2025

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Dear

Thank you for the freedom of information request received by the British Business Bank (the Bank) on **09 October 2025**.

### Your request

“Under the Freedom of Information Act 2000, I formally request that SULC (or the British Business Bank, as the public authority overseeing the scheme) disclose:

- The complete internal eligibility criteria used to determine Start Up Loan applications;
- Any internal guidance, policy documents, memoranda, or communications that set out or explain these internal rules;
- The dates and nature of any amendments made to those criteria since the scheme’s inception;
- All the data in the past 6 years of all applicants whom succeeded, rejected and otherwise and the basis of doing so.

This information must be made publicly available to ensure transparency, fairness, and accountability in the administration of a publicly funded scheme.”

### Response

I can confirm that the Bank holds information within the scope of your request, and some of it is provided with this letter.

#### 1. The complete internal eligibility criteria used to determine Start Up Loan applications;

- 1.1. Eligibility criteria for the Start Up Loans Scheme (**the Scheme**) can be found on The Start-Up Loans website:

[www.startuploans.co.uk - about-the-loan - am-i-eligible](http://www.startuploans.co.uk - about-the-loan - am-i-eligible)

- 1.2. Please note that the Scheme is administered by The Start-Up Loans Company, which is a subsidiary of the Bank. Detailed loan assessments for the Scheme are carried out by Business Support Partners (**BSPs**) working in partnership with The Start-Up Loans Company. The **BSPs** are Credit Brokers on behalf of the Scheme Finance Provider, the lender.

- 1.3. Details of the Finance Provider and **BSPs** can be found on the Start Up Loans website.

[Start Up Loans Website](#)

- 1.4. **BSPs** will apply their own judgment to loan applications on an individual basis.

- 1.5. There are three main areas that the BSP will consider when they are reviewing a Start Up Loan application: Credit Worthiness, Personal Affordability and Business Viability. A summary of this can be found on the Scheme Website:

[Start Up Loan Website - What factors do you consider when you assess applications?](#)

- 1.6. The Start-Up Loans Company provides the framework of how the Scheme operates and minimum standards for our BSPs and Finance Provider, which make recommendations / lending decisions independently of The Start-Up Loans Company. This information is set out in the Start Up Loan Scheme Handbook (the **Handbook**).
- 1.7. The Bank considers the Handbook in full to be exempt from disclosure under the Freedom of Information Act 2000 (**FOIA**) Section 43(2) Commercial Interests. Please refer to paragraph 5 for a detailed explanation.
- 1.8. However, the Start Up Loans website provides key information from the Handbook, including details about the Scheme, its operation, and loan requirements. For example, the website covers loan eligibility, application criteria, and information about our Business Support Partners.

**2. Any internal guidance, policy documents, memoranda, or communications that set out or explain these internal rules;**

- 2.1. As noted in our response to Point 1, The Bank considers the Handbook to be exempt from disclosure under the **FOIA** Section 43(2) Commercial Interests.

**3. The dates and nature of any amendments made to those criteria since the Scheme's inception;**

- 3.1. Please refer to points 1 and 2.

**4. All the data in the past 6 years of all applicants whom succeeded, rejected and otherwise and the basis of doing so.**

- 4.1. We can confirm the Bank does hold the requested information, however, after careful consideration, we have decided that the information be exempt under FOIA section 40(2) (personal information) and section 12 (exceed the appropriate limit).

**4.2. Section 40 exemption (Personal Information)**

- 4.2.1. Section 40(2) provides that information is exempt from disclosure if it constitutes personal data of an individual, other than the requester, and that the disclosure to any member of the public would contravene one of the data protection principles in Article 5 of the UK General Data Protection Regulation (GDPR) and the Data Protection Act 2018 (DPA).

- 4.2.2.** Section 3(2) of the Data Protection Act 2018 defines personal data as: “any information relating to an identified or identifiable living individual”; an identifiable living individual is someone who can be identified, directly or indirectly, by reference to an identifier.
- 4.2.3.** Scheme loans are personal loans for business use. The data for individual loan applications is classified as personal data. Section 40(2) of the **FOIA** provides an exemption from disclosure where the requested information is personal data and releasing it would breach the UK GDPR or the Data Protection Act 2018 (**DPA**).
- 4.2.4.** The fact that information is personal data does not automatically exclude it from disclosure, so a further test is required to consider if disclosure would contravene any of the data protection principles.
- 4.2.5.** The most relevant data protection principle is GDPR Article 5(1)(a) which states “personal data shall be processed lawfully, fairly and in a transparent manner in relation to the data subject”.
- 4.2.6.** The GDPR requires consent to be freely given, specific, informed and an unambiguous indication that the data subject wishes for their personal data to be processed in a particular manner. This consent can also be withdrawn at any time. Consequently, consent cannot be relied upon for a disclosure under FOIA, as that consent cannot be withdrawn once information is released into the public domain. Therefore, we cannot rely upon consent to disclose their information under FOIA.
- 4.2.7.** We would therefore have to consider that the lawful basis to disclose this information would be under GDPR Article 6(1)(f) legitimate interests.
- 4.2.8.** When considering the disclosure of personal data for a FOIA request using Article 6(1)(f), we have to consider the following three-part test: -
- 4.2.9.** Purpose and whether a legitimate interest is being pursued in the request for information.
- 4.2.10.** While there is a legitimate interest in transparency around the administration of publicly funded schemes, there is no legitimate interest in the disclosure of personal data relating to individual applicants.
- 4.2.11.** Necessity test and whether disclosure of the information is necessary to meet the legitimate interest in question.
- 4.2.12.** We do not believe it necessary to disclose personal data such as names, contact details, or identifiable application outcomes to meet the purpose of transparency. Publication of anonymized or summarized information is sufficient to fulfil this interest.
- 4.2.13.** As neither the legitimate interest nor necessity test have been met, the balancing test is not required in these circumstances.
- 4.2.14.** Therefore, we are relying upon the exemption under Section 40(2) to withhold the information requested in question 4.

**4.2.15.** Section 40(2) is an absolute exemption, so there is no need to apply the public interest test.

#### **4.3. Section 12 exemption (exceed the appropriate limit)**

**4.3.1.** *Under Section 12(1) of the Freedom of Information Act 2000, public authorities are not obliged to comply with a request for information if it estimates that the cost of determining if it holds the relevant information, locating and retrieving the information and, where necessary, extracting the information from a document would exceed the appropriate limit (as specified in Section 12 of the Freedom of Information Act 2000).* The appropriate limit is set by the Freedom of Information and Data Protection (Appropriate Limit and Fees) Regulations 2004.

Currently this is:

- £600 for central government departments, Parliament, and the armed forces (equal to 24 hours of work at £25 per hour).
- £450 for other public authorities (equal to 18 hours of work at £25 per hour).

The Bank is classified as a public authority.

**4.3.2.** Providing details of the specific reason an outcome was reached for all applications over the past six years would exceed 18 hours of work.

**4.3.3.** The Bank estimates it would take an average of three minutes to identify and extract the reason for a status being applied to an individual application. The Scheme has received [approximately] 797,876 applications over the last six financial years. Assuming the Bank was to only check the Drawn Down, Declined and Ineligible statuses, totaling 273,322 over the last six financial years, that would be:

$$273,322 \text{ applications} \times 3 \text{ minutes} / 60 = 13,666.1 \text{ hours.}$$

This exceeds the 18 hours of work and therefore the Bank will not be completing the activity.

**4.3.4.** However, a table summarising numbers of loan applications that have reached a conclusion in the past six years financial years, is shown below.

| Financial Year     | Drawn Down    | Declined       | Ineligible    | Timed Out      | Withdrawn     |
|--------------------|---------------|----------------|---------------|----------------|---------------|
| 2019-2020          | 7,812         | 24,062         | 921           | 48,478         | 5,000         |
| 2020-2021          | 11,984        | 41,050         | 2,221         | 104,387        | 7,632         |
| 2021-2022          | 10,255        | 37,753         | 2,323         | 83,501         | 6,069         |
| 2022-2023          | 9,390         | 42,256         | 2,175         | 89,263         | 7,055         |
| 2023-2024          | 9,830         | 29,335         | 3,017         | 86,043         | 7,459         |
| 2024-2025          | 10,598        | 25,246         | 3,094         | 70,039         | 9,628         |
| <b>Grand Total</b> | <b>59,869</b> | <b>199,702</b> | <b>13,751</b> | <b>481,711</b> | <b>42,843</b> |

## Status Descriptions

| Application Status | Description  |
|--------------------|--|
| Drawn Down         | The application was successful, and funds were released to the applicant, by the Scheme Finance Provider.  |
| Declined           | 1)The loan has been declined as the application is outside of the Scheme Credit Policy; or<br>2) A decision to decline can also be made by our Business Support Partners or Finance Provider. For example, this can be for affordability reasons.  |
| Ineligible         | The loan application was deemed to be ineligible. Details of loan eligibility can be found on the Start Up Loans website: <a href="https://www.startuploans.co.uk/about-the-loan/am-i-eligible">https://www.startuploans.co.uk/about-the-loan/am-i-eligible</a>                              |
| Timed Out          | Applications which are not progressed are closed three months after the last credit check. It is possible for loan applications to be recommenced by contacting us. Time Out typically occurs when the loan applicant has stopped communication with us and/or our Business Support Partner. |
| Withdrawn          | The loan applicant informs us or our Business Support Partner that they do not wish to proceed with the application.   |

## 5. Section 43(2) Commercial Interests.

- 5.1. Section 43(2) provides that information is exempt if its disclosure would, or would be likely to, prejudice the commercial interests of a person, a person can be an individual or any legal entity.
- 5.2. When relying on Section 43, we are required to explain what the prejudice is, who it may affect and its likelihood of occurring. Relying on Section 43(2) requires us to consider the likelihood of the prejudice and whether it 'would' or 'would be likely to occur'.
- 5.3. The Handbook contains proprietary methodologies, frameworks, and decision-making processes developed to guide the Scheme's operations and risk management strategies. Understanding the relevance of the information within the Handbook requires knowledge of the

systems and internal controls employed by the Bank. Disclosing specific details about the Handbook, such as:

- The methodologies, algorithms, or decision-making criteria;
- Weighting of factors used in various assessments;
- Risk assessment and mitigation strategies;
- Operational procedures and internal controls;

would:

- Undermine the Bank's position by enabling competitors to replicate or adapt the methodologies and frameworks.
- Expose the Bank to financial and operational risks, as individuals or third parties could manipulate processes to achieve more favourable outcomes.
- Reduce the effectiveness of the Bank's internal controls in protecting against fraud, financial crime, and operational inefficiencies.

#### **5.4. Likelihood of Prejudice**

**5.4.1.** Releasing this information into the public domain would result in prejudice. The Bank would be exposed to an increased risk of fraud, financial crime and strategic manipulation if details of the Handbook are made public. The Handbook operates as a critical component of the Bank's internal governance and risk control framework.

**5.4.2.** In relation to this request, we believe that the prejudice 'would be likely to occur' as it is reasonably probable that revealing the information in the request would prejudice the commercial interests of the parties involved.

#### **5.5. Public Interest Test**

**5.5.1.** Section 43(2) is a qualified exemption and when relying on this exemption, public authorities are required to consider the balance of the public interest in confirming whether or not the information can be shared.

**5.5.2.** The purpose of the public interest test is to consider the circumstances of the request and weigh the public interest in maintaining the s43(2) exemption against the public interest in disclosure. The public interest means the public good, not what is of interest to the public, and not the private interests of the requester.

#### **5.6. Public Interest Factors in Favour of Disclosing the Information**

- There is a general public interest in promoting transparency, accountability, public understanding, and involvement in the democratic process.
- There is a public interest in fully understanding the reasons for the Bank's decisions, to remove any suspicion of manipulating the facts.

#### **5.7. Public Interest Factors in Favour of Withholding the Information**

- There is a public interest in minimising the opportunities for fraudulent behaviour or manipulation of internal processes.
- There is a public interest in not undermining the Bank's ability to responsibly manage risk, which is in the public interest in a stable and well-functioning economy.
- There is a public interest in not putting taxpayers' money at risk through exposing the Bank's operational strategies and risk controls to unacceptable levels of fraud, financial crime, or misuse.
- The Bank already provides transparency through publicly available information on its lending and governance structures, ensuring accountability without compromising sensitive commercial data.

## 5.8. Weighing up the Public Interest

**5.8.1.** Whilst there is a public interest in transparency regarding how decisions are made, this must be balanced against the need to protect the Bank's commercial interests. In light of the above factors, the Bank considers that the public interest favours maintaining the exemption.

If you have any queries about the handling of your request, please let us know.

If you are dissatisfied with the handling of your request, you have the right to ask for an internal review. Internal review requests should be submitted within 40 working days of the date of receipt of the response to your original letter and should be addressed to:

FOI Officer,  
British Business Bank,  
Steel City House,  
West Street,  
Sheffield,  
S1 2GQ or  
[foirequests@british-business-bank.co.uk](mailto:foirequests@british-business-bank.co.uk).

Please remember to quote the reference number above in any future communications.

If you are not content with the outcome of the internal review you may apply directly to the Information Commissioner's Office (ICO) for a decision. In most cases the Information Commissioner's Office cannot make a decision unless you have already exhausted the Bank's internal review procedure.

The ICO can be contacted at:

The Information Commissioner's Office,  
Wycliffe House,  
Water Lane,  
Wilmslow,  
Cheshire  
SK9 5AF or  
see their website for alternative contact details: [www.ico.org.uk](http://www.ico.org.uk).

Yours sincerely,

FOI Officer  
British Business Bank