



Fintech Pledge

Purpose and background of the pledge:

The UK Financial Services sector is a critical part of the UK economy and financial institutions represent a major part of our financial infrastructure, contributing £132 billion to the UK economy in 2018, 6.9% of total economic output. With record levels of scaleup investment into UK fintechs of £4.9bn in 2019, increasingly, tech start-up companies and financial institutions are looking to partner with each other to drive better consumer and client outcomes.

Following on from the creation of the world-leading Fintech Onboarding Guidelines (PAS:201) in collaboration with UK financial institutions, fintech companies and the British Standards Institution, launched in November 2018, the Fintech Delivery Panel has decided to further those standards by creating the Fintech Pledge (FP).

The signatories to this pledge are committed to ensuring that the UK is the best place to start and grow a technology business. In recognition of the vital role financial institutions play in the economy, fostering growth through innovation for their customers, the signatories to this pledge are committing to ensuring that relationships with start-up and scaling tech firms onboarding into their businesses are as smooth and collaborative as is possible.

How the pledge functions:

- This is a voluntary pledge.
- The signatory financial institutions commit to adhering to the principles defined in the pledge for as long as they are signatories.
- Signatories to the pledge will be listed on Tech Nation's website and will display the pledge's logo in prominent place of their choosing on their website.
- The signatories list is updated quarterly by Tech Nation in conjunction with the Treasury's Fintech team.
- Pledge signatories will be required to provide a senior sponsor from within the institution and a named person responsible for updating the Fintech Delivery Panel's onboarding working group on progress.

The Fintech Pledge from financial institutions:

1. Provide clear guidance to technology firms on how the onboarding process works through a dedicated online landing page.
2. Provide clarity to tech start-up firms on their progress through the onboarding process.
3. Provide a named contact, guidance and feedback.
4. Encourage good practice and improvement.
5. Commit to implementing this process 6 months from signing this pledge and providing bi-annual feedback in the first year.

Further information

1. Provide clear guidance to technology firms on how the onboarding process works through a dedicated online landing page.

- Signatory financial institutions will establish a 'landing page' providing guidance for start-up and scaling tech firms looking to partner with the financial institution.
- This page will be developed by the financial institution against its own criteria but, for example, could signpost to external resources such as the PAS 201 Onboarding Guidelines and others in order to provide a single point of information for technology firms looking to understand information about dealing with that financial institution as potential future partner.
- This will be a page for information and guidance only and is not expected to be a one stop 'front door' for engagement with the financial institution.

2. Provide clarity to start-up and scaling fintech firms on their progress through the onboarding process.

- When a start-up or scaling tech company is to be formally engaged by a financial institution, the financial institution will commit to providing a clear roadmap on how the firm will be onboarded, and information on what the process is likely to look like, including notifying them that the process has started with them.
- It is recommended that, where possible, the roadmap is undertaken through providing a progress dashboard or standard format report that outlines steps and progress, but will be up to the financial institution as to how it wishes to communicate this information.
- Any information provided in a roadmap whether it be a dashboard or equivalent process will be specific to each financial institution, but will aim to include the key stages and decision points of the end-to-end onboarding process, along with the specific due diligence checks required to satisfy business, legal and regulatory requirements e.g. financial crime checks, security etc.
- Each signatory financial institution will individually determine any limits it puts on the size or type of tech organisation that progress updates will be provided to. At a minimum this is expected to extend to fintech, regtech and insurtech firms, with an emphasis on ensuring that smaller tech firms get clarity as a priority within the spirit of this pledge.
- Formal engagement is often indicated by the financial institution and tech firm signing a mutual Non-Disclosure Agreement, but this may take other forms and it is up to the signatory financial institution to decide what they consider the 'starting point' where a dashboard or equivalent update will be appropriate.

3. Provide a named contact, guidance and feedback.

- A named contact will be provided to the fintech, responsible for delivering the dashboard or equivalent to the start-up tech company and to provide guidance and feedback related to the process.
- They will also act as a point of escalation should issues arise.
- The financial institution will commit to providing a final update of a dashboard or equivalent information on completion of an onboarding process, whether a firm is successful or not, in order to help them continue to refine and improve their offer regardless of the outcome.

4. Encourage good practice and improvement.

- Financial institutions will periodically review the performance of their onboarding process, through review of information gathered through the dashboard or equivalent process and will seek to address problem areas and improve the process.
- Signatory financial institutions will be asked to share learnings with the Fintech Delivery Panel's Onboarding Working Group at bi-annual meetings to help refine the work.

5. Financial institutions will commit to implementing this process 6 months from signing this pledge and providing bi-annual feedback.

- From the date of signing the pledge, the signatory financial institution will look to have the elements of the pledge operational within 6 months and be able to provide evidence of this to the Fintech Delivery Panel's Onboarding working group.

For further information please visit
technation.io/fintechdeliverypanel