

[News story: Financing growth in innovative firms: have your say](#)

New consultation will explore investment options to help fund innovation 'unicorns' in the UK.

UK start-ups and entrepreneurs are invited to have their say in the setting up of a new national investment fund for innovation.

The consultation will look at financial support for innovative businesses with the potential to scale-up at pace and become 'unicorns'. These are businesses valued at more than \$1 billion USD and are so-called because of their rarity. In addition, it will explore how the UK could better commercialise ideas from research.

As part of the consultation, there will be a review into how businesses might benefit from investment originating from pension funds. There is also the option that it could be set up as a public-private partnership or placed fully on government's balance sheet to be sold off once established.

Why the consultation is being held

Start-ups often rely on external sources of funding.

Innovate UK provides early stage grants to test the feasibility of an idea or use research and development to create innovative products, processes or services. Where many businesses struggle is in attracting longer-term growth capital: [fewer than one in 10 businesses that receive seed funding in the UK go on to get fourth-round investment](#).

The new fund will ensure UK businesses can access the finance they need as they grow to be successful. It is part of the [Patient Capital Review](#). This aims to strengthen the UK as a place for innovation by providing businesses with long-term patient finance.

How to get involved

You have until 22 September to input to the consultation. You should read all information before responding to financing.growth@hmtreasury.gsi.gov.uk.