



The Prince's Trust Enterprise Programme, UK

What?

The Prince's Trust Enterprise Programme provides tailored funding and support services to young people across the United Kingdom (UK) to help them start and develop their own business. The programme focusses on supporting 'unbankable' youth. It uses a phased approach to provide an integrated support offer to help youth in all stages of the entrepreneurial process, from conceptualisation of the business idea to the launch and development of the business, including training, coaching and mentoring, and finance.

Why?

Long spells of unemployment can have serious long-term effects for individuals, particularly young people. Research suggests that prolong unemployment for young people can reduce future earnings and increase the likelihood of future unemployment and social exclusion. While the youth unemployment rate in the UK has not been as high as other EU countries, youth unemployment in large urban areas such as London has reached 25% and is higher for groups such as ethnic minorities and those without qualifications.

Key activities

The initiative receives and disburses conditional start-up grants of GBP 1 000 (approximately EUR 1 170) and offers loans of up to GBP 5 000 (EUR 5 840). Businesses with growth potential may receive Development Loans of up to GBP 10 000 (EUR 11 700). Accelerator Loans of up to GBP 25 000 (EUR 29 200) or Innovation Fund loans of up to GBP 30 000 (EUR 35 040) help 18 to 25 year olds with an innovative concept or product to take their idea to the next stage.

The finance is complemented with training, coaching and mentoring provided by more than 650 volunteers from local business communities. Additionally, the programme actively promotes the businesses it supports through the media, networking clubs and social events. It also has several competitions and award programmes.

Impact

An evaluation of business survivability was conducted between October 2015 and January 2016. It found that 76% of those who received full start-up support in 2012-2013 were still running two years later, and 73% three years later. These businesses have higher survival rates than 'typical' businesses across the UK. The evaluation also found that the survival rate was higher the older the entrepreneur was. Moreover, participants who received business mentoring but not a loan or grant were overall as likely to report their business was still surviving (74%) compared to those who received both (71%).¹

This case study was adapted from material published in: OECD/The European Commission (2013), The Missing Entrepreneurs: Policies for Inclusive Entrepreneurship in Europe, OECD Publishing. <http://dx.doi.org/10.1787/9789264188167-en> [1]

¹Wavehill (2016). "Trust in Business: How Prince's Trust support increases business sustainability". Available at: https://www.princes-trust.org.uk/Document_Trust-in-Business-report.pdf [2].

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Links

[1] <http://dx.doi.org/10.1787/9789264188167-en> [2] https://www.princes-trust.org.uk/Document_Trust-in-Business-report.pdf