

Access all areas: Space

How the government can ensure small businesses have the space to start and scale





Foreword

Access to the right workspace is vital if entrepreneurs are to thrive in the current climate. While it may sound counterintuitive to extol the virtues of space at a time when one quarter of retail sales are taking place online, this report demonstrates the very real need for founders to have access to a physical space to grow their business. Whether that be a shop, a café or an office, physical spaces facilitate collaboration, networking and being part of a local community. Access to affordable and accessible workspace is critical for entrepreneurs of all stages.

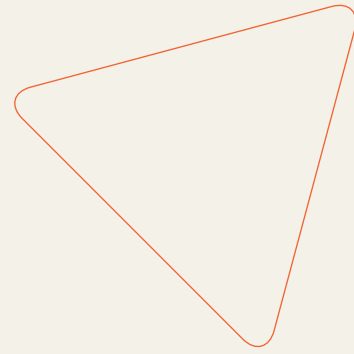
We're delighted to say there are many examples of spaces that have been designed with the small business in mind – and which you'll see many examples of in this report – however access to the right workspace is still a big challenge for so many entrepreneurs, particularly those who are just starting out. The cost of renting or buying office space can be prohibitive, and finding a space that meets the needs of a growing business can be difficult. Looking at the many challenges and opportunities, this research delves deeper into the variety of spaces on offer, as well as the key levers that make workspace affordable and accessible.

The report makes a strong case for government and businesses to work together more effectively to ensure more consistent access to space (work/home/retail) for founders across the country so they can stand the best chance of success.

Emma Jones, CBE

Founder and CEO Enterprise Nation





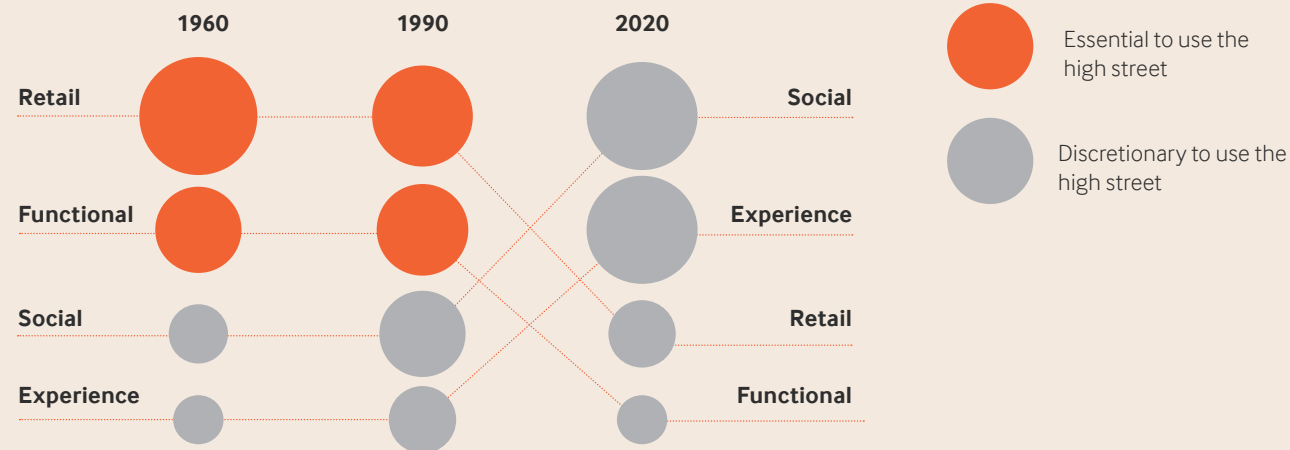
Introduction

For the Starship Enterprise, space was the final frontier. Closer to earth, space is an issue for our most enterprising business owners. Whether they need an office, shop or cafe, the right physical location can be hard to find.

Disruption isn't new. Ever since the Industrial Revolution, commercial space has changed as dramatically as the economy has. When it comes to retail and hospitality, new products and services and resulting new consumer demands have been a constant challenge, as well as opportunity. Shop numbers have been steadily declining since at least the 1920s, while

mass car ownership transformed the way we live, with the country's first out-of-town shopping centre, Brent Cross in Hendon, built in 1976. In fact, since the 1960s, we've gone from high streets and town centres dominated by essential retail, to one where discretionary social and experience are taking centre stage.

Changing role of high streets and town centres



Local Government Association (2022). [Creating resilient and revitalised high streets in the 'new normal'](#).

“We’ve gone from high streets and town centres dominated by essential retail, to one where discretionary social and experience are taking centre stage”





In recent years, online shopping has changed the landscape. In 2000, online retailing accounted for less than 1% of total retail sales, but by March 2023, more than a quarter of retail sales took place online.^{1,2}

The pandemic accelerated these trends, as many businesses were forced to go online to survive – with those managing best more likely to have survived. British households now spend more money online than any other country in the world, with no sign that the trend is abating. Even before the pandemic, the share of online sales was predicted to rise to 40%.³

There is always a lag for physical spaces in reacting to the markets. According to the *Future High Streets Fund* prospectus, there remains a mismatch between the supply of existing space and the demand for different types of space in town centres.⁴ In fact, a survey of local authorities, landlords, developers and other town centre management professionals reveals that 61% think that between 20% to 40% of retail space needs to be reinvented in the next five years for leisure, hospitality, health or civic use, with 12% of those surveyed claiming even more space than that will need to be repurposed.⁵

Internet Sales as a Percentage of Total Retail Sales (ratio) (%): March 2023⁷



Office of National Statistics (2023). Internet sales as a percentage of total retail sales (ratio) (%)



The House of Commons Housing, Communities and Local Government Committee *High Streets and Town Centres in 2030* inquiry report clearly sets out the challenge and opportunity: “We do not believe that the high street is dead but we do agree that a tipping point has been reached. An enormous change has taken place in retail. The traditional pattern of making purchases in physical stores, both in and out-of-town, has been profoundly disrupted by the growth of online shopping. High streets and town centres need urgently to adapt, transform and find a new focus in order to survive. We are convinced that high streets and town centres will survive, and thrive, in 2030 if they adapt, becoming activity-based community gathering places where retail is a smaller part of a wider range of uses and activities. Green space, leisure, arts and culture and health and social care services must combine with housing to create a space that is the ‘intersection of human life and activity’ based primarily on social interactions rather than financial transactions. Individual areas will need to identify the mix that best suits their specific characteristics, local strengths, culture and heritage. Fundamentally, community must be at the heart of all high streets and town centres in 2030.”⁶

Small businesses have always been central to their communities, and where they are lacking they are sorely missed. This is as true today as ever and will get even more so with the decline of retail chains on the high street – in 2019, the independent / multiples split was 60.8% / 39.2%; today that split is 63.3% / 36.7%. Experiences will be critical: “that means more coffee shops, hairdressers, cinemas and nail bars and fewer Gaps and Debenhams.”⁷ But hospitality and services suffered significantly in the pandemic, with hospitality only initially bouncing back to 70% of pre-pandemic levels according to the ONS⁸, and the hair and beauty industry was severely impacted. Even when open, they were operating at around 70% pre-pandemic capacity and at the beginning of 2021 three fifths of hair and beauty businesses had no cash reserve.⁹

“61% think that between 20% to 40% of retail space needs to be reinvented in the next five years for leisure, hospitality, health or civic use”

1. Ministry of Housing, Communities and Local Government (2018). *Future High Streets Fund. Call for proposals.*
 2. Office for National Statistics (2023). *Internet retail sales, £ millions. All retailing.*
 3. The Economist (2018). *As shoppers go online, high streets reinvent themselves.*
 4. Ministry of Housing, Communities and Local Government (2018). *Future High Streets Fund. Call for proposals.*
 5. The Guardian (2018). *Up to 40% of shops must be repurposed in next five years, UK local leaders claim.*

6. Housing, Communities and Local Government Committee (2019). *Housing, Communities and Local Government Committee.*
 7. Power To Change (2022). *Take Back the High Street.*
 8. Office for National Statistics (2021). *Coronavirus and its impact on UK hospitality: January 2020 to June 2021.*
 9. National Hair and Beauty Federation (2021). *Hair, beauty and the pandemic: An industry at the sharp end.*

Case study: Queer Gin

Oli Powell, who is co-founder of [Queer Gin](#) with his husband Jon Gronow, has been running his business as a side-hustle from his TV production job since they launched it in 2021. Sales have been online and in-between work commitments, which has meant small production runs.

But the pair, who set up the company to raise awareness and money for the LGBTQ+ community, decided simply selling online didn't create the cut through the brand needed.

They entered a competition – the Adobe Small Business Goes Big run in partnership with Enterprise Nation and won a two-day slot in a snazzy pop-up shop in London's busiest shopping street.

Oli said: "For us the brilliant thing about being in a pop-up shop is the visibility it gives our brand. We never dreamed in a million years we could be in a shop, let alone in Oxford Street.

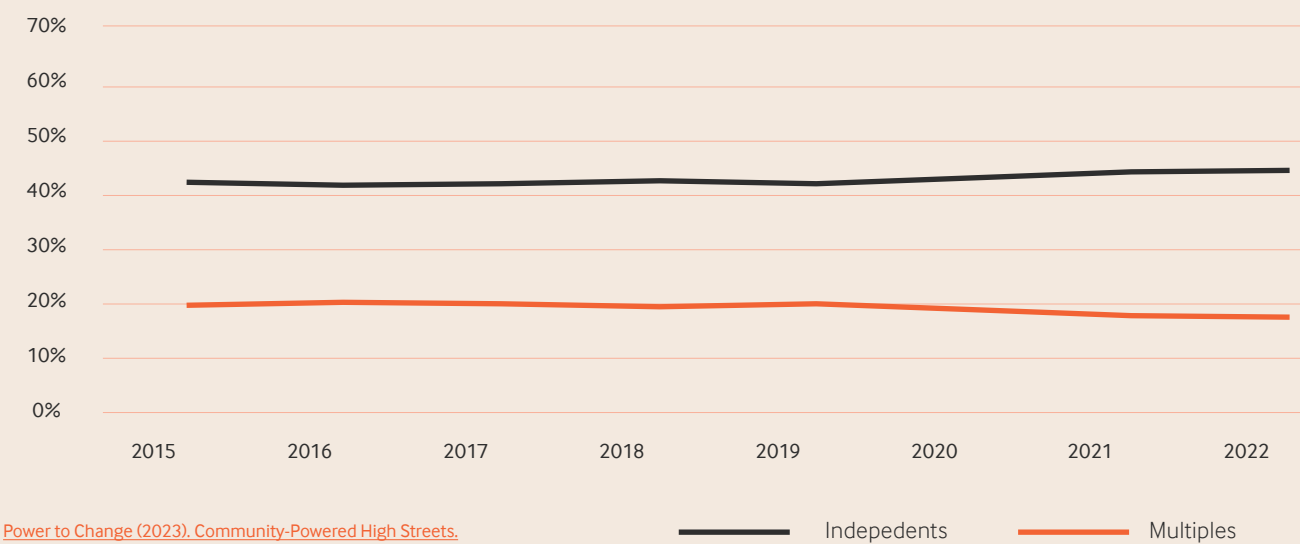
"We thoroughly enjoyed the challenge of getting ready to be in physical retail. Sourcing the furnishings, getting hold of enough stock from our distillery in Wales – as an online brand we've never had to think like this and it could be that we factor pop-up shops and the high street into our plans in addition to online.

"It's hard to get our story across online when you're competing with so many brands, so being in a physical retail store was a fantastic opportunity to get our authentic brand in front of people."

The other great thing was that while they were in the shop in May 2023, they gave 5% of sales to The Kaleidoscope Trust, supporting the charity's work to ensure a free, safe and equal world for the LGBTQ+ community – something that was fundamental to the brand.



Share of British Independent and Chain Businesses, 2015-2022



Oli said: "Growing up, we felt unable to express ourselves freely, our identities overshadowed by the pressure to fit in. After moving to London and being surrounded by the diverse culture of the city, our queerness blossomed. Fast forward 11 years, and we're now married and have started our very own queer business together.

"We set up Queer Spirits as a love letter to our LGBTQ+ community with a commitment to giving back through gorgeous G&Ts and fabulous cocktails."

Entrepreneurs will always find a way. Between 2013 and 2019, the number of escape rooms in Britain leapt from 13 to more than 1,400. And it's not just the new – over the same period revenues from ten-pin bowling have grown by a third.¹⁰ The future of the high street will be delivered by innovative small businesses up and down the country.

In the face of this creative, and not-so-creative destruction on the high street, successive governments have tried to help. Business Improvement Districts were introduced in 2003, whereby local businesses vote to invest together in their area; the Portas Review of 2011 saw retail expert Mary Portas conduct an independent review on the future of high streets; we've seen a growing number of reliefs and increasing amounts of cash, including the £675 million Future High Streets Fund, the £3.6 billion Towns Fund, and the Levelling Up Fund, which allocated £4.8 billion to local authorities in England for infrastructure projects that promote economic growth and regeneration.

10. [The Economist \(2020\). A new role for Britain's high streets.](#)



The elephant in the room

Given the challenges noted above, it's time for the government to overhaul business rates. It's no secret that the combined costs of business rents and rates deter and hold back many entrepreneurs.

It's now political and expert orthodoxy that business rates aren't fit for purpose, but while cutting business rates can offer short-term relief, economic theory predicts and evidence attests that this is effectively a tax cut for landlords, as rents rise to offset any cuts.¹¹ Instead, as both major parties have agreed but failed to act on, we need more fundamental reform.

As has been argued by many economists, a more efficient system would see the business rates system scrapped and replaced with a tax on the underlying land values, not productive investment. For example, the proposed Commercial Landowner Levy would cut business taxes in the vast majority (92%) of local authorities – particularly outside the South East – helping to rebalance Britain's divided economy.¹² In addition, rates should also shift from being paid by tenants to being paid by landlords, be set annually, rather than operating through a five or three-year revaluation cycle, while the business rates' relief which landlords can claim for empty premises should be eliminated: "This will strengthen the hand of tenants in negotiations with landlords and will reduce the chance of high street premises remaining empty. It will also yield its own financial benefits, given that this relief costs the taxpayer around £1bn per year at present."¹³

Also, local authorities should be empowered to have more responsibility over Business Rates reliefs and exemptions for small businesses and charities. As argued by the think tank Bright Blue, this would empower them to react to local challenges to support local priorities, such as creating locally administered Community Ownership Funds to save local businesses, or funding charities and social enterprises that work in the community directly.¹⁴ Also, while charity shops are a positive and integral part of many high streets, because they are tax advantaged small businesses can't always compete. Depending on their nature and number, charity shops can hollow out a high street, even in economically wealthy areas, making them less diverse and reducing its overall value and attraction for visitors. Ultimately, we should trust those who are embedded in our communities with the discretion to know what's needed to incentivise and protect spaces for local businesses.

"As has been argued by many economists, a more efficient system would see the business rates system scrapped and replaced with a tax on the underlying land values, not productive investment"

11. Adam Smith Institute (2016). *Business Rates are a tax on landlords, not businesses*

12. Lib Dem Business and Entrepreneurs Network (2018). *Replacing business rates: taxing land, not investment*

13. Demos (2021). *Time for Change*

14. Bright Blue (2022). *Energising Enterprise*

Case study: Pedddle

Over recent years, markets have experienced a renaissance. Even through the pandemic the number of businesses in the food markets industry in the UK has grown 2% per year on average over the last five years.

Pedddle is a directory of creative, independent markets and their stallholders, serving its community to make it easier to find markets and stalls. Founded by Nicki Capewell, Pedddle offers a link between offline markets and online through the directory. Stallholders can check-in at their events to allow customers to remember who they interacted with by scanning their Pedddle QR code. They can then either shop directly or visit the stallholders at future events.



Nicki thinks markets are perfect for micro businesses just starting out: "it's a great way to test products and connect with their ideal customer. There is less commitment than that of running a 'bricks and mortar' shop or stocking via wholesale in some instances."

Nicki expects to see even more demand from entrepreneurs, as people try to create additional income in challenging economic times. "Creative, independent markets are popping up all the time and they are quite different to the markets we once knew. Consumers are wanting experiences and interaction from people; these markets offer so many elements to tantalise the senses and enable connections."

However, the cost of living crisis is proving challenging for all those micro businesses that trade at markets. "They have seen sales slow down significantly as consumers make much more considered purchases as expendable income has decreased," says Nicki. "We just need to see a more settled economy and continued press coverage on 'slow fashion' and even 'slow shopping' in general. If the government could facilitate a campaign to educate people on the benefits of shopping locally, educate our youngsters about sustainability and their impact on the environment then maybe we will see yet further increase in shopping habits with small businesses."

Vacant scares

High vacancy rates are a huge challenge. Persistent vacancy rates in 2015 were on average 3.7% across Britain, but are 5.2% in 2023.

The North East is experiencing the highest persistent vacancy rate at 8.4%, followed by Wales at 7.7%, and the North West at 6.9%. More broadly, the average vacancy rate has risen from 10.8% in 2015, peaking at 12% during the pandemic, but only dropping back to 11.4% in 2022. Again, the North East and Wales have the highest vacancy rates of 14.4% and 13.7% respectively.¹⁵

This hasn't gone unnoticed by politicians. The compulsory High Street Rental Auctions (HSRAs), which, as part of the Levelling up and Regeneration Bill, will force landlords to auction shops that have been vacant for 12 of the last 24 months to prospective tenants, putting buildings to good use. It has yet to pass through Parliament, and further regulations and guidance must be published so that the industry can understand how it will work and what exemptions there will be.

In March of this year the Government announced a £2.5m High Street Accelerator programme, piloted in up to 10 places, to bring together residents, businesses, and community organisations to develop and deliver a long-term vision to tackle the causes of persistent vacancy on the high street. Shadow Levelling Up Secretary, Lisa Nandy, has also set out Labour's stall, announcing that they would introduce a "powerful new Community Right to Buy" to give communities first refusal on assets of community value and long-term vacant high street property.¹⁶

Landlords currently benefit from Empty Property Relief, allowing them to claim Business Rates relief for up to three month's tax relief (six month's for residential buildings and until reoccupancy for Listed buildings and properties owned by charities). This distorts the property market by providing a tax incentive for property owners to keep properties vacant, leading to an inefficient allocation of property, creating barriers to entry for new businesses and investors. It should be scrapped.

A recent Power to Change report went further, mooting the idea of a Commercial Vacancy Tax: "This policy levies an additional fee on businesses or property owners with an empty storefront to address their negative externalities and reduce long-term vacancies. This is a relatively new approach that has only been used in the USA so far, though it is based on a theory of change from residential vacancy taxes implemented in Canada, France, and Australia as well."¹⁷ However this may be too blunt a stick to use across the whole country. According to one paper, a vacancy tax could have the unintended consequences of encouraging landlords to fill vacant spaces too quickly, increasing retail churn, and reducing overall welfare.¹⁸

A vibrant high street is more than the sum of its parts. Many high streets are successful without the need for a plan, coordination happens naturally. However, as successful regeneration projects prove, there is a case for a single vision. Consider Malton in North Yorkshire. Fifteen years ago it was dying, yet now it is thriving, reborn as the foodie capital of Yorkshire under the entrepreneurial stewardship of Tom Naylor-Leyland, the 36-year-old heir to the £176 million Fitzwilliam fortune.¹⁹ Naylor-Leyland's ownership of 60% of Malton's commercial property makes this unreplicable (without bringing back feudalism). However, embracing community ownership presents an opportunity for fostering a shared vision. Consequently, there is a compelling argument to enhance the Localism Act 2011, granting greater authority to community organisations that have proven their long-term sustainability and presented a strong business case for assuming ownership of dilapidated buildings within their vicinity. This is especially relevant when these structures pose a detriment to the overall appeal of the local high street.²⁰ Onward's Toby Lloyd has called for England to follow Scotland in having a Community Right to Buy, rather than just Right to Bid, giving communities the right of first refusal to purchase Assets of Community Value that come to market, at a fair price assessed by an independent valuer.²¹



Community ownership faces a significant obstacle in the form of inadequate transparency regarding the ownership of high street properties. In response to growing local concerns, the Government is taking action by initiating pilot programs for local public registers of ownership. These registers will be built upon Land Registry data and will be accompanied by a comprehensive implementation of a public beneficial ownership register for all properties by 2021, aimed at identifying overseas owners. By achieving full transparency in commercial property ownership across the UK high street, we can foster a more responsible and accountable property market.²²

15. [Power to Change \(2023\). Community-Powered High Streets.](#)

16. [LabourList \(2022\). The Conservative Party commitment to levelling up is "dead", Nandy declares.](#)

17. [Power to Change \(2023\). Community-Powered High Streets.](#)

18. [Moszkowski, E. and Stackman, D. \(2023\). Option Value and Storefront Vacancy in New York City.](#)

19. [Financial Times \(2018\). Malton: from sleepy town to a buzzing UK food haven.](#)

20. [Power To Change \(2022\). Take Back the High Street.](#)

21. [Bright Blue \(2023\). Home Advantage.](#)

22. [Power to Change \(2020\). Saving the high street: the community takeover.](#)

Planning ahead

As 'Generation Rent' knows only too well, places with high demand have more expensive housing – while it's not discussed as much, the same goes for commercial properties.

Of course, different businesses have different needs: "Manufacturing firms tend to require lots of space per worker without needing to be in a city centre, high-skill service industries tend to require less space per worker but in a city centre, while retailers need to be in places of high footfall and start-ups need low-cost rents."²³ London, for example, is home to the most expensive office space in the world. Of this, the shortage of office space costs businesses an extra £32 per square metre, meaning that an average firm of 300 people needs to spend an extra £48,000 on rent than they otherwise would. While the pandemic had an impact on rents, supply remains constrained in many areas.

In 2013, the Government introduced an automatic right to change the use of offices and retail to residential, except in some areas in central London and Manchester deemed to be important office locations. As Paul Cheshire and Katerina Kaimakamis calculated, the demand for housing is significantly greater than the demand for office space.²⁴

"High streets that rely heavily on traditional retail without sufficient office space and housing surrounding the high street have found it harder to adapt"

23. Policy Exchange (2020). *Rethinking the Planning System for the 21st Century*.

24. Cheshire, P. and Kaimakamis, K. (2020). *Offices scarce but housing scarcer: estimating the premium for London office conversions*.

25. Bowman, S. and Westlake, S. (2019). *Reviving Economic Thinking on the Right*.

This is welcome. Allowing changes to be made to buildings and use of land without needing planning permission from retail and office space to residential has led to much-needed housing and can bring increased spend and activity and increase footfall. However, too many conversions can hollow out the high street. As Sam Bowman and Stian Westlake write: "Dense areas have more vibrant high streets, more amenities, more access to public services, better public transport options, and are much more environmentally friendly both in terms of air quality and carbon emissions. One reason for the decline of the high street is that people live further away from them than they used to."²⁵

Mixed use is the future of the high street. According to the Ministry of Housing, Communities and Local Government (now the Department for Levelling Up, Housing and Communities): "Evidence shows that high streets with a wide choice of retail services alongside well-designed and planned residential and office space are more resilient to these changes and are adapting more successfully. In contrast, high streets that rely heavily on traditional retail without sufficient office space and housing surrounding the high street have found it harder to adapt to these changes and tend to be the ones that are struggling."²⁶

However, there is an unintended tax advantage in favour of residential development. Because Council Tax is significantly lower than business rates, there is a distorting incentive to convert commercial to residential property. A commercial property with a rateable value of £51,000 would pay £26,112 in Business Rates. By contrast, if the commercial property were subdivided into five houses then the combined annual Council Tax burden would fall to £7,000. As such, to discourage tax motivated shifts from commercial to residential property, a new levy on commercial-to-residential transfers should be introduced: "Commercial landlords converting their property would be forced to make up the difference between Business Rates (or Commercial Land Levy) and Council Tax. Payment would be flexible, allowing landlords to pay the discounted value of tax advantage upfront, or alternatively to pay it annually."²⁷

Popup shops have become increasingly popular in the UK in recent years, and many cities now have dedicated spaces and events for popup shops, such as Boxpark in London and the Trinity Leeds Shopping Centre in Leeds. Large companies can be supportive of this agenda – for example, in 2019 Amazon joined forces with Enterprise Nation to give 100 small online businesses the opportunity to trade in a physical retail setting.²⁸

26. Ministry of Housing, Communities and Local Government (2018). *Future High Streets Fund. Call for proposals*.

27. Bright Blue (2022). *Energising Enterprise*.

28. Enterprise Nation (2019). *Enterprise Nation launches Clicks and Mortar programme to help small businesses grow on both the high street and online*.



Better together

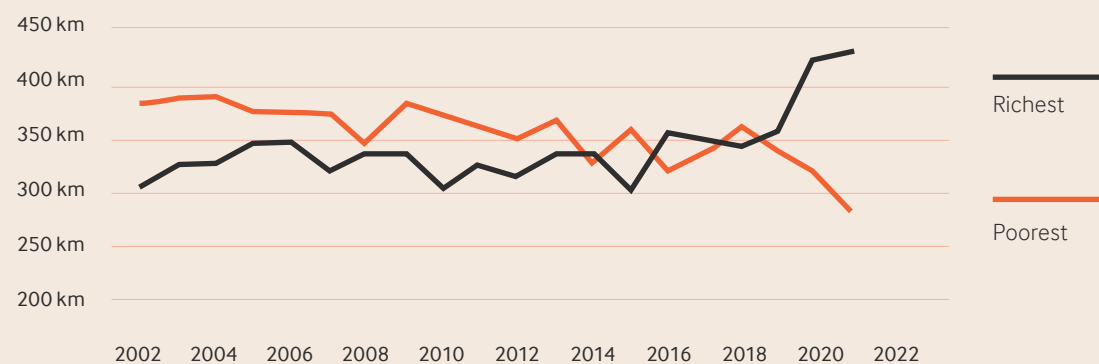


It's no good having retail or office space if it's hard to travel to.

As the Portas Review argued,²⁹ local councils need to offer cheaper, flexible and 'well communicated' parking offers – like Chester's 'Free After Three' parking promotion which offers free parking after 3pm at three of their car parks to help the city's businesses. However, the importance of parking spaces shouldn't be overstated. On average, business owners overseas overestimate car use by their customers by approximately 20% and underestimate walking trips to local shopping areas by 13% to 19%,³⁰ while in recent years we've seen that people with higher household incomes are walking a lot more.

Public transport is also important, particularly for larger towns and cities, for whom the returns on investment can be significant: "Whereas a single car lane may transport just 2,000 people per hour, a right of way for trams or trains can move a magnitude higher, at anywhere between 18,000 and 90,000 people per hour depending on the technology and mode used."³¹ When Northern Powerhouse rail is completed, for example, it will increase the accessibility of Bradford by public transport within one hour from 1.2 million to 2.7 million.³² We still have some way to go though: Of urban areas in France, Germany, and the Netherlands with more than 500,000 people, over 80% have a form of fixed rapid transport. In the UK it's a meagre 50%.³³

Britain, Average Annual Walking Distance Walked Per Person, km, By Household Income Quintile



The Economist (2022). National Travel Survey.

29. Ministry of Housing, Communities and Local Government and Department for Business, Innovation & Skills (2011). *The Portas Review*.
 30. NZ Transport Agency (2013). *Reallocation of road space*.
 31. The Entrepreneurs Network (2023). *Operation Innovation*.
 32. Forth, T. (2021). *Open modelling of the benefits of transport investment*.
 33. The Entrepreneurs Network (2023). *Operation Innovation*.

Coworking spaces & libraries

A coworking space is a shared workspace where individuals or teams from the same company can work together.

They are often more flexible and affordable than traditional office spaces, and so are popular among freelancers, entrepreneurs, and small businesses. There is often an element of community built into the proposition.

While many coworking spaces struggled during the pandemic³⁴ demand grew by 22% in 2022, with regional growth particularly strong in northern cities like Leeds and Manchester.³⁵ As above, local government should have control over business rate exemptions. While it won't be necessary in many areas of the country where there is already enough provision, in some places rate cuts could be enough to convince a private sector provider to expand. It could help drive the regeneration of a high street.

In addition, there's potential for central and local government, as well as its arms-length bodies to work with established coworking partners to set up places within their property portfolio. For example, Network Rail and The Office Group have opened drop-in workspaces in King's Cross, Liverpool Street and Leeds stations as part of joint venture The Station Office Network, an initiative intended to provide mobile offices in train stations throughout the UK's major cities.³⁶

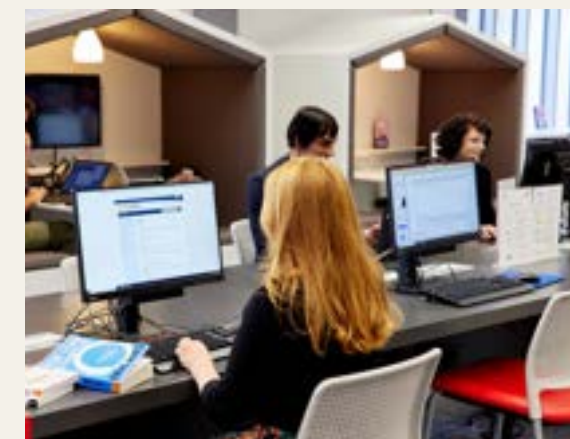


“While many coworking spaces struggled during the pandemic, demand grew by 22% in 2022, with regional growth particularly strong in northern cities like Leeds and Manchester”

34. The Telegraph (2020). *Co-working space startups will collapse without government support, Chancellor told*.
 35. Coworking Insights (2022). *UK Flex Market Shows 22% Increase in Demand in 2022*.
 36. Startups (2021). *Network Rail launches flexible workspace offering The Station Office Network*.

Case study: British Library

In over 100 library locations across the country, the British Library's Business & IP Centres (BIPC) are physical hubs, providing a small business support service for start-ups and existing SMEs, where people can come together to learn, network and access free and low-cost information and support in protecting and commercialising a business idea.



According to David Gimson, the BIPC's National Network Manager: "As local institutions and community assets (with over 65% on or near a high street), public libraries are part of the solution on the future role of the high street, amid declining footfall, changing visitor habits and increasingly vacant buildings."

BIPCs provide a mixed coworking offer of formal and informal spaces for customers to set up and run their business (12% of BIPC-supported businesses operate in shared workspaces, including libraries) combined with the accessible, free support to develop their business skills. In addition, they provide free access to WiFi, PCs and printers and some have incorporated maker spaces and marketing suites into their offering, enabling people to develop prototypes and create content such as videos, photography and podcasts.

In 2022-23, BIPCs delivered a comprehensive programme of over 10,000 one-to-ones, workshops, webinars and events, to over 42,000 attendees. According to David: "61% of attendees were women, 33% identified as from a minority ethnic community and 11% were previously unemployed. A previous 2019 economic impact evaluation showed that over 3 years, BIPC services helped the creation of over 12,000 new businesses, almost 8,000 new jobs and generated a significant return on investment – £6.95 for every £1 of public funding."

With sustained investment, matched by local authority budgets and private sector investment, David suggests that the BIPC Network is highly scalable: "There are around 2,900 libraries in England alone which could work with many more library services to continue the expansion of the BIPC offer to communities across the UK, further propelling the evolution of libraries as hubs of innovation and enterprise."



"In 2022-23, BIPCs delivered a comprehensive programme of over 10,000 one-to-ones, workshops, webinars and events, to over 42,000 attendees"

Show and tell

Trade shows are a temporary space for businesses to reach new markets.

There has been lots of chopping and changing over the years, with the Department for Business and Trade most recently running a feasibility study for a UK Tradeshow Programme. UK businesses that are currently exporting or thinking about exporting could apply for support to exhibit at or attend approved overseas trade shows and conferences, and potentially receive grants to cover some costs. All successful applicants received training on how to successfully exhibit, while some businesses also received a grant

of either £2,000 or £4,000 as financial support. Businesses had to be turning over between £250,000 and £5 million. A full evaluation of the Programme will be undertaken and this will help to inform what future support is made available. If the evaluation suggests the Programme proves to be value for money, it should be expanded, including a trial and evaluation of supporting high-potential businesses with lower turnovers. As with so much in business support – we need to know what works.



Summary of recommendations

- Scrap and replace the business rates system with a tax on the underlying land values, not productive investment;
- Empower local authorities to have more responsibility over Business Rates reliefs and exemptions for small businesses, coworking spaces and charities;
- Scrap Empty Property Relief to incentivise landlords to let vacant properties;
- Enhance the Localism Act 2011 to grant greater authority to community organisations to assume ownership of dilapidated buildings within their vicinity;
- A new levy on commercial-to-residential transfers should be introduced to discourage tax motivated shifts from commercial to residential property;
- Central and local government, as well as arms-length bodies, should work with established co-working partners to set up places within their property portfolio;
- If the evaluation suggests the UK Tradeshow Programme proves to be value for money, it should be expanded, including a trial and evaluation of supporting high potential businesses with lower turnovers.



Acknowledgements

This report was produced by Enterprise Nation and The Entrepreneurs Network.



Enterprise Nation is the UK's leading small business network and business support provider delivering support to more than 50,000 small businesses every month. Its aim is to help people turn their good ideas into great businesses – through expert advice (including a comprehensive resources library), events, acceleration support and networking.

Enterprise Nation was founded in 2005 by British entrepreneur Emma Jones CBE, also co-founder of national enterprise campaign StartUp Britain. She is author of best-selling business books including Spare Room Startup, Working 5 to 9, Go Global, Start a Business for £99 and the StartUp Kit. She is a frequently called-on and regular media commentator on a range of issues which affect the UK's growing number of SMEs. In 2018 FTSE 100 entrepreneur and HomeServe founder Richard Harpin invested in Enterprise Nation with the aim of creating a 'more entrepreneurial Britain'.

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- Campaigning for policy changes that will help entrepreneurship flourish;
- Hosting regular events to bridge the gap between entrepreneurs and policymakers;
- Updating entrepreneurs on how policy changes will impact their business;
- Making the case in the media for entrepreneurs' contributions to society.

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