

FUNDING SOLUTIONS FOR YOUR BUSINESS



When a business seeks funding, the first instinct is often to approach a high street bank. In many cases this approach is fine. However, sometimes the old familiar bank doesn't quite offer the sort of flexibility that fast-moving entrepreneurial businesses need for a growth event

Shaw and Co offers lead advisory, debt advisory and buy-side advisory and helps businesses get the funding that's right for them.

Head of deal origination, Dan Martin, previously worked at Shawbrook Bank, OakNorth and NatWest Group.

He says he is "passionate about supporting low mid-market businesses with sound advice, holistic advice and working with them to structure lending facilities to drive growth and be flexible enough to help them achieve their strategic objectives".

Hands-on advice

For business owners looking to sell or even buy a business, it can be a daunting process.

Martin says: "It probably is their first exit event or the first transaction.

"They need some hands-on advice to be able to understand all those options and support and it's about being in the trenches with them."



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Shaw and Co

He says owner-managed businesses often don't have the network and options that are available to companies with private equity owners and so he helps to bridge that gap.

"Getting them the access to the financing capability of a sponsor [private equity]-backed business is one of my

strategies, because I think sometimes owner-managed businesses can not get the access to the financing facilities and the capabilities that they can bring, that maybe the sponsor backed-businesses can at the moment," he says.

Martin adds that often businesses will go to their bank first, but even if they do come back with a 'yes' it's worth "testing the market".

He explains: "The one problem you have with that is you're not driving any competitive tension through that process.

"So you're beholden to the bank's view on the credit and the terms that they put out and if they're under competitive pressure, as we've experienced on a few mandates, you can push them into providing more attractive terms as part of the process and also give the lender more options.

"What I try and do with all the businesses I'm working with on the debt advisory side is bring their attention to not the price but the structure because a debt facility should always be cheaper than equity."

Flexibility, speed and transparency

According to Stewart Haworth, senior director of debt finance at OakNorth, mainstream lenders sometimes don't have the agility that entrepreneurs look for.

He says: "Our model is built on flexibility, speed, and transparency – qualities that are critical when a business is making strategic growth decisions and cannot afford to wait months for a 'yes' or 'no'.

Partnership, Not Pricing



Debt in isolation is a commodity. Experience, industry knowledge, relationships, structuring expertise, product suite breadth, operational support, geographic proximity,

international network and balance sheet strength are not.

Cost of capital is undoubtedly an important factor when considering a refinancing. However, in a competitive funding environment, the difference between lenders' pricing is unlikely to move the needle on your business plan, growth aspirations, job creation or shareholder value.

It's important to factor in how prospective lending partners can support you over the life of the facilities and not just on the transaction. You may also want to consider whether they'll be the right partner for you on the next event, not just the current one, because longevity of lending relationship can minimise disruption to your business and maximise lending confidence.

A successful partnership with your funder is one in which they bring ideas, offer solutions and open new opportunities. The funding package you put in place at the start should evolve as your business expands and it's important to ensure your lender has the breadth of offering and financial capabilities to remain relevant and grow with you.

Your lending partner should also make your life and that of your finance team easier. They should contribute advice on working capital optimisation, offer tools to aid cashflow forecasting, assist with control of cash balances, provide visibility of transactions, help introduce checks and governance over payment processing, manage transactional currency risk and support you in creating your treasury policy.

And in a world where technology has removed geographic boundaries, it's always nice to have a lender who is still close enough to talk shop with over a cup of tea and a biscuit.

HSBC UK Bank, proud winner of Bank of the Year at Insider's UK Dealmakers Awards 2025.

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"A key differentiator is the relationship business owners have with their lending director.

"At OakNorth, we work closely with management teams from the very outset, taking time to understand their sector, their business model, and the long-term opportunities and risks they face.

"Rather than applying a one-size-fits-all template, we bring them into the conversation with our credit committee, ensuring transparency throughout the process.

"This collaborative approach enables us to make informed decisions quickly while giving the business owner confidence in both the funding and the partnership that comes with it."

Recent OakNorth deals include a facility for My Pension Expert in Doncaster, funding for Nurtured Childcare's acquisition of Elmore Kindergarten Group and backing a training provider called Realise.

Haworth says: "We're also seeing a number of clear trends in the North West lending market.

"Businesses are increasingly seeking lenders who can offer more than just capital. They want insight, flexibility and genuine partnership.

"With continued pressure on margins, and a challenging macroeconomic backdrop, SMEs [small and medium-sized enterprises] are prioritising lenders who can support them in both the good times and the bad."

All about partnership

Stuart Bates, commercial director at Praetura Commercial Finance, says every business is different, and funding for SMEs needs to reflect those nuances. He says it must be a partnership even after the dust has settled on the deal.

"Funding provided by what are termed 'alternative lenders' like Praetura isn't transactional – it is relationship-led.

"We're with SMEs for the long haul.

The relationship extends past the funding being allocated, with the funding structures adapted and uplifted to accommodate the changing needs of a business as time goes by."

Praetura Commercial recently supported a North West-based temporary manpower provider with a multimillion-pound facility to fund a management buyout.

The deal involved a complex transatlantic carve-out from a US-based parent and needed Praetura to move at speed.



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Praetura Commercial Finance

From the first meeting to completion, the process took less than three weeks.

Having rebranded as Clarity Outsourcing Group following the MBO, the funding has since enabled the business to crystallise its growth strategy and it is now fully equipped to scale responsibly and expand its client base.

Computer says no

For the alternative lender, it's not a case of 'computer says no' based on some spreadsheet equation.

Gemma Wright is managing director – sales & distribution, at Reward Funding.

She says: "We offer a suite of funding solutions built for speed and flexibility, covering property finance, business finance and asset finance.

"Whether SMEs need to unlock working capital, acquire property, refinance debt or accelerate growth, we create tailored solutions, structuring finance to fit the opportunity and deliver fast-moving funding that fuels action.

"Where mainstream funding might look at profit forecasts alone, we look at the history of a client."

Gemma Wright

Reward Funding

"We don't rely on faceless algorithms and long processes to make decisions, rather we concentrate on conversation and relationships.

"We get under the skin of a business to understand the story behind the numbers, and back the people who make things happen.

"That means we can act quickly, think creatively, and say yes when mainstream lenders step back.

"That's the Reward mindset: we fund conviction, not caution. We see risk differently.

"Where mainstream funding might look at profit forecasts alone, we look at the history and track record of a client.

"Taking a holistic view of a business, we can say 'yes' where a computer might say 'no'."

An example of this is Tyn-Y-Ffridd Farm, a 70-acre holiday park near Snowdonia. Despite the heavy impact of lockdown, it had achieved two years of year-on-year revenue growth, but traditional banks were no longer offering funding.

Needing working capital to continue its momentum, it approached Reward's North West team for an £890,000 funding package.

Wright says: "We provided a flexible, asset-secured solution, enabling it to press ahead with expanding its accommodation and leisure offering from holiday cottages to private lets and retreats.

"This is what Reward stands for: stepping in when others step back, with fast, flexible funding that keeps ambition alive."

Haworth agrees that spending time with the company is key.

He says: "Many are exploring acquisition-led growth strategies to diversify their offering or strengthen their market position, which requires lenders that can act decisively and structure facilities to accommodate future opportunities."

Presence in the region

For Dan Martin at Shaw and Co, one advantage alternative lenders can have is their presence in the region and it can be difficult

Navigating the Maze: Funding Options and Challenges for Small Businesses

Securing finance remains one of the most critical, and often most complex tasks for small and medium-sized enterprises (SMEs). Whether you're launching a new venture, expanding operations, or navigating economic uncertainty, access to the right funding can determine the success or failure of your business. The UK offers a wide spectrum of funding options tailored to different business models and growth stages. However, with opportunity comes complexity, and many SMEs struggle to identify the most suitable route without expert financial guidance.



growth above and beyond debt funding. Selecting the right investment partner, one who aligns with your vision and values is crucial. A trusted advisor can help you assess potential investors and structure deals that protect your long-term interests.

Start-Up Loans and Grants

The government's Start Up Loans programme offers up to £25,000 per founder, now available to businesses up to five years old. This initiative includes mentoring and support, making it particularly attractive for first-time entrepreneurs. Grants, which do not require repayment, are often targeted at specific goals such as sustainability, innovation, or job creation. While competitive, they can provide a valuable boost to businesses pursuing socially or technologically impactful projects.

Common Challenges Faced by SMEs:

Access to Advisors

Many SMEs lack professional guidance and fail in presenting information in a clear format. A well-connected advisor can introduce you to appropriate funders, streamlining the process and improving outcomes.

Limited Financial Literacy

Understanding financial products, preparing robust business plans, and managing cash flow are essential. At Pierce, we specialise in presenting information in a format that supports funders' decision-making and builds confidence.

Final Thoughts

The UK's funding landscape is rich with opportunity, but navigating it requires insight, preparation, and expert support. With the right strategy, even the smallest business can unlock the capital it needs to thrive.

Pierce combines deep financial expertise, strong industry relationships, and a proven track record, making us the advisor of choice for SMEs ready to grow with clarity, confidence, and control.

Traditional Term Loans

High Street banks offer term loans, overdrafts, and asset-based lending, typically suited to businesses with strong credit histories and consistent cash flow. Yet, following the 2008 financial crisis and the Covid-19 pandemic, banks have become more cautious in their lending practices. This shift has created space for alternative "gap" funders, non-bank lenders, which fill the void left by traditional institutions. Presenting your financial case effectively and with clarity is critical and now more important than ever. Taking experienced, practical advice from a seasoned advisor can make all the difference in securing approval.

Invoice and Asset Finance

Invoice finance allows businesses to borrow against outstanding invoices, improving short-term cash flow. Asset finance enables companies to acquire equipment or vehicles without large upfront payments, spreading the cost over time, matching the life span of the asset. These tools can be highly effective when used strategically, especially for businesses with seasonal income or capital-intensive operations.

Equity Investment

Angel investors and venture capitalists provide funding in exchange for equity, making this option ideal for high-growth companies. However, many entrepreneurs are cautious about "giving up" ownership or control, but equity investment will accelerate

Plan A will get back to you by the end of next week.

It's time for Plan Alternative.

When your SME client needs smarter funding than your usual lending strategy can handle, the original alternative is here. Brokers across the North West are turning to Reward to get it done.



"SMEs are prioritising lenders who can support them in both the good times and the bad."

Stewart Haworth

OakNorth

for London-centric lenders to understand cultural differences in the regions.

He says: "If you look at the private equity community in Manchester, if you look at the corporate finance community in Manchester, if you look at the lending community in Manchester, that's all played into making it as successful as it is now.

"And I think that wouldn't happen if you didn't have as many of those people based in the regions and you were just trying to service it from London because I think it then becomes a bit more transactional.

I think if you spoke to a local entrepreneur and there was an option for a local investor to buy into the business or a local lender with a local presence, they would choose that over someone in London or the States.

"I think there is a difference in culture in London to what there is in Manchester in terms of that relationship-driven approach which you get in Manchester which maybe you don't as much in London because there's a lot of transactions and it's more transactional."

A view on culture

The personal relationship, Martin says, is key. "I know we all love Teams and Google Meet and stuff like that now, but you still can't beat a face-to-face meeting and a face-to-face conversation.

"I always thought a key part of understanding their business and operations was

Gemma Wright



"You can get a real view on culture and everything like that simply by just visiting the office or the factory."

Dan Martin

Shaw and Co

going out and seeing them at their site, whether that is at a factory or inside an office.

"I still think you have to understand the way they operate.

"You can get a real view on culture and everything like that simply by just visiting the office or the factory and seeing them in action.

"I think that's really important to be able to understand the business properly and the drivers behind it."

For a business looking to attract investment, his advice is about positioning your business in the best light.

Shaping your strategy

Martin says: "It's all about having a defined plan and strategy around growth drivers and strength of management team, profile of revenue and implementing that with your exit in mind.

"You've got to look forward and then work back to understand how you get there.

"But on the look forward, you also want to understand what the buyers are doing in that market. So you can sort of shape your strategy around the value creation."

Insider ran the stats to look at who was providing the most debt funding to businesses doing M&A deals

Over the last 12 months, HSBC has funded the most deals in the North West with 11 deals, with a combined value of £106m.

They were closely followed by NatWest with ten deals worth a combined £109m.

They were followed, however, by Shawbrook and ThinCats with seven deals apiece.

Barclays has funded four deals but they have a combined value of £1.4bn.

Our stats also found Close Brothers had closed three North West deals with the Northern Powerhouse Investment Fund and OakNorth each delivering two deals.