



FinTech West



Dorset & BCP FinTech Report 2024

Partnership / Sponsorship Opportunities

A proposal from Whitecap Consulting

January 2024

Overview: Dorset & BCP FinTech Ecosystem Analysis

The Requirement

- The Kalifa Review, published in 2021, identified 10 key regional FinTech clusters in the UK.
- Although the Dorset and BCP area was not named, it has a long established strength in financial services and is clearly a developing FinTech cluster as identified in the recent South West FinTech Ecosystem Report.
- BCP Council has identified that publishing a report analysing the region as a beneficial early step that would also raise the profile of FinTech within the region and on a national / international basis.
- The focus of the content of this report would be the Dorset and BCP region.
- The aim is to publish a report by the end of June 2024, and this proposal outlines how Whitecap could help.

Proposed Approach

- Whitecap Consulting has conducted a number of projects looking at regional FinTech ecosystems in the UK, engaging with regional and national stakeholders including Innovate Finance, CFIT, and City of London Corporation.
- Whitecap will use its proven approach and methodology to conduct a project focused on the region, the output of which would be a published report, including recommendations and suggested actions.
- A steering group will be formed, which will meet monthly throughout the project, including key regional stakeholders.
- The cost of this work requires a minimum commitment of £25,000 which would be financed via a 'crowdfunded' approach with multiple contributing sponsors.

Dorset & BCP FinTech Report 2024

Proposed Report Content

- Forewords
 - Key local presence
 - CFIT / Innovate Finance (national voice)
- Executive Summary
 - Infographics & visuals
 - Regional highlights
 - Key findings & recommendations
- FinTech Ecosystem Analysis
 - Financial & FinTech sector
 - FinTech Startups & Scaleups
 - Funding & investment
 - Skills & talent
 - University engagement
 - Hubs & workspaces
 - Ecosystem connectivity
 - Summary of activity
- Case studies
- Data analysis methodology
- Sponsor profiles



Dorset
Council

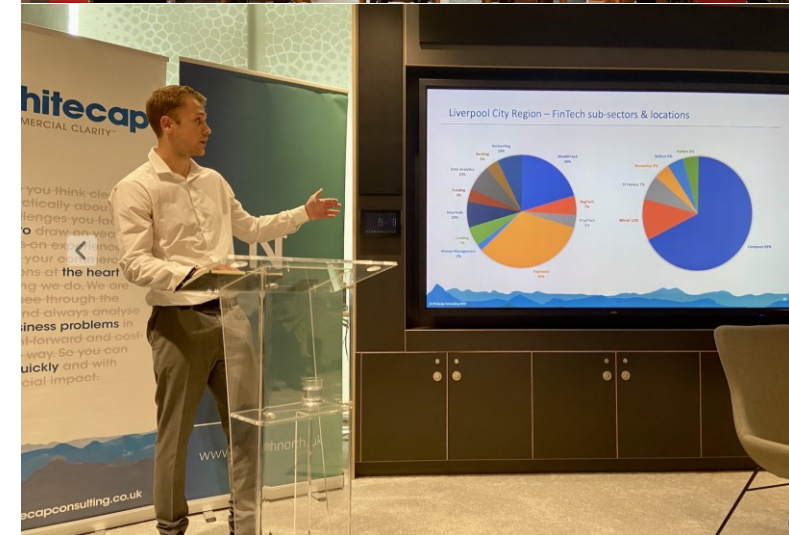


DORSET
Local Enterprise Partnership

Why conduct a FinTech ecosystem analysis?

Key Objectives & Benefits of Ecosystem Analysis

- The report will showcase the FinTech-related activity in the region and provide the basis for national and international PR and marketing opportunities.
- The findings will help to assess current state, future potential, and areas to focus resources and investment.
- The research process will improve engagement with the regional Financial Services, Tech and FinTech sectors.
- The outputs will help the region understand where the areas of current and potential future competitive advantage lie and will identify clear recommendations as to how the region can look to develop and capitalise on these areas.
- The report would provide alignment of data points and messaging with the FinTech sector development activity being conducted by other regions.



Research & Analysis Approach

Research Stages

Market Analysis

- Desk-based research & analysis
- Analysis and evaluation of existing regional data and insights
- Conduct analysis and produce regional FinTech stats (firms, workforce, GVA, breakdown of subsectors)

Stakeholder Engagement

- Qualitative interviews with key stakeholders (est. 10-15 interviews + sponsors)
- Potential to do fewer interviews but run discussion groups with relevant stakeholders across the ecosystem.

Summary Report & Directional Strategy

- Publicly available report summarising findings & proposed high level strategy for the region
- To include infographics and visualisation of insights and results

Potential Research Participants

- Established financial sector
 - Mixture of large, medium and small organisations
- Providers and suppliers to the sector
 - Technology firms serving the financial sector
 - Professional Services firms
 - FinTech firms
 - Tech firms in adjacent sectors.
 - Investors
- Higher education
- Public sector
- Inward investment organisations

Outline Project Plan

Stage	Activity	Timetable
1. Project kick off / set up	<ul style="list-style-type: none"> Agree topics, target interview list and project deliverables. Establish steering group of sponsor organisations, to meet monthly throughout project. 	Month 1
2. Desk Research	<ul style="list-style-type: none"> Conduct desk research around FinTech developments in Dorset / BCP area. Identify and analyse the individual FinTech firms operating in the region. Generate updated datasets around the size and value of the FinTech sector (using established Whitecap methodology). 	Month 1-2
3. Stakeholder Interviews / Engagement	<ul style="list-style-type: none"> Devise questions for interviews. Arrange interviews with key stakeholders across the FinTech ecosystem. Target of 10-15 semi-structured interviews to be conducted. Potential to use roundtables as additional / alternative format to engage with stakeholders. 	Month 1-3
4. Summary report	<ul style="list-style-type: none"> Summarise outputs and insights from desk research and interviews in a report format, expected to be 35-40 pages in length. Create infographics and branded content, including sponsor case studies. 	Month 3-4
5. Launch	<ul style="list-style-type: none"> Publish report across digital channels from Whitecap, BCP Council and other sponsors / partners including FinTech West. PR: Distribute launch announcement to FinTech and regional media contacts. Launch event to be hosted in partnership with BCP Council where sponsors will be invited to join a discussion panel (potential to run an event to share initial findings earlier in project) 	Month 4

Project Benefits

Value to BCP Council / Dorset region

- Deliver new and meaningful FinTech insight to support the future prosperity of the region.
- Provide a report and foundation upon which a more in-depth regional FinTech development strategy and cluster group could be developed.
- Raise the FinTech profile of the region across the UK and other key FinTech regions.
- Help provide senior regional economic leaders with clarity on key themes and opportunities.
- Help those outside the region, nationally and internationally, to better understand the region's dynamics and the opportunity it offers.
- Having the research conducted by an independent third-party firm can help give it increased validity vs a report produced from within the region.

Benefits to Sponsors / Partners

- Positioned as an active supporter of the sector and continually named in the PR / marketing comms material before, during and after the research and publication of the report.
- Invited to monthly project steering group meetings, to be held virtually
- Invited to provide feedback on the approach / question set for the interviews and provided with advance sight of the draft report with the opportunity to give feedback / suggest amends.
- Logo on front cover of report and/or inside cover.
- 50 word profile on sponsors page.
- Option for case study to be included in report.

Example Sponsorship Opportunities



Core sponsor - £5,000

- Logo on front cover and inside cover
- Half page case study (250 words)
- 50 word company description and hyperlink to website
- Named as a sponsor in PR activity
- Invited to join project steering group

Secondary Sponsor - £2,500

- Logo on inside cover
- 50 word company description and hyperlink to website
- Named as a sponsor in PR activity
- Invited to join project steering group

Whitecap Consulting works with board members, executives and investors of mid-sized organisations to facilitate growth aims and **delivers strategy development, business planning & implementation support.**



Whitecap, established in 2012, operates across UK

vision

Since 2012, we have been building a leading regional strategy consultancy that fills the gap between the Big 4 and the international strategy consultancies, and one-man bands, and today we have offices in 6 regions

mission

We help multi-sector SMEs, mid-sized organisations and divisions of corporates to analyse, develop and implement growth strategies that deliver P&L and Enterprise value

values

Based on our commercial backgrounds and client experience, we have developed a reputation for being pragmatic, hands-on, transparent, supportive as well as challenging in helping clients achieve their strategic and commercial aims



Whitecap Consulting - Regional FinTech Credentials

Core competence in strategy and planning

- Regionally-focused consultancy focused on strategic growth planning and implementation, underpinned by a strength in research, analysis and proposition development.

FinTech sector expertise

- Practice area specialisms in FinTech, Financial Services and Technology.
- Worked on numerous strategy and FinTech related projects in the public and private sectors, as well as with a number of universities.

Regional FinTech experience

- Conducted regional ecosystem analysis projects covering: Leeds City Region, Greater Manchester, the North East, West Midlands, South West and Northern Ireland.
- Engaged by FinTech Scotland to develop Research & Innovation roadmap, published March 2022.

Regional economic development experience

- Strong working knowledge of multiple individual regional economies across the UK, coupled with a broader cross-regional perspective from six regional offices.
- We have also analysed and delivered regional development strategies for clients.

Proven expertise in analysing regional innovation ecosystems

- Experienced in conducting analysis to understand the composition, issues, challenges and opportunities in different ecosystems such as FinTech and LegalTech (including RegTech).

Experience of FinTech ecosystem development and management

- Co-created and co-ordinate two FinTech network bodies: FinTech North and FinTech West, which work in partnership with national and local government, financial, tech and FinTech sectors; universities, and support ecosystem.

Whitecap Consulting – FinTech Credentials

Whitecap Consulting

- Established in 2012, Whitecap Consulting is a regional strategy consultancy headquartered in Leeds, with six offices across the UK.
- Whitecap works with small, medium and large sized clients across multiple sectors in the UK, helping them analyse, develop and implement growth strategies, including international clients to support UK market entry.
- Although working across multiple sectors, Whitecap has core expertise Financial Services, Technology and FinTech and the majority of our client work is in these sectors.
- In addition to project work, we have run technology vendor selection exercises for clients including financial services providers.

Whitecap's relevant sector expertise

- **Financial Services** – client base including banks, building societies, challenger banks, specialist mortgage lenders, and savings providers.
- **Tech providers** - strong understanding of tech provider landscape, developed by working with multiple providers as clients and having relationships across the sector.
- **FinTech** – embedded in the UK FinTech sector, with a contact base across startups, scaleups and established FinTech firms across the UK and also a number of international contacts.
- Acknowledged as experts in FinTech via our work on FinTech ecosystems and our advisory work helping investors analyse FinTech investment opportunities.

The background of the slide is a stylized, layered mountain range. The mountains are rendered in various shades of blue, from light blue in the distance to dark blue in the foreground, creating a sense of depth and perspective. The sky is a plain, light blue gradient.

Previous Reports / Further Information

Case Studies: Ecosystem Analysis Reports

Regional FinTech Ecosystem Reports

Whitecap has completed multiple regional FinTech reports covering Leeds, Liverpool, Greater Manchester, North East, West Midlands, Bristol & Bath, the South West and Northern Ireland. Each project involved a detailed analysis of a complex and rapidly evolving market, gathered via a mix of desk research, stakeholder interviews and online surveys.

Legal Tech & Innovation Reports

Whitecap has completed two regional research and analysis projects on Legal Tech and Innovation, covering the Leeds City Region and Bristol & Bath region. Each project involved desk research, interviewing stakeholders across the legal, technology and business sectors, and conducting an online survey.

Whitecap's output reports include key findings and practical, actionable recommendations, developed in partnership with the key stakeholders and funders of the reports.



Regional FinTech Ecosystem Analysis

These are the regions we have reported on to date. Samples of our regional data analysis are included on the following pages.

whitecap
COMMERCIAL CLARITY™



South West FinTech Report 2023

Sponsors:



FinTech West

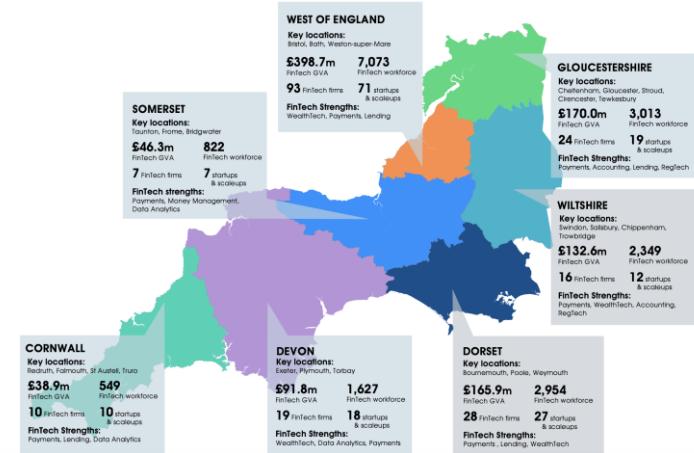




South West FinTech Report 2023

Published October 2023

South West Regional Highlights 2023



South West FinTech Ecosystem 2023

Whitecap Consulting

PAYMENTS: Zahara, tripcatcher, iiPay, smart volution, Expensys, CURVE, opismo, txtNation, NO, Pay360, neighbourly, DATA INTERCONNECT, moneyhub, Tickitto, people, BuyLine, shrap, xplora, payaca, cardstream, dojo, PAY, Orca Pay Group, Skyee, Member of Latis Group.

WEALTHTECH: Twenty7tec, fundsurfer, ALPHA, IPIPELINE, Penny, air, intelligentai, ABSURDIA, HARBOUR, nouja, HAZELTREE, equisoft, nucleus, FNZ, itm, Infinity, REDINGTON, My Extra SIPP, Backbase.

ACCOUNTING: JOIN, BookCheck, Nephos, people, VAT, Zahara, tripcatcher, Expensys, Brightpearl, Limber, iiPay, payaca, IMP Software, SENTA.

LENDING: wink, secta, propflo, Growth lending, edge forecast, Grant, Time Finance, Lead Brain Global, Trade Lenda, Ratio, loan, loqbox, creditplus, dancerace, imedia, iress, FOLK 2 FOLK, Twenty7tec, CROWDPROPERTY, checkmyfile, air, opismo, GREAT WESTERN CREDIT, EKO, finova, OPTIMUM FINANCE, Choose Wisely, Platform One, paymonthly, JudPro.

INSURETECH: Twenty7tec, Capsule, Verisk, Just Move In, Morning Data, Envelop, AMPLE, ED, ROW, tedaisy, AGM TECHNOLOGIES, Batsrock, equisoft, DINGHY, MIC Global, OPENBRIX.

REGTECH: IPIPELINE, AVOCO, itm, THE RIGHT GROUP, CO-MENTIS, SmartStream, Unified Finance, TestLink, playsafe, systems, jtc, Orca Pay Group, winky, eflow, iress, ALBANY GROUP, people, FOUNDER CATALYST.

FUNDING: FOUNDER CATALYST, EKOTO, crowdcube, GALABID, Ethical Equity, fundsurfer, DONATIS, neighbourly, Crowdfunder.

BANKING: CURVE, Choose Wisely, Clear.Bank, opismo, finova, Backbase, register, GREAT WESTERN CREDIT, HARBOUR, KIDS.

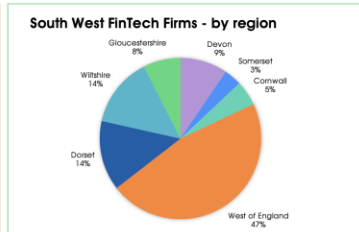
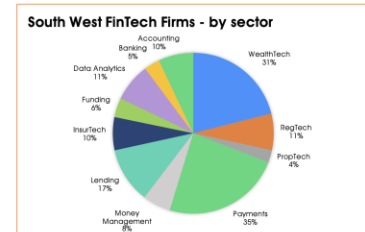
MONEY MGT.: polaris, Lumio, flexys, moneyhub, xplora, Penny, IMP Software, DATA INTERCONNECT, kids, ACCOUNTABILITY, Batsrock, Bunch, loqbox.

PROPTech: propflo, intelligentai, BUNK, CROWDPROPERTY, Just Move In, Bunch.

DATA ANALYTICS: flexys, Expensys, SHAPE, loqbox, IMP Software, renewable exchange, BUNK, PROSPER, valueX, checkmyfile, Brightpearl, BEHIND LOGIN, playsafe, systems, Verisk, Ratio.

*Some FinTech firms operate in more than one subsector.

South West FinTech Ecosystem 2023





Supported by

Leeds City Region FinTech Ecosystem

Published February 2023

Leeds City Region FinTech & Support Ecosystem



Leeds City Region FinTech Ecosystem summary 2023

Leeds City region	FinTech sector	FinTech startups & scaleups
3,110,000 population	1,146,000 workforce	201 established FS / FinTech firms
136,822 people working in FS or Tech	11,130 FS and Tech firms	30% established FS / FinTech firms
103,900 university students	9 universities	107 FinTech firms
£81bn GVA	4% of UK GVA	7,804 FinTech workforce
		27% Tech firms
		5% of UK FinTech GVA
		87 FinTech startups and scaleups
		85% B2B
		31% B2C
		84% have main office in the area
		43yrs average age of founder
		9 yrs average age of firm

Leeds City Region highlights

- The new 'Innovation Arc' in Leeds encompasses 150 hectares of the city centre, including a new Innovation Village in the city centre adjacent to park - which will help to create 4,000 new jobs, over 500 new homes, and an economic boost of nearly £3 billion, according to the latest independent forecast by RAC.
- Leeds was the first English city region outside London to participate in the MI Regional Entrepreneurial Accelerator Programme (EAP).
- Leeds Digital Festival is the UK's largest tech festival and in 2022 it included around 250 events and attracted 20,000 attendees from 40 countries.

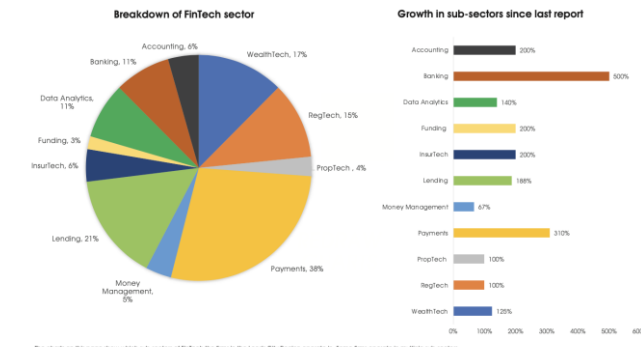
Leeds City Region FinTech highlights

- Leeds was cited in the Kantar Review as part of an established FinTech cluster (alongside Manchester).
- The number of FinTech startups and scaleups in the region has increased by 263% since 2020.
- Key areas of strength in FinTech include banking, lending, payments, RegTech, WealthTech, and financial data.
- New startups in the region over the last 2 years include Answer Pay, the UK's first certified provider of Request to Pay services, and Tred, which has claim to be the only FinTech in Europe to be both a Corp pending and a member of 1% For The Power.
- Well known FinTech brands establishing a presence in Leeds over recent years have included Recognoce Bank, LHV Bank, Neos, and FISA.
- There is an emerging strength in sustainable and green finance and University of Leeds is home to the new centre for the UK Green Finance and Investment.
- FinTech North is an organization that connects the FinTech community across the north of England and has organized more than 100 events since 2016. It was founded in Leeds, and is part of the FinTech National Network which is made up of the UK's key FinTech regions.

Leeds City Region FinTech Evolution 2020 - 23

FinTech GVA	2020 £353.5m	2023 £710.7m	101%
Firms operating in the FinTech sector	98	201	105%
FinTech firms	40	107	168%
FinTech startups and scaleups	24	87	263%
Established financial services firms	45	61	36%
Tech firms operating in FinTech	30	53	77%
Estimated FinTech workforce	6,332	7,804	23%
FinTech startup & scaleup workforce	300	963	221%

FinTech firms in the Leeds City Region

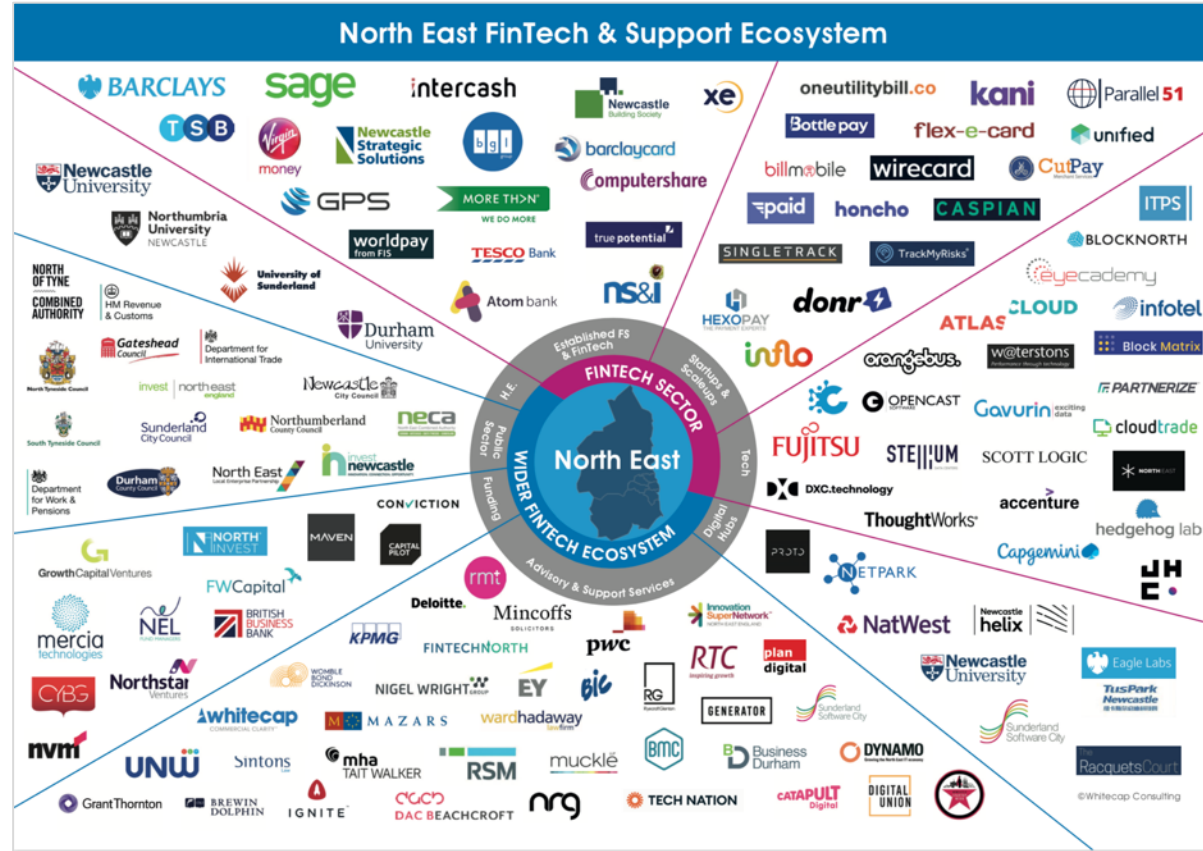


The charts on this page show which sub-sectors of FinTech the firms in the Leeds City Region operate in. Some firms operate in multiple sub-sectors.



North East FinTech Ecosystem

Published December 2019 (updated 2022)



North East FinTech Ecosystem summary

<p>North East</p> <p>1,983,625 population</p> <p>53,000 people working in FS or Tech</p> <p>85,000 students</p> <p>£40.1bn GVA</p>	<p>1.169m workforce</p> <p>3,510 FS & Tech firms</p> <p>4 Universities</p> <p>3% of UK GVA</p>	<p>FinTech sector</p> <p>58 firms</p> <p>40% Tech firms</p> <p>78% people working in established organisations</p> <p>£171m GVA (estimated)</p>	<p>31% established FS/ FinTech firms</p> <p>29% startups & scaleups</p> <p>3,067 estimated FinTech related roles</p> <p>2.6% of UK FinTech GVA</p>	<p>FinTech startups & scaleups</p> <p>17 firms, employing 417 people</p> <p>94% B2B, 24% B2C</p> <p>41yrs average age of founders</p> <p>5 yrs average age of firms</p> <p>88% have main office in North East</p> <p>76% are startups</p>
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North East FinTech highlights

1. Atom Bank, based in Durham, has raised **£450m in funding** in three years and now employs around 375 people and is considered a future unicorn¹.
2. A number of the **UK's digital banks** are powered by Newcastle Strategic Solutions on an outsourced white label basis.
3. **Virgin Money** is establishing a new 200-person Digital Hub in 2020.
4. A **higher % of FinTechs** in the North East are startups than in any other region we have researched².
5. North East is the **best represented region** outside London in the Tech Nation 2019 FinTech programme, with 13% of the total cohort and a third of all regional participants (Honcho, Kani Payments, Paid).
6. The North East is the only region in the north to have a **dedicated FinTech Cluster** (operated by Dynamo North East).
7. Key FinTech locations: **Newcastle North Tyneside Durham Sunderland**

Why the North East is different

1. **Home to Sage**, the UK's largest listed Tech company.
2. The new **Stellium data pipe** brings low latency and increased bandwidth advantages to North Shorers, especially trading houses.
3. Home to two **significant research centres** – National Innovation Centre for Data, and National Innovation Centre for Ageing.
4. The tech sector is the **fastest growing** outside of London³.
5. Strong in-company **staff retention** – North East England has the second lowest attrition rates in the UK for contact centre staff.
6. Strong **startup funding** capability.
7. **Uniquely located** within the Northern Powerhouse and with close proximity to Scotland, providing an opportunity to align closely with the Glasgow, Edinburgh, Newcastle, Durham and Yorkshire strategic agendas.



West Midlands FinTech Ecosystem

Published May 2020 (updated 2023)

West Midlands FinTech & Support Ecosystem



West Midlands FinTech Ecosystem Summary 2020

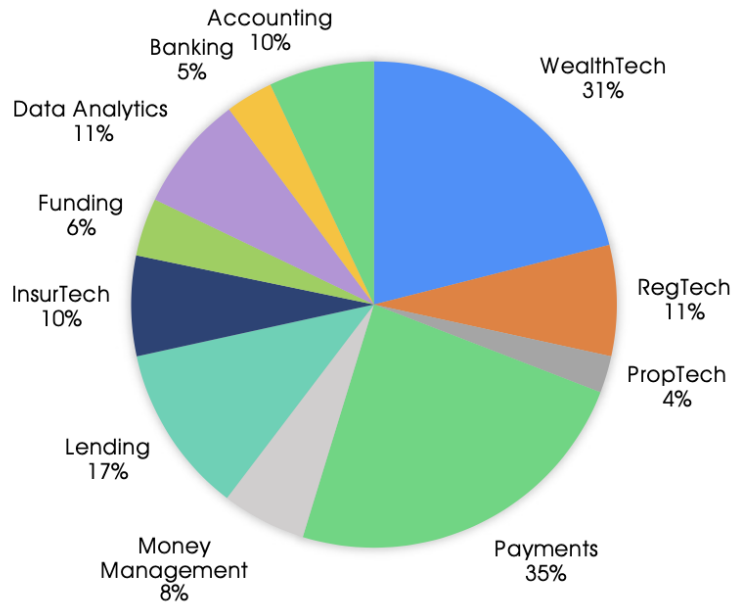
West Midlands region		FinTech sector		FinTech startups & scaleups	
4,500,000	1,900,000	122 firms	60% established FS/ FinTech firms	24 firms, employing	87% B2B
population	workforce	20% Tech firms	20% startups & scaleups	534 people	21% B2C
136,862	7,265	93% people working in established organisations	7,377 estimated FinTech related roles	48yrs average age of founders	8 yrs average age of firms
people working in FS or Tech	FS & Tech firms	£411.7m GVA (estimated)	6.2% of UK FinTech GVA	71% have main office in the region	54% are startups
164,000	9				
students	Universities				
£99bn	6.3%				
GVA	of UK GVA				

FinTech in West Midlands region	West Midlands region highlights
<ol style="list-style-type: none"> 1. Largest asset management FinTech hub in Europe (Engine Room). 2. Core strength in the development of technology and software in the asset management, investment and mortgage lending sectors. 3. 46% of the FinTech startups and scaleups in the West Midlands are scaleups, which is proportionally very high when compared to most other regions we have researched¹. 	<ol style="list-style-type: none"> 1. It is the largest conurbation outside London with a population of 4.5 million. 2. Birmingham is home to HSBC UK, the first and only major UK bank to complete a full relocation. 3. It will be the first multi-city 5G test bed in the UK ready to trial new 5G applications and services at scale. 4. Proximity to London is being recognised as current and future asset, with the current strong transport links to London to be enhanced by HS2. 5. Birmingham is the youngest major city in Europe, with under 25s making up 40% of population. 6. There are more students here than any other UK region, across 9 major universities.

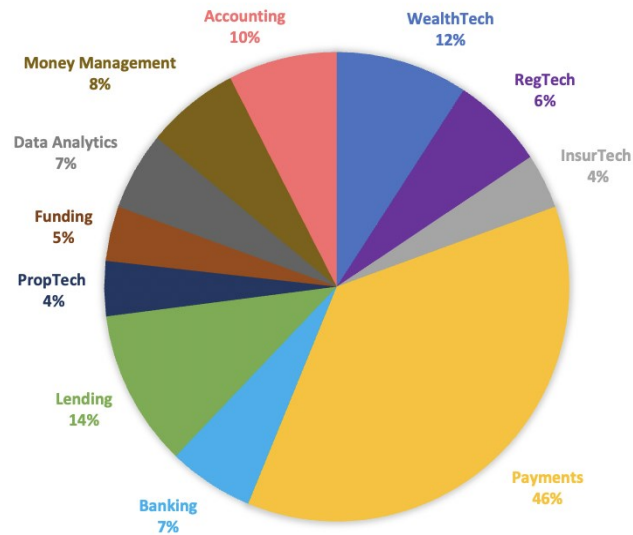
¹Other Whitecap Consulting FinTech Ecosystem projects have studied Leeds City Region, Greater Manchester, North East, Bristol.

Sub-Sector analysis - examples

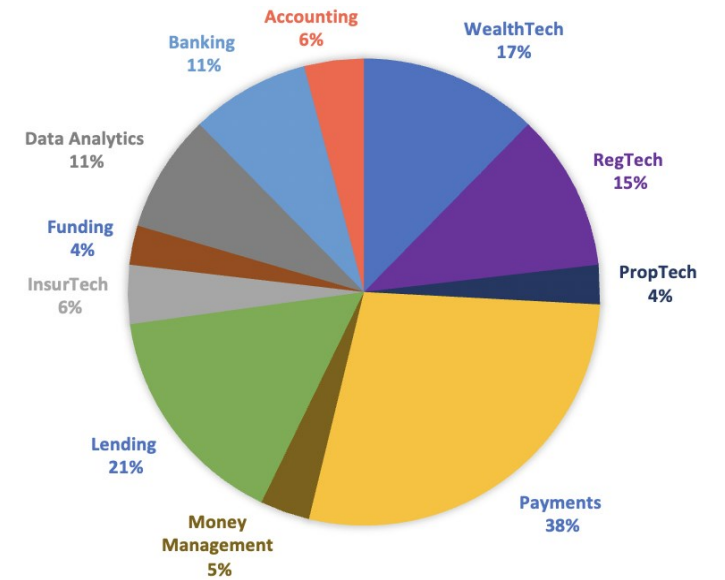
South West



Greater Manchester



Leeds City Region

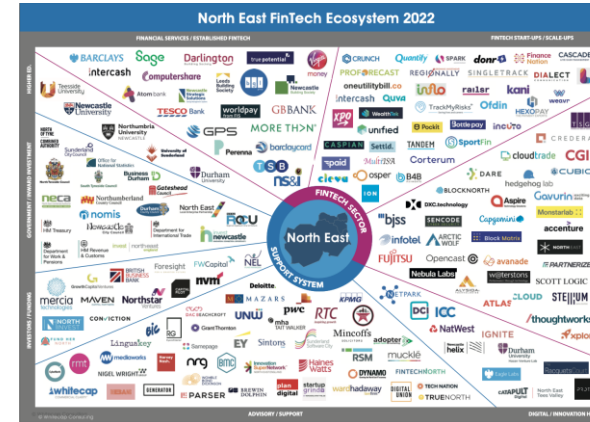




North East FinTech Strategy 2022-25

Published October 2022

North East FinTech Strategy Framework



North East FinTech ecosystem summary 2022

North East Economy	FinTech sector	FinTech firms
2,680,000 population	92 FinTech & FinTech firms	45 firms employing 3,409 people
103,232 people working in FS or Tech	36% Tech firms	89% IBC (18% are both IBC and IAC)
120,045 students	92% people working in established corporations	44 yrs average age of founders
£52bn GVA	5 Universities	69% have main office in North East
	£312m GVA (estimated)	0.6% of UK FinTech GVA
		23% established FS/FinTech firms
		41% startups & scaleups
		5,596 estimated FinTech worked roles
		8 yrs average age of firms
		69% are startups

North East highlights	North East FinTech highlights
<ul style="list-style-type: none"> • Workforce of 1.3 million, with an estimated 26,000 and 27,000 working in financial services and tech respectively • The fourth fastest growing financial services sector of the UK (region of 0.2%, based on a 1 year compounded annual growth rate) • In 2021/22, only London created more jobs through inward investment. Proportionally (to compare small against large regions) the North East actually created nearly 50% more jobs than London, with 8,500 new jobs created across multiple sectors • 5 universities, with over 120,000 students, generating over 40,000 graduates per year (13.8% students) • £1,000 Science Technology Engineering and Mathematics (STEM) students plus the highest proportion of computer science students in England 	<ul style="list-style-type: none"> • The number of FinTech startups and scaleups has increased by 81% in the last 3 years • The estimated FinTech workforce has increased by 28% since 2018 • 38% of FinTechs operate in payments, 25% in banking or banking services, and 18% in wealth management • At least 20% of UK FinTechs received some form of funding since the start of 2021, including 25% in AI/ML • Newcastle is home to the National Innovation Centre for Data (NICD) and the National Innovation Centre for Ageing (NICAG) • East of England is one of only 6 FinTechs globally to be selected for the Microsoft Start FinTech accelerator programme • Newcastle University has a FinTech Society and also hosts 'FinTech Forging', an annual initiative that aims to bring on FinTech career opportunities • The majority of the Accounts team working on the Bank of England's eight-point Real-time Gross Settlements (RTGS) programme is based in Newcastle • Newcastle Economic Campus has been boosted by the decision to make the location of Treasury North' and a new government hub which will be home to 1,100 employees by 2025 • C&A Bank is the UK's largest bank and is dedicated to providing accessible, local property development and competitive savings accounts

Strategic priorities, actions & implementations

Action	Implementations	YEAR			Key stakeholders
		YEAR 1	YEAR 2	YEAR 3	
Clear leadership	1. Establish a focal point for FinTech across the North East		X		a) Strategy project team b) Investors/Corporates
	2. Clearly articulate the North East FinTech proposition		X		a) Inward investment orgs b) Inward investment orgs
	3. Enhance communication		X		a) Networks/Inward investment orgs
Increase collaboration	4. Stimulate constructive industry collaboration		X	X	a) Networks/Ecosystem b) Investors/Corporates/Public sector
	5. Enhance collaboration across hubs		X	X	a) Public sector/Inward investment orgs b) Investors
	6. Increase national and international engagement		X	X	a) Networks/Inward investment orgs b) Trade & Inward investment orgs
Develop resources	7. Expand FinTech workforce		X	X	a) Public sector/Corporates/FinTechs b) Skills & Education providers
	8. Improve access to FinTech funding		X	X	a) Investors/Networks/Investment orgs b) Investors/Networks/FinTechs
	9. Enhance FinTech Research & Innovation		X	X	a) Networks/Universities b) Investors/Corporates

10 key facts about FinTech in the North East

- Recognised FinTech hub**
- Highlighted as a top 10 FinTech hub in the Katia Review.
- Core strengths in banking, wealth management, and payments.
- Durham based Atom Bank is one of the best known FinTech brands in the UK and Europe.
- Fast growing ecosystem**
- 45 FinTechs (nearly doubled since 2019).
- 81% increase in the number of FinTech startups and scaleups in the last 3 years.
- In 2021/22, only London created more jobs through inward investment. Proportionally (to compare small against large regions) the North East actually created nearly 50% more jobs than London, with 8,500 new jobs created across multiple sectors.
- Depth of expertise**
- Major employers including Sage, Newcastle Strategic Solutions, Accenture, Virgin Money, True Potential, HMRC and DWP are applying best in class technologies from their North East bases.
- 5 regional universities, with over 120,000 students, and more than 3x the UK average proportion of tech, engineering and computer science students.
- The North East has internationally competitive clean growth and net zero capabilities, particularly in Northumbria, Sunderland and Tees Valley.
- The cities of Newcastle and Durham have the largest concentration of researches outside London, and Newcastle University recently led the successful bid to create the EPSC's UK-wide FinTech research network, with an initial value of £2.2m.

Case studies: Regional FinTech Ecosystem Reports



Supported by MIDAS, Whitecap Consulting conducted an extensive analysis of the Greater Manchester FinTech Ecosystem, culminating in the publication of a report in April 2020. Whitecap combined desk research and over 40 stakeholder interviews to develop a quantitative and qualitative analysis of the key FinTech components in the region, including skills, investment, physical hubs and the startup and scaleup community. Whitecap has also supported MIDAS with a number of FinTech related activities, including DIT's International FinTech Trade Missions to the Northern Powerhouse.

"It was great to support Whitecap on this report and we were delighted that the report captured the breadth and depth of Greater Manchester's FinTech sector and the strengths of the region. The report will support our work in attracting new FinTechs to expand here and the recommendations will also help us to work with local partners to ensure that the right support exists to help FinTechs in the region to grow. I hope that the report will be a catalyst for Manchester to become a globally significant FinTech hub."

Rachel Eyre, Business Development Manager, Financial & Business Services, MIDAS



Case Studies: Regional FinTech Ecosystem Reports



Commissioned by the Greater Birmingham & Solihull LEP, Whitecap Consulting conducted a detailed analysis of the West Midlands FinTech Ecosystem in 2019 / 2020. Whitecap undertook over 40 stakeholder interviews, conducted extensive stakeholder research, and held interactive round-table events to deliver up-to-the minute insights and table strategic options for the region. In so doing, Whitecap helped pull together an evolving cluster, and pave the way for the innovative SuperTech WM group, and recognition of the region in the UK Government Kalifa report.



“GBSLEP commissioned Whitecap to learn more about our FinTech ecosystem in terms of the existing business base and also better understand how to support growth in this sector. The ensuing depth and reach of Whitecap’s enquiries was very pleasing and stimulated a community with a shared interest that persists today. As a foundational exercise for the West Midlands’ strategy, the report certainly advanced our thinking and accelerated the profile and interest in this vital sector.”

Hilary Smyth-Allen, BPFS Sector & Modern Services Lead
Greater Birmingham & Solihull Local Enterprise Partnership

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Regional Initiatives - Nexus

"I see Nexus changing the mindset and culture in which universities and industry work together, promoting new standards of working and generating economic growth, not just for Leeds but beyond."

Dr Martin Stow,
Nexus Director



Nexus – supporting FinTech growth and opportunity in Leeds

In 2019 the University of Leeds will launch an exciting new hub expected to have a huge impact on the Leeds tech ecosystem.

Based in a brand new £40m building on the University campus, Nexus will provide access to world-leading research, technology and facilities at the University of Leeds. The project features state-of-the-art services including office, lab, collaboration and events space. It is expected to be home to a vibrant and dynamic community of start-ups, SMEs and corporate R&D teams.

The University of Leeds boasts a strong background in commercialisation and focus on collaboration and has a track record of working with the business community. Nexus has been created to build on this success and enable easy access to world-leading academic research with a focus on health, data, environment and engineering sectors.

Nexus intends to change the way that universities and business work together. A team of relationship managers will be solely responsible for facilitating productive working partnerships and collaborations between academic experts and businesses. Having worked in a broad range of sectors their experience includes FinTech and HealthTech and in taking start-ups from proof of concept through to deployment. Alongside these roles, Nexus' onsite business advisor will ensure that investment, talent and academic expertise are combined to produce both business growth and productivity.

The delivery and implementation of Nexus is led by Dr. Martin Stow, whose ambition is to ensure Nexus becomes an innovation powerhouse in the North, bringing together a vibrant community of innovators to deliver commercial impact. As a key contributor to the Leeds Innovation District, Nexus is well placed to support the development and growth of the Leeds FinTech ecosystem.

Nexus has stated its commitment to ensuring the region is an outstanding location for businesses to start-up and grow by offering seamless access to ground breaking research expertise. Through this, it will help industry tackle real-world problems on a varying scale, both regionally and globally.

NEXUS
UNIVERSITY OF LEEDS

To find out more about collaborating with Nexus, visit www.nexusleeds.co.uk or email nexus@leeds.ac.uk

CASE STUDY: Innovation Labs facilitating academic-led solutions to business challenges



The University of Manchester has developed a robust, effective means of engaging with companies, as a mechanism to co-develop research projects that address a business need. The Manchester Innovation Labs comprises a half day workshop, designed and facilitated by creative consultancy FutureEverything, where businesses work in small groups with a team of multidisciplinary academics to develop a research project and pitch proposals for seed corn funding to a panel of experts.

FinTech has been an annual theme in the Innovation Lab series given the range of opportunities in this fast-growing sector. The 2019 FinTech Lab brought an interesting problem from online investment platform Equinitt, which led to a collaboration led by an academic in the School of Social Sciences, giving a great example of how academic expertise can offer insight in the FinTech space beyond the obvious disciplines of computer science and finance.

Objectives:

- "Hot house" academic-business relationships to develop actionable ideas for collaborative research projects on the day.
- Encourage the formation of multidisciplinary academic teams to work with businesses to address business challenges.

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If you are interested in participating or finding out more about future Innovation Labs contact: rachel.kenyon@manchester.ac.uk

2019 FinTech Lab

Problem Statement: Despite the successes of the Government's automatic enrolment initiative, the level of consumer engagement with long-term savings remains very low. The majority of consumers have no active participation in their pensions, and the level of understanding of long-term saving products is poor, leaving many British people at risk of poverty in later life. Equinitt is a leading provider of pension solutions to pension schemes and is seeking new ways to engage consumers of all ages in order to support their customers. What tools, techniques or approaches might encourage a typical consumer to really take an interest in their long-term savings to achieve the best possible outcomes for later life?

Project description:

Understanding saving and investing behaviours is complex, especially since people have different levels of engagement across different products. This portfolio approach to pension finance has not been fully recognised in industry or research, which tends to focus on different products as separate silos. Recent research on pension decision-making has shown the importance of understanding pension practices in the context of the broader portfolio, as this can significantly affect the way in which they consider and engage with their pension. For example, people may choose to engage with multiple products for long-term saving, either instead of or alongside a pension.

The proposed approach is to understand this by targeting individuals who are active savers and investors but are less engaged with pensions. Recent research suggests that a significant minority of people use other financial products for saving and investing, such as savings accounts, ISA, share save schemes, yet are not engaged with pension saving. The University believes that exploring this inconsistency may help to identify key drivers and barriers to engagement, permitting the design of interactive tools to alleviate these barriers and promote engagement. These tools may also be used to benefit individuals who are less engaged with financial products altogether. In the long term, there may be scope to use AI techniques to segment individuals, predict behaviours based on these drivers and barriers, and deliver interactive interventions to people who would benefit from them the most.

CASE STUDY: How the Leeds City Region became the home of Lendtech



According to Ofcom, 72% of UK smartphone users pay for their devices via a monthly service contract¹. As the market for handset finance evolves to enable device ownership over the contract term, it's interesting to note that foundations for this model were being laid here in Leeds over 30 years ago.

In 1988, long before Apple 'reinvented' the phone, and Steve Jobs was busy with the release of the NeXT computer, loan administration software company, Pancredit, was established. Fast forward to today and, following an acquisition by national brand, Equinitt, and a merger with Harrogate-based, Nostrum, Equinitt Credit Services (EQCS) has become the UK's leading loans management and credit technology company, currently managing more than £20bn in credit assets.

This includes contracts with the telecommunications sector, where EQCS has recently secured its fourth major win, and now collectively represents the majority of the consumer and commercial handset finance market. Put another way, most of us now have a connection with the firm.

In fact, anyone with a personal loan or consumer credit agreement for a car, store card, new kitchen or household furnishings and appliances is likely to have had their application - and potentially the whole life cycle of the loan process - managed by Equinitt Credit Services. Its loans management technology is integrated into the systems and infrastructure of a wide range of major lenders, and used by many household-name banks (challengers and mainstream

alike), independent lenders, brokers and brands in the consumer lending markets.

The ease and simplicity by which consumers are able to access digital borrowing services, together with the capacity for lenders to deliver on-demand loan decision making, is thanks to the tech developed by Equinitt Credit Services. In telecoms, EQCS' clever technology provides vast data and scalability capabilities to enable the continuous management of credit applications, especially important during peak periods, like new handset release dates.

The rise of Equinitt Credit Services has contributed significantly to Leeds' position as the Northern centre for FinTech and, more specifically, Lendtech. Acting as a visible symbol of Leeds' FinTech and Lendtech profile is the opening of the Equinitt Northern Tech Hub in April 2018. The company invested in a 14,000 sq ft premises in Lawnswood to establish a dedicated centre of excellence. In line with this vision, over the past year the business has significantly increased its headcount across software development, finance, compliance and helpdesk support functions.

It continues to invest, too. Recruitment continues, particularly in platform development where the Yorkshire skills economy, whilst buoyant, is proving increasingly competitive due to the new presence of major tech players attracted to the region. From its Northern Tech Hub, the company is progressing its strategy to develop products and technology solutions for larger scale projects and to expand into new markets and sectors. This will continue to create economic value and jobs growth for Yorkshire and help to drive digital FinTech innovation and expertise across the North.

Case Study: CEG

CEG is a national award-winning investment and development company with a focus on great placemaking. We make space for businesses to develop, neighbourhoods to grow and lives to flourish. With a UK commercial property portfolio of over 5m sq ft and potential for a further 10m sq ft of development, we house more than 500 thriving businesses.

30 years of experience has taught us that understanding how people want to work and live is critical in being able to provide workspace that supports health, wellbeing and productivity.

Number One Kirkstall Forge is a multi-award-winning office, leading the way through flexible ways of working, technology, wellbeing, sustainability and resilience. It was the first WiredScore Platinum rated building in Yorkshire.

CEG is now delivering exciting new workspace at Kirkstall Forge and within Temple, which is a new district in Leeds City Centre. Construction of Globe Point will commence in Q1 2020. This is the first office building within the £350m Temple district. Comprising 38,000 sq ft, Globe Point will be the only announced speculative new building office completing in Leeds City Centre in 2021.



Northern start-ups get boost with equiP North

Starting and building a successful business takes a good idea, energy and determination. Many tech startups push legal advice to the bottom of the priority list. However, for a business to scale successfully, especially when investors are involved, having the right foundations is imperative.

CMS, one of the world's largest law firms, has created equiP North, a specially tailored program to support intellectual property rich startups across the North of England. equiP North offers:

- Heavily discounted legal fees
- Fixed fee services, designed specifically for start-ups, including health checks for IP, employment, GDPR and corporate issues
- Introductions to relevant industry players and key investor markets
- Exclusive training and mentoring opportunities.

More information about CMS's equiP North Initiative, which is free to join, can be found here, or by contacting [Matthew Davies, Partner and Head of equiP North](mailto:Matthew.Davies@cms.com)

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