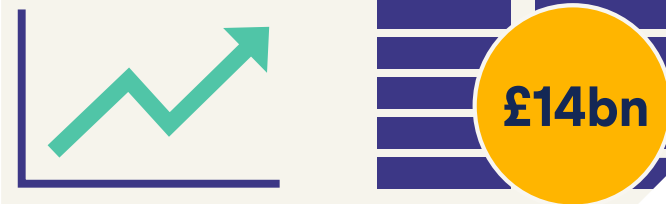


Small Business Finance Markets Report 2021/22

Surge in smaller business equity investment

130%

surge to £14bn in the first three quarters of 2021 compared to the same period of 2020



Geographic imbalances in access to finance persist

70%

of Q1-Q3 2021 equity investment value was attracted by London firms



Gross bank lending to smaller businesses returned to pre-pandemic levels

45%

decrease in gross bank lending from 2020



51%

of gross bank lending was provided by challenger and specialist banks, a record share



973

investors involved in Venture Capital based in London – no other region or Nation has more than 80



Smaller businesses continue to prioritise growth over environmental concerns

71%

prioritise sales compared to 47% who prioritise reducing their environmental impact



37%

would use external finance to grow compared to 22% who would use it to help transition their business to net zero



Ethnic Minority-led businesses more willing to use but less likely to obtain finance

50%

would use external finance for growth compared to 32% of White-led businesses

18%

of applicants were turned down for external finance compared to 10% of White-led businesses (Q3 2020 - Q2 2021)

More female-led businesses willing to use external finance

31%

are open to using external finance, a significant increase from a year earlier

26% (Q1 2019 - Q1 2020)

31% (Q2 2020 - Q2 2021)

