

Conister Bank Chief Urges UK Chancellor to Prioritize Small Business Support in Autumn Budget

August 1, 2025

— Categories: Finance



Download IPFS

The head of Conister Bank is calling on the UK government to take immediate and targeted action in its upcoming Autumn Budget to unlock the full economic potential of small and medium-sized enterprises (SMEs). In a direct appeal to Chancellor Rachel Reeves, CEO

Douglas Grant outlined five key policy areas to support SME growth, which he said could be critical to the UK's broader economic recovery.

SMEs, defined as companies with fewer than 250 employees, account for more than 99% of all businesses in the United Kingdom and play a central role in job creation, innovation, and regional economic development. Despite their importance, a recent study by Conister's parent company, Manx Financial Group, found that nearly one-third of UK SMEs have been forced to halt or scale back parts of their operations due to restricted access to financing. Another 10% reported being unable to secure external funding, despite repeated attempts.

Mr. Grant emphasised that growth expectations among these firms have deteriorated sharply. According to the research, 38% of SMEs now anticipate flat performance over the coming year, up from 25% a year earlier. Still, many small businesses indicated they could achieve growth of up to 13% with adequate financial backing and targeted government support.

Mr. Grant called for government-supported trade missions, export credit programmes, and broader market access initiatives aimed at regions including the European Union, Southeast Asia, Africa, and Latin America. He also recommended better access to hedging tools and multi-currency banking services to help SMEs manage foreign exchange risk.

With global supply chains still recovering from pandemic-related disruption and geopolitical tensions, particularly between the United States and China, Mr. Grant urged the government to incentivise nearshoring and diversify sourcing strategies. He also advocated for investment in artificial intelligence (AI)-driven logistics and stronger digital systems to position UK SMEs as competitive players in the global digital economy.

Mr. Grant suggested reforms to increase access to government-backed financing and streamline lending through digital underwriting platforms. He further proposed extending full capital expensing to cover green and digital infrastructure, and introducing an "investment super deduction" to boost private sector investment.

Criticising the current business rates regime as outdated, Mr. Grant proposed alternatives, including land value taxation and targeted relief schemes to promote innovation and sustainability. He also supported using defined contribution pension funds to invest in UK

infrastructure and high-growth firms, while enhancing research and development tax credits in emerging sectors such as AI, biotechnology, and clean energy.

To close the skills gap in high-growth industries, Mr. Grant proposed a UK-wide digital skills accelerator aimed at boosting technical, AI, and green sector competencies. He stressed that employer input should shape training content to ensure it aligns with current labour market demands.

In his concluding remarks, Mr. Grant underscored the vital role SMEs play in the UK economy, noting that they generate nearly half of all private sector turnover. “Their stagnation is Britain’s stagnation; their growth is Britain’s recovery,” he wrote.

He urged the government to act decisively and use the upcoming budget as an opportunity to shift from economic uncertainty to long-term renewal. Conister Bank, he added, is prepared to support initiatives that place small businesses at the centre of the UK’s economic strategy.