

The trillion-pound paradox.

Britain builds the largest venture-backed technology ecosystem in Europe, then gives it away.

The UK tech sector is valued at approximately **\$1.2 trillion** and generates **£177.2 billion in GVA**. Yet we import half our gas, cannot feed ourselves, and sell our champions before they scale. We invest at a fraction of the rate at which we innovate. *This is a choice, not an inevitability.*

<p>I Own what we build.</p> <p>Sovereign Technology Fund as builder of British acquirers. £10bn seed, NSSIF model scaled fifty-fold. Funded £500m+ brake via Strategic Asset Protection Facility.</p> <hr/> <p>£40-56BN LEVERAGE</p>	<p>II Power ourselves.</p> <p>Energy as national security. Wind, solar, SMRs, V2G. EV Conversion Fund. Sovereign Extraction Levy on North Sea, hypothecated to the STF.</p> <hr/> <p>860K JOBS BY 2030</p>	<p>III Feed ourselves.</p> <p>75% production-to-supply ratio by 2035. £500m Agritech Accelerator. Agrivoltaic framework. Precision farming, autonomous robots, profitable agriculture.</p> <hr/> <p>18-22% PROFIT UPLIFT</p>	<p>IV Cut the red tape.</p> <p>UK Research Commercialisation Act. 15% cap on university equity. Commercial TVOs at every university. 1,000 Deep-Tech Fellowships per year.</p> <hr/> <p>£2.6BN SPINOUTS (2024)</p>	<p>V Build the fund.</p> <p>Phased Sovereign Technology Gilts. Phase 1 £10bn, Phase 2 £10-15bn performance-conditional, OBR-audited. 25-year lock-in. 3% fiscal rule. Cross-party board.</p> <hr/> <p>£150-300BN AT 25 YRS</p>
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■ **The problem**

ARM, DeepMind, Graphcore, Darktrace: all built here, all sold abroad. The Lords Science and Technology Committee called retention a *"crisis point"* in 2025. Business investment is near the bottom of OECD tables. UK DC default pensions allocate just **0.6%** to unlisted equities. **More than a fifth of UK founders plan to leave within 12 months.**

■ **The proposal**

A **Sovereign Technology Fund**, distinct from the National Wealth Fund policy bank, co-invests in British deep-tech and anchors a small cohort of **British strategic acquirers** capable of buying the next ARM or DeepMind without the state bidding directly. A funded **£500m+ brake** via a Strategic Asset Protection Facility sits behind it, and a **four-rung scale-up tax ladder** (SIS, restored 30 per cent VCT with late-stage extension, UK Growth ISA, Founder Long-Term Ownership Relief) extends targeted relief into Series C and beyond. Four reinforcing pillars: energy independence framed as sovereignty rather than decarbonisation; an agritech and food-security programme built around profitable technology adoption; a university-to-market reform that unlocks the spin-out economy; and a phased, fiscally disciplined capitalisation plan modelled on Norway.

■ **The mechanics**

Capitalisation in three phases. **Phase 1** is a **£10bn seed** via Sovereign Technology Gilts. **Phase 2** releases a further **£10-15bn** only after independent OBR audit of Phase 1 performance. **Phase 3** becomes self-sustaining through recycled equity returns. Hypothecated North Sea levy receipts flow in from day one. A statutory **25-year lock-in** on principal and a **3% annual drawdown ceiling**, applied to the Norwegian fiscal rule, protect the fund from political raids. Governance sits with a **cross-party board** immune to the electoral cycle.

■ **The prize**

A combined five-pillar programme delivers more than **500,000 additional jobs across five pillars by 2035**, with an estimated **£60 billion direct GDP impact** from the Sovereign Technology Fund's deployment over a decade and a cumulative system-wide GDP uplift of **4-5 percentage points by 2050**, alongside a sovereign wealth fund projected at **£150-300bn** within a generation. The downside of inaction is the status quo: a world-class incubator economy that transfers its best assets to larger sovereign pools overseas while importing its energy, food and late-stage capital.

<p>£10bn PHASE 1 SEED CAPITAL</p>	<p>3% DRAWDOWN CEILING</p>	<p>25 yrs LOCK-IN ON PRINCIPAL</p>	<p>500k+ JOBS BY 2035</p>	<p>£150-300bn FUND VALUE AT 25 YRS</p>
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