

# Fintech Delivery Panel

## Agenda and Papers for meeting: 27 November 2018

**Date:** Tuesday 27 November 2018

**Location:** Funding Circle, 71 Queen Victoria Street, London, EC4V 4AY

**Time:** 1000 – 1200

### Attendees:

1. Eileen Burbidge, Partner, Passion Capital (**Chair**)
2. Eamon Jubbawy, COO, Onfido (**Deputy Chair**)
3. Ahmed Badr, General Counsel, GoCardless
4. Blair Turnbull, MD, Digital & Retail, UK & International, Aviva
5. Charlotte Crosswell, CEO, Innovate Finance
6. Chris Pond, Vice Chair, Financial Inclusion Commission
7. Martin Cook, General Counsel, Funding Circle
8. Matt James, Head of Scouting UK & Europe, RBS
9. Stephen Dury, Chief Customer and Innovation Officer, Santander UK
10. Thomas Price, Head of FinTech, Banking and Credit Team, HMT
11. Will Thorne, Innovation Leader, The Channel Syndicate
12. Greg Michel, Fintech Lead, Tech Nation
13. James Griffiths, Project Manager, Fintech, Tech Nation

### Apologies:

1. Alice Newton-Rex, CPO, WorldRemit
2. Anil Stocker, CEO, MarketInvoice
3. Anna Wallace, Innovate Head of Department, FCA
4. Anne Boden, CEO, Starling Bank
5. James Varga, CEO, The ID Co
6. Gus Macfarlane, COO, Global Innovation, Barclays
7. Kaushalya Somasundaram, Head of Fintech Partnerships & Strategy, HSBC
8. MB Christie, COO, Tech Nation
9. Paul Rippon, Deputy CEO, Monzo
10. Philip Brown, Head of Policy, LV=
11. Taavet Hinrikus, CEO, Transferwise

## Agenda

1	10:00 - 10:05	<b>Welcome from the Chair</b>	Discussion	Eileen Burbidge
2	10:05 - 10:20	<b>Treasury Update</b> <ul style="list-style-type: none"><li>• Verbal update</li></ul>	Update	Thomas Price
3	10:20 - 10:35	<b>Onboarding Guidelines update</b> <ul style="list-style-type: none"><li>• Onboarding Guidelines launched 7th November.</li><li>• Roundtable with fintechs held on 21st November</li></ul>	Update & Discussion	Matt James
4	10:35 - 10:50	<b>Digital ID</b> <ul style="list-style-type: none"><li>• One application to the FCA sandbox submitted. Remainder set to be submitted end of November.</li><li>• Pilot launch on track for Q1 2019</li></ul>	Update & Discussion	Eamon Jubbawy
5	10:50 - 11:05	<b>Skills &amp; Talent Working Group</b> <ul style="list-style-type: none"><li>• Verbal update</li></ul>	Discussion	Greg Michel
6	11:05 - 11:15	<b>Insurtech Board</b> <ul style="list-style-type: none"><li>• Progress and update on all groups</li></ul>	Update & Discussion	Will Thorne
7	11:15 - 11:20	<b>Access to Capital</b> <ul style="list-style-type: none"><li>• Next date</li><li>• Proposal for additional access to capital groups.</li></ul>	Update & Discussion	Eileen Burbidge
8	11:20 - 12:00	<b>AOB</b> <ul style="list-style-type: none"><li>• Retrospective look at this year and objective setting for 2019</li><li>• Regional engagement plans</li><li>• Other workstreams to consider</li><li>• Renewing the panel's membership</li></ul>	Discussion	Eileen Burbidge

## Agenda Item 1 - Welcome from the Chair

## Agenda Item 2 - Treasury Verbal Update

## Agenda Item 3 - Fintech Toolkit

Update	<p>First major deliverable achieved.</p> <p>'PAS 201: Supporting fintechs in engaging with financial institutions – Guide' has now been published by BSI. It was launched at a full house event at RocketSpace London on 7<sup>th</sup> November. Laura Mountford represented HM Treasury at the event. BSI supported the press release.</p> <p>The toolkit webpage on is live on: <a href="http://www.technation.io/fintechtoolkit">www.technation.io/fintechtoolkit</a></p> <p>The page and blog have now been viewed over 4300 times and the document has been downloaded 4400 times. The feedback has been overwhelmingly positive, some coming from as far as Brazil.</p> <p>As a follow on to the launch and to allow us to get a feel for what fintechs thought the working group should focus on next, Innovate Finance organised a roundtable on the 21st of November to discuss how to take the guidelines forward. The event was a success with around 25 people attending, of which 14 fintech founders. The discussion was open and constructive with the following pain points being identified as key areas to focus more work on in the next phase:</p> <ol style="list-style-type: none"><li>1) The need to provide transparency and clarity around engagement timelines: idea to delivery, are there budget cycle constraints. How can the process be streamlined, how does the improvement loop work between innovation projects and procurement to improve and tune processes? Can there be a tracker / milestone plan shared between the bank and fintech/start-up.</li><li>2) Process transparency and decision making; clarity on selection criteria; help in guiding engaging given the complexity of large banks – or what would count a fintech/start-up out so as not to waste their time. Who decides and who has veto e.g. business vs technology. How do they know if they have the 'right'</li></ol>
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	<p>sponsorship? What are the best 'front doors' to the bank for fintechs to engage through.</p> <p>3) Tools/help/back-up to appendix D – can there be an SLA, if not generic, that can be agreed at point of engagement?</p> <p>4) Example on-boarding documents – are they fit for purpose for working with fintechs/start-ups? Can there be visibility of key policies e.g. sustainability.</p> <p>5) What are the best practices and shortcuts (from other fintechs) or from the banks how to make things go faster.</p> <p>6) Financials – how do start-ups and fintechs qualify if there are required to provide 3 years financial statements; does this make it impossible to partner?</p> <p>7) How will the PAS document get adopted by banks and used?</p> <p>8) Fintech is used – but does this cover other sectors e.g. regtech or 'othertech' companies? Are different approaches needed? Is there a simple matrix of what is important criteria for each type of start-up?</p> <p>9) Do people in the Banks know where to direct fintechs/start-ups and how to navigate the process themselves?</p>
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**Agenda Item 4 - Digital ID working group**

Update	<p>The Digital Identity working group meet every month and have now met 7 times with meeting 8 planned for 6 December</p> <ul style="list-style-type: none"> <li>● The Digital Identity Steering Group, led by Eileen, has met twice and will continue to meet on a monthly basis going forward.</li> <li>● A variety of tech consortia were invited to apply to the bespoke digital identity FCA sandbox and to date one consortia has submitted an initial application, which is now being reviewed by the FCA.</li> <li>● It is expected that the applications will evolve in line with FCA feedback over the next month or so. Other consortia have told us they are currently writing their applications, with a view to submit by end of November.</li> </ul>
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	<ul style="list-style-type: none"> <li>● The meeting on 6 December will be opened to include other banks (not just the FDP banks) in line with the Steering Group's emphasis on inclusivity and reach - these banks will be invited to select a consortia and join the sandbox as a 'relying party'.</li> <li>● It is expected that the sandbox will open in Q1 with a small number of fintechs, and there will be staggered entry to additional relying parties as the project ramps up in terms of customer numbers throughout 2019.</li> </ul>
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### Agenda Item 5 - Skills & Talent Working Group

Update	<p>The proposal for the this group is to reshape its main purpose into lending support to great initiatives that fall within the vision and remit of the Panel. If accepted, the secretariat gathered a list of potential initiatives to support such as:</p> <ul style="list-style-type: none"> <li>- <b>FSTIB report and input on universities' curricula</b> The FSTIB's report to be published at the end of January will outline the skills being looked for by industry. We will not be given early access to the report but from discussions with Santander, the secretariat understands that there will be a number of outputs within the paper which may interest the FDP.</li> <li>- <b>Formalising the Panel's involvement around diversity</b> Gender and other forms of diversity to be considered. Is the FDP the right place to start movement in the right direction, either through a paper or a roundtable?</li> <li>- <b>Founders4Schools</b> Sherry Coutu's project. F4S' mission is to inspire students and prepare them for the rapidly changing world of work. The organisation does this by enabling educators to invite business leaders for encounters with their students. The online platform is a free service, connecting educators with leaders of successful growing businesses in their community. Do we want to get involved with their programme and connect our network of entrepreneurs into the project or alternate options for involvement can be explored.</li> </ul>
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	<ul style="list-style-type: none"> <li>- <b>Visiting universities as the FDP</b> A topic we mentioned at previous meetings, the Panel could dispatch selected members to a few universities around the country to hold talks around how to get involved in a startup? Why get involved in a startup? What does it take to start your own company. This could involve a potential partnership with FSTIB, or connecting and aligning with their work. Holding workshops or lectures at universities. Holding a town hall style FDP meeting at a university, a round table with professors. This could also involve connecting entrepreneurs and startups together for a 'tour' of university placement/job fairs.</li> <li>- <b>FinTech Strategy Group/Innovate Finance "FinTech for Schools" initiative 2019</b> More details to be provided by Innovate Finance.</li> </ul> <p>This list isn't exhaustive and is only meant to be a base for discussion.</p>
To discuss	Format of the group

**Agenda item 6 - Insurtech working group update**

Update	<p>The insurtech board is repositioning their objectives and realigning for 2019. We have refocused the agenda onto two central workstreams. Strengthening the relationship with DIT.</p> <p>We have also decided to commission a piece of insights work, mapping the problems with the insurtech sector through bespoke, F2F interviews. We will also launch our onboarding toolkit early 2019.</p> <p><b>Onboarding:</b></p> <ol style="list-style-type: none"> <li>1. Tech Nation to establish whether they have the resource to prepare the marketing plan and manage the event logistics for a launch by 7th December.</li> <li>2. Meera Last will speak to Pollyanna Deane and/or Martin Mankabady to establish their willingness to host any launch event, answer by 29th December.</li> </ol> <p><b>International Centre:</b></p> <ol style="list-style-type: none"> <li>1. Meera is putting a kick-off meeting in the diary with the volunteers (Stephen Mendel, Trevor Maynard and Paolo Cuomo to</li> </ol>
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	<p>be kept in the group/loop) together with DIT to establish a roadmap for delivery, including questions around sponsorship. The initial meeting is set to be scheduled for 3rd December.</p> <p><b>Insights &amp; Objectives:</b> Lidia Bozhevolnaya is working on drafting questions to incumbents, Stephen is doing the same exercise with input from the newly established Insurtech UK. Meera will be collecting this information on the 30th of November for the Insurtech Board to review.</p>
To discuss	Insurtech working group is planning on realigning the purpose of the board and setting strict objectives for 2019.

#### Agenda item 7 - Access to capital update

Update	<p><b>Proposed dates:</b> Target month for the next Access to capital to be provided.</p>
To discuss	Do we want to extend the Access to capital work into different areas? Linking up to Insurtech or other possible groups.

#### Agenda 8 - AOB

#### Regional Engagement - Verbal Update

At the last meeting, the group had a discussion around involving the regions. Ideas were, among others:

- **Livestream part of the meeting**

Through the fintech programme we have investigated the costs of live streaming. The operations for a professional stream aren't trivial with costs coming to around £1500 for a day. This covers the hire of a camera, sound and individuals to work the equipment for the day. As a caveat, the team has not looked into the hourly cost of this. There have been some reticences to this since not all the topics and discussions were suited for a wider audience. A member also outlined that it may hamper the candid and open aspect of the discussion.

- **Host the meeting in various locations**

This could be a scenario where key players in the local ecosystems get invited to do a brief presentation of the activity in their area. This is a possibility though the whole panel would need to commit to it since it has obvious time implications.

- **Extend membership invitation to regional players**

Regional members could be provided with dial in details so that they can attend/be present at every meeting without the need to travel if they were unable to.

## **Retrospective & Objective setting - Verbal Update**

### **Retrospective:**

Last year we laid out our vision. It is now an opportune time to look back and contemplate the progress we have made.

The UK will continue to be the intellectual, technological and financial capital of the world for fintech from which startups will create the best financial services products and services for customers across the globe. This means:

1. **Talent** | we want to ensure that the UK's intellectual capital will be locally concentrated, globally networked and diverse.
2. **Capital** | we want the UK to be the best place in the world for a fintech to raise money.
3. **Access to markets** | We want UK fintechs to be supported in their ambition for global growth.
4. **Policy** | We want the strong fintech policy environment in the UK to continue encouraging fintech innovation.

The FDP cannot deliver all of these on its own, but is working closely with Government and regulators to drive high-impact industry initiatives in key areas where it can make a difference for fintechs across the UK

### ***FDP Year 1 & 2 focus areas***

1. We will **drive collaboration between fintechs and incumbents**. Crucial to achieving more collaboration will be introducing voluntary standards that make piloting products and services easier. We will also explore mechanisms through which verified identity can be transferred between financial services organisations. By piloting this through FDP members, we want to enable all UK consumers to use their identity securely across financial services.
2. We will **support the UK's home grown talent base**. We intend to design a programme to help ambitious fintechs scale. We will also develop a fintech focus for



the Barclays Connect To Work employability programme which helps fintechs fill vacancies by connecting them to young people seeking work.

3. To help **attract talent** we will explore the possibility of getting immigration firms and advisory services to offer packages that are expressly designed for fintech skilled worker sponsorship and immigration support.
4. To improve fintech **access to finance** we will organise fintech fundraising pitch sessions, pitch clinics and other events with VCs, perhaps as part of larger tech community events or London Fintech Week.
5. We will **showcase how fintech innovation can change the world** for the better. We have already taken our first step here by launching a nationwide competition 'Fintech For All' to find fintech startups whose products or services can overcome challenges people face in managing their money.
6. We will put in place a **dedicated group to bring together key elements of the insurtech ecosystem**. A priority is to establish a common vision and framework to develop insurtech in London and across the UK.
7. And there may yet be more to come...

Here are the initiatives that the FDP has delivered in 2018:

- **Insurtech working group:** The FDP has set up the Insurtech Board which focuses on insurtech and the issues it faces. This allows dedicated work on the issues and initiatives within this specific sector.
- **Onboarding Guidelines:** On November 7th the FDP launched a set of guidelines to help fintech firms partner with Banks. This is a fantastic achievement which the group will continue to build on.
- **Access to capital:** We have run an Access to Capital speed pitching session and are set to do more in 2019, with upcoming dates.
- **ID working group:** One application has gone to the FCA already and more are set for the end of November.

### **Objectives setting**

A lot of work as been done, we have delivered concrete results and are making tangible progress on many fronts. However, there is still more to be done over the next year. As we turn to next year, we would like to focus our attention to our next objectives and priorities.

### ***Possible ideas for discussion:***

- Should we look for new objectives necessarily. We currently have a set of objectives to focus on but which of these do we want delivered by the end of the year. And how

are we going to reach them?

- What does our regional strategy entail and what format does it take? How can the panel meaningfully contribute to initiatives in regions that fit with our vision and mandate?
- Should we set up additional working groups around cyber security and payments?
- How do we meaningfully encourage diversity and inclusion?

### **Membership Renewal - Verbal Update**

In order to allow the Panel to reach its objectives for 2019, the membership of the panel will be renewed. We would like to thank all members who have contributed so far and are looking forward to welcoming new members who will help us drive our agenda forward.