

Creating a national wealth fund

Published: January 13, 2026, 6:16 am

The government is [apparently considering advancing 100% loans to small business for sums up to £25,000](#).

I approve of the idea.

I think the amount of loan available should be much higher.

But the government is petrified that it will be subject to fraud and scam. And of course it will be, to some extent.

And there is also the chance that some will take these loans simply because they are available and do not need them. I recognise that risk as well.

In that case I want to go back to a proposal I have already made. That is that, by law, any company taking one of these loans should be deemed to have issued 25.1% of its shares to the government. A simple form, filed at Companies House, could record the existence of the loan and this claim on its share capital from now on. No one sells a company without checking at Companies House.

The result is that any business needing this loan to survive can get it, and be free of director guarantees, but that the loan is not costless. The cost will be a quarter of the business.

If the loan is a necessary condition for the business to survive the directors will willingly accept the condition. If it isn't, they won't. That sorts out a great deal of this risk of being taken for a ride.

And all those 25% stakes more than cover the risk in this programme: collectively because as and when they're sold (and some will be) they might well cover the losses in the scheme.

And if a profit is made this becomes a National Wealth Fund.

What could the objection be?