

**FINTECH DELIVERY PANEL
MEETING MINUTES**

Date: 10.12.2020

Time: 10:00 - 11:30

Location: Zoom

ATTENDEES

- (EB) Eileen Burbidge, Chair, Fintech Delivery Panel & Partner, Passion Capital
- (AB) Adam Dickinson, Head of Fintech, Innovation and Partnership Procurement, HSBC
- (AE) Adrian Eagleston, Chief Revenue Office, Automated Intelligence
- (AB) Ahmed Badr, General Counsel, GoCardless
- (AE) Andrew Elphick, Head of Intrapreneurship and Innovation Mindset, Barclays
- (BL) Ben Lockett, Managing Director, Aviva Ventures
- (CP) Chris Pond, Chair, Financial Inclusion Commission & Lending Standards Board
- (CH) Colin Hewitt, CEO, Float
- (ET) Edward Twiddy, Chief Customer Officer, Atom bank
- (ELK) Ed Leon Klinger, Chair of Insurtech Board, CEO, Flock
- (GR) Gemma Rogers, Co-founder, Fintrail
- (JH) Janine Hirt, COO and Board Member, Innovate Finance
- (MI) Martin Ijaha, Fintech adviser, previous co-founder Neyber
- (MJ) Matt James, Head of Innovation Scouting UK & Europe, NatWest Group
- (MT) Min Teo, Partner, ConsensysLabs
- (NF) Natasha Foster, Co-founder/COO, Paid
- (NL) Nick Lee, Head of Regulatory Affairs, Oak North
- (SD) Stephen Dury, Director of Innovation, Santander
- (SB) Sujata Bhatia, COO, Monzo
- (VB) Veronique Barbosa, Co-founder/COO, Flux

Observers

- (BM) Beth McGauley, Fintech Policy Adviser, HM Treasury
- (CN) Carly Nimmo, Head of Fintech Team, HM Treasury
- (LM) Laura Mountford, Deputy Director Payments & Fintech, HM Treasury

Secretariat

- (JP) Jemima Pitceathly, Programme Executive FDP, Tech Nation
- (RS) Ravi Shukla, Head of FDP, Tech Nation
- (VR) Victoria Roberts, Director of FDP, Tech Nation

Apologies

- Christian Faes, CEO, LendInvest
- Francesco Simoneschi, CEO and Co-founder, True Layer
- Nilan Peiris, Vice President of Growth, Transferwise
- Philip Garner, Head of Innovation, Lloyds Banking Group

Welcome and Objectives (Eileen Burbidge, Chair)

- EB welcomed Panel Members and thanked everyone, especially workstream chairs, for their hard work, time and energy since the last full meeting that has led to the publication of the FDP's Vision and high level workplan
- EB re-emphasised the Panel's purpose and objectives and reiterated the Panel's commitment to delivery and seeing action coming from this group
- EB highlighted the latest example of this being new signatories to the Fintech Pledge, doubling the number of participating institutions from 5 to 10

Update on FDP workstreams

- EB invited workstream leads to update Members on progress to date and next steps in each area:

Financial Inclusion (Chris Pond, Financial Inclusion Commission & Lending Standards Board & Sujata Bhatia, Monzo)

- CP outlined the workstream's current goals:
 - Short-term: work together to highlight and share areas of financial inclusion already being supported through financial technology
 - Longer-term: consider where this can be further encouraged through e.g. hackathons, pitch competitions and challenge funds
- SB expanded on possible next steps to include further opportunities to develop more tailored tools and better understand the needs of vulnerable customers
- CP asked Panel Members to contribute to FDP mapping in this area by providing information on any fintech initiatives they currently have in place to tackle financial inclusion to the FDP secretariat ahead of an FDP workshop to share and discuss in early 2021.

Diversity (Ahmed Badr, Go Cardless & Martin Ijaha, Fintech advisor)

- MI discussed the objectives of this workstream as being a fintech community which better represents the society it aims to serve:
 - Noted the importance of recognising that diversity leads to better decisions
 - Shared examples such as the 30% club campaign set up in 2010 which has helped achieve 35% female representation on FTSE 100 boards, but shows there is still a lot of work to be done and highlighted that only 0.25% of VC funding currently goes to black entrepreneurs
 - Recommended that the FDP approach should be data-led as there is still insufficient data that talks to the level of diversity in the fintech ecosystem
- AB outlined intended next steps as:
 - Short-term: Improving the collection of diversity data and best practice sharing workshops with guidance
 - Longer-term: ideas include campaign to build on fintech role models, showing that this is a career path available to everyone
- MI and AB invited Members to help with this mission, sharing their experiences and also in the collection of data once a framework is developed around this.

- SB asked that guidance on data collection makes clear where it has considered GDPR requirements

Progressive Regulatory Environment (Edward Twiddy, Atom bank & Nick Lee, Oak North)

- NL discussed the current regulatory environment, highlighting that policy makers and regulators have done a great deal in recent years to address barriers to entry, and that looking forward it is important to now consider how the regulatory environment supports companies as they scale and addresses consumer confidence too.
- NL outlined five areas FDP is considering from discussions so far, as well as the importance of linking in to ongoing related work as part of the Kalifa review:
 - **Scalable regulation:** highlighting the key scaling challenges that exist, whether this is through the PRA or FCA
 - **Sandbox:** potential for further work to help “signpost” fintechs to what next post sandbox
 - **Emerging technologies:** making the case for the UK to show further thought leadership through clearer frameworks for disruptive technologies, e.g. crypto, and now seen this in recent announcement on stablecoins
 - **Open finance:** the UK has been a real leader in terms of Open Banking, but what more can and should be done to build on this or with more on Open Finance to evolve insurance products too
 - **Digital ID:** what more can be done or done next to develop a more detailed regulatory approach to digital ID
- ET added that whilst this has potential to be an extremely broad category, for example also considering competition and state aid, it is right and necessary to focus in some clear deliverables, e.g. around scaling challenges.
- ET outlined next steps as working closely with the Kalifa review as it nears publication, liaising with HM Treasury officials, and bringing the working group back together to discuss next steps in February.

Data and Digital Infrastructure (Stephen Dury, Santander)

- SD noted the significance of these issues for future of fintech, but also the importance of avoiding duplication of work already underway, by e.g. UK Finance, TheCityUK and the Kalifa Review. Broadly the key themes are:
 - Strategic objectives to drive innovation
 - Better customer experience: moving to open finance and getting digital infrastructure right giving the customer more options
 - Opportunity to export: not losing the competitive edge for fintechs in UK to step into other markets based on concepts they’ve developed here
 - Cost reduction and KYC: there are lots of duplicated costs
 - Opportunity to bring consistency across the market in areas where there isn’t material competitive advantage with better outcomes for consumers and users
- SD offered to host a further session for FDP members to identify one or two areas that best align to FDP objectives and have the greatest potential for impact at this time.

Insurtech Board (Ed Leon Klinger, Flock)

- ELK updated members on the work of the Insurtech Board:
 - Partnerships: reported back on research project carried out with Lloyd’s Lab

including interviews with insurtechs and incumbents to identify the major pain points in working together, and asked FDP banks to share key learnings with insurers from their experience implementing the Fintech pledge.

- Investment: described the materials being developed to help educate more investors about the great current potential within the UK insurtech sector

Partnerships (Matt James, Head of Innovation, NatWest Group)

- MJ reflected back on progress with the Fintech Pledge
 - Welcomed the positive media coverage received for this commitment
 - Over 65 organisations downloaded the more detailed information on the Fintech Pledge, with interest internationally from the US, Canada and others
 - From his experience at NatWest the landing page has received hundreds of visits from both external users but also internal colleagues at the bank helping to drive culture change to meet its objectives
- MJ updated the Panel on the 5 further signatories to the Pledge including Atom bank, the Co-operative Bank, Nationwide Building Society, TSB and Virgin Money and the planned Webinar to share more details about the Pledge across the fintech ecosystem.
- MJ outlined next steps in the Partnerships workstream:
 - Noted that the focus in next three months is determining clear metrics for the Pledge's impact post-implementation, and continuing to drive implementation forward within the banks ahead of March 2021 deadline
 - Acknowledged interest from third parties in helping to support partnerships, be it fintech preparedness or bank processes, as another area for the group to consider where there may be useful opportunities to draw upon

HM Treasury (Laura Mountford, Deputy Director Payments & Fintech, HM Treasury)

- LM passed on the Economic Secretary's thanks for the renewed focus of the Fintech Delivery Panel and the work that has gone into setting out the FDP's Vision and high level workplan.
 - Emphasised HM Treasury's shared passion for workstreams supporting financial inclusion as well as driving diversity
 - Agreed it is timely to consider where next on fintech regulation and policy, particularly with end of UK transition period and impact of COVID-19, and invited the FDP to share further input on where focused improvements can be made to ensure policy and regulators get approach right as companies start and scale
 - Congratulated the Panel on the Fintech Pledge, highlighting this as a proud example HM Treasury point to when other jurisdictions ask how UK industry is supporting the growth of fintech
 - Drew Member attention to the Kalifa Review, with the intention this sets out recommendations for government, regulators and also industry, noting the value of having a group like FDP ready to help with delivery and looking forward to engaging again once recommendations are published
 - Outlined latest government initiatives to support the growth of UK fintech: launch of productive finance working group, Lord Hill Listings taskforce to help

companies raise equity capital, Chancellor announcement on consultation on regulating crypto assets, and forthcoming government response to Payments Landscape Review.

COVID-19 and Brexit (Victoria Roberts, Director of the Fintech Delivery Panel)

- As part of the FDP's objectives to provide a source of knowledge and evidence to help inform UK policy in the recovery from COVID-19 and through the UK's exit from the European Union, VR highlighted some of the key issues raised and feedback provided within recent FDP discussions on these topics.
- On COVID-19, VR outlined the differing impacts across start-up fintechs, scale-ups, investors and innovating financial institutions, ranging from immediate contingencies enacted in Spring 2020 through to the outlook going forward into 2021.
- On the end of the UK transition period, VR reported back the three key areas most raised as market access, investment and data flows.
- EB welcomed any further comments, insights or ideas:
 - AE identified that innovative ideas often come out of a crisis, and that many individuals (including those furloughed/redundant) may have good ideas but not the experience or tools to turn these into an MVP/toolkit. He wondered whether FDP members can provide support and inspiration here, e.g. through talks or webinars.
 - SD wondered if there were opportunities as a group to do more to help match start-ups with institutions, and also reflected on the opportunity to use the bank levy to drive higher levels of R&D and partnerships.
 - NL reiterated the offer to HM Treasury officials of the value of interacting with innovative fintechs and the new solutions they can offer as government wrestles with the economic and social challenges from the impact of COVID-19
 - ET reflected on the wider implications of COVID-19 and disparities in financial but also technological inclusion, with lack of access to broadband, contemporary devices and laptops all serving as further barriers to inclusivity and distributing services with potential to assist those individuals most in need.

AOB

- CH enquired if the FDP was planning any further activity related to crypto assets. FDP secretariat confirmed the intention to kick off an FDP event series on Emerging Business Models and Disruptive Technologies throughout 2021, with the initial session focused on crypto. MT offered to also share her expertise in this area.

Close (Eileen Burbidge, Chair)

- EB thanked Members for attending the session, asked them to provide the FDP secretariat with details of which working groups they would like to participate in, and noted the next full FDP meeting as 9.30am on Tuesday 16 March.

Actions

Action	Owner	Timeline
Minutes and meeting materials circulated	JP	COMPLETED
FDP Members to inform FDP Secretariat which working groups they would like to contribute to in 2021	JP	ASAP
FDP Members to inform AE and FDP Secretariat if interested in contributing to talk/webinar on how to start a fintech/develop an MVP to helping those with ideas affected by COVID-19 furlough/redundancy	AE, Secretariat	Early January
MJ to share learnings on Fintech Pledge implementation with ELK and Insurtech Board	MJ, ELK	Early January
FDP Members to share information on their financial inclusion initiatives powered by fintech or technology (to allow for collation ahead of workshop in Q1 2021)	RS	By 22 January
Work up further details on first event in FDP Emerging Business Models series - focusing on crypto assets	MT, Secretariat	January
SD to chair further discussion on Data and Digital infrastructure session to determine FDP areas of focus	SD, RS	Q1 2021