

Women and Equalities Committee

Oral evidence: Female entrepreneurship, HC 711

Wednesday 22 April 2026

Ordered by the House of Commons to be published on 22 April 2026.

[Watch the meeting](#)

Members present: Sarah Owen (Chair); Alex Brewer; David Burton-Sampson; Christine Jardine; Kim Leadbeater; Kevin McKenna; Rachel Taylor; Nadia Whittome.

Questions 212 - 270

Witnesses

I: Blair McDougall MP, Parliamentary Under-Secretary of State (Minister for Small Business and Economic Transformation), Department for Business and Trade; Lord Stockwood, Minister of State (Minister for Investment), Department for Business and Trade and HM Treasury; Kristen McLeod CBE, Chief Strategy Officer, British Business Bank; Paula Crofts, Director, Small Business Growth, Department for Business and Trade.

Examination of witnesses

Witnesses: Blair McDougall MP, Lord Stockwood, Kristen McLeod and Paula Crofts.

Chair: Good afternoon and welcome to the Women and Equalities Committee. Today we are holding an oral evidence session on female entrepreneurship. We will hear from Lord Stockwood, Minister for Investment; Blair McDougall MP, Minister for Small Business and Economic Transformation; Kristen McLeod, chief strategy officer at the British Business Bank; and Paula Crofts, director for small business growth at the Department for Business and Trade. Welcome to you all and thank you for coming. I am going to hand straight over to Alex.

Q212 **Alex Brewer:** Thank you all for your time today. Ministers, all-female teams received just 1.75% of UK equity investment in 2025, down from 2% in the previous two years. Why do you think the Government's stated commitment to women-led businesses has not led to an increase in the proportion of equity invested in them?

Blair McDougall: The first thing to acknowledge is that it is a very long-standing societal problem that we are running at here. However, first, we are running at it, and I am sure we will talk today about all the interventions and programmes that we are deploying in support of trying to remedy the problem. Secondly, there is something in the nature of the type of interventions we are pursuing that, rather than short-term quick fixes, are about trying to deal with those structural problems that hold back women entrepreneurs. Thirdly, a lot of those programmes that we think will make the most difference are only just being deployed in an environment where obviously many investment decisions are pretty long-term.

Lord Stockwood: Good afternoon, everyone. I have been in government for seven months now. I have been an entrepreneur for years, and part of an investor's role lies in early stage. These are structural societies, but I agree with the premise that these numbers are not good enough and directionally they need to be better, for the economic returns, not for some sort of self-righteous reasons. To Blair's point, we have structural economic problems in making sure that we have a clear plan for growing the economy as a whole. The initiatives and interventions that have been targeted specifically at these problems are early and well-intentioned and need to evidence that they can make the progress. Again, I agree with the premise that structurally this is not going in the right direction, mainly because we are not utilising the country's resources and economic opportunities.

Q213 **Alex Brewer:** I would argue that giving women equal opportunity in business is not self-righteous, but I hear you. You have talked about interventions and the Government have said they will, "Not rule out interventions if investment in women founders fails to improve." Given that investment has declined, what new interventions are the



Government planning?

Lord Stockwood: One of the reasons I came into government was the huge challenges in this country with the macro problems around growth, energy pricing, and how we look at our regulatory frameworks. We have a plan, both through the industrial strategy and in terms of how we think of capitalising through the full capital stack to make sure that we do not just have Government interventions but in essence try to activate the private markets as well. The effort is being applied at the macro level to make sure we are growing the opportunity for every subset of our communities. That is the initiative. The initiatives that have been targeted at these particular problems are nascent. We remain open-minded that these are the things that should move the dial, and if they do not reach the pace that we need we can come back to that. Both the Government and I personally are fully committed to that.

Q214 **Alex Brewer:** You talked about the industrial strategy being the main vehicle for driving this change and the economic benefit that could result, yet the industrial strategy did not mention women once. Do you think it should have?

Blair McDougall: I would just challenge that slightly; the most important interventions that we are talking about run throughout the industrial strategy. I accept that if you press Ctrl and select all and search for the word "women", it may not come up, but we have sections on improving the diversity of the workforce; we have references to things such as the Investor Pathways Capital project, which is about improving the diversity of the funding stream and dealing with the amount of investment into women-led businesses. It is there throughout. In addition to that, the industrial strategy should not be thought about as a piece of paper; it should be thought about as a strategy. There are the jobs plans and the sector plans, with a huge amount falling out of that, including the Women in Tech Taskforce.

Q215 **Alex Brewer:** You talked about this being a structural problem, a vast and widening inequality and about making interventions that would proactively address this. The implication there is that those would need to be explicit, yet this is not explicitly mentioned in the industrial strategy. Therefore I am going to ask again, do you see this as a gap and if you were to go back and look at that industrial strategy again, is that something you would change?

Lord Stockwood: The numbers do not lie; I am not challenging that at all, but it is the economic benefit that we need to see from this. The industrial strategy has many exclusions in terms of being very targeted to where we think we can have disproportionate economic advantage over our international competitors, from which products and which sectors. We are trying to embed that growth across all representations of identity across the whole industrial strategy to make sure that we get the best economic output.



Q216 Alex Brewer: Are you confident then that meaningful change can be achieved without a dedicated Minister or office responsible for addressing the structural failures that are hampering female entrepreneurs, entrepreneurs of colour, and so on?

Blair McDougall: I have a couple of things on that. The first thing to note is obviously that many of the interventions and programmes that we are talking about are ones the Chancellor is deeply engaged in. For example, the Invest in Women Taskforce, where Jason and I—and we can slightly apologise for being men—are surrounded by extraordinary women leadership. Just to come back to that central point, the work of the Invest in Women Taskforce is not something short-term and time-limited; it is something that is a serious attempt to run at these structural issues and problems together in a sustained way.

Lord Stockwood: From my point of view, I am proud to be a venture investor who has backed many successful female founders, and I am proud to be on the taskforce. I think the initiatives are the right ones for today; time will tell. We need to make sure we are putting pace to these initiatives and we need to challenge ourselves to come back and review those at short order if they are not creating the progress that we want. I come back to my earlier point, we have structural problems with investment more broadly in the UK, based on the geopolitics and the macro environment that we have. This is an important part of that. Being new into government, these feel like the right initiatives, but we should be back here making sure that they are making progress at short order.

Q217 Alex Brewer: Thank you. Kristen, if I can come to you. What proportion of the bank's finance went to supporting female entrepreneurs in 2025?

Kristen McLeod: The best data I have is actually up to 2024. Between 2022 and 2024, the bank supported 301 equity deals in companies with at least one female founder. The total value of those deals was worth about £1.5 billion, which represents about 30% of all bank-supported deals. In the last 12 months, we have had some good proof points. I am sure you are all familiar with the Invest in Women Taskforce fund of funds; the bank made a £30 million cornerstone commitment into that. We have backed Blume Equity, £25 million; Revaia Growth's all-female team tech fund, £20 million; and actually we made our biggest ever fund investment recently into a mixed-gender team, \$100 million into SV Health Investors. We are upping the pace of what we are trying to do.

I probably should take the opportunity to say that the bank thinks that investment in women remaining flat for more than a decade is an unjustifiably low percentage and it wants to embrace its role in helping to make that better. The Ministers have already referenced some ambitions that we have but I want to say that the bank is the biggest LP in the market. It has an opportunity to reshape the market in a way that perhaps others do not; it accepts that responsibility and wants to do something. We cannot invest in what is not there; what we are trying to do for the future is back at scale the commercial deals that come forward



HOUSE OF COMMONS

that we can, but also really focus on building the next generation of female investors, going to the insight that women invest in other women, so the best thing we can do is put real money in the hands of female investors.

Q218 Alex Brewer: Would it make a difference if the British Business Bank had a specific strategic objective of increasing the amount of equity invested in female entrepreneurs from, say, 2% to 10% by 2030, or something like that?

Kristen McLeod: I will separate out the objective from the target if that is okay. In terms of objective, the Government have given us a strategic objective to unlock the potential in people and place. We very much interpret that as investing in women being one of the big parts of doing that. I know that Ministers will feel that we have failed if we do not make progress on that over the next five years. In terms of the target and setting an actual number on it, we have honestly thought really long and hard about this and are not worried about doing something controversial or difficult, but we think it is probably not the most helpful tool, for a couple of reasons. First, the most obvious one: we invest in venture capital firms that invest in businesses. As soon as we set a target, we are tying up a portion of their investment strategy, which is quite a difficult thing to do. Probably more importantly for the purposes of this Committee, we are really worried about reinforcing a kind of stigma that investing in women is some sort of tick box exercise that the Government have to impose because those deals are not as good. We want to be really clear with everyone in the market that when the bank backs women, it is because those deals were really good.

Chair: I just want to be clear, are you suggesting that our focus on female entrepreneurship is somehow suggesting that this is—

Kristen McLeod: No, not at all. We are fully—

Chair: Yes, it is really important to be clear on that.

Kristen McLeod: Let me be totally clear. We want to do everything we can to raise the profile of this agenda. I am really happy to be here today giving evidence. We fully support the objectives of the Invest in Women Taskforce and actually we want to play our part in publicising investment in women over the next five years. We are just worried that setting a very specific target for the bank's allocations may have the opposite effect.

Chair: To just be very clear, we have a duty to hold you to account on these policies and strategies that you put in place. That is our role and we will always want to push further and faster to achieve what we all want to see, which is more investment in women-led businesses.

Lord Stockwood: May I come in on the question? As an investor who is trying to build investor confidence globally and for the UK, mandates are



HOUSE OF COMMONS

really challenging. Global investors in particular want to have a choice about where they put their capital, and whilst trying to attract investment to the UK more broadly, we have to tread quite carefully. The intention set out in the question is the right one, but there is a sensitivity that as an investor I would not go somewhere if it were mandated; you want the great opportunities in the pipeline to be self-evident in themselves. It is a real balance to try to solve the societal challenges, while making sure that investors do not feel that we are trying to tell them where to put their money to work because returns are the number one priority for those funds. I have stated the obvious but I wanted to make sure I backed that up.

Q219 **Alex Brewer:** I understand that, but the figures would imply that the current investors are seeing that, to use your word, “self-evident” best place as being male-led businesses in 98% of cases, which I fundamentally believe could not possibly be the case.

Kristen McLeod: If I could come in on that. 16% of investment committees members in the market are women, which is the problem. All the bank evidence shows that women invest in women. The bank’s insight over the next five years is that the best way we can make a real difference is by writing real, actual, proper cheques into female investment teams and mixed gender teams. If we do that really well over the next five years, there will be a different set of people making those allocation decisions and they will be seeing the commercial potential in women founders in a way that perhaps is not happening now.

Q220 **Chair:** I just have a couple of follow-up points on this section about the Government’s response to our Committee’s report. I take your point, Lord Stockwood, about mandating, but is there a particular reason why the Government ruled out and rejected any measures to improve transparency and increase incentives to change behaviour?

Lord Stockwood: Sorry, just remind me what the Government rejected. My understanding was that the Investing in Women Code was a way of trying to evidence that there is data that we can support.

Q221 **Chair:** Okay, so then it was a mixed bag. The other point is that the Government said, “This Government is proud that several Ministers, including the Chancellor, are strong champions for women-led businesses.” Why are all Ministers not champions for women-led business, Mr McDougall?

Blair McDougall: They should be.

Q222 **Chair:** Is that response wrong?

Blair McDougall: The wording could have been better. I suspect the emphasis was on highlighting people who are particularly—

Q223 **Chair:** Do you mean women Ministers, or all Ministers? Is it just women Ministers that should be championing female-led entrepreneurship?



Blair McDougall: No, we all have to be not just allies but active allies.

Chair: As we have heard time and time again, the language we use is really important, so that business does not get the wrong end of the stick and female entrepreneurs are actually encouraged, motivated and believe that the Government support them.

Blair McDougall: Yes.

Q224 **David Burton-Sampson:** Thank you all for being here. I am going to go to Kristen first, if I may. We know that female investors are twice as likely to back female entrepreneurs. What is the British Business Bank doing to ensure that women are part of those decision-making structures in venture capital?

Kristen McLeod: That is exactly the insight that we want to go hard at; the evidence is super clear on that. As I said, what we are trying to do is, first, back the deals we can and build the next generation of female investors so that the power of decision making and allocation power is with a far wider group of female investors. In terms of new things that we are doing, the Committee is familiar with the Investor Pathways Capital programme. It is £400 million that we will deploy over the next four to five years. The point is to help new investors without access to their own capital develop a track record. That is really important for women because they are far less likely to have the network and the track record already in place. We have committed to 50% of that £400 million going to women. I am really pleased to update the Committee that this new period for the bank, our five-year plan, including this £400 million, started on 1 April, and actually we have our first 10 micro-funds going to our investment committee at the bank in May. The majority of those micro-funds are going to be led by women. We hope to be able to announce that in the coming weeks.

Q225 **David Burton-Sampson:** Great. Is there anything else that you are doing?

Kristen McLeod: Yes. The other thing that it is probably worth calling out is our new Diverse Angel Syndicate programme. If we look through a regional lens, one of the problems we have is that the bank wants to invest in diverse regional angels, and we want to help them get the maximum amount of private co-investment. Feedback from the market says that some female-led syndicates need a bit of help to get to the point of professionalising, meeting regulatory requirements, and working out how they can put the right governance and decision making in place so that they can get that co-investment. What we are actually going to try for the first time is almost like a capability-building programme. It is called the Diverse Angel Syndicate programme. It is £6 million over four years, and we will actively put support into helping those angels to formalise and then hopefully be able to get on to our co-investment platform and then get private co-investment. If that programme works,



we will be able to expand it and perhaps apply it to other use cases. I should commit now that we will fully evaluate it.

Q226 **David Burton-Sampson:** You mentioned earlier about investment committees and you talked about how 16% have women. Is that correct?

Kristen McLeod: Yes. That is UK private capital data rather than bank data but I believe that is correct.

Q227 **David Burton-Sampson:** Is there a gender balance within the bank's investment committees?

Kristen McLeod: Yes. I have the figures here. For our executive committee, women represent about 44%. In terms of our investment committee where the allocation decisions are made, there is 40% female representation: two women, three men and five in total. We are not quite at 50% yet; obviously, that would be an ambition for us if we can, but I will compare that 40% to the market of 16% and say we are not doing too badly.

Q228 **David Burton-Sampson:** What impact would it have if investors accessing bank support were required to be a signatory to the Investing in Women Code?

Kristen McLeod: This is another one that we are keeping under live review. At the moment 69% of the bank's delivery partners in terms of venture capital funds sign up to the Investing in Women Code. We think that is good, but it is not perfect. We have considered whether to mandate it, and we think we can probably drive up participation quite substantially over the coming years without needing to formally mandate it. I want to commit today that we will definitely strengthen expectations: when people accept our money we will be clear that our expectation is that people do that. We are also going to put in place enhanced tracking and impact evaluation so we can get more out of the data we have. Then something we have already touched on: we think we can do a much bigger and better job of celebrating success. For example, where delivery partners are doing great in terms of investing in women, we actually want to put that out there in a much more public way. I have heard stories of women sitting on panels telling roomfuls of founders that equity is not the right tool for them, so it is important that we play a role in correcting that perception.

Q229 **David Burton-Sampson:** What is stopping you from mandating companies to be a signatory to the Investing in Women Code?

Kristen McLeod: We could do it; as I said, it is something that we are keeping under review. We are currently at 69%.

Q230 **David Burton-Sampson:** Why are you not doing it?

Kristen McLeod: We think we can drive it up without needing to formally mandate it. It is not something we are stridently against; we just want to be very thoughtful about it, so we would ask for a couple of years to see



what we can do, and we will keep it under review. However, if we cannot get to a number that is higher than 69% without it then it is definitely something we would look at.

Chair: David, before you move on to your next question, I just want to bring in Rachel because she has a question on this.

Q231 **Rachel Taylor:** It is a follow-up on something you mentioned. I was going to come to it later, but it seems sensible to raise it now. You spoke about the Diverse Angel Syndicate and the £4 million that has gone to that, supporting 15 new groups. But when we saw witnesses in our earlier sessions, they told us of a cliff edge without follow-on co-investment capital. How will the bank ensure that these groups can continue to invest and scale?

Kristen McLeod: That is the point of the Diverse Angel Syndicate programme. I understand the cliff edge to be that, at the moment, those Diverse Angel Syndicates are often investing at too low a level to be able to attract co-investors, and there is a gap. We have actually built a platform with a company called Hatch for earlier-stage co-investment. Bringing the potential for co-investment earlier in the pipeline and then trying to help the angels by actually dedicating bank resource and money to get them to the point where they can get on that platform. That should do a lot. As I said, we will evaluate all this and if it does not move the dial then we will try anything that we can think of that would.

Q232 **David Burton-Sampson:** Following up with you, Minister McDougall, your predecessor told us that requiring businesses to sign up to the code would be inappropriate as compliance cannot be tracked. Is this still an issue, and if so, what progress is being made to address that?

Blair McDougall: Similar to the answers given on behalf of the British Business Bank, we are making significant progress across the market in getting people to sign up to the code. In terms of mandating, the general position of the Government is towards trying to reduce regulatory burden and cost, particularly from reporting. We now have over 300 signatories, with more than £1 trillion under their management, through the Investing in Women Code, so we think we are making significant progress, albeit there is a lot to do. If in the long term we find we are hitting a ceiling on getting people to sign up to some of these activities, then it is not something that we rule out.

Q233 **David Burton-Sampson:** Coming from a financial services background, I totally understand the need to reduce regulatory burden, but that is reducing regulatory burden in areas where things are working as they should be. In this area, it is not working because we are not getting finance to women who need it. Is that not a call to perhaps increase the regulatory burden until we get to that stage?

Blair McDougall: As Kristen said, these are not issues we are ruling out if we feel we are not achieving those signatory numbers we want to see. Currently, with both the Investing Women Code and the other



interventions that we are undertaking, we are making significant progress. However, I hope you are getting a collective sense of the impatience and determination that we have to keep all those tools on the table for future use if we need them.

Chair: The Minister is on his feet for wind-ups in the Chamber. He did this to us last time and he went very long, so I hope that we can get past section C. I will hand over to Kevin.

Q234 **Kevin McKenna:** This is really for the Ministers. I just want to explore a little around tax incentives. The Government rejected this Committee's proposal for a female enterprise investment scheme. Given the widening scale of the gender investment gap, are the Government willing to explore targeted tax incentives to support female founders?

Lord Stockwood: I will take this one. Although the incentives already exist broadly, they are not well utilised through the EIS and SEIS programmes. Again, as someone who has personally utilised those over the last decade or so at scale, they are incredibly powerful tax incentives that can underwrite—particularly in the venture community—up to 70% of your investment through both the initial tax break and then being able to underwrite losses if businesses are not successful. At this stage I agree with the route that the Government have decided to take, which is that we need to popularise those incentives for everybody. We doubled the thresholds of accessibility for those programmes in the last budget and there is a course of work to do to make sure more people know about these schemes. Any scheme that can underwrite 70% of an investment is incredibly generous and attractive. If that does not work, there would be an argument that it should be more broadly used anyway. The level of investment and the returns are right in terms of the tax breaks but the popularisation of these tools for early-stage founders of any type should be more widely known.

Q235 **Kevin McKenna:** What progress have you actually made on SEIS and EIS? Is there anything more concrete you can do to drive uptake of these? It sounds a bit aspirational to hope that people will take it up.

Lord Stockwood: Yes, it does; you are right. We are working with the EIS Foundation on ways we can popularise it. Beyond that, there is a broader societal challenge to make entrepreneurship and starting a business a more attractive proposition. It is a cultural thing. Since the '90s, since I have been doing this, I have seen a massive shift. What I have found is that no one will talk about entrepreneurship as a career, irrespective of your background, apart from very wealthy people. The barriers to entry are lower than they have ever been. Making entrepreneurship overall more attractive is the first challenge, and the second is working with the different bodies that represent the EIS sector in particular to ensure that this is more widely known.

Q236 **Kevin McKenna:** Are there any targets or timelines that you have set for yourself that maybe we could assess you against when you come back



next time?

Lord Stockwood: No, not at this stage. But it is a fair challenge; the numbers show that we need to see significant progress and change. That is clear from both the economic and societal benefits. But at the moment, the initiatives, the effort and the focus are about getting the right sort of cultural shift and change. I will give you one example: in 2013 I was part of a group that was trying to work out if we could create a \$1 billion valuation business in the UK and in Europe, and there were none at that time. That was only 13 years ago. The first work to be done was to be aspirational and make that a career choice and an opportunity. It seemed impossible then, and today there are nearly 400 throughout Europe. I feel like we are in the foothills of that conversation again. We need to do the cultural work; the societal support of this as a career choice should be done first, making sure entrepreneurship more broadly is an attractive proposition. Then, make sure the funding and the tax breaks are in place. To the point that Kristen made, at this stage it is really about trying to do the groundwork for significant progress and change to happen, as opposed to target setting at the moment.

Blair McDougall: Jason is the Treasury Minister here so I know not to overstep the mark, but I will add that there has been a call for evidence on how to improve entrepreneurial tax incentives, which recently closed, so there is a whole basket of suggestions being mulled over.

Lord Stockwood: Again, there is a broader structural conversation in the UK about whether this Labour Government was supportive of wealth creation more broadly. We totally are. But I think the challenge that we have is we are trying to make sure that we are seen as a pro-business, pro-entrepreneurship, pro-wealth creation in service of the social justice issues that a Labour Government care about. That is the challenge that I came in to try to help take on, to make sure that we are seen as that because, first, it is true, secondly, it is necessary, and thirdly, it is the way that we create the tax take that helps us do the things that we care about as a Government. Again, these are structural macro challenges that we are taking on today and the challenges that we are trying to face first off, and this is definitely included in that, but rather than a specific workstream beyond the things we have mentioned today around the Invest in Women Taskforce and the Investing in Women Code.

Q237 **Kevin McKenna:** Related to that, how appealing is this to investors, and what sort of investors? You have talked about angel investors already; what is your take and what does the data show about the gender of those angel investors who are using the EIS?

Lord Stockwood: I will maybe ask Kristen if she has any of the specific data but I can talk from personal experience. This is what I have been trying to do; I have successfully built and sold three businesses, then focused on investing and philanthropy for the last 10 years, including a terrible investment in a football club that I could talk to you about if anyone is interested at some point. The issue is that these should not be



seen as separate investment cases. At least 45% of my own portfolio is with women founders, not because they are women founders but because they are great entrepreneurs trying to solve large world-scale problems. From my personal experience, I do not see any issue at the early stage. When you get to institutional capital, that is where we are trying to be encouraging and make sure that for scale-up entrepreneurs, we are telling the success stories of female founders alongside those of founders more broadly. From an angel point of view, I see it is less of an issue. It is when we get to institutional scale-up capital that we face a challenge with that as a country more broadly, not just regarding investing in female founders.

Kristen McLeod: I do not have any specific data on EIS and angels—and you have probably heard this from Jenny Tooth already—but the number of female angels has increased by 60% since 2022.

Lord Stockwood: Can I come back to you on that, Kevin? I would like to get the data on that. It is an interesting question.

Q238 **Kevin McKenna:** That would be really helpful. I do not support any football club, but I am aware a lot of people are quite traumatised at the moment, so we will steer away from that. Contributors to our inquiry have talked about extending the age limit on EIS and SEIS, which could be a quick win that would immediately benefit female entrepreneurs in particular. Is this something the Government will pursue?

Lord Stockwood: I am not actually familiar with that. I know there is something about the extension of the range of how long a business can exist, but I thought it was accessible at 18 anyway. I will need to go back. Can I check on that?

Blair McDougall: It is the age of the business, I think.

Lord Stockwood: Sorry, I misunderstood. The seven-year current parameters are about right and actually quite generous. These schemes are early-stage businesses. A business is not really an early-stage business once it goes beyond five years; if people have been in business for seven years before they know about these schemes, it comes back to the earlier point around awareness of this. I think there is a gap in terms of people understanding that these are generous schemes that can be accessed more broadly but my personal view is that would not change the take-up.

Chair: Thank you. We are just going to go and vote and then we will come back, so I will suspend the session.

Sitting suspended for a Division in the House.

On resuming--

Q239 **Chair:** We just finished a set of questions on tax incentives and transparency. Lord Stockwood, you talked a lot about the two challenges:



culture and awareness. Can you describe some of the initiatives you will take as a Department to overcome some of those challenges?

Lord Stockwood: Yes. They are the initiatives set out in the early call for evidence. The Invest in Women Taskforce is the main one that actually solves both problems at the moment: the access to capital and the £635 million worth of committed capital in that first fund. The success of that will be to make sure that it is just the first and there are many more to follow. Work is being done not only around access to capital but also to raise the profile of successful entrepreneurs. Through the code that has already been mentioned, the other main programme at the moment is growing awareness of where the pinch points are in our current system through investor committees and so on. I acknowledge that the numbers are not coming through fast enough yet, but for now those are the right initiatives that help solve both problems.

Just stepping back a little, though: I took five years out of investing to go back to university and to do philanthropy and it was amazing how much the world shifted in those five years. I came from a background where I was a trustee of something called B Corp. We were looking at ESG investments; all my investments had to have a social impact. When I came back into the investor community three years ago, the main thing that people were investing in was dual-use technology for defence reasons. I mention that because we should not underestimate the cultural shift from the geopolitics that this is creating in our investor communities, not because it is not acknowledging the problem or the challenge but there is a huge cultural shift to where people are trying to create returns on investment based on geopolitics, which I would suggest makes that cultural challenge even harder. I just want to give some context, not because it defers from the issues today but there has been a massive shift in the last five years away from things that have a more ESG and broader triple-bottom-line return profile to an almost entire conversation about how technologies can be used for both defence and commercial reasons and that is actually more worrying to me.

Q240 **Chair:** Even with the pots of money available, you have said that people are not making use of tax incentive schemes that are already available. How are you going to target the awareness issue that we have and particularly diversity within diversity? We have heard from black female founders who have had minimal access to investment. Will there be a specific strategy for targeting awareness for groups that are really underrepresented within women founders?

Lord Stockwood: I would need to come back and respond to that question. It is the right question. The broader awareness question is the one that we are trying to tackle today. By the way, I would add that I was one of the originators and mentors to the founders of the Black Seed VC fund for Brixton. You raise a really important point. When we look at diversity within our investment portfolio there are subsets and vectors of identity that are really underserved beyond just the gender gap. We need to do a better job of that and come back to the Committee.



We are working at the macro level—I would not call it lobbying—with some industry associations on taxation. I do not know what the right phrase is but there is a fair challenge on how, beyond that macro level awareness, we need to target that more specifically if it does not work. EIS and SEIS are well used. There could be a broader opportunity because it is such a de-risk of investments. We need to do more on that but it is well used today. I want to comment on the question about the call for evidence. The call for evidence that we did as a Department was about the attractiveness for entrepreneurship more broadly but there was an element of making sure that the tax regime reached all corners of our country including female founders. The call for evidence was trying to address that at the same time, not just the tax incentives specifically at a macro level.

Q241 Christine Jardine: I apologise if I am misunderstanding what you mean and say, but I am hearing you talk about this big macroeconomic problem while a separate challenge is that there is a problem and there are women. Should the awareness of women entrepreneurs, the possibilities for them, and the possibilities for investment not be part of the big macro problem? Is it not part of the same thing? Are you not overlooking the importance of people such as Dame Wendy Hall and computer scientists, the people who are at the forefront of AI technology? If there is a big macro change, is that not an opportunity to put women at the front and centre of it?

Lord Stockwood: Apologies if I was not clear on that. When I talk about the macro challenge it includes ensuring that female entrepreneurs very much have access to that. I have come into Government to try to help with a globally competitive marketplace for capital where the organisations we speak to—pension funds internationally, sovereign wealth funds, private equity—have a choice about where they invest. We are trying to create the conditions of overall attractiveness, which would include female entrepreneurs. For me, in trying to solve that high-level problem we can then make sure that what we are trying to demonstrate is that we have the overall most attractive and compelling investment proposition from return profiles, of which women will naturally be a part.

By the way, I would also state that my whole career has been around investing for young founders. Actually, my first boss was Dame Martha Lane Fox at lastminute.com. I have spent a career working in cultures—particularly in the tech community—where this is seen as less of an issue; it is a broader societal issue outside the tech community because there are many strong founders both as entrepreneurs, CEOs, and as people who we have invested in. I just want to make that as a personal comment about my whole career. I am also really proud to work for the first female Chancellor in 800 years. I just want to acknowledge that the challenges are real. The macro comment was not in the absence or in the exclusion of the opportunity with female entrepreneurs, so apologies.

Q242 Chair: Kristen, I just want to come back to something you said about the



HOUSE OF COMMONS

increase in the number of female angel investors. Did you say it was 22%?

Kristen McLeod: No, I just offered a stat that there has been a 60% increase.

Q243 **Chair:** A 60% increase sounds good on paper but realistically that is 5,000 to 8,000 in three years. At the same time male angel investors have also increased, so overall it has remained at 14%. Even though we have seen an increase we are not actually seeing anything shift the dial. What does success look like to you in terms of actually shifting that 14%?

Kristen McLeod: It is a really good point, and I just happened to have the 60% figure in my briefing pack, but you are completely correct. First, in terms of success I would say—Jenny may have said this too—that 60% more, even if it is an absolute rather than a proportion increase, means 60% more women are investing in more women founders. I would say that is a really great thing to celebrate.

Chair: That was not the result. The result was that female investment actually went down from angel investors. Over the same period, investment involving women angels fell by 37% while investment from male-only angels increased by 20%, so we are not seeing that.

Kristen McLeod: I do not have those stats in front of me but I could not argue with the point you are making that we need to do better. In terms of increasing the share of the market, let us put it like that, we could not agree with you more and that is exactly why we are doing the Investor Pathways Capital programme. That £400 million is intended to increase the number of investors coming through by a substantial amount, going back to that early stage of the pipeline. We are then putting in place the Diverse Angel Syndicate programme very specifically to get angels to the point where we can actually invest in them at scale. The more we can invest as a bank and put firepower behind those women the more they will invest into the economy. We will publish data as we go along on how we are doing on all those things and we will really welcome you holding us to account on performance.

Q244 **Nadia Whittmore:** Ministers, the taskforce has raised a substantial sum of money but that has come from a small handful of investors. What are the Government doing to secure additional commitments to the taskforce?

Lord Stockwood: Again, the assertion is correct. As a starting point I would suggest that £635 million is a substantial amount for a first fund, particularly in the sectors we are looking at, but it needs to go a lot further. The support of the BBB has been critical, and we have obviously had a hand in that. We are trying to do two things: first, to ensure that in our conversations with the Office for Investment and as we speak to strategic investors we look at the pipeline of opportunities and present them as we would any other opportunity and say, "Look, these are just phenomenal opportunities that happen to have female founders or female



investor opportunities.” From a deal flow point of view we are trying to make sure the pipeline is strong enough that they can create the disproportionate returns that this fund will need to see to raise the second, third and fourth funds.

The bigger opportunity—not just related to the Invest in Women Taskforce—is how we unlock capital from our pension providers. Seven months ago when I was in the private sector I never thought I would hear myself say I am genuinely really excited about pension reform. When we think about impact investing, there is an opportunity in the UK to unlock hundreds of billions of pounds’ worth of capital to invest in our own economy that will return disproportionately for our own pension funds and take the burden off the state. It is almost the ultimate impact opportunity. There is a significant amount of work with Torsten Bell, the Minister for Pensions, that I am leaning into as well, which is about how we help them get to the right provision around venture capital and the various subsets of opportunities to the industrial strategy without mandating it.

Part of the Pension Schemes Bill, which I think was voted on last night or today, is reserving the right to mandate should they not make those decisions in the same way that we are having that conversation today. Reserving that right is an option. There was a meeting, I think last month, when there was a pensions conference in Edinburgh where we introduced Debbie and Hannah, the co-chairs of the Invest in Women Taskforce, to a subset of the Sterling 20. We are making sure we facilitate those relationships and will encourage them in the right way to unlock that pension capital into this particular fund as well as the cultural pipeline stuff I mentioned.

Q245 Nadia Whittmore: How likely do you think it is that pension funds will come forward with support?

Lord Stockwood: I think it is increasingly likely. The whole programme of work, which is the right one, is trying to make sure that the pension funds realise they are missing out on opportunities. You may be aware of some of the complexity around the different types of schemes. When we think about the defined contribution schemes in particular we have to make sure the right regulatory frameworks are in place and that we are saying, “These are opportunities that will give you a return profile greater than you want.” We are trying to work through some structural and policy issues from reform, regulation and fees points of view. However, the more important thing is to get the first movers to invest in these funds. Unfortunately, it is no more sophisticated than that. You get the first one; you need to create an atmosphere where they are missing out on a great opportunity, which this is, and the capital will follow. I am confident that we are close to getting those first investors to make that decision. The most important thing after that will be to create the return profile, which means this is a complete no-brainer for investors going forward, and I believe it will be.



HOUSE OF COMMONS

Blair McDougall: Can I just add to that? We have slightly discussed the tension between doing things that are structural and things that are bespoke and tailored to women entrepreneurs in particular. The way to get more investors in is by proving it through this. We know there is evidence that women entrepreneurs provide better returns. This is something that is bespoke; it is about helping the women entrepreneurs who will benefit from it. However, it is also almost like a proof of concept that there is this missed economic opportunity and that is what brings more funders to the table.

Q246 **Nadia Whittmore:** Are there any specific discussions taking place as part of the Sterling 20 initiative on providing support to women-led businesses either directly or by the taskforce?

Lord Stockwood: At the moment the current conversations are targeted at getting them to capitalise the particular funds that have been set up, which we just mentioned. That feels like the right conditions because again it does not delineate it as something that is saying, "Look, this is a place where capital will work harder for you." That is where the effort has been targeted at the moment.

Q247 **Nadia Whittmore:** Kristen, what is the bank doing to leverage support for the taskforce?

Kristen McLeod: We have probably done the biggest thing that we can do, which is to commit real money. In terms of the taskforce fund of funds, rather than just give warm words, which we would of course do anyway because we fully support the aims of the task force, we have made a £30 million cornerstone commitment into the actual fund. In everything I have said today about the bank's commercial investment, by making that £30 million commercial investment we have signalled that we think the fund is a serious, great commercial investment and that is why we have made it. That is probably the single biggest thing that we can do but we are a member of the taskforce and we talk constantly to all the other members about what we can do to support them.

Q248 **Nadia Whittmore:** What further steps could the bank take?

Kristen McLeod: I would go back to everything I have said about the insight that the bank has. I know I keep repeating this but it is just so important. It is not about words; it is about money. That is something that Debbie Wosskow says a lot. We know that if we have more female investors we will have more investment in women. First, aside from the specific commitment we have made into the taskforce, over the next five years the bank will try wherever it can to back great commercial deals into women. Secondly, it will build the pipeline so that there are more and more women proportionally—to go back to the Chair's point—to back over time.

Q249 **Nadia Whittmore:** Ministers, do the Government have a long-term vision for the taskforce or is its future solely dependent on its current co-chairs?



HOUSE OF COMMONS

Blair McDougall: We are committed to the taskforce in a long-term way, and you can see that in the way the workstreams have been ordered. Jason would oversee the two bits of work on behalf of the Government representation, which are about raising and deploying money. My part of the picture is about the wider ecosystem and dealing with some of the structural issues such as how we can use data insight more to understand and deal with the barriers that are there, how we can improve the conditions for scaling for female entrepreneurs, and how we ensure the pipeline that Kristen was speaking about is there. There is rightly a focus on deploying and increasing the capital that they have, but the fact that a large part of the work programme of the taskforce is very long-term and structural is a signal that we view this as a long-term job.

Paula Crofts: Can I just add to that? The Investing in Women Code has evolved as Debbie and Hannah have taken it on; they have obviously pushed for the fund of funds, which has been great. We supported the predecessor and as the Minister said we were really committed to it. We also support the Investing in Women Code, which has been going for a long time and—as I am sure you know—it has gone from 12 to 300 signatories. They invest more in women. We are very committed to both those things in the long term.

Q250 **Rachel Taylor:** Kristen, what proportion of the funding under the regional angels programme has gone to women?

Kristen McLeod: Some £75 million, which is over 20%, has gone to female and mixed team founders.

Q251 **Rachel Taylor:** So 20% has gone to female and mixed teams?

Kristen McLeod: Yes.

Q252 **Rachel Taylor:** Do you have the figure for women?

Kristen McLeod: I do not have the single female figure but we have it at the bank and I can write to you to provide that.

Rachel Taylor: Thank you.

Kristen McLeod: I will certainly do that.

Q253 **Rachel Taylor:** It still seems quite low if that figure is 20% for mixed teams. Why do you think the figure is so low?

Kristen McLeod: We have been talking a lot to the investment community, regional angels, people such as Jenny Tooth, and a whole range of people. We have realised that female angels are less likely to have the networks, the track record and all of that to formalise in the way that some male angel syndicates have. Of course, it is not a lack of talent or anything like that. We just think there is an opportunity for us to provide more support. People such as Jenny have asked us over the last few years if there is more we can do. That is why we have designed and piloted this Diverse Angel Syndicate programme, which we are formally



launching this year. We have put £6 million aside to fund that so we can put £6 million of proper support into helping those nascent female angel syndicates get to the point where we can invest more in them. If we think that works at scale, we will be able to increase it and do more.

Q254 Rachel Taylor: Have you set a target on the proportion of the additional £340 million in funding for the programme that will go to female angels or supporting female entrepreneurs?

Kristen McLeod: We have not, for some of the reasons that I talked about earlier when we were discussing targets. As I said, we are trying to be really thoughtful about this and if there was overwhelming evidence that that was the right thing to do then of course we would look at it and keep it under review. For the moment we are just worried about that signalling effect and we actually think we can drive up allocations without needing to do that and without having the downside of a target approach but we will keep talking to people such as Jenny and taking views as we go along.

Q255 Rachel Taylor: I appreciate what you have said about not mandating things but with the figure going to women being well below 20% and not setting a target, how are you going to drive that up to a reasonable level?

Kristen McLeod: I really appreciate the premise behind your question and I am completely on board with it. The trouble with any target is knowing what the pipeline will be that you can invest in. Just from a commercial perspective, it is quite difficult to say, "Look, we know that we'll get this amount of pipeline coming forward so we can put this target on it." It is a fundamentally unknowable thing, so as soon as we try to do that we are risking all those things I said about people thinking those deals are less good. I totally appreciate the premise of your question. We want to be held to account. We are going back a stage in the pipeline to fund the Diverse Angel Syndicate to make sure we have the flow of people to invest in. I am totally happy to commit to making all that data available as we get it. We will evaluate it and we will be happy to be held to account. If that number goes down rather than up I am sure I will be back here explaining that to you.

Q256 Rachel Taylor: Is the bank prepared to introduce a dedicated co-investment fund for female angels?

Kristen McLeod: Yes. Again, I fully appreciate the premise of the question. We would say that we essentially already have that because that is the regional angels programme. We are trying to invest proper money, time, and effort from the experts at the bank to get the Diverse Angel Syndicate to the point where it can get co-investment. To make that a bit easier we have set up an earlier-stage co-investment platform with a company called Hatch that I mentioned earlier just to make it a little easier to reach that milestone, if that makes sense. I think we will be able to achieve what you hope for through those mechanisms.

Q257 Christine Jardine: Ministers, we have talked a lot about systemic



change but what specifically are the Government doing to address the widening gender investment gap we see in high-growth sectors such as AI?

Lord Stockwood: Again, apologies if this is repeating. AI is clearly part of the overall industrial strategy as one of the sectors. We are looking at how we can grow the investment case at a high level including female entrepreneurs. Currently the focus, which I think is the right focus, is a differentiated proposition to the industrial strategy of which AI is one of the areas as part of broader technology investment. It would be interesting to know about the data particularly within tech investment and whether that is better than the rest of the markets in terms of female founders. It will still be underrepresented but my personal experience is that we meet many great female CEOs and founders, so I do not know whether it is a bigger or smaller problem. At the moment there are no targeted initiatives to answer the question you have specifically asked. It is really about how we create momentum and attractiveness for the eight strategic sectors we have decided on and try to get those capitalised and get some momentum within the term of this Parliament.

Kristen McLeod: I might be able to help with a little data. The IWC 2025 data showed that sectoral patterns are broadly consistent across male and female-led businesses. Across 217 rejected deals for teams with at least one female founder, 66% were tech-based. Across 452 rejected deals for all males, 65% were tech-based. What we would probably take from that is that the problem is not about women being active in the sectors; it is the decision making about who is invested in, if that makes sense.

Q258 **Christine Jardine:** Let me ask that again. Is it the decision making about who is invested in that is the problem?

Kristen McLeod: What that data probably tells us—Ministers can come in if they disagree—is that it is not that there are no women active in AI and the tech sector or that women are not trying to set up those companies and be those founders. The talent and the opportunity are there. What is happening is that at every stage of the investment decision pipeline women are less likely to be invested in than men. From a sector perspective, I think that is what it is telling us. That comes back to everything we have been talking about here, which is the only way we can change it is by putting actual, real money and power into the hands of female investors.

Blair McDougall: Just to also say, Chair, obviously the Women in Tech Taskforce, which was launched by the Secretary of State for Science, Innovation and Technology, has a call for evidence out until I think tomorrow on how best to deal with the barriers that create the situation that you describe. That workstream is going on within Government as well.

Q259 **Christine Jardine:** I appreciate you have it absolutely crystal clear but



HOUSE OF COMMONS

what bothers me is that yet again we are identifying the problem but we are not coming up with a solution. We are looking at it and saying, "That's a problem; we have to overcome that." How do we overcome it?

Lord Stockwood: In the Department I look after, we are trying to find the right capital sources for the whole economy. Seven months in it feels like we are getting some momentum. Against the backdrop of geopolitics and inflationary pressures we will experience, the UK has a comparative advantage, certainly compared to some of its European partners. That is where we are focusing the effort and energy to ensure the deals we are trying to get funded for the UK are in the industrial strategy sectors and the infrastructure plan for the UK. Then there are some foundational industries that tactically come up at the same time. At the moment that is where we are focusing our effort. Female entrepreneurship and leadership would be part of that conversation but we have not called that out as a separate strategy at the moment because we are dealing at the headline level to try to capitalise the whole IS-8.

Q260 **Christine Jardine:** In our inquiry some witnesses spoke about exactly the opposite: the need for targeted female-focused accelerators in high-growth sectors where women are underrepresented. What are you doing to actually meet that need for targeted support?

Lord Stockwood: Again at the moment we are focusing on the headlines and the initiatives we have created and spoken about today. In particular, the Invest in Women Taskforce is the start of that process. Undoubtedly, there will need to be more targeted initiatives if that does not get the momentum and success that it needs. Certainly in my tenure—I know Poppy was here last year—the headline work is how we grow the whole economy and we are looking at the investment cases for the UK on an aggregate level as opposed to specific subsectors.

Q261 **Christine Jardine:** What focus is there on support for businesses outside the sectors in the industrial strategy, for example in beauty or femtech?

Lord Stockwood: Apologies if I am misrepresenting. The priority for us on the IS-8 is really about sectors where we feel we have comparative advantage and a chance to be world leaders. They are not always our biggest sectors—some are; some are not—but a choice has been made there. That does not mean that we do not focus on opportunities elsewhere in the economy overall, but the Office for Investment primarily spends its time focused on capitalising those eight programmes. Of course we ensure that we work with the whole of the business community and look at opportunities where the economy can grow overall.

Q262 **Alex Brewer:** I want to follow up on your comment about focusing on growing the whole economy and then addressing the inequalities if they still persist with female-led businesses. I just want to push back on this slightly, because the evidence shows that investing in female-led businesses will grow the economy. I am struggling to understand the reluctance to put in place very specific targets and measures, particularly



in these high-growth sectors and so on. It seems it is back to front: that if we invest in women and put these very specific targets in place first, then we will grow the whole economy. If women are put front and centre in the industrial strategy then we will grow the whole economy. There seems to be an argument that we need to grow the whole economy first and I am struggling to understand the disconnect.

Lord Stockwood: Apologies if I am being unclear. Again, the words here are important for me. When I talk about growing the economy, that includes all subsectors and vectors of identity. We want to create the best opportunities of which female entrepreneurs will be front and centre. What we have not done is create a separate strategy to address that individually. When we talk to investors we are presenting the very best opportunities that will accelerate growth in our economy and of course female entrepreneurs will be part of that. That is semantics from me; apologies if I am not being clear. We believe that female entrepreneurs will be part of that story but we have not said, "By the way, there's this strategy for growth and female entrepreneurs are something different." It is one and the same story for us but it has not been called out separately. Is that clear?

Q263 **Alex Brewer:** Where you are saying it has not been called out separately, I am saying put it front and centre. We have a £250 billion economic growth opportunity here, which is potentially vast for the whole country and will benefit men, women, and our economy as a whole. I am struggling to understand why this is not front and centre.

Blair McDougall: Kristen talked about the difficulty with setting precise targets when you cannot guarantee what is coming through the pipeline. Where we are pushing is on money and action. When we talk about ecosystem and pipeline, I think of it almost as a production line where you have start-up loans with 40% going to female entrepreneurs. You then have the work with the Investor Pathways Capital programme to make sure that women invest in women as those companies grow and scale. The interventions are there; it is just quite difficult—for the reasons that have been outlined—to attach specific targets to them because, as I say, there is an uncertainty as to what actually comes out from the economy.

Q264 **Christine Jardine:** I am sorry to keep harping on about this but perhaps there is a material difference between wanting to grow and encourage female entrepreneurship and seeing it as part of the actual strategy, which I get, but not seeing that perhaps there is a greater need to focus more on female entrepreneurs than the rest of the economy. Perhaps it needs to be separate with separate targets and that is the way to address it rather than hoping that it will be addressed as part of the larger economy. Would that be fair?

Blair McDougall: I oversee the industrial strategy and the SME strategy and throughout both strategies you see a recognition that there needs to be specific interventions because there are market failures that are wrong



HOUSE OF COMMONS

for people who believe in equality and equal opportunity but also economic waste. It is there and it runs through things not only in those strategies but for example in the jobs plans and workforce strategies that are coming out sector by sector. You see within that a recognition that there is a huge missed economic opportunity there.

Q265 Christine Jardine: Entrepreneurs in femtech and women's health can face significant levels of sexism and discrimination. What will the Government do, first, to tackle the systemic shadow banning of women's health products on social media and, secondly, to address the discrimination these entrepreneurs face from the finance sector?

Blair McDougall: I confess that it was this Committee that brought shadow banning to my attention and I was slightly astonished to learn about it.

Chair: I liked that session, Minister. It was a good session.

Blair McDougall: It feels like the economic equivalent of telling women to cover up when they are breastfeeding.

Alex Brewer: Yes, exactly.

Christine Jardine: Exactly.

Blair McDougall: It is extraordinary. Obviously the regulation of the platforms, social media and the places where some of this is happening is for DSIT. I know it is aware of it and is looking at it. This is a reminder of the importance of having women throughout the funding ecosystem because it not only results in women entrepreneurs not having the access to capital to grow their companies but it results in women consumers not having access to the products and services that they need.

Q266 Kim Leadbeater: Thank you all for your contributions today. I do not expect you to comment further but I would like to express my support for the comments that Alex and Christine have made around the delineation between the macro problem and then the specific problems. I understand what you are saying and the reassurance that, "Of course it is part of what we're doing, of course we're looking at this through the lens of female entrepreneurs and indeed ethnic minorities," and I would hope LGBT and disabled entrepreneurs. I suppose we are saying that we seem to be lacking the detail on that and unless it is written down somewhere how can we be certain that those things will happen and be addressed? Maybe that is something to take away from today's session. That is my first point.

Secondly, I am going to talk about what this looks like at a regional level. As a very proud Yorkshirewoman I know we have many female entrepreneurs who we need to support and I am sure we would all say the same for the areas of the country that we represent. However, despite programmes such as the regional angels programme, regional investment patterns have barely shifted. Why are these initiatives not



delivering significant change on a regional level?

Blair McDougall: It is a completely fair challenge. Can I address your first point before we talk about that? This is something we have not spoken as much about: the importance of visibility with all this, not just so that you—the people holding us to account—have a sense of what is happening and the progress that is being made but it is such an important part of tackling the structural problem. The statistic that only 2% of people are able to name a female founder tells a story about that. Overall as a Government we have obviously dramatically increased the firepower that the British Business Bank has available to it and its flexibility to be able to chase down where there are market failures. Kristen has spoken about the extension to regional syndicates as a really important tool for that. Kristen, do you want to expand on some of that?

Kristen McLeod: Maybe I should start by saying I am proudly from Sunderland so I actually feel very passionate about this. Our data actually shows that regional patterns of investment and rejection are broadly similar across genders outside of London and the south-east. There is just a massive equity gap problem outside London and the south-east for all founders. Again, we feel like we have a big job to do to try to fix that. We are going to focus on a few things over the next few years with our additional firepower. First, actually getting more investors based in the regions. We have to build this, let us call it scaffolding, through our nations' and regions' investment funds and regional angels, and support for other regional investors. We will really focus on that. Secondly, we have quite a lot of convening power at the bank and I hesitate to say this too aggressively but if we say to our VC firms, "Get on a train," lots of them will actually consider doing that. We want to do lots more convening, bring London and south-east investors to the regions and showcase the level of market opportunity there is. We are obviously working on high-potential clusters in line with the Government strategy and developing a more granular sense of the pipeline.

For example if we took your region, over the next five years we really want to do more to actually have a proper granular understanding of the potential high-growth businesses so we can work with them and think, "Right. Where's that next cheque going to come from?" We have built the scaffolding and then we go, "Right. You're going to need growth funding. Let's figure out how we can help you with that," and then we will of course leverage our bank's sector expertise.

Lord Stockwood: Just to build on that, you are probably aware that Tom Riordan has been appointed to the northern growth strategy; I am partnering with him on that. Again, if we are showing our northern credentials, I think I qualify as well somewhat. That is another important point: there does not seem to have been co-ordination with a focus outside of the south-east. We absolutely need to protect the south-east for everything it is brilliant at—I always make that statement—including co-ordination. Coming into Government I have been really surprised that



the OxCam corridor is well understood as an economic opportunity. I happen to share an office with Patrick Vallance so we unfortunately spend many late nights waiting to vote talking about this. We are taking it as an inspiration for the northern growth strategy to make sure that within it there is a subset and a consideration to all types of entrepreneurs so that we have a new opportunity. There is also an initiative through UK Export Finance working with Lifted Ventures looking at entrepreneur schemes outside the south-east; I think the final of that is in Leeds in May, so there are some tactical initiatives. The northern growth strategy—obviously we will make sure you are included in that conversation—needs to have people such as Tracy and Kim at the heart of it. Undoubtedly that will have a better representation of some of the challenges we have discussed today.

Q267 Kim Leadbeater: That is really good to know, and that was my next question: how are the Government co-ordinating with Metro Mayors to ensure that consistent quality and coverage of regional ecosystems actually takes place? What does that relationship look like with Mayors, local authorities, and of course MPs?

Lord Stockwood: I can talk to that specifically. When I came in seven months ago we tried to evaluate where the strategic drives for growing the economy were. The industrial strategy is a great framework for that and the implementation of it is largely, but not exclusively, through the combined authorities. We have daily conversations with parties. In fact, I chaired a roundtable at 8.30 this morning with all the freeports around the UK. We are constantly trying to say, "Look, the industrial strategy is one part of that, but where are the other opportunities in the economy?" Being candid and not party political about it, there are varying degrees of capability that we need to help build depending on the combined authorities. It surprised me how wide that variation is in terms of people who are—to put it candidly—more politicised by different topics and there is a level of maturity and capability that cares about economic growth. That is part of why central Government with people such as Tom is making sure we have combined enforcing mechanisms to a national strategy for the north as one example, which will help to level out where some political and capability gaps might be.

Q268 Chair: Just before you go on to your next section can I—as one of the two Luton MPs—make the case on the OxCam arc? If you are talking to Patrick Vallance at some stage can you tell him that we are more than just a transport hub?

Lord Stockwood: I will see him in about 30 minutes from now and will make that point.

Chair: Thank you very much.

Q269 Kim Leadbetter: Also just to say that when you do that regional work, make sure that our political leaders and entrepreneurs are involved in those conversations and that female entrepreneurs have their voices



HOUSE OF COMMONS

around the table. Obviously that is really important. The chair of the British Business Bank told us that the UK was doing great at the beginning, but we are not actually developing companies in the longer term; that will certainly be true of female-backed businesses. What programmes are you putting in place to help female entrepreneurs sustain and scale up their businesses, which are not necessarily high growth or in high-growth sectors?

Lord Stockwood: Again, I can talk broadly about scale-up capital. We have a challenge in the UK more broadly. Across the whole of the economy but particularly around the IS-8 we tend to find—to Kristen's earlier point—that unless the capital is there more broadly, we are always going to be susceptible to international investors taking the return value out of the UK economy. We are trying to address that with a number of mechanisms. One mechanism is further support and capitalisation for the British Business Bank. I think the NWF is now up to £27 billion, there is GB Energy obviously, and we are working on some other funding mechanisms that will be managed by Government money and have access to private capital at scale initially into the single-digit billions I would suggest. That is a structural problem for the UK more broadly, which would include female entrepreneurs rather than seeing them as a separate problem that we are trying to solve.

Blair McDougall: We are working very hard on improving our scale-up offer more generally because lots of our business support is not particularly focused on that journey. We will try to make sure that some of the treatment that people get through the Office for Investment is the sort of journey that our domestic businesses would experience as well. Coming back to the softer end of the work that is going on—back to my point about visibility—there are stories that have been recounted to me from Investing in Women Code events whereby women investors seeking to go on that scale journey who are maybe driving towards an IPO have had opportunities that they would not have had previously because they have been put in that shop window. It is incumbent on us to make sure that every time we put anything in the British economy in the shop window that we make sure that there is a gender balance within it.

Paula Crofts: Earlier you were talking about scale-ups and the British Business Bank—Kristen can probably talk about it more eloquently than me—having funding to help with debt funding. In particular it is putting more into CDFIs, which as you know is something that really supports different sorts of people. We also have a roadmap, which will go with that, for the next five to 10 years. I just wanted to call that out as well.

Lord Stockwood: One of the most positive interventions from a people point of view in the last year is having Alex Depledge come into government. I do not know if you know Alex but she is one of the best entrepreneurs this country has produced in the last 10 years. She has been in the Treasury with us looking at how we can create a more balanced environment for entrepreneurs and wealth creators in the UK.



HOUSE OF COMMONS

She is also working on the next package of how we develop and accelerate the growth of our best companies in the UK. She is committed to sticking around for as long as we can keep her. She is the most northern of us all from Bradford. You would not believe it.

Blair McDougall: She is a force of nature.

Lord Stockwood: She is a talent and we are really fortunate to have her in Government.

Q270 **Kim Leadbeater:** I like the sound of her. Kristen, do you want to add anything to that?

Kristen McLeod: No.

Chair: Does anyone else on the Committee have any follow-up questions? No. Thank you so much to you all for your time and patience with us voting. This brings the session to a close.