

## Fintech Delivery Panel

Minutes of the meeting of Fintech Delivery Panel held at Aviva Digital Garage, Shoreditch on Wednesday 13 September 2017 at 10am.

### Attendees:

1. Eileen Burbidge, Partner, Passion Capital (**Chair**)
2. Eamon Jubbawy, Co-founder and COO, Onfido (**Deputy Chair**)
3. Alice Newton-Rex, VP of Product, WorldRemit
4. Anil Stocker, CEO, MarketInvoice
5. Anne Boden, CEO, Starling Bank
6. Chris Pond, Vice Chair, Financial Inclusion Commission
7. Kaushalya Somasundaran, Head of Fintech Partnerships and Strategy, HSBC
8. Charlotte Crosswell, CEO, Innovate Finance
9. Matt James, Head of UK Scouting, RBS
10. Michael Harte, Group Head of Innovation, Barclays
11. Paul Rippon, Deputy CEO & Co-Founder, Monzo
12. Philip Brown, Head of Policy, LV=
13. Anna Wallace, Innovate Head of Department, FCA
14. Sigga Sigurdardottir, Chief Customer and Innovation Officer, Santander
15. Claire Calmejane, Director of Innovation and Digital Centre of Excellence, Lloyds Banking Group
16. Will Thorne, Innovation Leader, The Channel Syndicate
17. Thomas Price, Head of Fintech, Banking and Credit Team, HMT
18. MB Christie, COO, Tech City UK
19. Laura Coffey, Head of Fintech, Tech City UK
20. Greg Michel, Senior Programme Manager, Fintech, Tech City UK
21. Guest: Dan Morgan, Director of Policy and Regulation, Innovate Finance

### Apologies:

1. Serge Taborin, Global Innovation Director, Aviva
2. Martin Cook, General Counsel, Funding Circle
3. Taavet Hinrikus, CEO, Transferwise
4. James Varga, CEO, The ID Company
5. Ed Molyneux, CEO, Free Agent
6. James Chappell, CTO Digital Shadows

## 1. Preliminary

- 1.1. It was noted that the meeting had been duly convened.

## 2. Welcome

- 2.1. EB welcomed the panel and welcomed Tom Price (TP), Treasury, to the panel.
- 2.2. TP introduced himself, his role and his areas of strategic focus one of which is around co-ordination of support for fintech firms, (one of the reasons why TP is present at the panel). TP clarified that he is happy to meet and help with all present on a routine basis.

## 3. Vision

- 3.1. EB thanked Laura Coffey (LC) and Greg Michel (GM) for their work on getting the vision approved. EB noted that getting to the final result had been a learning process but it has meant that clarifications have been received on the panel's accountabilities with Treasury and the FCA.
- 3.2. The vision statement will be published on the website. The second document shared is internal only. EB clarified that the panel has received approval from the necessary departments on the public vision and asked whether the panel had any remaining questions.
- 3.3. Will Thorne (WT) questioned whether there had been any movement on the sector deal discussed last quarter
  - 3.3.1. TP confirmed that possible content for a sector deal was still being considered.
  - 3.3.2. EB wanted to confirm that TP understood the panel was here for support in this regard.
- 3.4. LC requested for panel members to assist in raising awareness of the existence of the panel and its vision on social media.
  - 3.4.1. EB requested links and press release to be shared with the panel.
- 3.5. SS wanted to voice bandwidth restrictions around the vision
  - 3.5.1. EB confirmed that the vision sets the bar high and that working groups are very engaged but if one feels there is anything not conducive to their involvement to please flag it to her or LC
  - 3.5.2. SS caveated that it would be useful to receive updates on the working groups between the panels. EB suggested once every 6 weeks.

3.5.3. EB also requested that a shared calendar is created to track all industry events members of the panel are involved in.

3.5.4. LC noted that if anyone is not part of a working group and would like to be to contact her.

#### 4. Innovate Finance

4.1. Dan Morgan (DM) introduced the panel to Innovate Finance's new CEO, Charlotte Crosswell (CC)

4.2. DM noted that of Innovate Finance's companies, 30% of founders are international and, if you drill down to staff level, this number is even higher - it is a highly international sector and therefore in a post Brexit world this working group is of key importance. The Migration Advisory Committee (MAC) consultation closes in October but the final report will not be available until late 2018. There is also an immigration bill and white paper so there are many options to shape policy.

4.2.1. DM noted that The City of London Corporation is putting together a paper with the Network Action Group on the impact of fintech on the UK

4.2.2. For the MAC response, Innovate Finance are keen to go with a quote from Matt Oakley, from WPI Economics who is also looking at modelling labour scenarios.

4.2.3. Tech City UK is responding to the MAC from a wider tech sector perspective but the ask for the FDP is for members to contribute to the survey that will establish the evidence base and to raise awareness within their networks so that other fintechs can respond

4.2.4. DM emphasised that it will be important to get to a unified position on what the fintech and tech sector needs from an immigration perspective and that although people may have different policy perspectives it will be important to get to an agreed position. The deadline is 27 October

4.2.5. DM requested an additional agenda item later in the year on this.

4.3. Eamon Jubbawy (EJ) questioned whether they were looking for fintech founders for the survey or any founder? DM confirmed that they have identified 1600 in the fintech space and these are the companies they are looking to survey.

4.4. Michael Harte (MH) asked whether they required resource

4.4.1. DM confirmed that they do and can have a further conversation offline.

4.5. EB added that in her experience data evidence does provides some insight but quotes, anecdotes, case studies and situational evidence are also powerful arguments and therefore should also be included

## 5. Skills and Talent

5.1. MH provided an update on the skills and talent working group. From a practical execution point of view, MH noted that there are 1M young unemployed workers in the UK, and yet companies are saying they can't find individuals with the right skills so there is a definite skills gap.

5.2. MH noted that since the launch of the Barclays Connect with Work initiative, 300 young people have received new jobs. They work with Catch 22 and The Prince's Trust. The programme has been funded for the next 18 months and has adequate resource and momentum to scale. MH emphasised that other Banks can also bring their programmes so that the FDP can amplify opportunities across the Sector

5.2.1. The ask to the panel is to produce a list of vacancies in fintech that the Barclays Connect With Work team can then build

5.3. EB questioned how the group has been working. MH confirmed that they had been meeting in person and that it had been working well.

5.4. Eventually, MH will be looking for the panel to email open roles (looking for it to be automated in the future). LC added that in the interim such information can be sent directly through to her.

5.5. Matthew James (MJ) pointed to fact that many other banks have a form of programme helping in the same direction and wondered how best to link them up and make them more visible. SS added that the FSTIB was working on university fintech programmes which was a contribution to the skills and talent agenda. AW mentioned that Innovate UK is working on a challenge fund for masters and PHd Students and that the FDP should connect with this.

5.6. WT wondered whether any unused apprenticeship levy could be clawed back and passed on for fintech startups to use. TP to take the action back to Treasury for consideration.

## 6. Fintech ToolKit

- 6.1. MJ provided an update on the fintech Toolkit working group. Initial work has been focussed around how to best support fintechs to get on-boarded with big institutions and incumbents.
- 6.2. MJ noted that the group are working with the British Standards Institute (BSI) to produce some voluntary standards for fintechs and incumbents. Before the working group pushed ahead, in order to ensure it was not just the financial institutions that thought would be a good idea, they reached out to a number of fintechs who also were in agreement regarding the utility of such standards
  - 6.2.1. The two organisations the group have been speaking to are BSI and UKFI.
  - 6.2.2. MJ noted that, in terms of sponsorship, they are seeking contribution to the cost of c.£120k. Naturally, the wider the support the lower the individual cost. Claire Calmejane (CJ) and SS would be ready to discuss contributions.
  - 6.2.3. SS feels that the BSI is a preferred option to develop standards.
  - 6.2.4. WT felt that the standards should first be developed between fintech and banks and then insurers can join as a second stage
- 6.3. Anne Bowden (AB) questioned whether a standard is the best option as it is very difficult to agree a standard and can be much easier to give information to companies on a need to know basis.
  - 6.3.1. MJ replied that fintechs would come to the table better prepared by knowing ahead of time what the standards for partnership involve. It would very much be voluntary and would give insight into everything from information security, customer data protection and on-boarding process.
  - 6.3.2. SS agreed that the lack of a standard is still a pain point for fintechs and it sounds like they would value one.
  - 6.3.3. LC clarified that voluntary standards would simplify the process for fintechs to onboard and partner with the incumbents.
- 6.4. MJ looking for those happy to fund the to reach out to LC.
- 6.5. AB wanted confirmations on timelines. MJ responded that it is likely to be early part of next year to get to a final version with a draft for review by the end of the year.

- 6.6. EB requested that we state that insurance could have a piece of work later.
- 6.7. AW wondered how the regulator is getting involved given their interest in KYC etc. and offered services such as observation on the development of the standards. EB requested that AW confirm with LC offline who would be assisting on this.
- 6.8. AB noted that different banks will have different risk appetites.
- 6.9. MB wondered whether one of the purposes will be to simplify the banks' processes.
  - 6.9.1. SS confirmed that it would be and also to communicate this externally.

## 7. Financial Inclusion Competition - Fintech For All

- 7.1. The Chair asked Chris Pond (CP) and Alice Newton-Rex (ANR) to provide an update.
- 7.2. CP said the Fintech For All competition speaks to the government priority of financial inclusion. The competition was launched last week and CP noted his congratulations to LC and Greg Michel (GM). The competition will remain open until 20 October and he thanked the panel for their social backing. CP requested that the panel reach out to relevant fintechs in their network to encourage them to apply.
  - 7.2.1. GM noted that there have been 36 applications started with a soft target of 50-60 applications by closing date.
  - 7.2.2. GM requested that the panel help push the competition especially to regions as we want applications from right across the UK.
  - 7.2.3. AB wondered whether there was funding to go regionally to promote the competition?
  - 7.2.4. GM confirmed that through the efforts of the Community Engagement Managers of Tech North there would be an event in Liverpool as well as at accelerators in the North. GM encouraged the group to mention the competition at speaking engagements throughout the country.
  - 7.2.5. LC asked for the panel member's contacts in accelerators to be introduced to her to help build awareness of the competition, and noted that TCUK is already working with Entrepreneur First and Experian.

- 7.3. CP mentioned that the FIC might be able to take the competition nationally and they were meeting later in the week to discuss
- 7.4. WT suggested reaching out to Deb Harding in Wales to help promote regionally. LC said that Deb was already on the list.

## **8. Insurtech Group**

- 8.1. WT noted that this group has not moved on as much as previously anticipated due to the delay with the vision. WT has produced a list of potential members and will issue invitations. The purpose of the group will be to develop the list of issues that came out of the BEIS insurtech challenger roundtable and other crowd-sourced issues

- 8.2. WT shared two issues with the panel:

- 8.2.1. The first is resource, with a request for half a day a month but if there are any other options to get resource that would be helpful. He noted that he has already asked Aviva and potentially have an offer from LV=.

- 8.2.2. Secondly, there was a requirement to get industry funding

- 8.3. WT confirmed that invitations for the first meeting would go out shortly. It was noted that two Treasury colleagues have requested to attend this working group as observers.

## **9. AOB**

- 9.1. EB asked the panel whether anyone who is not on a working group would like to volunteer.

- 9.1.1. Kaushalya Somasundaran (KS) requested to be on the Fintech Toolkit working group

- 9.1.2. DM felt there was synergy with the skills and talent panel which CC has offered to be a part of.

- 9.2. LC underlined that the Tech City UK fintech team is lean and with the number of working groups it is important secure additional resource to drive action forward - especially within Skills and Talent.

- 9.3. EB asked whether other global fintech hubs have a Fintech Delivery Panel or an industry group for industry and is this a first.

- 9.3.1. AW said regulators have very active discussions but not aware of such other groups.

- 9.4. On a wider point, SS was wondering how we can share external events
    - 9.4.1. LC furthered there is a formal way of working with NAG and FSTIB but is very keen to get a handle on this insight and welcomed SS to share so that this data can be captured effectively
  - 9.5. MH wondered whether EY's Imran Gulamhuseinwala could be invited to the next meeting to provide an update on Open Banking and David Rennie on Project Verify as part of the work on ID.
    - 9.5.1. The panel was in agreement. EB offered to reach out to him
  - 9.6. AW noted that she is very aware of what is happening government to government regulator and whether a temperature check to share what is happening in the market would be useful.
    - 9.6.1. LC wondered whether SS could provide international updates as this is part of the FSTIB remit.
  - 9.7. The deputy chair wished to end the meeting thanking LC, GM and team for their work and TP for his, and Treasury's, engagement
10. **Next meeting**
    - 10.1. The next meeting will be held on the 6<sup>th</sup> of December.
  11. **Close**
    - 11.1. There being no further business, the Chair thanked the panel for their time and declared the meeting closed at 11:30am.