Fintech Delivery Panel

Agenda and Papers for 13 June 2018

Date: Tuesday 13th June
Location: Her Majesty's Treasury, 1 Horse Guards Road, Westminster, London SW1A 2HQ
Time: 10:00 - 12:00

Attendees:

1. Eileen Burbidge, Partner, Passion Capital (Chair)
2. Eamon Jubbawy, COO, Onfido (Deputy Chair)
3. Anna Wallace, Innovate Head of Department, FCA
4. Charlotte Crosswell, CEO, Innovate Finance
5. Chris Pond, Vice Chair, Financial Inclusion Commission
6. Claire Calmejane, Director of Innovation and Digital Centre of Excellence, Lloyds Banking Group
7. James Varga, CEO, The ID Co.
8. Kaushalya Somasundaram, Head of Fintech Partnerships & Strategy, HSBC
9. Martin Cook, General Counsel, Funding Circle
10. Matt James, Head of Scouting UK & Europe, RBS
11. Sigga Sigurdardottir, Chief Customer and Innovation Officer, Santander
12. Taavet Hinrikus, CEO, Transferwise
13. Will Thorne, Innovation Leader, The Channel Syndicate
14. Thomas Price, Head of FinTech, Banking and Credit Team, HMT
15. MB Christie, COO, Tech Nation
16. Gregoire Michel, Fintech Lead, Tech Nation
17. Meera Last, Project Manager, Tech Nation

Apologies:

1. Alice Newton-Rex, VP of Product, WorldRemit
2. Anil Stocker, CEO, MarketInvoice
3. Philip Brown, Head of Policy, LV=
4. Anne Boden, CEO, Starling Bank
5. Gus Macfarlane, Managing Director Global Innovation, Barclays
6. Paul Rippon, Deputy CEO, Monzo
7. Erez Mathan, COO, GoCardless

Agenda

1	10:00 - 10:05	**Welcome & Opening Remarks**	Update	Eileen Burbidge
2	10:05 - 10:25	**EST Update** **- Remarks on the Fintech Strategy** **- Introduction to the Regional Fintech Envoys** **- Q&A**	Update	John Glen
4	10:25 - 10:35	**Standards Working Group**	Update & Discussion	Matt James
5	10:35 - 10:50	**Insurtech Board**	Update & Discussion	Will Thorne
6	10:50 - 11:10	**Digital ID Working Group**	Update & Discussion	Eamon Jubbawy
7	11:10 - 11:15	**Investor Working Group**	Update & Discussion	Eileen Burbidge
8	11:15 - 11:30	**Skills & Talent Working Group**	Update & Discussion	Claire Calmejane
9	11:30 - 11:45	**Fintech Programme**	Update & Discussion	Gregoire Michel
10	11:45 - 12:00	**AOB**	Discussion	Eileen Burbidge

Agenda Item 3 - Standards Update - Matt James

The work on the Fintech Toolkit is progressing well, with achievement of the first major milestone of the BSI process completing the Steering Group review of the draft BSI Guide (PAS: 201) 'Supporting Fintechs in engaging with Financial Institutions'. We are grateful to the SG members:

- Matt James of RBS
- Matt Bonnamy of the BSI
- Francois Blanc of Santander (deputising for Sigga Sigurdadottir)
- Darren Goucher of HSBC (deputising for Kaushalya Somasundaram)
- Andy Elphick of Barclays (deputising for Gus Macfarlane)
- Jehangir Byramji of Lloyds Banking Group (deputising for Claire Calmejane)
- Peter Cunnane of Innovate Finance (deputising for Charlotte Crosswell)
- Bilal Mahmood of MarketInvoice (deputising for Anil Stocker)
- Colin Goldstein of iwoca (deputising for Christoph Rieche)
- UK Finance to be invited (Matthew Field's replacement starting in June)

Collectively, the group assessed the first draft of the onboarding guidelines, with a face to face meeting held to discuss all comments. BSI is now incorporating all the comments and getting the document ready for the public consultation process, which will start on the 13th of June and last one month until the 13th of July. The Steering Group will have a session thereafter to review and discuss all the comments received in detail.

It is understood that the public consultation will be announced by the Treasury in the update to the Fintech Sector Strategy, which will form part of Tech Nation's fintech programme launch. A number of companies and individuals have already shown great interest in participating in this consultation. The Steering Group is therefore anticipating a large number of comments which we would welcome, despite the work it will create, since it would mean wide visibility and hopefully adoption.

This group has the following milestones:
- Opening of public consultation – 13/06/2018
- Steering Group meeting for resolution of public comments – 23/07/2018
- Sign-off of final draft for final Steering Group consultation – 22/08/2018
- Finalize draft for production – 17/09/2018
- Submit for production – 24/09/2018
- PAS publication – 12/10/2018

Alongside the PAS, the group is starting to think about creating a repository of associated template documents, referred to as Toolkit. The documents would be hosted online and be available publically to companies wanting to engage with the PAS sponsors and hopefully others as well.

The PAS document will provide the base to work from in order to move towards the Treasury's objective to establish common onboarding standards.

Agenda Item 4 - Insurtech Board Update - Will Thorne

The Insurtech Board has made significant progress since the last meeting and launched its vision and objectives, listed below:

1. To attract foreign insurtechs to launch products, form partnerships, showcasing the UK's unique insurance sector. We will work with DIT to facilitate this.
2. To improve access to finance from UK investors for early stage and scaling insurtechs, including the launch of a dedicated insurtech investor day with VCs, CVCs, crowdfunding platforms and angel networks.
3. To ensure the UK insurance market remains attractive to insurtech entrepreneurs post Brexit.
4. To drive collaboration between insurtechs and incumbents by improving onboarding processes and exploring ways to ensure consumers benefit quicker from developments in technology [through a cross industry onboarding working group]
5. To ensure that the UK's unique and diverse pool of skills and talent, together with the strong fintech policy environment and concentration of (re)insurance markets, are leveraged to help early stage insurtechs to launch faster, more cost efficiently, and with better global market access in the UK compared to other regions [through a cross industry support working group]
6. To maintain and build upon London's status as a world leader in insurtech and promote cross regional partnerships with the UK's tech hubs and accelerators to increase the number of insurtech startups based outside of London over the next three years
7. To monitor trends and progress on issues in UK insurtech through an annual survey and insight report, first of which to be towards end of 2018
8. To compile and catalogue best practices from across the UK in other fintech sub-sectors or other regions around the world in order to discern what more can be done to foster, support and encourage more insurtech innovation in the UK, via recommendations to be delivered later this year

It is right to acknowledge that, because the Board has started a great deal of validation work, some of the objectives may be eventually altered to better align with the needs of the community. We would also like to note that the progress made so far towards tangible objectives is very encouraging - we must maintain momentum on tangible objectives so we can best avoid scepticism and drive engagement.

Group updates:

- **Support:** to help identify resources and ways to connect insurtech startups, hubs and investors. This is chaired by Dan Pender. Group members include Philip Brown, Caroline Vaughan & Trevor Maynard. This Group has already completed a detailed assessment of

other insurtech hubs, to identify which resources and structures we can start to put in place to best support the UK insurtech ecosystem.

- **Onboarding:** to drive collaboration between insurtechs and incumbents by improving onboarding processes. This is chaired by Tom Powell. This group have made significant progress, with drafts for a TOBA, an NDA and an Appointed Rep agreement all complete. Group members are Phoebe Hugh, Freddy Macnamara, Louis Barton, Vivek Banga & Serge Taborin. We are also thankful for contributions from Pollyanna Deane of Simmons & Simmons, Martin Mankabady of Dentons, and we will invite Charlotte Halkett of Buzzvault and Matt Poll of Neos to contribute.

- **International Reputation:** to help connect insurtech startups to currently planned DIT trade missions and promote inward opportunities to the UK. The goal here is to set up a specific inwards mission which brings external startups to the UK for partnerships, market access and investment, as well as to work with the DIT on some of their external missions which are already in progress (e.g. the trip to Israel in the near future which some of you will have been involved with/invited to join). The target would be for the inwards mission to take place this year and, if possible, to connect with the investor day (as below) and perhaps with one of the UK insurtech conferences. DIT have been engaged and a proposal is being drafted. Aim is to have this event run by the end of 2018. This will be chaired by Paolo Cuomo, and Matt Cullen will lead contributions.

- **Investors:** Initially, we looked to create an event to showcase and connect insurtech investors with startups and assess the need for an investor education day on insurtech. The end goal was to organise an investor day with at least 10 investors and 30 startups, to be held this year. We have since gone out to the investor community to validate some of our initial assumptions. This will be chaired by Will Thorne. Group Members will be Steve Mendel and Chris Sharpe. This Group will also benefit from input by a separate UK insurtech investor group that meets regularly.

Group actions for the next meeting:

Onboarding - will have completed the four standard TOBAs, the NDA, the Appointed Rep Agreement & a draft MGA Agreement. They will have started the process of getting endorsements from the ABI, BIBA, LMA, Channel Syndicate, etc.

Support - will have completed all scouting/exploratory work and will have designed and created content (hosted on Tech Nation's site) to fit the conclusions drawn; they will have explored and launched conversations with the PRA;

Investor - will have completed all exploratory work relating to the investor community; will have begun work on the events the group deems necessary to address those challenges (in conjunction with DIA, the Village) or a Hackathon/Techsprint;

International Reputation - will have successfully mapped the working group's relationships with DIT; will have established the nature and specifics of the ask of DIT and drafted a proposal (inward vs. outward mission; where to host/how to receive); will have the mission in plan, to be held by the end of 2018.

The Fintech Delivery Panel agreed in [December 2017](#) that delivering a solution to allow transferable identity would have a significant and positive impact on the UK Fintech ecosystem (paras 5.1-5.4) with the Chair explicitly calling out that if the FDP group can't solve this problem, then we are in trouble. This work on identity is also enshrined in the first point of our vision under Year 1 & 2 focus areas.

With this delivery-focused philosophy in mind, the Digital ID working group has been moving fast to build a fully signed off and agreed roll out plan by Q4 for a pilot that will go live in Q1 2019 as our key deliverable.

We are clear that we want to take action to move this issue forward, rather than contribute more noise to what is an already congested and long-drawn out conversation around identity. Getting this pilot over the line will represent a key win for the FDP whose central purpose is delivering initiatives that make a big difference to the UK.

Included below is a summary of our work to date, as well as the Project Roll-out Plan (which includes links to meeting minutes):

- The Digital Identity Working Group has hosted four well attended sessions with attendees from fintechs, banks, trade bodies and identity experts to date and meets on a monthly basis.
- More recently, we have also had FCA join and HMT both nominate a representative to the working group meetings going forward.
- Initial meetings were used for in-depth studies on topics such as liability, commercial model and security/ storage structure as well as studies of international models of federated/ digital identity.
- The working group advocates a standards-based approach for the pilot and actively seeks to ensure no one provider has a monopoly. To that end, governance for selection of the pilot consortia will rest with the main FDP to avoid perceived conflicts of interest
- In the most recent May meeting, six digital identity infrastructure providers presented on the merits of their approach to the storage element required in the pilot. These were:
    1. Evernym
    2. Blockchain.com
    3. uPort
    4. TISA
    5. Smart ID
    6. Microsoft Decentralized ID

We will be using the next few meetings to consider centralised models with a presentation from Signicat, as well as looking into identity verification providers, and are currently on target for the pilot at the end of Q4.

Please see the attached Project Rollout Plan for more information which members of the working group have contributed to - the plan is that this framework will be launched by the end of Q4 and the pilot will go live in Q1.

Agenda Item 6 - Access to Capital Update

The Access to Capital speed pitching event is scheduled for the afternoon of Tuesday 26th of June to be hosted by General Assembly (E1). The target is to provide access to at least 3 different VC funds for at least 30 different fintechs seeking investment finance. Invited VCs include: Accel, Balderton, Index, Mosaic, felix, Notion, First Minute, Seedcamp, Kindred, Backed, Tiny, White Star, Connect, PROFounders, Episode 1, Amadeus, Anthemis, Blenheim Chalcot and more. Feedback from various fintechs highlighted interest in commercial VCs rather than strategics at this stage. Depending on outcomes of this first event, next events could focus specifically on strategic partnerships/business development or sub-categories, e.g., payments, consumer fintech, financial inclusion, B2B, insurtech, proptech, etc.

If any FDP members would like to participate or nominate VCs or fintechs for the event. Please relay to india@passioncapital.com

Agenda Item 7 - Skills & Talent Update - Claire Calmejane

Brainstorm of existing topics

- Members went through main topics previously aligned to the Skills and Talent work stream and reviewed what is already in sector and what could be used as an advantage or point to bring in or where members have existing relationships. For list of groups/contacts discussed see appendix.

Establishing Priorities for working group going forward

- Members used brainstorming session to pull key themes from the topics established to give a basis for new priorities for the working group (left-hand column).
- Members then discussed how the working group will progress to that priority, to provide update on below at the next working group meeting.

What we said in the vision	How we are progressing the actions (s)
To identify and remove blockers on topics identified as top priority (i.e. apprenticeships/immigration policy/academia/women)	- To continue to inform and make recommendations on industry-focussed policy, whilst not lobbying

	● This applies across all priorities and all members
We will use the platform of the group to create collaboration between different women in FinTech groups	● To use the P2P Women in FinTech Working Group chaired by Sophie B/Claire to host events and networking opportunities for those in different groups (Sophie Bialaszewski)
We will create collaboration between apprenticeship providers and business	● Martin Cook update - have started to go out with points of improvement on apprentices in Funding Circle and already speaking to Government on skills/talent ● Kevin Jennings update Connect With Work – defining what the FinTechs needs are in terms of their requirements for apprentices, programmes to be confirmed as a result of this (Chris Abeldash + McKinsey) – Starling Bank getting involved will try and start in Q3 and if successful to be leveraged with other FinTechs
To produce industry fact finding on immigration concerns with the idea to collaborate and inform	● Use of Innovate Finance Talent Report (Sameer) ● To use work already underway by Funding Circle and its network (Martin Cook)
To map and signpost for others in the FinTech Sector	● To use collective knowledge of working group to highlight to FinTech sector on talent roadmap, pipeline, recruitment, funding available, capability building, start-up, scale-up ● To promote above through working groups channels ● Sophie Bialaszewski, Ruth Smith, Luisa Piu ● Sophie to contact EY contact to aid in visually mapping the above topics
To create collaboration with academia contacts	● Hosting a roundtable to understand FinTech needs from academia
To define and test set KPIs using data available	● To work with Early Metrics/Business insider to produce data reports on key metrics of skills and talent within FinTech

To continue work on Skills and Talent within the regions	• To continue the work already underway with Innovate Finance in the regions and provide update back to group (Sameer, Ruth)

13ᵗʰ June Plan:

- The Group established that progress on actions will be fed back in a statutory report with Claire to inform Oz on updates to actions
- To progress actions forward prior to this date an academia roundtable will be sourced and hosted as well as a meeting on apprenticeship progress

Working Pattern:

- Group established 30 minute dial-in meetings would be more beneficial including the quarterly sessions. During each meeting those assigned to a priority will give an update.
- The quarterly sessions are to include 90 minutes discussion + 30 minutes of an invited guest speaker relevant to priorities
- The Group will use Trello to share what they have been doing between meetings - Luisa to set-up

New membership to working group:

- Francois Blanc from Santander to join working group
- CFT asked to join to drive contact in educational space
- There is potential to add members from InsureTech & FinTech space to validate the group – Martin Cook (Funding Circle) to aid in finding this
- Benedetta Arese Lucini from Oval Money identified as potential guest member again to validate Group.
- Through member (Sophie B, Claire) connections in P2P working group to obtain consultancy membership to working group
- Starling identified to join group – Sophie Bialaszewski to aid with contact there.

Agenda Item 8 - Fintech Programme Update - Gregoire Michel

Tech Nation are launching today their first sector-specific programme, focused on fintech. The programme forms part of HMT's fintech strategy, and complements the work of the Fintech Delivery Panel and the Insurtech Board by directly supporting entrepreneurs and creating an ever stronger ecosystem across the whole of the country. The programme has been inspired and informed by fintech entrepreneurs, investors and key ecosystem players as well as by Tech Nation's other recognised scaling programmes. It is built to leverage and transfer to the next generation the insights of some of the best fintech entrepreneurs in the world, gleaned by building leading

companies over the last decade.

Key points to note:

- Cohort size between 15 and 20 companies with a strong scouting effort in the regions to make sure the whole country is represented.
- Selection criteria:
    - Fintech companies with a UK HQ
    - B2B or B2B2C model, ultimately we want to attract any company aiming to sell to, partner with or work in any way with businesses, large or small
    - Must have developed a product which it sold to or piloted with it at least one client
    - Funding and revenues:
        - Externally funded companies will be accepted until a maximum of six months after they have raised Series A
        - If the company is bootstrapped, the maximum ARR will be around £1.5mm
- The programme will start with a 24h kickoff where the entrepreneurs will get to know each other. This will be followed by eight insight sessions, five networking dinners and culminate in a three-day showcase trip in mid-January 2019 to the USA, to get a feel for the American market, its ecosystem dynamics and investors.
- The insight sessions will be centred around key topics inherent to scaling a fintech business and will be delivered by some of the most established fintech entrepreneurs, investors and experts who will cover topics such as regulation, sales, partnering with banks and expanding internationally.
- Tech Nation is currently building a roster of individuals with outstanding domain expertise on one or more of the themes identified.
- The programme is aimed at company founders and all activities and sessions will be geared towards founding teams only. Ultimately, Tech Nation hopes to foster a fintech ecosystem and network through the programme, whilst also directly supporting the UK's growing fintech sector.
- Programme applicants will be assessed by a Judging Panel who will decide which companies make it through
- Current members of the Panel:

Anil Stocker	MarketInvoice	London
James Varga	The ID Co.	Scotland
Anne Boden	Starling Bank	London
Imran Gulamhuseinwala	EY & Open Banking	London
Simon Taylor	11:FS	London
Lisa Wood	Atom Bank	North-East
Catherine Wines	WorldRemit	London
Eileen Burbidge	Passion Capital	London
Richard Theo	Wealthify	Wales

David Duffy	Clydesdale Bank	Yorkshire
Al Lukies	Motive Partners	London
Louise Smith	RBS	Scotland

Key Dates for the programme:

17 July	Callout close
13 & 14 Sep	Kickoff
25 Sep	Session 1
16 Oct	Session 2
14 Nov	Session 3
28 Nov	Session 4
11 Dec	Session 5
16, 17 & 18 Jan	USA trip
29 Jan	Session 6
7 Feb	Session 7
27 Feb	Session 8