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Competition as an agent for growth

What fintechs need to succeed

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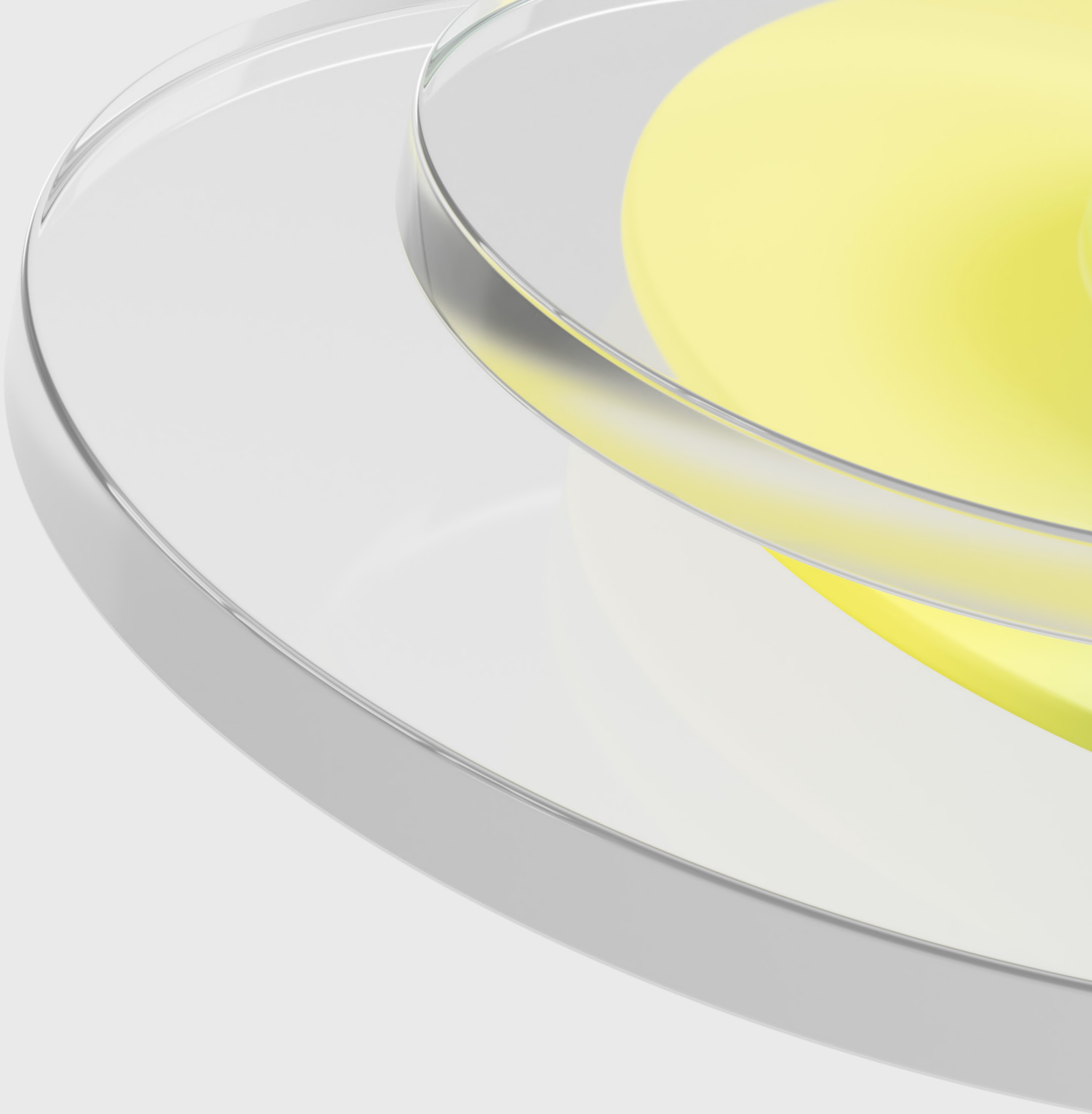

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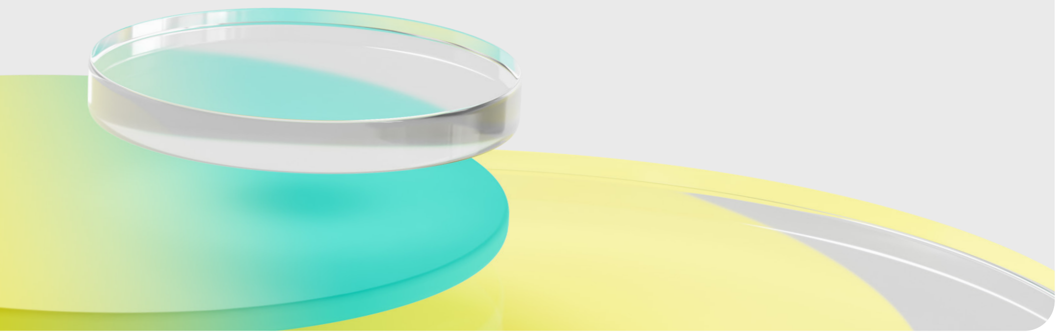
Foreword



Philip House
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A decade ago, fintech flourished in the pro-competition environment that government and regulators had fostered in the UK. Regulators welcomed innovation and competition in creating the PRA's New Bank and Insurer Start-up Units and the range of services provided in the FCA's Innovation Hub. All of this enabled fintech firms to provide fresh competition to incumbent banks and traditional financial services firms.

ClearBank launched in this very welcoming climate in 2017 and rapidly became a UK success story, now employing more than 800 staff and clearing £297bn worth of payments last year. In founding ClearBank, we identified that there were only four remaining banks (reduced from 60 in the 1950s) offering payments clearing and settlement services, with wholesale banking services treated as a utility function, resulting in low investment and low innovation.

ClearBank recognised that clearing plays a pivotal role in the financial ecosystem, powering over 300 banks, building societies and credit unions and a further 1,000 payment firms. ClearBank entered this market with a tech-first, bespoke service and then other firms followed, with eleven firms now offering payments clearing in the Faster Payments system. This has helped to create a vibrant UK payments market which provides consumers and businesses more choice, speed and efficiency in payment services, ultimately benefitting the economy as a whole.

But the regulatory environment then became increasingly challenging for firms. A succession of economic and political events - Brexit, Covid-19 and then the Ukraine war, combined with the rise of online financial crime - have all refocussed regulators from growth to risk. Firms cite consumer protection liability regimes, capital requirements and regulatory complexity as reducing their ability to grow and compete. Many feel that the trend toward loss avoidance has come at the expense of innovation and growth.

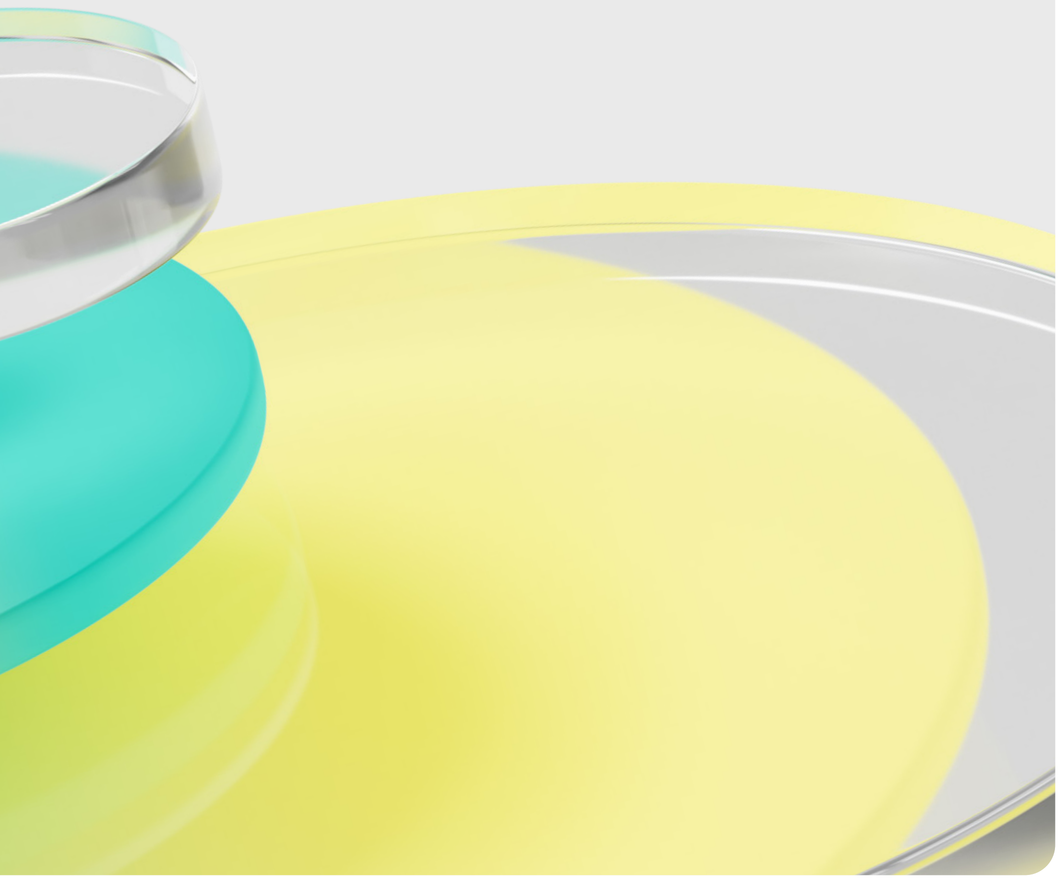
The pendulum is now swinging back to growth. We wholeheartedly welcome the measures announced by the Chancellor in her Mansion House speech, followed by the government's call for regulators to set out their initiatives to support growth. These actions demonstrate the government's appetite to reduce regulatory red tape and recognition of the role that financial services has in supporting growth. We have also played our own part. At ClearBank we were delighted to give evidence to the House of Lords' Growth and Competitiveness inquiry, as well as to submit views to HM Treasury's consultation on the same topic. But even more needs to be done urgently to address the barriers to growth and competition in the fintech sector. Removing these barriers will enable the fintech sector to grow at scale and continue to benefit UK consumers and businesses.

Recent geopolitical events, unfolding at an unprecedented pace, underscore the need to strengthen competitive opportunities in our market; our regulatory regime must be globally competitive if the government is to realise the UK's potential for economic growth. All eyes will be on HM Treasury's proposals in the Financial Services Growth and Competitiveness Strategy, part of the Modern Industrial Strategy, which is expected in June.

In identifying the key issues and how these could be addressed, we surveyed a range of leaders within the UK's fintech and payments sector on their views of the existing regulatory landscape and competition. The resulting recommendations seek to provide a better balance between the interests of promoting competition and maintaining essential protections.

I would like to offer my sincere thanks to all of those who contributed to our report and to my own team, Betsy Dorudi and David Mintz – without whose time and expertise this report would not have been possible.

About this report



As part of our work to support clients and the wider fintech sector, we consulted with leaders within the industry and within the wider ecosystem on the extent to which regulatory regimes support competition, growth and better outcomes for firms and end-users.

This consultation took two forms:

1. **A survey of senior leaders, policy, regulatory and legal experts within payments and fintech** – undertaken by our research partner for this report, H/Advisors Cicero.
In total, we received 26 responses through a mix of survey invitations and an open invitation for feedback through the Innovate Finance weekly newsletter.

2. **A series of 15 in-depth interviews with experts across the industry and wider ecosystem** – including senior representatives from law firms, industry bodies and public policy specialists. A full breakdown of participants can be found in the appendix to this report.

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Executive summary

The UK has served as the home for many fintech businesses, building on our world-leading financial and professional services sectors and other advantages. The fintech sector is vitally important for jobs, investment and growth, and continues to deliver innovation to secure better outcomes and products for consumers. The next phase of financial services innovation will be fuelled by the fintech, building on exciting ideas and technologies including open finance (smart data), tokenisation and stablecoins (blockchain), and AI. The next chapter of growth for many businesses, old and new, is being written right now.

It is not guaranteed that the UK fintech sector will remain successful. We cannot allow the sector to be taken for granted in a highly competitive and global market where the rules of the global order are being rewritten as we write this report. We must also not become complacent, as the UK has no exclusivity in its ability to attract ideas, capital and talent.

Our research found that while government policy and regulators established significant resources to support fintech start-ups - through the use of incubators, sandboxes and accelerators, and bespoke supervisory teams - there is a consistent view among industry leaders that support for fintech firms has slowly dissipated. Regulators have been faced with an unprecedented level of political disruption and market shocks which over time have moved their focus from risk-based innovation to outright risk aversion, with the interest in fintech deprioritised.

It should come as no surprise that over four fifths of our survey respondents say that the existing regulatory landscape holds firms back from scaling. When asked what they believe the key barriers to growth and competition might be, almost as many highlighted compliance costs, including the requirement to hold high levels of regulatory capital. This is especially true for many mid-tier and challenger banks, where they believe that certain capital requirements constrain their ability to scale and provide further lending to small businesses. Also, the recently introduced APP fraud mandatory reimbursement regime has been criticised for weighing more heavily on small and mid-tier payment companies compared to high street banks, which are better able to carry the costs.

When asked about the current UK regulatory landscape and whether it helps or hinders specific business activities, participants believe that there is an emerging dichotomy between support for start-ups and scale-ups. While just over a half said the UK was a favourable place for starting a business, as noted above, the reverse is true for growth with four fifths saying the current regime holds them back from scaling their business. Not a single respondent reported that listing on a public market would help their business to scale.

In terms of competition, almost 70% said the regulatory regime is not conducive to healthy competition and that in turn undermines the ambition of many fintechs. It is concerning that less than half of respondents (45%) believe the level of competition is healthy. Less than two-in-five agree that the current state of competition allows them to scale their business (37%). Only half (52%) of respondents indicated that the UK is competitive enough to support fintechs in unlocking international opportunities. Regulation needs to be rethought urgently, reviewing the existing rulebook to consider rules which lack proportionality for small and growing firms and dampen competition.

This report identifies areas of strength for the fintech sector, but also areas of concern. Our six recommendations set out fixes that can improve competition and which would support firms to scale and compete, both domestically and on the international stage. Recommendations include calls for regulators to expedite implementing regimes for both stablecoins and "Smart Data" - two of the three key foundations for the next wave of innovation. We also call for more ambitious reforms to the Minimum Requirements for Own Funds and Eligible Liabilities (MREL) resolution capital rules and extending the regulatory perimeter for APP fraud liability to social media and telecoms firms.

We know that there is a strong resonance between our findings and the ambitions of both the fintech sector and government for greater innovation and competition. It is notable that when we began this project by interviewing senior stakeholders, the political and regulatory stakeholders also began to scrutinise some of the key challenges highlighted by our research. Many within the industry spoke about their concerns regarding the Payment Systems Regulator, its approach to APP fraud, and also the need for further its support for start-up and scale-up firms, all issues which the government has started to address.

We hope that the discussions and recommendations in this report help to inform more thinking on these issues and the plans which will be announced in government's Modern Industrial Strategy and HM Treasury's Financial Services Growth and Competitiveness Strategy.

Section 01

From a sword to a shield

It is no surprise that HM Treasury has identified fintech as a high growth sector which will be supported in the upcoming Financial Services Growth and Competitiveness Strategy. The sector is comprised of 4,600 firms, generates more than £213 billion in total turnover and employs more than 357,000 people across the UK[1]. The number of job vacancies rose by 44% in 2024, and the sector is forecast to be worth nearly £273 billion by 2026[2].

The UK's fintech sector doesn't just support the UK's economy through job creation and tax receipts: 71% of UK consumers use fintech services to help with everything from budgeting, paying for goods and services around the world and investing in UK long-term assets and equities[3]. The sector also has become a key source of finance, providing 60% of lending to small businesses[4].

Fintechs have provided more consumer choice and challenged legacy firms to reduce costs and improve services. Before the emergence of fintech, for decades (and in some cases, centuries), high street banks accounted for the vast majority of retail banking transactions; but they are on the receiving end of fresh competition from 39 new banks authorised since 2013[5] and

1 UK Fintech Industry, DataCity, March 2025
2 AI and investment trends reshape the financial job market, Morgan McKinley, January 2025
3 Innovate Finance
4 Small Business Finance Markets Report 2025, British Business Bank
5 New banks authorised since 2013 | Bank of England, as of March 2025

over 1,000 payment firms which have become regulated under the E-money Regulations 2011 and Payment Services Regulations 2017[6].

HM Treasury recognises that pioneering fintech companies have "*provided competition for, and driven innovation in, more established financial institutions [and]… brought more and better choice to businesses and consumers*" [7]. FCA Chief Operating Officer, Emily Shepperd, and Chief Data, Information and Intelligence Officer, Jessica Rusu, have also both spoken about the importance of the sector in promoting competition and ensuring consumers get the best outcomes.

While the UK regulatory environment has provided clear support for starting fintech businesses, this report discusses the views of fintech leaders on their experience after their businesses come to market, which they find a less supportive regulatory environment.

How competition in financial services is regulated today

Each of the Competition and Markets Authority (CMA), Financial Conduct Authority (FCA), Prudential Regulation Authority (PRA) and the Payment System Regulator (PSR) have competition mandates. In exercising their mandates, regulators have mainly viewed competition not as a "sword" – proactively ensuring that rules foster competition – but as a "shield" - enforcing against anti-competitive practices which have already taken place.

The CMA is tasked with investigating markets where there are competition concerns, with a focus on scrutinising the impact of mergers on competition and taking action against businesses that exhibit anti-competitive behaviour. This is very much a macro approach and often focussed on the position and activities of the largest firms.

A significant victory for competition in financial services was the CMA's 2014 investigation into the concentration of retail banking services which were concentrated among high street banks. This led to the Open Banking remedies which have since fostered competition and innovation in the retail banking sector. A review of the remedy scheme called this the CMA's "*most ambitious and complex single intervention and has sparked a significant change across the retail banking industry*"[8].

The FCA has had concurrent competition powers with the CMA since 2015 and promoting competition for the benefit of consumers is one of its three primary operational objectives. A series of memoranda of understanding provide a framework for deciding which authority will advance individual cases. To date, the FCA has focussed its competition resources on conducting market studies; these are 12-18 month reviews mainly arising upon complaints or other indications that harm is occurring or has already occurred[9].

For the PRA, facilitating effective competition between firms is a secondary objective. The PRA Annual Competition Report lists a significant initiative as the Strong and Simple regime for smaller banks. However, this is largely comprised of reduced reporting requirements and not all small banks qualify for the scheme.

The PSR also has a statutory objective to promote competition, although its focus has largely been on the conduct of global payment systems (Visa, Mastercard).

6 FCA Register as of April 2025 (241 e-money firms, 25 small e-money firms, 401 authorised payment firms, and 461 small payment firms)
7 Financial Services Growth and Competitiveness Strategy Call for Evidence, 5.5 (Fintech), HMT, November 2024
8 Open Banking Lessons Learned Review, Kristin Baker CBE, May 2022
9 Promoting competition, FCA

A brief history of fintech regulation

2008
Following the 2008 financial crisis, the UK's regulatory system underwent significant reform, leading to a regime that placed a greater emphasis on prudential measures.

2013
The Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA) replace the Financial Services Authority (FSA).

2014
The FCA, now driven by a formal competition objective, launched "Project Innovate." Its two core areas – Innovation Hub and Regulatory Sandbox – were greeted positively by the market.

2015
The Payment Systems Regulator (PSR) is launched with a focus on ensuring innovative payment technology works in favour of its users.

2016
The Competition and Markets Authority (CMA) launches its Open Banking Initiative, mandating the UK's largest banks to share customer data, under explicit consent practices, with third-party providers.

2016
The Brexit referendum creates uncertainty for the UK's financial services sector. Issues surrounding the nature of the UK's post-Brexit regulatory divergence were initially unclear, creating lasting uncertainty for firms.

2017
The Payment Services Regulations 2017, based on the European Payments Services Directive 2015 comes into effect, introducing new forms of payment services and regulated payment market participants.

2021
The Kalifa Review is published, covering a broad range of areas, particularly the barriers preventing fintechs from scaling up – in terms of their access to capital, talent retention, and regulatory issues.

2023
The Financial Services and Markets Act 2023 sets new growth and international competitiveness objectives for the FCA and PRA, while also laying the relevant powers needed to manage retained EU law.

2025
The Government announces that the PSR will be abolished, consolidating regulation of payment systems and payment market participants under the FCA.

The Prime Minister announced on 11 March 2025 that the PSR and its functions will be consolidated into the FCA. It is yet to be determined whether that will encompass the PSR's competition objective, or whether that responsibility will be assumed by another authority.

The majority of regulators' competition activities have been backward-looking and remedial, what some would call "fighting the last war." But the CMA's retail banking remedy package was a sword in providing a world leading mechanism, Open Banking, to facilitate competition. Other examples of competition used as a sword were provisions in the Payment Services Directive II which created new forms of regulated activities and regulated actors and EU and UK regulators' recent initiatives to widen access to payment clearing and settlement systems, including the BoE's work reviewing access to RTGS settlement accounts and CHAPS payment system[10].

While regulators may be reluctant to intervene in financial markets, in each of the above examples regulators worked with market participants to create rules and systems where market led innovations and initiatives were already developing. The risk in regulators not addressing innovation is that commercial opportunities may be lost, with ideas abandoned or transferred to other jurisdictions.

A current pressing example is the delay in regulating digital assets and stablecoins in the UK. Market participants cite that they have waited several years for a regulatory regime to govern what are now established and growing markets. Further delays to implement UK regimes risk that business will move to other jurisdictions.

Regulators' shift away from competition and growth

There is strong sentiment across the industry, backed up by our research findings, that regulatory developments in the last decade have contributed to an environment in which firms find it increasingly challenging to compete and grow. Firms believe that regulators' approaches shifted from risk management to risk (and loss) avoidance, citing regulatory policies with strong loss aversion objectives which have made the UK a regulatory outlier: the Authorised Push Payment (APP) fraud mandatory reimbursement policy, the complex and far-reaching Consumer Duty obligations and the MREL capital rules which apply to growing banks. The PRA's newly proposed FSCS increase is also based on a strong loss aversion principle in seeking for the scheme to fully compensate 99% of all claims.

General Counsel, fintech firm

"After the financial crisis, regulators took a more risk-averse approach, which unintentionally created barriers for new entrants. The natural reaction was to increase requirements on firms, which basically racked up the cost of compliance and started to ask for things that are very difficult to meet if you're just starting a company."

10 Response to the discussion paper on reviewing access to RTGS accounts for settlement, Bank of England, February 2025

Director, digital bank

"To some extent, there's a ceiling on growth baked into the system. There are scenarios where some business models for banks might even have capital requirements bigger than their entire lending book. This shows how disproportionate the regulations have become when compared with the actual risks as the market has changed."

Mark Field, Capital International Group

"Brexit has not lost the UK financial services sector a lot of business... but instead the opportunity cost of the new business areas that logically would likely have come to London. The UK is still searching for a strategic vision of its financial services sector for the 2030s and 2040s. The current regulatory environment is an opportunity to create a more flexible, growth-oriented approach, but this will require careful navigation between consumer protection and competitive innovation."

The focus on loss aversion has been driven by a number of high-risk events and trends – Brexit, Covid, the invasion of Ukraine, and the shift from cards and cash to online payments which has had the corollary of increasing online fraud. These factors have sharpened regulators' focus on financial stability and consumer protection, but perhaps too much so, at the expense of competition and growth.

Policymakers and regulators were particularly distracted with multiyear Brexit implementation – the biggest constitutional change to take place in the UK since 1945. Delivering Brexit diverted resources away from forward looking policy initiatives towards the need to be 'oven ready' for the post-Brexit landscape. The opportunity of "taking back control" of financial services rules has, outside of Solvency II and some capital markets rules already in train, not resulted in a radical, pro-growth revision of rules.

Rachel Reeves, the Chancellor, has come to similar conclusions, stating that "*these changes have resulted in a system which sought to eliminate risk taking. That has gone too far...And, in some places had unintended consequences that we must now address*"[11]. Regulators must ensure stability and consumer protection but also avoid the risk of regulating for the 'stability of the graveyard.' In other words, regulators need to accept that it is not commercially reasonable or appropriate to regulate against all risk.

A new era for competition focussed regulation

The government's recent statements on growth and competitiveness in financial services are filled with positive intent. Cognisant of the connection between competition and competitiveness, the Prime Minister used the International Investment Summit in 2024 to assure industry, "*We will make sure that every regulator in this country… especially our economic and competition regulators… take growth as seriously as this room does.*"

Shortly after the summit, the CMA updated its Memoranda of Understanding with the FCA, PRA, and BoE to ensure greater coordination and a coherent regulatory approach to promote a more competitive financial services market . An audit of all regulators is underway, mandated to consider whether some authorities should be dissolved or merged into other bodies to

11 Mansion House 2024 speech, Chancellor of the Exchequer Rachel Reeves, November 2024

advance the government's growth mission. The abolition of the PSR to streamline the regulatory environment is clear evidence of these words in action.

Given the barriers to fostering competition in financial services that our research has identified, economic regulators will need to consider how best to collaborate with financial regulators to demonstrate that they are, in the Prime Minister's words, "*taking growth seriously.*"

This renewed interest in competition can be seen in the digital wallet space. While the FCA's recent review of Big Tech and competition[12] did not find that significant competition harm has occurred, the FCA identified Big Tech firms' advantages of data asymmetry, gatekeeping capabilities and inherent ability to scale market share.

Many fintech market participants want more action taken now and are calling for wallet providers to be subject to minimum financial services obligations, such as the Consumer Duty and AML/KYC obligations, as well as extending the APP fraud mandatory reimbursement liability, to level the playing field. The CMA under its digital markets remit and the FCA will continue to assess Big Tech activities as wallets and potentially new forms of unregulated activities become integrated with regulated financial services.

12 Potential competition impacts from the data asymmetry between Big Tech firms and firms in financial services, FCA, April 2024

A forward look from counsel

Katherine Kirrage
Partner, Osborne Clarke

Paul Anning
Partner, Osborne Clarke

The CMA's market tool, which allows it to carry out deep dives into individual markets, was a crucial catalyst for Open Banking. Its success demonstrates that a strong understanding of a market and a macro approach to competition regulation can drive innovation and competition. With increasing political pressure on UK regulators to deliver growth and foster innovation, the importance of this macro view is more important than ever.

However, regulators often struggle to keep pace with the rapid evolution of new business models. The complexity of modern financial services, particularly the advent of fintech innovation, has exposed gaps in regulatory knowledge and understanding. This is particularly evident in the e-money and payments sector, where traditional banks have faced increasing competition from fintech companies. The entry of big tech players, competing with digital wallets has further reshaped the competitive landscape. This challenge is compounded by the ambiguities of regulatory overlap, not least in fintech, where competition law, data protection, consumer protection and financial regulation converge.

In sectors such as AI, we are already seeing the CMA carry out market analysis and thought leadership and we expect it to make more use of its market review powers to understand new and emerging technologies.

The political momentum behind reducing barriers to innovation offers a critical opportunity to support regulators in understanding exciting and complex fintech markets, so that they can effectively regulate for the future.

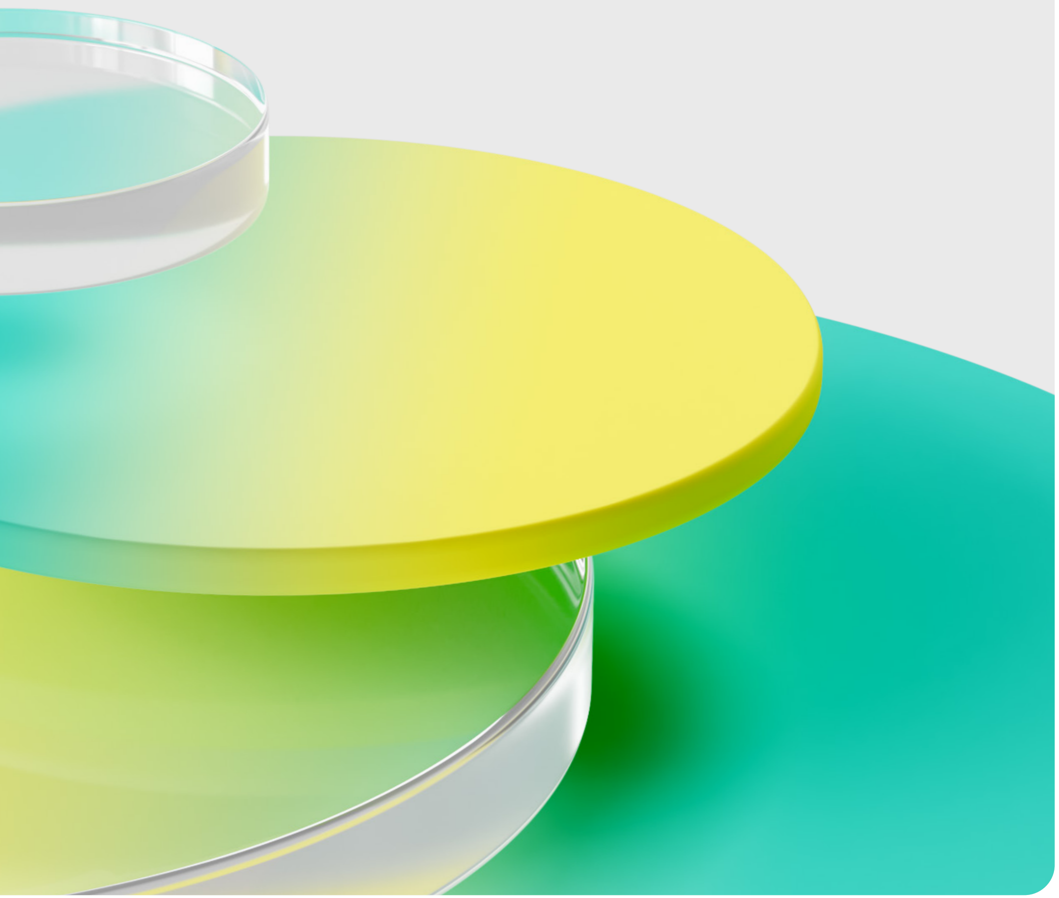
The FCA has taken a similar approach and has issued papers on big tech and digital wallets, and data asymmetry between big tech and financial services firms. However, this big picture analysis is not always reflected in the approach to financial regulation, which has often been designed with incumbent large firms in mind, reflecting a retrospective approach to competition that fails to account for the dynamic nature of market entrants.

If our UK regulators are to keep up with the pace of change and to deliver the growth and innovation that government is pushing for, they will need to make a concerted effort to enhance their knowledge, reduce barriers to entry, and adopt a proactive stance on competition, becoming a welcome enabler of new entrants and new models, not a prohibitor. This may involve taking a critical look at where regulations are hampering new entry and expansion, particularly by new and innovative business models – as well as a flexible approach to regulation, including trial remedies, which are now permitted under the new Digital Markets Competition and Consumer Act. The Digital Regulators Cooperation Forum (comprising the CMA, FCA, ICO and Ofcom) provides a further forum for rationalising overlapping regulation and identifying unintended consequences of regulation in other markets.

Stakeholders can support regulators by proactively engaging to shape industry and regulatory developments, including using competition law where barriers exist; offering "teach ins" for regulators on their markets, new technologies and business models; explaining where regulatory hurdles impact effective competition; as well as engaging in consultations and responding to RFIs. The political momentum behind reducing barriers to innovation offers a critical opportunity to support regulators in understanding exciting and complex fintech markets, so that they can effectively regulate for the future.

Section 02

Where are we now?



The view from the sector

Our research on competition in UK financial services presents a mixed picture. On the one hand, respondents believe that the level of competition across UK financial services strongly supports innovation, resulting in a range of positive outcomes for end-users. Indeed, the UK is viewed as a better place than the European Union to innovate new products and services, though the position of the UK against both the US and Asia is less clear cut.

On the other hand, there is a strong consensus that the UK environment is far less supportive of firms' ability to scale and grow – particularly when directly compared to the US and Asia – and the UK regulatory landscape is seen as the main impediment to scaling.

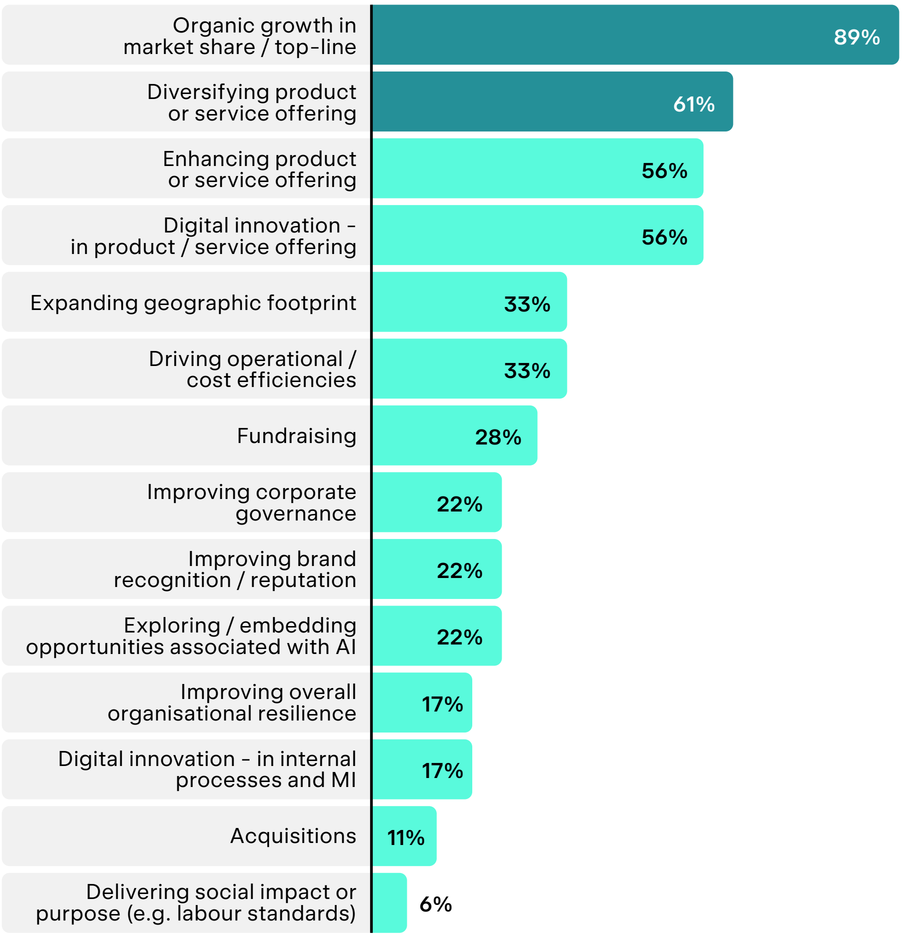
Other findings show that growth is clearly a key strategic priority for firms over and above all other priorities. Given this focus, firms reported good growth over the previous twelve months, largely attributed to their investment in new products and services and focus on the customer experience. With optimism generally high for business performance over the coming year, it is vital that we address any unnecessary barriers to achieving this growth.

The detailed findings are set out in the following pages.

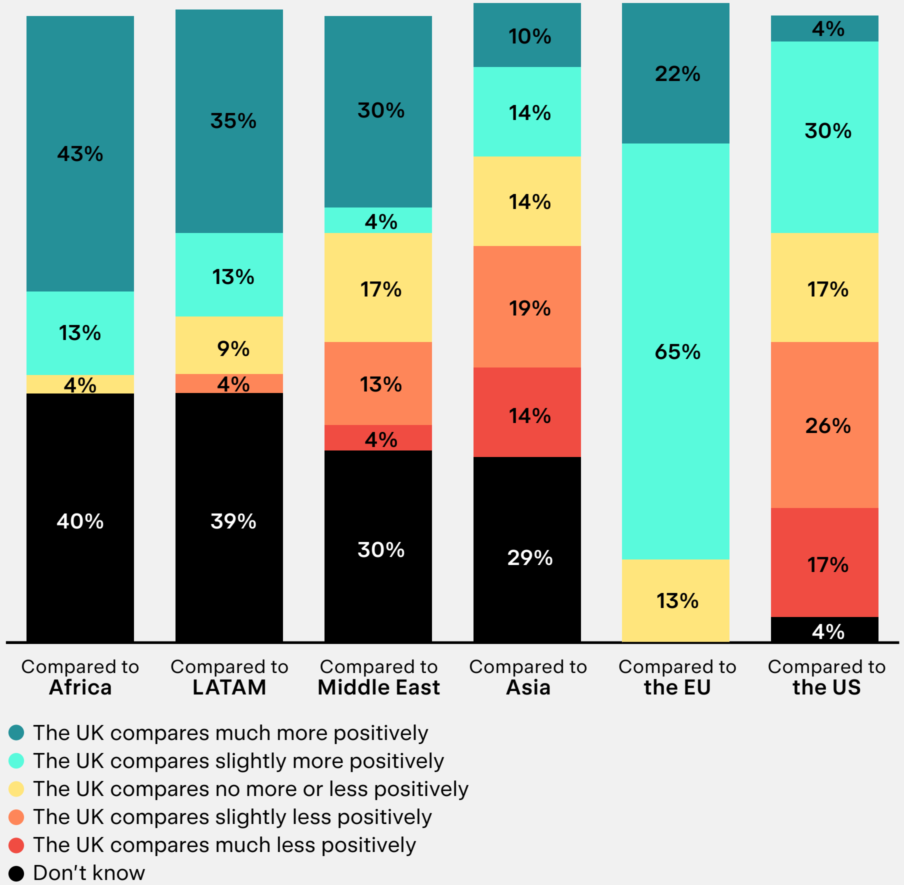
Nine-in-ten firms consider organic topline growth a strategic priority over the next two years

This is significantly higher than the next most common priority of product or service diversification, cited by three-in-five.

What are the key strategic priorities for your business over the coming two years?



How do you feel the UK compares internationally as a destination to develop new innovative financial services products and services?



In the post-Brexit landscape, the UK compares much more positively than the EU as a place to develop innovative financial services products and services (89%).

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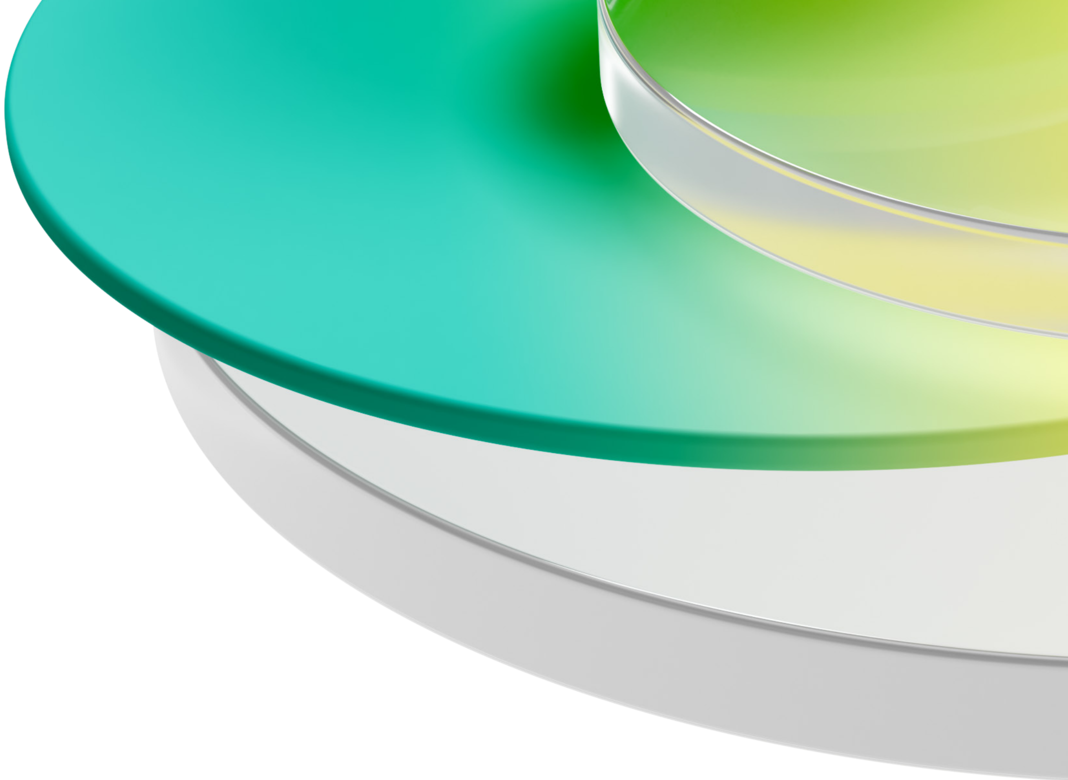


Respondents stated a strong preference to start businesses in the UK.

The UK benefits from several factors which are attractive to tech founders. This includes a range of skilled talent in London with deep financial services expertise, a well-developed regulatory system, a start-up eco-system of regulatory initiatives, service providers and associations, the English language and legal system, good quality schools and universities, and the cultural life.

Head of UK Public Policy, lending, digital assets and payments fintech:

"I think the UK is slightly better than the EU in terms of a fostering an environment for growth and innovation. The US has a very fragmented FS system, so lots of opportunity, but requires exponential funding to scale. LATAM has some really exciting local fintech incumbents such as Nubank and consumer adoption there is strong."

The EU's strong approach to tech regulation – notably requirements under the forthcoming AI Act – has also reinforced a view that the EU is developing a consumer protection-led, rather than innovation-led approach, and that some of the emerging EU regulation is difficult to implement and disproportionate to the risks. This presents an opportunity for the UK to take a more tech-friendly approach to innovation, as acknowledged by Prime Minister Sir Kier Starmer in his AI Action Plan announcement[13], seeking to implement AI across a broad range of government services.

Head of UK Government Affairs, digital bank:

"US still leads the way in terms of scale due to investment and ambition. UK slightly ahead of EU for innovation and miles ahead of Latam and Africa. Also, Brazil ahead of us with PIX for payments architecture."

Anon, payments and digital assets fintech:

"It's too simplistic to say the UK is better or worse than say the US. It's hard to start a digital bank in the US, but easier in the UK. If I was a crypto firm though right now, the US is more favourable. In short, it depends on your area of fintech."

13 AI Opportunities Action Plan: government response, Department for Science, Innovation & Technology, January 2025

In contrast, the UK is seen to compare significantly less positively than the US, Asia and Middle East as a destination to scale and grow business.

Key factors seen to be driving this are the lack of proportionality of the UK regulatory regime for small firms, less desirable tax incentives, lower access to capital and the limitation of the size of the UK market in relation to other jurisdictions. UK capital requirements were raised as being particularly onerous for growing banks.

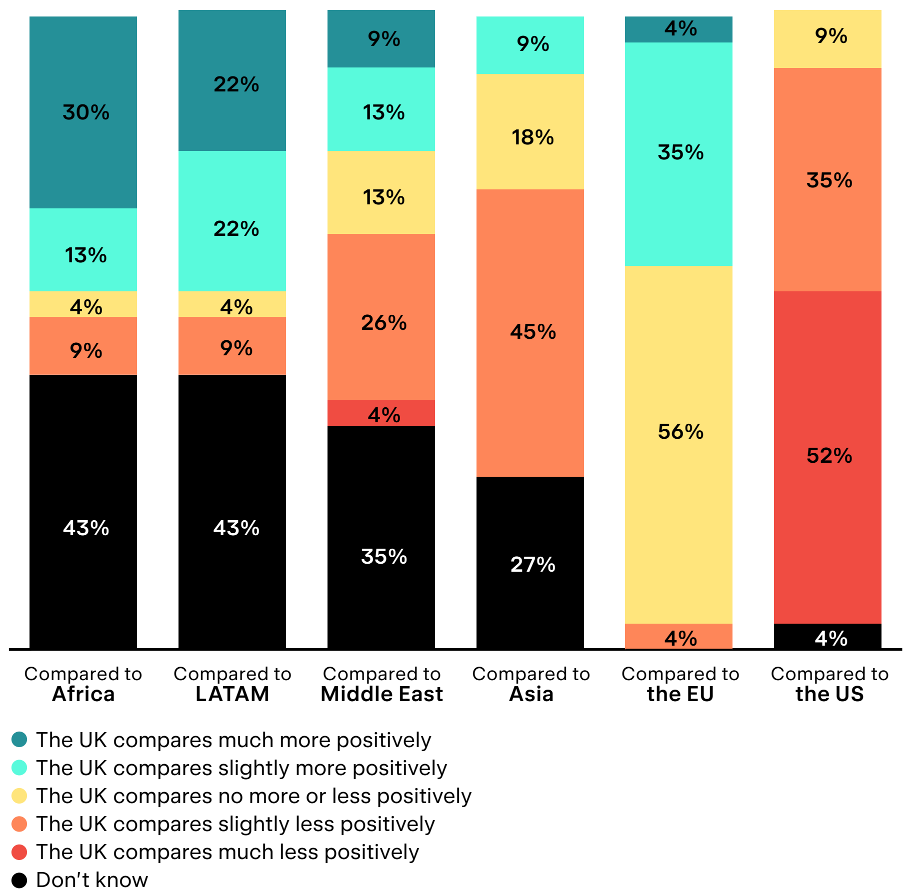
Corporate Affairs Director, business banking and lending fintech:

> "Things like the MREL, Basel 3.1, RWAs, the list goes on...all these things create disproportionality and make it harder for smaller and mid-tier banks to compete."

Regarding funding, the UK attracts fintech investment, second globally only to the US. However, the value of UK fintech investment is only around 15% of the value of US investment[14]. The US offers much deeper liquidity in venture capital (VC) markets, making it both easier and cheaper to raise capital. This funding gap means US entrepreneurs can raise larger funding rounds, crucially extending the runway (the amount of time before a start-up is required to raise fresh capital based on its cash reserves and burn rate) and giving the business more time to grow and generate revenues and improve cash flow. The decision of high-profile fintech businesses, such as Klarna and Revolut, to choose New York over London for their planned IPOs reinforces the attractiveness of deeper US capital markets.

Respondents did note that the UK has well-established tax-shelter vehicles for encouraging venture capital and angel investing (such as Venture Capital Trusts (VCTs) and Enterprise Investment Schemes). However, these are not thought to be at the scale required.

How do you feel the UK compares internationally as a destination to scale and grow business?



14 FinTech investment landscape 2024, Innovate Finance, March 2024

Fewer than half of respondents (45%) agree that the level of competition across the sector is healthy – with not a single respondent strongly agreeing.

Financing is not the only commercial issue affecting scale-ups. The level of market competition is also problematic with only 45% of respondents agreeing that there is currently a healthy level of competition. A similar number (41%) had mixed views while a minority (14%) disagreed or strongly disagreed.

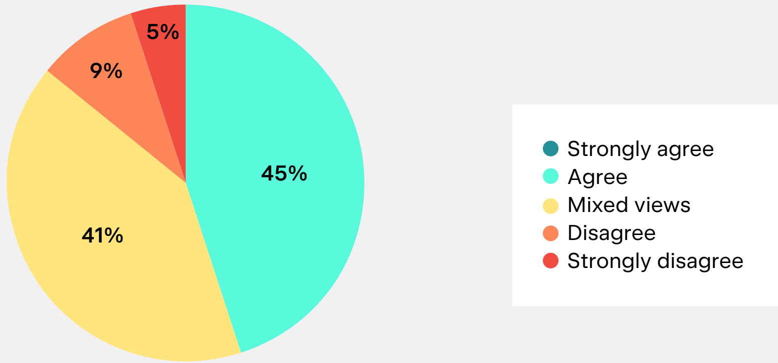
While firms generally agree that the current level of market competition across the UK financial services sector encourages them to innovate new products and services (70%), fewer than two-in-five agree that the competitive environment supports them in scaling their business (37%).

The findings indicate that the UK needs to do more to create market competition. While a broad majority (70%) felt that the current level of competition helps to drive innovation in new products and services, only half (52%) of respondents indicated that the UK is competitive enough to support fintechs in unlocking international opportunities.

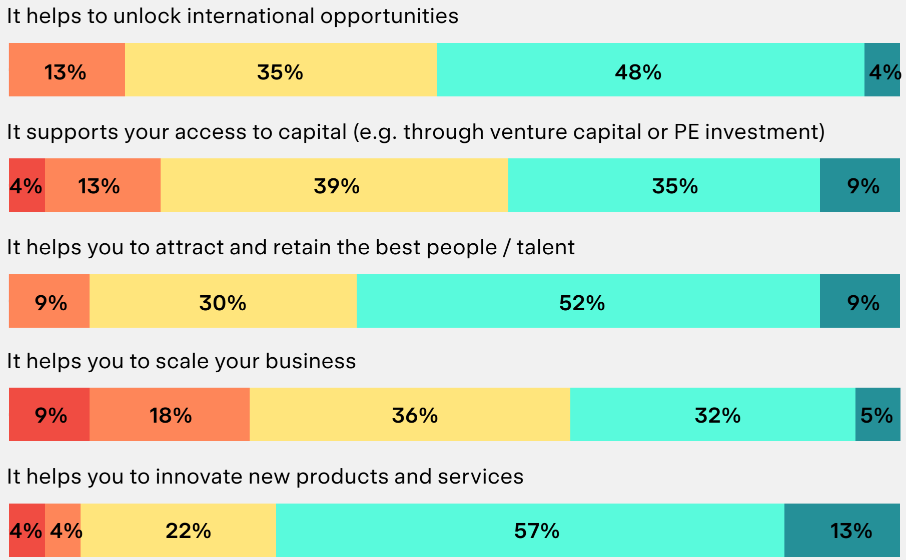
Reinforcing our earlier findings, only around two-fifths thought that the current level of competition helped their business to access capital through venture capital or private equity or helped them to scale up their business.

The benefits of competitive markets are more clearly understood when looking at the potential benefits to end-users.

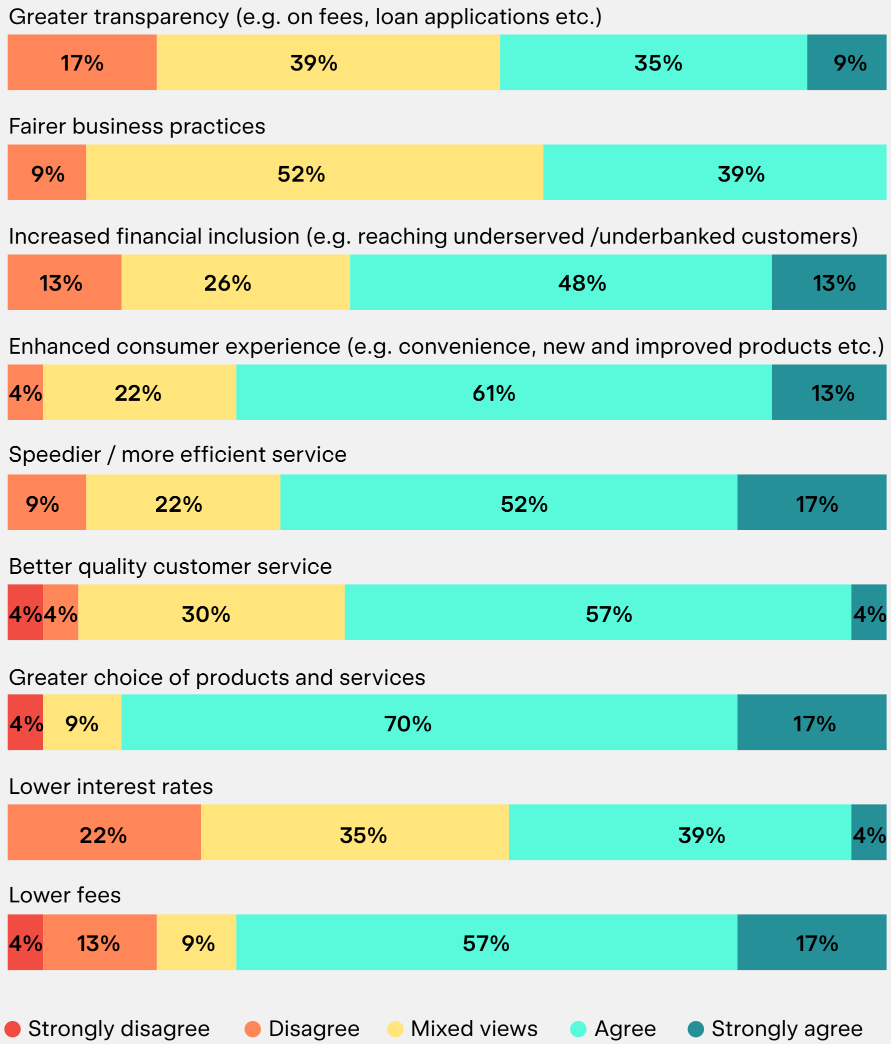
To what extent do you agree or disagree that the level of competition across the UK financial services sector is healthy?



To what extent do you agree or disagree that the current level of market competition across UK financial services provides benefit to your business in the following ways?



To what extent do you agree or disagree that the current state of competition across UK financial services provides benefit to end-users in the following ways?



Overall, four-fifths believe that competition delivers net benefits for consumers. There is a broad consensus (87%) of market practitioners who acknowledged that consumers enjoy a greater choice of products and services. This also helps to drive additional benefits including lower fees (74%), enhanced consumer experience (74%), speedier and more efficient services (69%) and increased financial inclusion (61%).

It is worth considering that many of these benefits – lower fees, inclusion, improved customer service – have all been the subject of multiple regulatory initiatives over the past two decades including major regulatory overhauls such as Treating Customers Fairly, the Retail Distribution Review, the Financial Advice Market Review and the new Consumer Duty. These initiatives apply a blend of regulatory principles and rules aimed at changing the behaviours of firms and market practitioners, with differing levels of success. A key message must be that market discipline, created by greater levels of competition, could have the same desired outcomes, without driving the need for more regulation and the associated increases in regulatory compliance costs.

Competitive forces play a major role in self-regulating markets and protecting customers – because where customers have a choice, they will choose good quality, and firms will be less likely to profit from poor practice.

Respondents see regulatory barriers as the biggest issue preventing them from scaling

Our survey asked firms which challenges – ranging from cyber threats and attracting skilled talent to access to capital - presented the greatest barrier to scaling. Survey respondents (71%) feel that the existing UK regulatory landscape, often cited as being overly complex, most hinders the process of scaling a business.

Respondents commonly cited APP Fraud rules, Consumer Duty and MREL as current examples of regulatory initiatives that undermine growth.

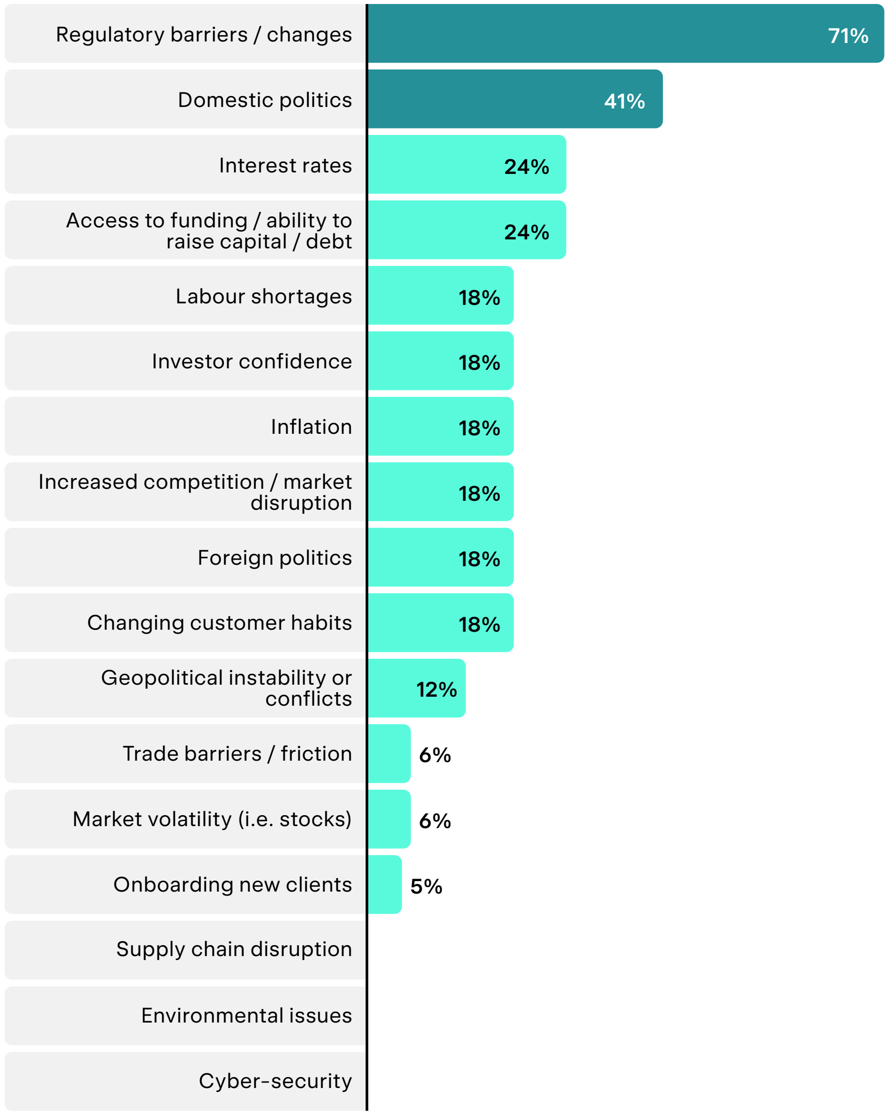
Head of UK Public Policy, lending, digital assets and payments fintech:

"The vast majority of our spend in the UK this year will be on regulatory change management and compliance. This prevents us from developing and launching new products for customers and staying competitive in a crowded field."

Director, retail banking and lending fintech:

"Regulatory rules and scrutiny are often not proportionate. Large banks are more easily able to absorb this given their large scale. For smaller banks, with lower headcount and a bigger imperative to keep costs low, it is more challenging to stay on top of regulatory rules and requests, and where these do not add value, this amounts to wasted effort."

What are the key macro-environment challenges that are impacting your ability to scale and grow?



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Katherine Kirrage, Osborne Clarke LLP

"The combination of a number of regulatory authorities, multiple layers and levels to the payments ecosystem, and ever-expanding regulation has created truly complex waters for firms to navigate. As regulation around AI, data and digital grows, so too does the overlap with payments regulation. There is a real opportunity now for regulators to take a macro approach, better understand the industry and support innovation and competition from new business models."

Across our survey respondents, 84% feel that the existing regulatory landscape in the UK hinders the process of scaling a business.

Further, the cost of compliance and a one size fits all approach to setting compliance obligations rank as the biggest barriers to scaling.

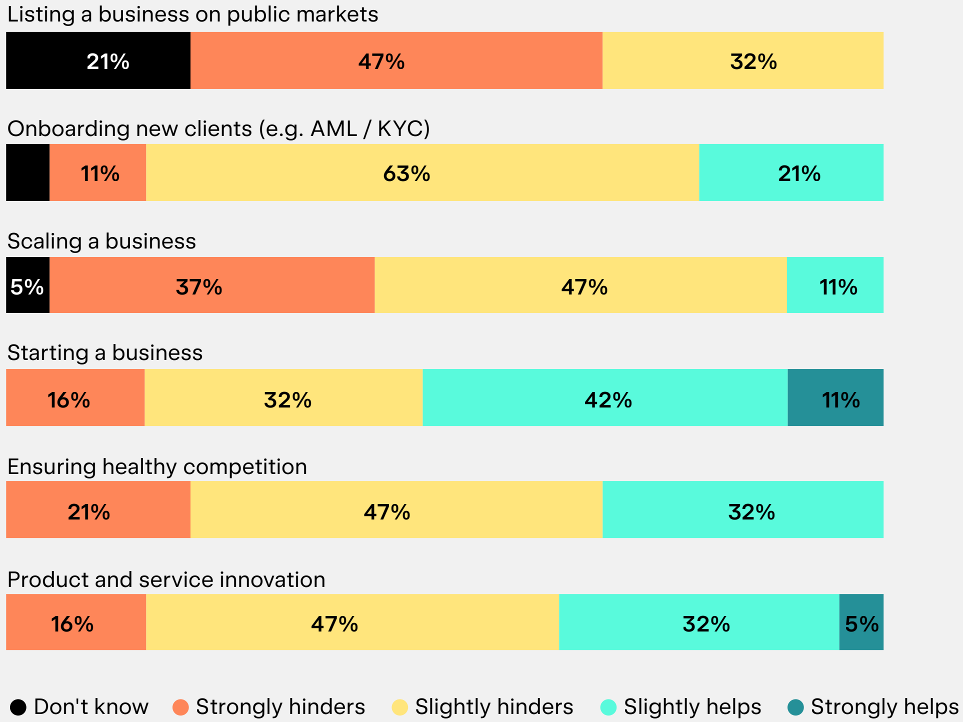
Director, payments fintech

"The slow pace of policy and regulator decision making is a major inhibitor to innovation that would otherwise inject competition and growth."

As recently as February 2025, the House of Lords Communications and Digital Committee warned that the UK was at risk of becoming an 'incubator economy' unless it does a better job supporting firms to grow into global competitors [15]. Rules designed for incumbent, and often substantially larger firms, such as APP scams mandatory reimbursement liability, can be more easily incorporated into such firms' large compliance structures and costs shared by multiple business lines.

15 UK risks becoming an 'incubator economy' if we don't take action to support our tech companies to scale up, Parliament.uk, February 2025

To what extent would you say the current UK regulatory landscape helps or hinders each of the following business activities within the UK financial services sector?



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Head of Legal, digital bank

"The regulatory issues are the most difficult for us to deal with - and the subsequent cost of compliance. They can also have a knock-on impact when it comes to things like securing funding. Unfairly high compliance costs make us a less interesting business to invest in."

Interviewees see a lack of regulatory support for scale-up firms

A key observation that arose in our interviews is that after the start-up phase, for which there are many regulatory support resources (PRA's New Banks and Insurer Start-up Units and the range of services under the FCA's Innovation Hub), high growth firms enter the "scale-up desert" where regulatory support falls away. Firms raise issues such as the uncertainty around when higher capital requirements apply and the timing and outcome of applications for authorisation of new products and services.

Conrad Ford, Allica Bank

"UK regulators were very good at creating a fertile ecosystem for fintech start-ups. We were the most attractive place to build fintech start-up in the world. We had the world's leading banking infrastructure and very focused support from both the regulator and Government. But, as a country, we got distracted by Brexit and I think it's fair to say that the fertile ecosystem for fintech start-ups has not fully followed through in its ability to nurture scale-ups."

It is not just the lack of certainty for authorisation of existing regulated activities, but lack of certainty regarding requirements and authorisation for introducing innovative business models and services. Small and growing firms are often able to bring new products and services to market faster than larger and more complex financial services competitors. Lengthy delays in introducing regulation for new products and services undermine this unique advantage.

Survey participants call out the delays in developing a digital assets regulatory regime, not expected to be completed in the until end of 2026 (or later). This will be two years behind implementation of the EU's digital assets regulatory regime. Market participants are also concerned that there is currently no plan to develop a stablecoin payments regulatory regime, while the EU and US regulatory regimes proceed.

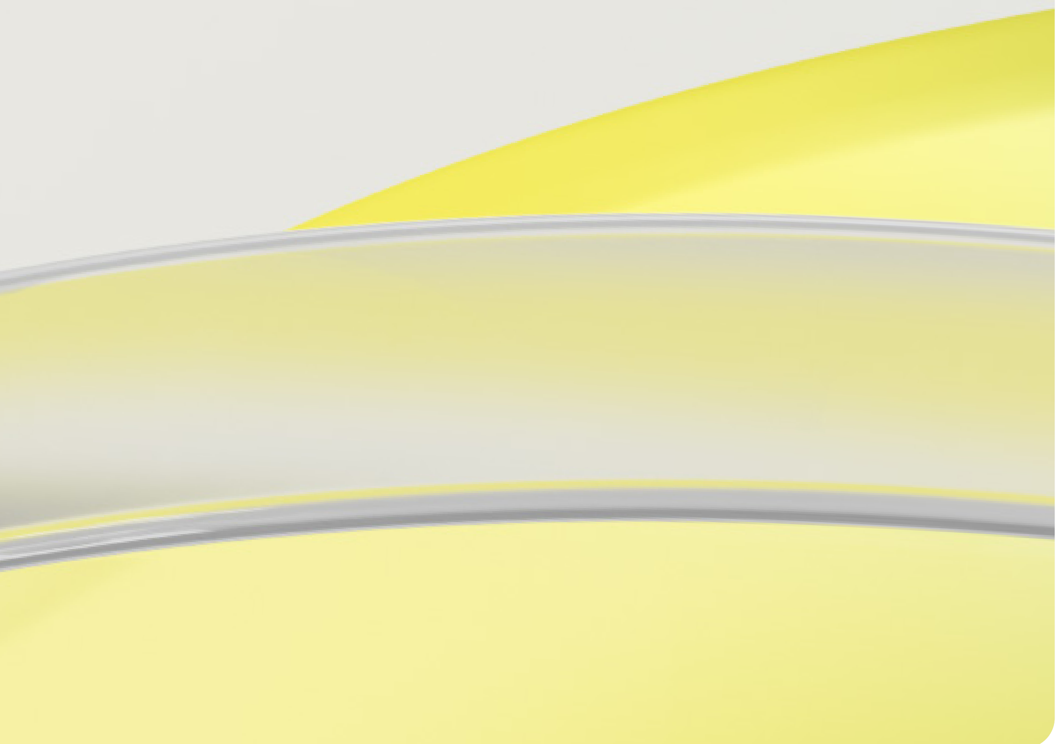
Finally, fintech firms call for a return to a closer working relationship with regulators to share know how about their business models and scale up challenges. Firms recommend increasing fintech representation on regulatory panels and a return to regulators convening topic-specific working groups. This may also reduce the high volume of regulator consultations, which small and medium sized firms find difficult to follow. Some firms also feel that explanations and know how comments in consultation responses are "left on the cutting room floor."

Director of Policy, business banking and lending fintech

"Most of the barriers to growth that we face I feel are a result of the regulatory burden - which are a result of a lack of flexibility in how regulations are developed and, in my view, the little weight of voice that fintech's have when they are being developed."

Section 03

Key themes from the research



Through the course of our research, we identified the following key themes which present barriers to competition and growth for UK fintechs, as well as areas of opportunity for government and regulators to boost the sector

MREL Requirements

As noted earlier in this report, challenger banks now provide 60% of finance to UK small businesses and play a key role in supporting growth across the economy. Regulatory requirements which constrain the growth of challenger banks are therefore critical to understand. MREL was raised extensively by our challenger bank contributors as their key regulatory barrier.

While day-to-day bank capital requirements ensuring financial stability and solvency are set by the PRA, the MREL capital requirement is designed to provide additional funding if a large bank has failed and this is set by the BoE's Resolution Directorate. MREL was created as part of the post financial crisis reforms to apply to firms which are "too big to fail" and seeks to ensure that large banks can be resolved without recourse to public funding.

MREL is equal to 100% of a bank's day-to-day capital requirement, although the BoE has the discretion to adjust it lower. Creating a point at which a bank's capital requirement can double presents a cliff edge event for growing banks. While the BoE extended the MREL implementation period to as long as six years, this doesn't remove the challenge of raising significant amounts of regulatory capital at a key growth stage.

In the EU, the MREL capital requirement applies when a bank's deposits and other assets reach €100bn. In the US, MREL applies when a bank's assets have reached $250bn. However, In the UK the BoE has set the assets threshold at £15-25bn, a level which has remained unchanged since its inception. Assets of £15bn arguably no longer represents "too big to fail" firms in the UK; this figure represents less than 2% of the value of assets held by the UK high street giants Lloyds Banking Group (£907bn) and NatWest (£707bn)[16].

The current low threshold raises a number of competition issues for challenger banks:

- The cost of MREL is prohibitive for smaller firms; the cost goes beyond the capital requirement to include expenses such as multi-year professional advisory fees, new types of regulatory reporting and additional finance staff;
- The deterrent effect of the MREL capital requirements on growth, in often reducing a bank's appetite to scale;
- The deterrent effect of MREL capital requirements on investment, with low return on regulatory capital a disincentive to investment;
- The impact of diverting capital from business investment at a critical stage of a bank's growth when capital is most needed to support scaling.

Director, digital bank

"MREL is massive. The UK threshold has been consulted on, but the current bail-in threshold of £15-£25bn, or the proposed update to £20bn-30bn lag far behind the EU, where it is €100bn, with discretion for national regulators. In America, it's $100 billion. This is a significant extra cost for businesses entering the market. Proposed updates to MREL are very conservative and will be out of date before they're implemented. This is an example of how the regulator has been far too slow in updating these requirements. It's also an opportunity - a more proportionate update would release billions of pounds into the UK economy."

The BoE has recently consulted on certain changes to MREL requirements, including raising the total assets threshold at which it applies to £20-30bn[17]. There is a strong consensus in industry that the increase lacks ambition and does not provide material relief for growing banks, merely a short-term deferral of the obligation. Key industry asks include:

- Raising the current MREL threshold from £15-25bn to £50bn.
- Excluding low risk weighted assets, such as central bank deposits, from the total asset calculation;
- Creating more proportionate MREL thresholds and capital requirements to recognise smaller and less complex firms and different banking models.

16 Statistica, as of March 2025
17 Amendments to the Bank of England's approach to setting a minimum requirement for own funds and eligible liabilities (MREL), BoE, October 2024

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Experienced fintech founder

"So MREL is effectively the cliff edge, where you have an incentive to not scale your business beyond the limits. But the same thresholds do not apply to a non-bank – like a payments provider. MREL is a live issue and, as a country, we need to avoid this kind of incrementalism of, let's just add 10% from the last numbers. That not how you should do regulation. It should always be zero based. Otherwise, what's the point of having regulators?"

APP fraud reimbursement rules

APP fraud reimbursement rules are seen by our respondents as a significant competitive disadvantage for fintech payment firms for reasons including:

- Fintech firms find it difficult to match the level of large banks' investment (and economies of scale) in financial crime prevention and security;
- Substantial investment in new financial crime systems and staff diverts investment from commercial activities;
- The mandatory reimbursement of up to £85,000 per claim undermines the profitability of small and mid-tier firms;
- Liabilities are capped on a per claim basis but not capped on an annual basis. Individual or cumulative liabilities raise the risk of insolvency.

We found consensus that the APP fraud reimbursement regime has a direct and negative impact on the ability of affected firms to scale and grow, with financial liability and compliance costs making firms less attractive to investors. The new regime, designed to fully compensate 99% of the volume of all APP fraud claims, is also seen as negatively influencing consumer behaviours – removing the incentive for consumers to exercise caution.

Chief Risk Officer, business banking fintech

"APP fraud mandatory reimbursement is a disaster for competition. Barrier to entry for new innovative companies is too high, and this is skewed towards supporting the larger banks. I fear the great progress the UK has made with innovation will go backwards, and we're already seeing small fintechs go out of business because of mandatory reimbursement."

Potential changes to APP fraud reimbursement rules were discussed, but the overarching message from the industry was for greater government and regulatory focus on the role that social media platforms and telecom businesses play in APP fraud. Lloyds Bank, for example, highlighted last year that 80% per cent of financial fraud is occurring through big technology companies, 70% of it through Meta[18]. Firms believe that the social media and telecoms sectors should be brought into the regulatory perimeter for APP frauds and should be made at least partially liable for financial losses incurred by victims of frauds which originate through their services. This would incentivise these businesses to implement stronger security and fraud prevention measures.

18 Two-thirds of all online shopping scams now start on Facebook and Instagram, Lloyds Banking Group plc, May 2023

UK payments industry leader

"What we ended up with is a reimbursement model and we haven't moved forward the technical capability to manage and improve the services and the security that we provide. Yes, it gives customers cover, but it is not driving the mitigation of fraud, it is not actually protecting customers from the experience they are being hit with in the first place. The view that the bank can just pay for it is not sustainable from a market perspective."

Finally, respondents noted that information sharing initiatives across the private sectors and law enforcement remain nascent and more work needs to be done to improve coordination.

The Data (Use and Access) Bill

A number of respondents raised the need for the Data (Use and Access) Bill, which is approaching the final stages through Parliament, to be quickly passed and the benefits fully implemented through industry. The legislation addresses data protection rules which create barriers to efficiency, consumer protection and innovation. Benefits include enhanced verification standards, improved security, and enhanced automated decision-making. Respondents view the legislative changes as important to support competition in the market.

Whether the Bill will facilitate the widespread use of a much-vaunted Digital ID, there is hope that it will:

- Improve data management practices across the industry, reducing risk of regulatory penalties and enhancing operational resilience;
- Streamline compliance requirements, making it easier to adhere to Data Protection rules and codifying "reasonable and proportionate search" obligations – helping firms manage data subject access requests more efficiently;
- Support firms in the deployment of AI and automation – key fintech strengths – helping to foster innovation and improve customer experience;
- Streamline customer onboarding and transaction verification – improving efficiency and reducing operational costs.

Charlotte Crosswell, CFIT

"The Data (Use and Access Bill) is central to so much for the industry. Primary legislation that allows people to control their data. Share it when they want to and take it back also. The next version of Open Banking and a future with Open Finance will leverage this. It has the potential to result in an explosion for the next phase of growth for the fintech sector. And what starts in financial services will ultimately have the ability to address cross-sector divisions and incorporate things like energy and utilities."

The Bill is expected play a critical role in expanding the range of financial services enabled through Open Banking and serving as the basis for extending the "Smart Data" information sharing model to Open Finance services. Respondents also expect the legislation to result in reduced APP fraud – through the enhanced data sharing, improved fraud detection, increased transparency and stronger verification processes.

Charlotte Crosswell, CFIT

"The idea of digital identity and digital verification may feel controversial to some, but we are already seeing an increasing amount of data being shared. It can play such a significant role in some of the wider challenges we see. For example, when we consider APP fraud reimbursement rules, a strong Data Bill can better introduce concepts such as digital verification, that will directly help reduced compliance burdens on firms as they seek to validate consumers and businesses' credentials."

Stablecoin regulation

While UK's approach to regulating digital assets and stablecoin has been evolving over recent years, there is a recurring view amongst survey respondents, and across the industry more broadly, that progress has been too slow, putting the UK at risk of missing out on the potential opportunities. According to the FCA's Crypto Roadmap, final rules are not expected to come into effect until late 2026, even as late as 2027.

Stablecoins in particular play a critical role in the evolving world of digital assets and money, with the market capitalisation of stablecoin schemes based outside of the UK rising 18 consecutive months, to $231bn in February[19]. This emerging technology enables use cases such as providing a settlement asset for digital asset trading, consumer-to-consumer payments, and trade finance.

Adam Jackson, Innovate Finance

"The UK could and should offer the most competitive and trusted regime in the world, underpinned by legal and political stability. We now have to act fast to convey UK ambition and approach and translate that quickly into action."

Prioritising regulation in this area is seen as essential to support the fintech sector, particularly in relation to the global competitiveness of the UK. There are fears that as other countries develop their own regulatory frameworks, the UK may well fall behind other world leaders – impacting our ability to attract global fintech firms and talent. This, in turn, could impact on how strongly the financial sector performs in the UK and affect our economic growth.

Clear and consistent regulation in this area is seen as a vital component of the UK's ability to both attract investment into UK fintech firms active in this space, as well as attracting firms to build a UK base.

Key principles of a stablecoin regime should include:

- A single regulatory regime under which both the BoE and FCA operate to avoid overlapping regimes
- The ability to pay interest or yield for holders above and below systemic thresholds
- Avoiding restrictions on wholesale use and holding limits - essential to create a level playing to cash field treating stablecoin payments under "same risk, same regulation" principles

19 Stablecoins & CBDCs Report, CoinDesk Data, March 2025

- The inclusion of stablecoin proposals in regulatory sandboxes: this would allow testing of different business models and impacts of different backing assets
- The exemption of stablecoin transactions for tax purposes (eg they should not be subject to capital gains tax)
- The exemption of stablecoins from the FCA "high risk" investment classification (eg restricted Mass Market Investments)

Charles McManus, ClearBank

"The delivery of regulatory certainty at pace for all digital assets is essential to ensuring that the UK maintains its status as a leading global financial centre. The UK is currently falling behind the US, Europe and Asia in this space. However, with the right regulatory support, UK fintech is ideally placed to capitalise on this new and exciting market, driving growth in the economy through innovation in wholesale digital clearing and payments."

BoE regulation exempt from growth and competitiveness

The BoE's regulatory activities outside of the PRA unit include setting rules for the resolution of banks and large investment firms, supervising regulated market infrastructures and setting payments and settlement key policies. Despite these areas having material impacts on firms and the economy, these activities are not subject to statutory objectives for growth and international competitiveness.

If the BoE's Resolution Directorate was subject to the same, or similar, statutory objective as the PRA and the FCA for growth and competitiveness, the BoE would be required to consider how MREL capital requirements affect challenger banks' ability to scale, to compete with incumbent banks and remain attractive for investment. The BoE's MREL policies would then support the CMA's Open Banking initiative to improve retail banking competition.

The BoE's mandate over payment and settlement policy provides it a role in developing a stablecoin payments regime, which also has commercially significant implications for firms. The global stablecoin market is booming with annual transaction values now exceeding those of Visa and Mastercard[20] and Visa itself has become an early adopter. A growth and competitiveness objective would create an incentive for the BoE to develop a regulatory regime at an earlier stage.

Delaying development of stablecoin payment regime risks the UK financial services market losing out on growth and undermines the UK's position as a global financial services centre. We welcome other BoE payment and settlement activities which seek to increase innovation and competition, in particular its work to support non-bank firm access to clearing and settlement[21]. Respondents now urge the BoE to extend its support for innovation to developing a stablecoin payments regime.

Extending the statutory objective for growth and competitiveness to the BoE would ensure that all UK financial services regulatory policies operate under the same principles supporting competition, growth and international competitiveness.

20 Stablecoins Are 'WhatsApp Moment' for Money Transfers, a16z Says, CoinDesk, April 2025
21 Access policy for RTGS settlement accounts and services, Bank of England, May 2025

Lack of dedicated support for scale-ups

The FCA Innovation Hub and the PRA New Bank Start-up Unit have provided significant support for UK start-up fintechs. Additionally, an ecosystem of start-up focussed law firms, service providers and associations have also developed to support start-ups. However, this report shows that when established firms seek to scale different regulatory resources are required – in particular faster and clearer authorisation of new products and advice and certainty in planning capital increases. The lack of speed and certainty is critical not just for firms, but their investors.

Richard Davies, Allica Bank

"The gap that we see is that there has been this very good focus on starting a new bank—our stats on that compare pretty well to most countries—but, as the firm gets larger, there can be a bit of a void between the start-up units that exist in the PRA and FCA and the resource that is applied to the major banks. This is something that could have a dedicated unit around it at both regulators, similar to the start-up unit. We and most firms would be happy to pay a levy towards that."

The FCA's recent annual work plan[22] confirms its January commitment to increase supervisory resources for start-up and scale-up firms by 50% and contains a number of enhancements to existing FCA start-up support resources. However, these communications offer no details as to the criteria for scale-up firms, no metrics to monitor additional regulatory resources and no other express initiatives to support scale-ups.

Creating scale-up units within the FCA and PRA could play an essential role in supporting the rapid growth and scaling of fintech firms in the UK. These units would provide tailored support and expedited pathways for these firms, better ensuring that regulatory requirements do not stifle their growth potential. This approach fosters a more agile regulatory environment, enabling fintechs to bring innovative solutions to market more quickly. The call for scale-up units is not new, with the 2021 Kalifa Report[23] recommending the development of a "Scalebox" to support high growth firms as well as new firms.

Scale-up units would help in bridging the gap between initial authorisation and becoming a "structurally important firm," providing continuous compliance support during the critical growth phase – ultimately creating a robust and dynamic financial ecosystem.

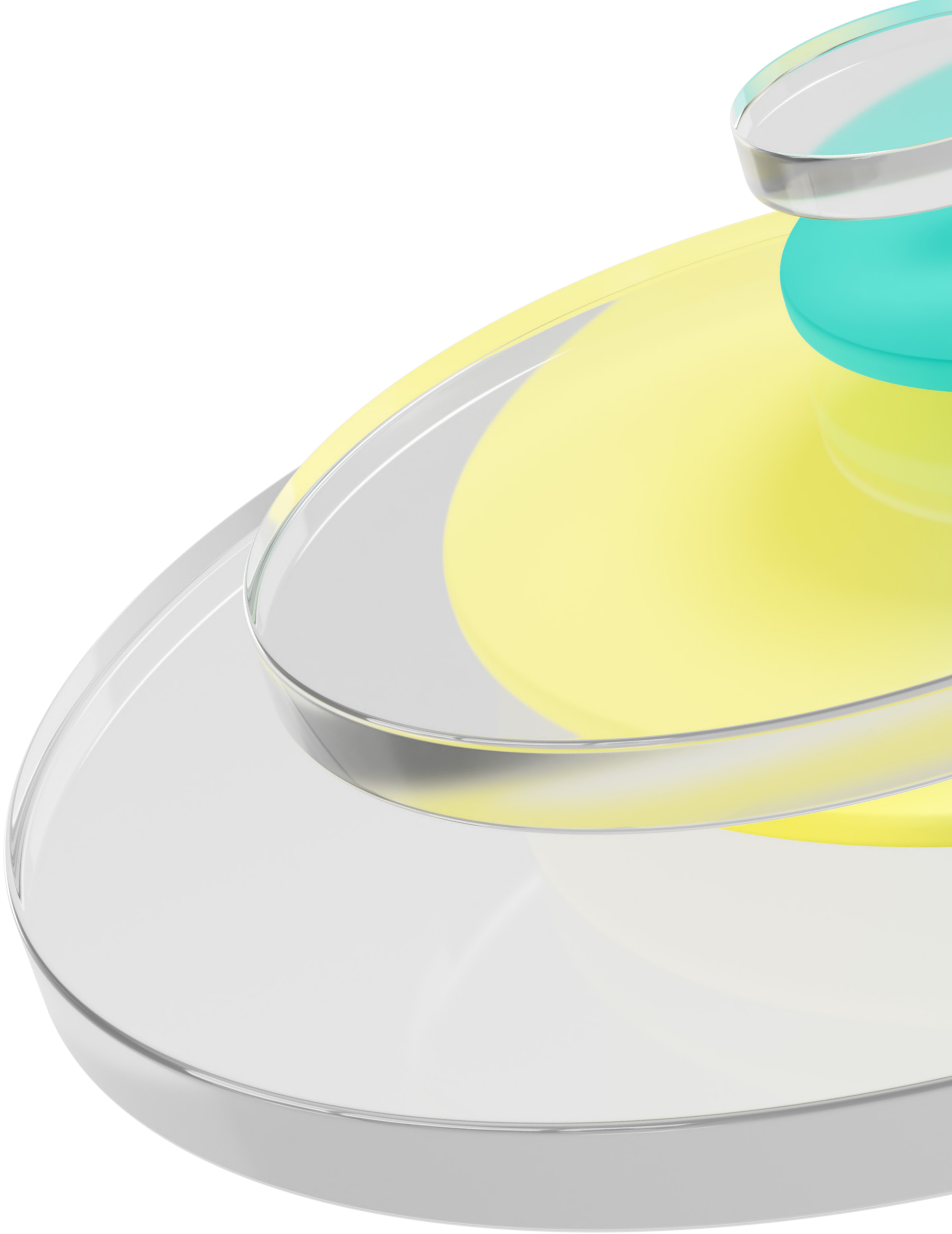
Charles McManus, ClearBank

"More recently we have seen a shift in relation to the regulatory environment, which is becoming less focused on enabling successful firms to grow. Our regulators need to get better and faster at offering tailored support for those high-growth firms. This support could mirror the structure of the regulatory start-up units — it could be a sandbox for scale-ups, if you like. It would be focused on addressing policy barriers such as disproportionate capital requirements, and supervision barriers such as long lead times in relation to product authorisations. These require experienced supervisory relationships."

22 Annual Work Programme 2025/26, FCA, April 2025
23 Kalifa Review of UK Fintech, 2021

Katherine Kirrage, Osborne Clarke LLP

"Because regulation has been designed for incumbent players, there can be a natural 'blind spot' and blocking effect. We often find that regulations are designed with the businesses that are most known and understood, or those with the most voice and ability to shape the regulation. Consultations can have an element of regulatory capture, where the largest and most engaged players have conversations that shape the regulations before others have an opportunity to engage. Often, the regulations end up being designed with a backwards looking lens, rather than looking to the future."



Section 04

Recommendations

Market participants remain confident in the UK's ability to continue to attract and nurture start-ups. We now need to extend this support to high growth and other firms seeking to scale up, removing key barriers which undermine their ability to grow. These firms are the firms that will deliver real growth in the sector and for the businesses and consumers they support. In not addressing scale-up challenges, the UK risks remaining an incubator economy unable to grow or retain new national champions and international leaders.

The cost of compliance ranks highly as a barrier to scaling, particularly regulatory capital. While financial stability and consumer protection remain critical for regulators to ensure, rules must be also reviewed to ensure that they remain proportionate to risks and relevant to new business models.

We've seen that regulators can use their competition powers to do more than just enforce against anti-trust activities, but to make decisions which create entirely new services, such as new forms of payment services and Open Banking, and decisions which level the playing field between large and small firms, incumbents and challengers. We urge regulators to return to a bolder approach to overseeing competition.

Based on the issues and challenges highlighted through our research, and in collaboration with those contributing to our study, we offer the following recommendations to improve competition, which in turns drives growth and supports the UK's position as a leading financial centre.

- **Recommendation 1:** The BoE to increase the MREL total assets threshold to £50bn, remove high quality liquid assets from the calculation, and introduce a greater degree of proportionality as to how it is applied for smaller and less complex institutions.
- **Recommendation 2:** The government to extend APP fraud mandatory reimbursement liability to social media and telecom sectors; and the Home Office in its upcoming Fraud Strategy to announce plans to improve information sharing between the payments and social media and telecoms sectors.
- **Recommendation 3:** Parliament to pass without delay the Digital Use and Access Bill (formerly the Data Protection and Digital Information Bill) enabling the next phase of Open Banking and the Open Finance implementation.
- **Recommendation 4:** Government and regulators to create a regulatory regime in the UK for the use of Stablecoins in payments as a matter of urgency.
- **Recommendation 5:** Government to extend the statutory objective for growth and competitiveness to the BoE in all regulatory capacities outside of the PRA, compelling the BoE to consider growth and international competitiveness specifically in setting resolution and payment and settlement related requirements.
- **Recommendation 6:** The FCA and PRA to create scale-up units to expedite regulatory agreement on and authorisation of new products and services for high growth firms.

We urge UK financial services regulators to review their commitments to competition this year with fresh eyes, returning to a more proactive approach in identifying and addressing challenges for new and growing firms.

Finally, we hope that the discussions and recommendations in this report will help to inform HM Treasury's Growth and Competitiveness Strategy as well as the government's proposals for other high growth sectors in the Modern Industrial Strategy.

Acknowledgements

We are extremely grateful to those across the industry who took the time to participate in our survey research. Without their participation and feedback, this study would not have been possible.

We are also indebted to the market practitioners who took time out of their busy schedules to be interviewed for this report, including:

- Diljá Helgadóttir, Legal Counsel, Aquis Exchange
- Conrad Ford, Chief Product Officer, Allica Bank
- James Shafe, Group Policy Director, Monzo
- Liz Boyles, Head of Legal, Raisin
- Ed Bowles, Global Head of Government Relations, Wise
- Katherine Kirrage, Partner, Osborne Clarke
- Paul Anning, Partner Osborne Clarke
- Clive Cunningham, Partner, HSF
- Janine Hirt, CEO, Innovate Finance
- Adam Jackson, Chief Strategy Officer, Innovate Finance
- Charlie Conchie, CityAM
- Faith Reynolds, Advisory Board Chair, UKFintech
- Phil Kenworthy, Independent Payment Industry Advisor, Non-Executive Director, ClearBank Limited
- Charlotte Crosswell, Chair, CFIT
- Charles McManus, Co-Founder and Non-Executive Director, ClearBank
- Mark Field, Non-Executive Chairman of CIB, Capital International Group

Finally, thanks to Richard Anderson, Independent Director of ClearBank Group Holdings Limited, for his guidance and counsel in the preparation of this report.

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Glossary

APP – Authorised Push Payment

BoE – Bank of England

CMA – Competition and Markets Authority

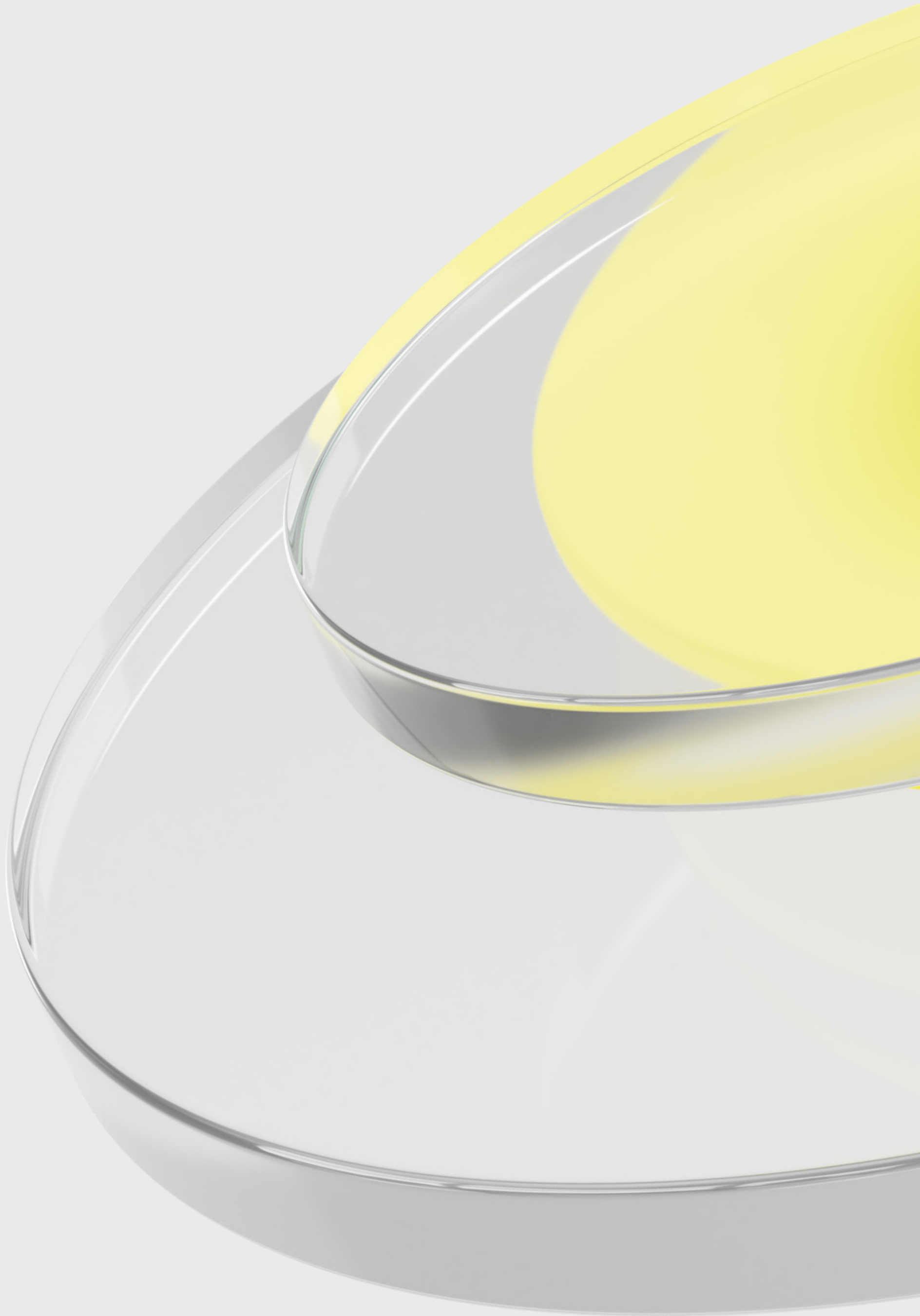
FCA – Financial Conduct Authority

FSA – Financial Services Authority

MREL – The Minimum Requirements for Own Funds and Eligible Liabilities

PRA – Prudential Regulation Authority

PSR – Payment Systems Regulator



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