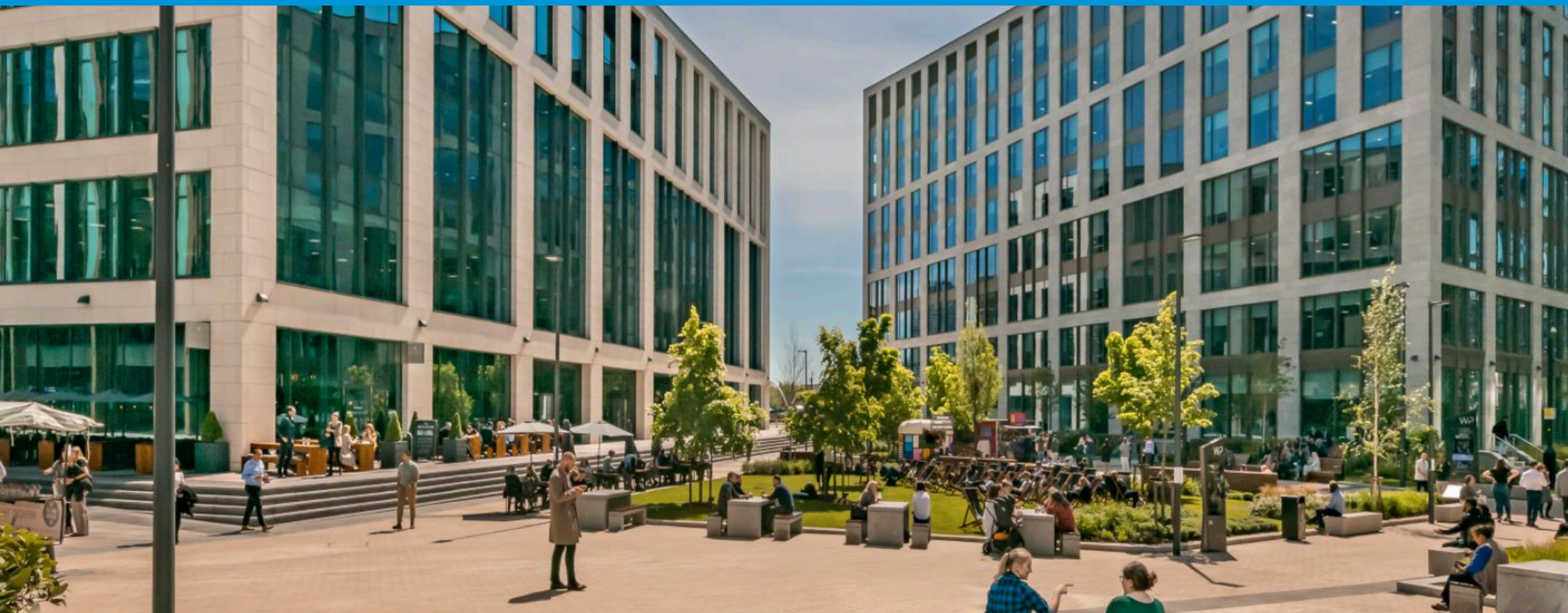


# Leeds City Region FinTech ECOSYSTEM REPORT 2023



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## Whitecap Consulting

Whitecap typically works with boards, executives and investors of predominantly mid- sized organisations with a turnover of c£10m-£300m, helping clients analyse, develop and implement growth strategies. The firm works with clients across a range of market sectors including Financial Services & FinTech, Technology & Innovation, Education, Consumer, Retail & Leisure, Infrastructure, Manufacturing & Engineering, Logistics & Defence, and Professional Services (including Corporate Finance and Private Equity).

The report is the latest regionally focused FinTech strategy project to be conducted by Whitecap, following previous published reports analysing key regional tech-enabled ecosystems and related opportunities across the UK.



**Leeds City Region**

**Thank you to the organisations who have supported and co-funded this research:**

**bruntwood**  
SciTech



**EQUINITI**

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# 10 key facts about FinTech in Leeds City Region

## Deep strength in financial, tech and professional services

1. **More than 60** established financial services and FinTech firms have operations here
2. More than **100** FinTech firms are now based in the region
3. Named as part of **one of the top 4 FinTech hubs in the UK** in the Kalifa Review
4. **The FCA**, UK Infrastructure Bank, and Bank of England have all recently **selected Leeds** as a regional base
5. **Core strengths in** payments, lending, financial regulation, wealth management, and banking

## Growing & maturing FinTech ecosystem

6. FinTech GVA is more than **£700m**, and has more than doubled over the last 3 years
7. The number of FinTech startups and scaleups has more than trebled since 2020, as has their workforce
8. Home to FinTech North, which has hosted over 100 events since 2016 and is part of the FinTech National Network
9. **FinTech brands** including Iwoca, LHV Bank, PEXA, Recognise Bank have **established a presence in Leeds**
10. **Increasing** prominence of organisations with **sustainability and social purpose** at the heart of their propositions (FinTechs, building societies, mutual insurers, credit unions, community finance)



# Leeds City Council



**Tom Riordan, Chief Executive,  
Leeds City Council**

**Leeds City Council is pleased to be supporting Whitecap Consulting in this third iteration of the Fintech ecosystem research across the Leeds City Region. Our vision is for Leeds to be a globally competitive and compassionate city with a strong and varied economy that is not only attractive to investment and innovative businesses, but also benefits everyone who calls Leeds home.**

Leeds City Council is the local authority to the second largest population in the UK – providing statutory services and facilities to some 812,000 residents and 341,000 households. We are one of the largest employers in the region with over 14,000 employees that help us deliver our Best City Ambition, where our mission is to tackle poverty and inequality and improve the quality of life for everyone through our 3 pillar strategies, Health and Wellbeing; Inclusive Growth and Zero Carbon. They capture the things that will make the biggest difference to improving people's lives in Leeds – and many of the big challenges we face and the best opportunities we have relate to all three.

Whitecap Consulting has provided structure and clarity to the FinTech ecosystem in this report, and the in-depth research and analysis both quantifies and qualifies the strength, growth and maturity within the sector. It is great to see double digit growth across all of the key metrics since 2020, and the report recognises the diversity and key strengths across the range of tech sub sectors, from RegTech to LegalTech. The suggested actions for the public sector, universities, skills providers and institutions will help us support start-ups and scale-ups, enhance collaboration, grow world class future talent and showcase our excellent variety of workspaces and organisations. This research also recognises the strong inward investment offer to those people and organisations who wish to come

to Leeds, and we welcome those that have recently established a presence in Leeds such as Iwoca, LHV, Recognise Bank, Global Shares and Cognizant. The recent arrival of the FCA, UK Infrastructure Banking and the Bank of England to Leeds also shows the confidence institutions have for Leeds as a centre for financial services.

Leeds City Council is committed to stimulating entrepreneurship and innovation that delivers a healthier, greener and inclusive future for Leeds. The City's Innovation Arc will be a nationally and internationally recognised economic and knowledge engine, where cutting edge academic research and innovative, entrepreneurial businesses can create new opportunities and workplaces where the best talent will come. Our Future Talent plan will develop a clear talent pipeline and progression pathways with diversity and inclusion at the core, making the most of the incredible talent we have across the Leeds City Region. Together with our Innovation@Leeds programme that creates opportunities and supports innovators with the tools they need to make their ideas a commercial reality, we continue to work collaboratively to enable the right opportunities for people and businesses to thrive in a rapidly changing labour market, and ensure that nobody is left behind.

The FinTech story is a one we should shout about, and Leeds City Council is proud to support the adoption and implementation of FinTech initiatives. The FinTech ecosystem is of a strategic importance to the Leeds City Region and further strengthens the Financial and Professional Services sector, and this research provides a strong evidence base that we should promote nationally and internationally with confidence.

# City of London Corporation



**The Right Honourable The Lord Mayor of the City of London, Alderman Nicholas Lyons**

**The City of London Corporation is delighted at the results of the Leeds FinTech Ecosystem Report 2023. The report exemplifies the growth of the FinTech sector in one of our key partner geographies highlighted in our UK Regions & Nations strategy.**

In the Kalifa FinTech Review (Feb 2021), Leeds was called out alongside Manchester as part of the Trans-Pennine FinTech Cluster – large and established, with specialisms in RegTech, lending and payments. In 2021, this cluster was estimated to have over 135 FinTechs, and the headquarters of 13% of the nation's high-growth FinTechs. Over the last two years, Leeds has experienced a significant increase in FinTech firms as highlighted by this Report.

This has undoubtedly embedded Leeds' position amongst the top 4 rapid-growth clusters. Its continued success has furthered the UK's position as a renowned hotspot for FinTech investment, being the premier destination in Europe, and second globally.

The depth and breadth of Leeds' financial, professional and business services (FPBS) sector bolsters this progress. The UK's fastest growing city, FPBS is forecast to generate over half of Leeds' GVA growth in the next 10 years. Recent additions to the city such as the FCA, Bank of England and UK Infrastructure Bank have further advanced the UK's second centre for banking.

This is complimented by the strong investment community. The Northern Powerhouse Investment Fund is backed by British Business Bank and Maven Capital. Venture firms working across the north such as Sure Valley Ventures, DSW Ventures, Northern Gritstone & Praetura Ventures are looking to Leeds' tech scene – which has seen skyrocketed investment of 88% in 2022.

The robust, traditional FPBS sector also sits alongside a fantastic network of universities across the city region, boasting young talent. Centres such as Nexus by University

of Leeds harbour a vibrant spin-out culture, nurturing innovation. These strengths are enhanced by clear-sighted local and regional leadership which places FPBS, talent flow and innovation at the heart of Leeds' offer.

Active engagement across the UK's FinTech ecosystem has been critical to the creation of the Centre for Financial Innovation and Technology (CFIT). We were pleased to see a strong showing from Leeds at the recent CFIT 'Manchester Meet', and we are delighted to enjoy a strong relationship with FinTech North, which is part of the broader FinTech National Network.

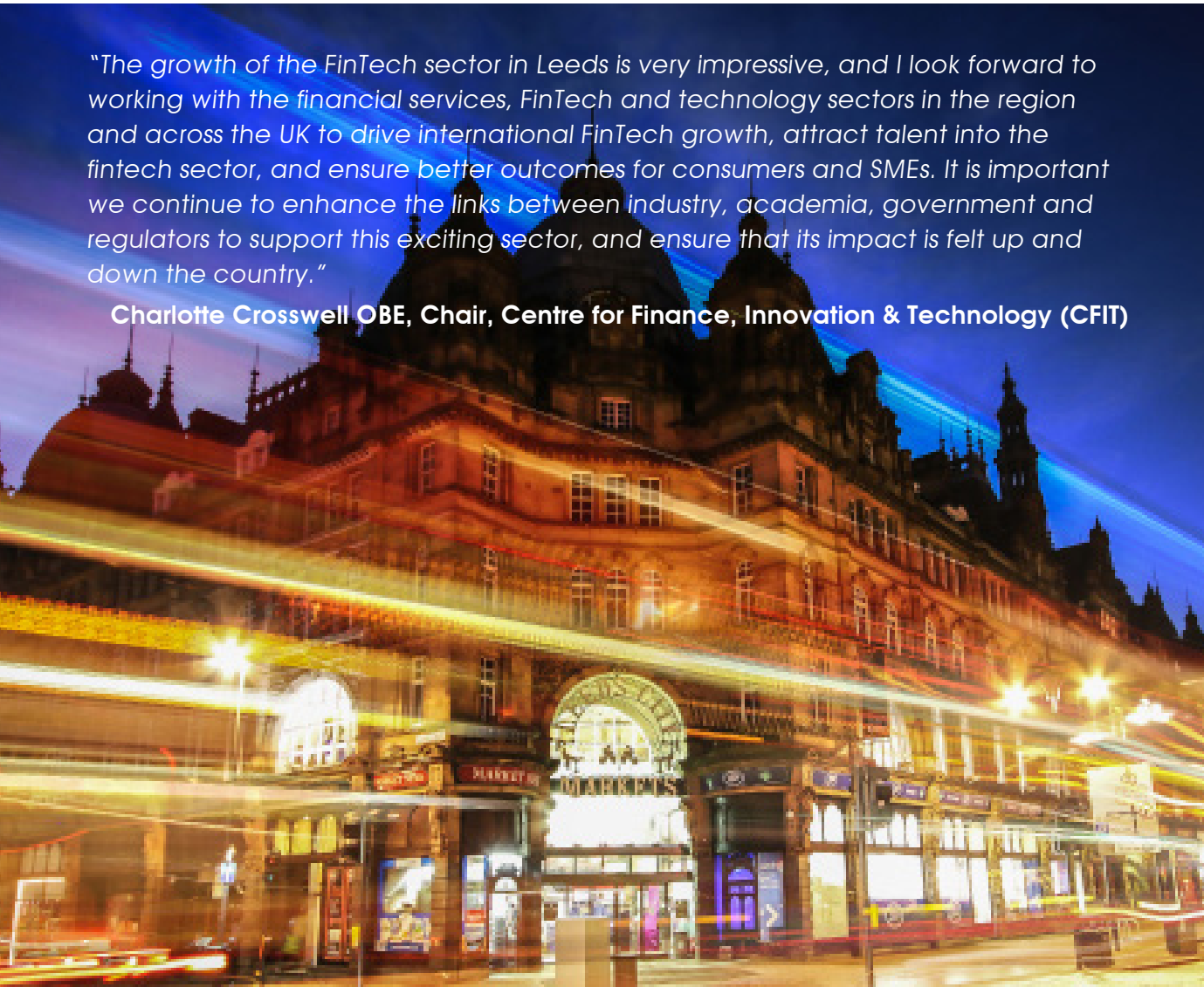
The vision for CFIT is to accelerate opportunities and unblock barriers to growth for FinTech, by bringing together the best minds from the ecosystem driving better outcomes for consumers and SMEs. CFIT seeks to solve the industry's most complex and knotty problems. This will help drive tech innovation in UK FPBS and ensure the UK is the global leader for financial innovation.

CFIT will operate as a virtual body, facilitating enhanced connectivity across the regions and providing research and data capabilities through effective coalitions. CFIT will support the creation of high-income tech-based employment nationwide, enabling firms to achieve global scale and improve access to FPBS for citizens and small businesses. It is vital to keep up momentum for CFIT. There will be many opportunities – big and small - to support CFIT in the months and years ahead and we look forward to working with you.

Leeds is known for its leadership, ambition, and best practice, showcasing innovative start-ups and scale-ups. It is crystal clear that this creates real value for businesses and consumers across the UK. The City of London Corporation wholeheartedly supports the recommendations in this report, which highlights an exciting opportunity to celebrate and build on the city region's many successes.

*"The growth of the FinTech sector in Leeds is very impressive, and I look forward to working with the financial services, FinTech and technology sectors in the region and across the UK to drive international FinTech growth, attract talent into the fintech sector, and ensure better outcomes for consumers and SMEs. It is important we continue to enhance the links between industry, academia, government and regulators to support this exciting sector, and ensure that its impact is felt up and down the country."*

**Charlotte Crosswell OBE, Chair, Centre for Finance, Innovation & Technology (CFIT)**



# EXECUTIVE SUMMARY

Overview

Leeds City Region FinTech Highlights

Key Findings & Recommended Actions



# Overview

Welcome to our third report analysing the Leeds City Region FinTech Ecosystem. Since our last report in 2020, the Kalifa Review highlighted the region as part of one of the most established FinTech hubs in the UK.

Over the course of recent months, Whitecap has conducted a review of the FinTech activity in the region, which has included hosting monthly steering groups, conducting desk research, and gathering insight direct from stakeholders. This insight has been drawn from stakeholder interviews, meetings, events, and our ongoing national and international consulting engagements in FinTech, financial services and technology related projects.

The report presents an up to date analysis of Leeds City Region's FinTech sector, which has been conducted using the established methodology developed by Whitecap and applied across previous reports covering 7 major FinTech regions in the UK outside London. Our full methodology is detailed towards the end of this report.

Leeds City Region's FinTech sector continues to benefit from the strong foundation of Financial Services and Tech sectors that pre-existed within the region. Since the last report, we have identified 103 additional firms operating in the sector, including financial services organisations, tech providers, and FinTech firms (categorised as startups, scaleups, or established). The estimated FinTech sector GVA in the region has doubled in the last 3 years, and now stands above £700m.

The foundation for the flourishing FinTech sector is the region's long-standing strength in financial services, combined with a vibrant and fast growing tech sector. More than 60 established financial services organisations have bases in the region, with recent additions including the Financial Conduct Authority, UK Infrastructure Bank, and Bank of England. In tech, 17 of the 100 fastest-growing tech companies in the North of England are based in the city of Leeds<sup>1</sup>, which is also home to Leeds Digital Festival, one of the largest and highest profile digital events in the UK.

Leeds City Council has published an Inclusive Growth Strategy (which is currently being refreshed), which states its vision is to 'stimulate innovation which drives and delivers measurable impact towards a healthier, greener and inclusive future for Leeds and the world.' The growing and evolving FinTech sector can play a key role in helping achieve this, and this report highlights multiple organisations and initiatives that are aligned to this vision.

<sup>1</sup> GP Bullhound (2021)

## 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%



# Key findings and recommended actions

	Key findings	Recommended actions	Key stakeholders
<b>FinTech &amp; financial sector</b>	<ul style="list-style-type: none"> <li>The region has a diverse ecosystem with key strengths including banking, lending, payments and financial regulation.</li> <li>Organisations such as Bank of England, FCA, UK Infrastructure Bank, Cognizant, LHV Bank, Recognise Bank and PEXA have recently chosen to open in Leeds.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to promote the region as a major Financial Services and FinTech centre, highlighting the depth and strength across multiple sectors.</li> </ul>	<ul style="list-style-type: none"> <li>Public sector</li> <li>Inward investment organisations</li> </ul>
<b>FinTech startups / scaleups</b>	<ul style="list-style-type: none"> <li>Over the last 3 years, the number of startups and scaleups grew by 263% to 87 firms in the Leeds City Region.</li> <li>There is an emerging trend for sustainability and green finance focused FinTech firms.</li> </ul>	<ul style="list-style-type: none"> <li>Encourage FinTech firms to engage in the increasing amount of entrepreneur support services and innovation focused activity in the region.</li> <li>Build on the emerging prominence of green finance focused firms, to help develop this evolving strength in the region.</li> </ul>	<ul style="list-style-type: none"> <li>Public sector</li> <li>FinTech firms</li> </ul>
<b>Financial Services &amp; FinTech collaboration</b>	<ul style="list-style-type: none"> <li>Leeds has a strong track record as a collaborative city region, particularly across the digital sector.</li> <li>There is an opportunity for more meaningful collaboration</li> </ul>	<ul style="list-style-type: none"> <li>Develop and promote innovation challenge / collaboration activities to help bring established organisations together with FinTech innovators.</li> <li>Increased focus on collaboration and engagement at events.</li> </ul>	<ul style="list-style-type: none"> <li>Digital sector networks</li> <li>Established Financial Services</li> <li>Universities</li> </ul>
<b>Talent &amp; skills</b>	<ul style="list-style-type: none"> <li>The young talent pool is increasingly strong but hiring senior/ experienced staff is more challenging.</li> <li>Demand for talent is expected to become increasingly competitive with the entry of new employers to the region.</li> </ul>	<ul style="list-style-type: none"> <li>Consider FinTech / Financial Services focused student engagement / careers fair type activity.</li> <li>Improve awareness of re-skilling opportunities relevant to FinTech roles.</li> </ul>	<ul style="list-style-type: none"> <li>Public sector</li> <li>Skills providers</li> <li>Universities / colleges</li> </ul>
<b>University engagement</b>	<ul style="list-style-type: none"> <li>There is a strong presence of relevant courses in areas such as business, finance, computing, and data.</li> <li>The opportunity for businesses to engage with universities is not well understood.</li> </ul>	<ul style="list-style-type: none"> <li>More direct links between FinTech sector employer requirements and academic syllabus. This may not necessarily mean an increase in FinTech-specific courses, but would mean improved visibility of FinTech career paths.</li> <li>Raise awareness of university engagement opportunities, via a combination of marketing, business engagement, and research projects.</li> </ul>	<ul style="list-style-type: none"> <li>Universities</li> <li>Established Financial Services</li> <li>Digital sector networks</li> </ul>
<b>Funding &amp; investment</b>	<ul style="list-style-type: none"> <li>Availability and deployment of funding in the region has been increasing, but FinTechs would like to enhance awareness of funding opportunities and support relating to investor engagement.</li> <li>There is an increasing opportunity to access innovation grant funding for FinTech firms.</li> </ul>	<ul style="list-style-type: none"> <li>Use peer support groups to improve understanding of funding opportunities / investors.</li> <li>Improve regional awareness of national innovation grant funding opportunities, and support for businesses seeking to apply.</li> </ul>	<ul style="list-style-type: none"> <li>Hubs / workspaces</li> <li>Investors</li> <li>Universities</li> <li>Digital sector networks</li> </ul>
<b>FinTech Hubs &amp; workspaces</b>	<ul style="list-style-type: none"> <li>There are a wide range of workspaces that are utilised by FinTech firms, which also exit to support the wider digital sector and economy in general.</li> </ul>	<ul style="list-style-type: none"> <li>Showcase the various hubs and workspaces via external engagement activities such as events.</li> <li>Encourage the development of more specialist FinTech focus within some hubs and workspaces.</li> </ul>	<ul style="list-style-type: none"> <li>Hubs / workspaces</li> <li>Digital sector networks</li> </ul>
<b>Ecosystem connectivity</b>	<ul style="list-style-type: none"> <li>Leeds City Region is home to many network and cluster organisations that play a role in promoting FinTech regionally, nationally and internationally.</li> <li>Diversity and inclusion have become very prominent topics in event activity across the regional tech ecosystem.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to invest in fostering a collaborative attitude across organisations of all sizes in the region.</li> <li>Engage in ongoing inbound trade missions by international FinTech and tech firms, encouraging international participation in regional innovation activities and events.</li> <li>Champion and celebrate diversity in the regional FinTech ecosystem.</li> </ul>	<ul style="list-style-type: none"> <li>Public sector</li> <li>Digital sector networks</li> <li>Inward investment organisations</li> </ul>

# Leeds City Region LEP

## Leeds City Region continues to attract high-profile financial stakeholders

Leeds City Region is the UK's second strongest financial and legal centre and we continue to attract investment from global firms and government decision makers. The region combines world-class talent, seven world-leading universities and the largest regional mid-cap market with our centuries old heritage in banking and professional services. FinTech is a major growth area; the Government commissioned 2021 Kalifa Review identified Leeds City Region as a cluster of significant FinTech activity and growth with strengths in payment processing and data analytics. We have created a unique setting for the old keepers of money and new tech firms of tomorrow to collaborate and flourish.

Leeds City Region continues to attract high-profile financial stakeholders who want to access our digital talent and FinTech ecosystem, including:

LHV UK, the Estonian banking services provider, opened its second office in the UK in Leeds in May 2022. LHV provides services to over 200 FinTech and crypto companies including Wise, Paysafe, Coinbase and Blockchain. Initially employing 50 people in the Leeds office, working in their engineering and development teams, the arrival of such a prominent player in the FinTech sector sends out a strong, resounding message to the global FinTech community that our region is the best place for FinTech companies to base themselves in the UK. Rebecca Wright, Chief People Officer, said: "Leeds presents us with a truly unique opportunity to attract some of the best industry talent... We undoubtedly have as much talent here as Silicon Valley."

The UK Infrastructure Bank (UKIB) opened its doors in June 2021. The decision by HM Treasury to house the Bank in Leeds further consolidates the region's position as the undisputable largest financial centre outside of London. From its Leeds HQ, the UK Infrastructure Bank is to unlock £40 billion of green investment in infrastructure projects which will help tackle climate change across the UK. In its first year of operation the Bank has closed 7 deals worth £610 million, mobilising over £4.2 billion of private capital, and onboarded 146 staff. The Bank continues to grow and recruit in the region.

In September 2022, the Financial Conduct Authority (FCA) opened its first office outside of London in Leeds. Recruiting over 200 new roles, the Leeds office hosts the organisation's Digital Delivery Centre, encompassing its technology, delivery and data science functions. Nikhil Rath, the chief executive of the FCA, commented on Leeds' "growing reputation as a digital and tech hub,". The presence of this industry regulator alongside the Infrastructure Bank and Bank of England is a true differentiator for Leeds; no other UK region outside London boasts such financial institutional prevalence.

It is an exciting time for financial services in Leeds City Region, with digital collaborations creating new sector opportunities. Traditional financial institutions are increasingly investing in technology and traditional banking solutions are being replaced by innovative Fintech. These events make it clear: key decision-makers are acknowledging the strength of the financial & professional services sector in Leeds City Region and are locating themselves here to spearhead their digital transformation.



# Stakeholder quotes

"Leeds has plenty to be proud of, not least the new Centre for Green Finance at The University of Leeds, the UK Infrastructure Bank and the Bank of England as well as the FCA's recent move to the city, and the recognition of Leeds as part of an established FinTech cluster. FinTech start-ups, scale-ups and leading institutions alike are recognising Leeds is an exciting space for innovation and opportunity."

**Cllr Jonathan Pryor, Deputy Leader and Executive Member for Economy, Culture and Education**

"Tech and innovation are integral to providing the modern financial services that the Leeds City Region has become synonymous with. One-in-five of our people at Leeds Building Society hold a digital or tech role and they are fundamental to us delivering for our members. A thriving local FinTech industry also has a major role to play which is why we're delighted to support this new report."

**Richard Fearon, Chief Executive, Leeds Building Society**

"Most of the UK's major financial institutions have a presence in Leeds, which means there's more than enough expertise and experience available in the region to fuel FinTech innovation. The thriving, compact city centre is a great place to live and work, and both commercial and residential costs are less than other places, meaning a manageable cost of living and a great work/life balance for colleagues."

**Ryan Morrison, Vice President, Market Planning, LexisNexis Risk Solutions**

"The breadth of FinTech capabilities differentiates Leeds City Region from other regions. Leeds has long been a centre for financial excellence, and a lot of established Financial Services firms have made Leeds their home in recent years."

**Joe Roche, Engagement Manager, FinTech North**

"I think the FinTech sector across Leeds is shaping up well. There are some great data points to demonstrate growth, much bigger businesses are coming to the region, and it feels like there is something about Leeds that's really starting to build momentum with national and international significance. Going forward, I'd like to see more clarity around how the different regional and national bodies will coordinate in future, especially with the new mandate and role of CFIT."

**Professor Iain Clacher, University of Leeds**

"In the last 2 years especially, it is obvious how many successful businesses are growing here and it's largely been through them acquiring local talent."

**Matt Ward, Head of Leeds, xDesign**

"Good connectivity, nice areas to live and a strong education proposition make the Leeds City Region a really attractive place that people want to move to. We've also noticed that with a more flexible hybrid working model, the sphere of influence of Leeds has vastly increased and we're drawing more talent from much further afield as a result."

**James Keatley, Director of Transformation, Leeds Building Society**

"There is so much going on in Leeds today. The city is really vibrant, which has helped attract a lot of talent and businesses. It feels like we are at a stage where more and more is happening outside London. It is sometimes competitive between regions, but it would also be good to have more national collaboration. There's lots we can learn from other regions and from London too."

**Simon Gregory, Sales Director, Data on Demand**

"The north has a lot to offer. If you look at the wider digital ecosystem, there is so much knowledge and so much we could stand to learn from greater collaboration."

**Rachel McElroy, Marketing Director, Cloud Gateway**

"People in Leeds have always been very generous with their time. In our early days, we were able to meet some important, senior level people who gave us advice early on and we might not have had the opportunity for this in London because it is considerably harder there to make these kinds of connections."

**Peter Kirby, Co-Founder, Tred**

"Leeds has a burgeoning tech cluster and is the UK's second centre for banking after London, making it fertile ground for the city's FinTech ecosystem to thrive. Leeds has the right talent and networks to support the growth of banking giants, challengers and start-ups as they collaborate with forward-thinking developers to drive forward the sector's digitalisation."

**Euan West, Office Senior Partner in Leeds, KPMG**

"We have an ambition to grow the FCA in Leeds, focusing on tech but other business areas too. There's a lot of drive and ambition to make Leeds a really successful hub for the FCA."

**Phil Nixon, Head of Digital Delivery, FCA Leeds Delivery Hub**

"As a property company, we are uniquely positioned in that we have a team solely dedicated to the growth of businesses based on our campuses. From startups to scaling businesses, we offer a variety of support from pitch readiness, accessing markets, skills & talent activity, accelerators and incubators. We recently launched our female founders incubator in Leeds, having identified a huge gap in the entrepreneurship space. We hope to launch the incubator across Manchester in 2023. Relationships with partners such as FinTech North are integral to the success of the innovation ecosystems we develop."

**Deb Hetherington, Head of Innovation, Bruntwood SciTech**












# Leeds City Region FinTech Ecosystem:

## Progress vs 2020 recommendations

2020 recommendations (abbreviated)	Summary of progress 2020-2023	Status
The financial sector should engage with the tech talent initiatives already in place in the region in respect of developing a larger and stronger FinTech talent pool.	<ul style="list-style-type: none"> <li>FinTech workforce has increased by 23% and FinTech startup and scaleup workforce increasing by 221% since 2020.</li> <li>Growing number of tech students in universities but FinTech careers need to be signposted better as there remain opportunities for enhanced engagement between students, working professionals and FinTech firms.</li> </ul>	
Aim to create increasing opportunities for the region's FinTechs to engage with the established financial sector, via events activity and consider collective problem solving.	<ul style="list-style-type: none"> <li>Events such as Leeds Digital Festival, FinTech North, AI Tech UK, Wild Digital, LegalTech in Leeds, Leeds Digital Forum, No Code Lab, Digital Sport North, Silicon Yorkshire, Tech Tuesday, and Platform Presents, to name but a few.</li> <li>Innovation@Leeds grant funding is enabling the creation of an innovation challenge concept by FinTech North</li> </ul>	
Develop case studies about the work of the tech sector in the financial services sector. This can help amplify the strong body of work being delivered by these firms.	<ul style="list-style-type: none"> <li>Increasing number of tech companies are active in the FinTech sector in Leeds City Region, as well as a large and prominent tech consulting sector including BJSS, Infinity Works (Accenture), Answer Digital, AND Digital and Bureno. Tech-driven organisations such as Cognizant, Iwoca, and Global Shares have established a presence in the region.</li> </ul>	
Raise awareness and understanding of funding options available to FinTech (and tech) firms across equity, debt, and grants.	<ul style="list-style-type: none"> <li>More funding options are available within the region across debt, equity and grant funding. However, FinTech specific funding is limited and scarce, and startups are often looking to London or the US.</li> </ul>	
Continue to build the strong events-based networking community that has developed in the region.	<ul style="list-style-type: none"> <li>Leeds City Region is home to various network and cluster organisations that play a role in promoting FinTech regionally, nationally, and internationally, such as Leeds Digital Festival, FinTech North, AI Tech UK, Wild Digital, LegalTech in Leeds, Leeds Digital Forum, No Code Lab, Digital Sport North, Silicon Yorkshire, Tech Tuesday, and Platform Presents, to name but a few.</li> </ul>	
Involve universities in business issues and encourage businesses to engage with universities in research and project work, in addition to graduate recruitment.	<ul style="list-style-type: none"> <li>The region's universities are increasing their business engagement, but there appears to be a lack of awareness amongst businesses on how to engage with universities. There is a strong presence of relevant courses across business, finance, computing, and data analytics, albeit there are very few FinTech-specific courses at present.</li> </ul>	
Encourage the use of hub spaces by the wider business community.	<ul style="list-style-type: none"> <li>The availability of open access hubs is growing in the region, including Platform (Bruntwood SciTech), Nexus, Avenue HQ/Barclays Eagle Labs, Santander's Work Café, and various others that provide collaborative workspaces and meeting rooms.</li> </ul>	
Continue to promote the fact the region is home to such a strong group of established financial services organisations.	<ul style="list-style-type: none"> <li>The number of established Financial Services businesses active in FinTech has almost doubled over the last 3 years, strengthened through several acquisitions of scaleups by other established firms and large organisations creating a presence in the region.</li> </ul>	

# LEEDS CITY REGION FINTECH ECOSYSTEM 2023

Leeds City Region FinTech Ecosystem 2023

Financial / FinTech sector overview

FinTech startups and scaleups

Financial Services & FinTech Collaboration

Talent & Skills

University engagement

Funding & Investment

FinTech Hubs and Workspaces

Ecosystem connectivity

# Leeds City Region FinTech Ecosystem summary 2023

## Leeds City region

**3,110,000**  
population

**1,146,000**  
workforce

**136,822**  
people working  
in FS or Tech

**11,130**  
FS and Tech firms

**103,900**  
university students

**9**  
universities

**£81bn**  
GVA

**4%**  
of UK GVA

## FinTech sector

**201**  
firms active  
in sector

**30%**  
established FS  
/FinTech firms

**107**  
FinTech firms

**43%**  
startups & scaleups

**7,804**  
FinTech workforce

**27%**  
Tech firms

**£711m**  
FinTech GVA

**5%**  
of UK FinTech GVA

## FinTech startups & scaleups

**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 an Innovation Village which will create nearly 3000 jobs and £12bn of economic value over a 3 year period.
- Leeds was the first English city region outside London to participate in the MIT Regional Entrepreneurship Accelerator Programme (REAP).
- The financial sector in the region has been boosted by the recent decisions of organisations including the Financial Conduct Authority, UK Infrastructure Bank, Bank of England, Cognizant, and JP Morgan to locate in Leeds.
- Leeds Digital Festival is the UK's largest tech festival, and in 2022 it included around 250 events and attracted 20,000 attendees from 60 countries.
- University of York opened a new accelerator hub in 2022, in partnership with Barclays Eagle Labs.
- Leeds is one of only 8 UK cities with 2 or more of the UK's 112 tech unicorns, of which almost 1 in 4 nationally are FinTech firms.
- Approximately 50% of the students graduating each year are in STEAM subjects, an estimated 17,995 graduates.

## Leeds City Region FinTech highlights

- Leeds was cited in the Kalifa Review as part 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, WelathTech, 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 lays claim to be the only FinTech in Europe to be both B-Corp pending and a member of 1% For The Planet.
- Well known FinTech brands establishing a presence in Leeds over recent years have included Recognise Bank, LHV Bank, Iwoca, and PEXA.
- 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 organisation that convenes the FinTech community across the north of England and has organised 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 & Support Ecosystem

ESTABLISHED FINANCIAL SERVICES & FINTECH

STARTUPS

HIGHER EDUCATION

GOVERNMENT / INWARD INVESTMENT

INVESTORS / FUNDING

SCALEUPS

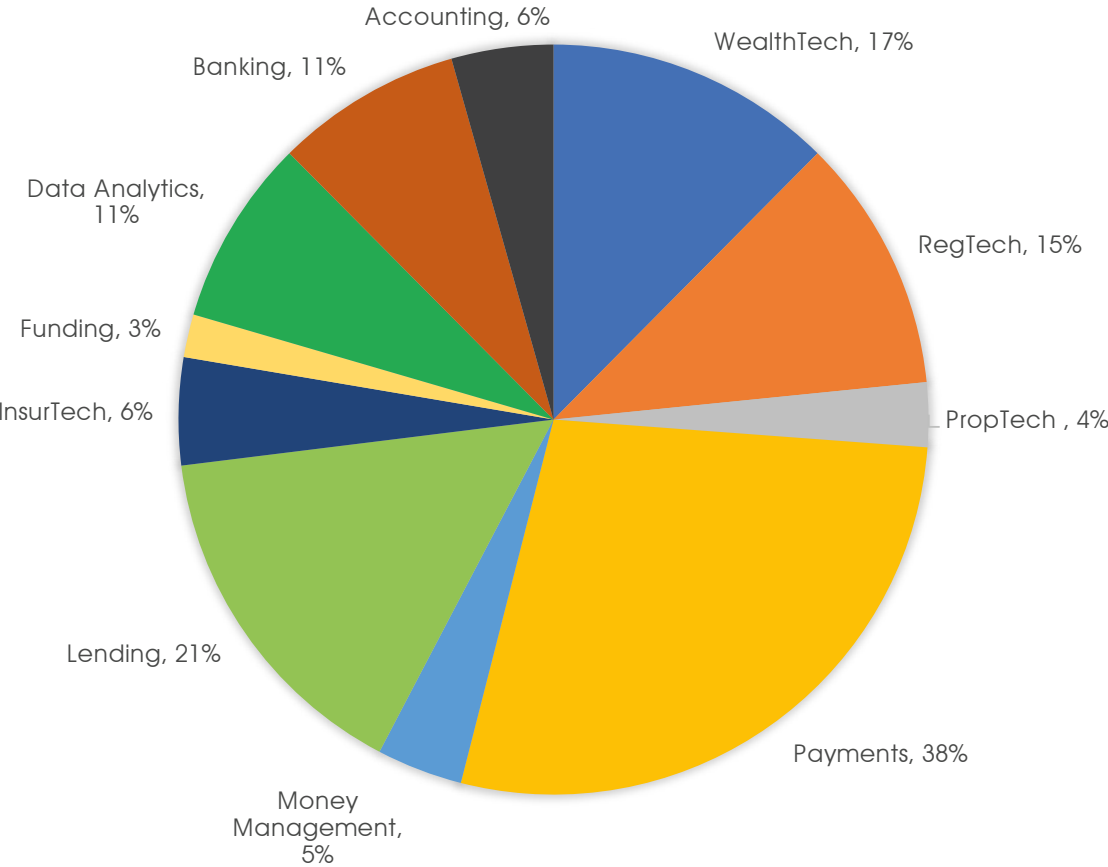
TECH COMPANIES



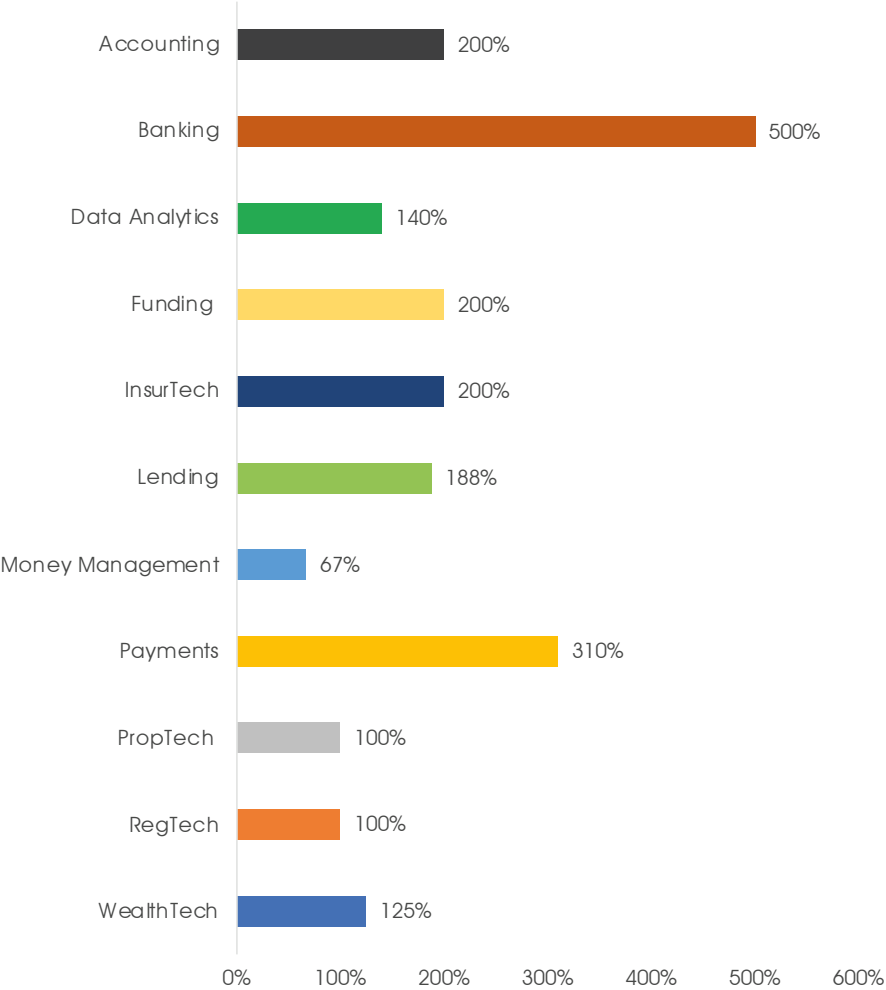


# FinTech firms in the Leeds City Region

Breakdown of FinTech sector



Growth in sub-sectors since last report



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.

# Financial/FinTech sector overview

**The region has a diverse ecosystem with core strengths in payments, lending, financial regulation, wealth management, and banking.**

**Organisations such as Bank of England, FCA, UK Infrastructure Bank, Cognizant, LHV Bank, Recognise Bank and PEXA have recently chosen to open in Leeds.**

Leeds City Region's FinTech GVA is valued at £711.7m, a 102% growth since 2020. Over this time, the number of firms estimated to be operating in the FinTech sector grew 105%, from 98 to 201, and the FinTech workforce increased 23% to 7,804, up from 6,332 in 2019. The region's key FinTech strengths lie in Payments, Lending, RegTech and WealthTech.

Approximately 60 national and international financial services firms have headquarters or operational bases within the region, including major banks, and insurers. First Direct is headquartered in Leeds, as is parent company HSBC's 'conversational banking' team, which focuses on improving the customer experience via AI and automation. Lloyds Banking Group employs several thousand people across its Leeds and Halifax offices. In insurance, Aviva and Hiscox have a major presence in York, Direct Line has operations in Leeds, and Covea is based in Halifax. 3 of the UK's top 5 building societies are based in the region (Leeds, Yorkshire and Skipton), and are all actively engaged in FinTech-related activities across their core product lines of mortgages and savings.

Leeds is the only city outside London to be home to all 3 of the UK's major credit reference agencies, and this highlights the strength of banking, lending and financial data within the region. The region's strength in data is reflected in the presence of firms such as Provenir, Data on Demand, The Data City, The Data Shed, Panintelligence, and Leeds Institute for Data Analytics (LIDA) at University of Leeds. There have also been international Financial Services and FinTech organisations moving into the region. LHV Bank, a digital bank from Estonia, has recently opened a new office in Leeds, its first in the UK outside London. The bank's engineering and development teams are to be based in the Leeds office. According to LHV, it chose to come to Leeds because of the well-established FinTech ecosystem and highly skilled workforce the region offers.

Global Shares, a FinTech firm that is part of JP Morgan, employs 650 people globally across 17 offices, and has opened a Leeds office which it aspires to grow substantially over the next two years.

Australian FinTech firm PEXA is the most recent addition to the region. The firm, which is involved in more than 80% of property transactions in Australia, has purchased Leeds-based Optima Legal from Capita for an undisclosed amount. Optima Legal accounts for 22% of the remortgage market, and PEXA is currently piloting an entirely digital approach to payments and settlements in remortgage transactions.

*"Like most organisations, over the last 3 years we have accelerated our digital offering to customers. There has been, and continues to be, a huge shift of consumers adopting digital ways of banking. What we are focused on is transforming Skipton to enable more digital processes across all of our channels including our branch network, contact centre and online channels, and enabling more of our customers to self-serve, integrating our human touch where needed and providing outstanding experiences at the moments that matter. Authentication, digital onboarding, and better connecting our customers and colleagues are all areas of priority."*

**Kerri Sprorson, Senior Strategy Lead, Skipton Building Society**

*"When it comes to Financial Services representation, I believe Leeds is stronger than every other city outside of London and Edinburgh. The presence of banking and building society sectors, credit agencies, and the ability to draw talent from across the M62 (and beyond) is a powerful combination."*

**James Keatley, Director of Transformation, Leeds Building Society**

*"We are building a high performing and dynamic community and we are increasingly working with large companies on professional development, innovation challenges, and research projects. Green finance is an area of particular interest and we'd like to engage with financial services organisations in this area."*

**Dr Martin Stow, Director, Nexus- University of Leeds**

# Leeds Building Society

**At Leeds Building Society we believe more people should have the home they want. As a purpose-led organisation, we are relentless in our drive to put home ownership within reach of more people, generation after generation. We've been established for nearly 150 years, and as a mutual we are owned by and run entirely in the interests of our members – the people who have savings and mortgages with us.**

## What we're trying to do

We have identified three key focus areas for us to partner and collaborate with the FinTech community:

- Making home ownership more accessible & affordable
- Helping aspirational homeowners to build and maintain a savings habit
- Improving the mortgage journey for members and brokers

Building a deposit is a key barrier to homeownership in the UK, and this is a focus area for us. With the cost of living rising, we are keen to ensure we are doing everything we can to provide meaningful support to our members in new and innovative ways.

## How we're doing it

Working with FinTechs across the UK, and leveraging our position in the Leeds City Region, we are bringing cutting edge thought leadership and technology together to meet the needs of our current and future members.

As sponsors of the Leeds Digital Festival in 2022, we supported one of the biggest events of its kind in the UK, helping to bring leaders in their fields together to celebrate success, foster new relationships and share knowledge and experience.

We've recently become a strategic partner with FinTech North, boosting the growth and engagement of the Northern FinTech community to help solve some of the most challenging homeownership problems. We'll help to put on the 2023 Leeds FinTech North Conference, championing the sector in one of the UK's top cities for financial services. We're also partnering with the FinTech Innovation Lab, the pioneering accelerator programme, to support the development of global FinTechs, and we have some exciting plans for connecting global talent with our members and the wider business community.

Whilst the heartbeat of our business is in our new head office on Sovereign Street in Leeds, by adopting a technology-enabled hybrid working model we have been able to reach a wider tech talent pool to ensure we can attract and retain the best people to innovate and advance our purpose.

We've already achieved some impressive feats – such as adopting cloud-based capabilities to become best-in-class for credit decisioning and digitising processes to enable a sub-minute mortgage approval in some cases. By investing in our people, partnerships and finding innovative ways of creating solutions to key customer needs, we know we can achieve our purpose of putting home ownership within reach of more people, generation after generation.



# FinTech startups & scaleups

**Over the last 3 years, the number of startups and scaleups grew by 263% to 87 firms in the Leeds City Region.**

**There is an emerging trend for sustainability and green finance focused FinTech firms.**

**Leeds City Region boasts a strong startup and scaleup ecosystem. The region has the second highest concentration of scaleups outside of the South East. In 2022, there were 341 scaleups across the region, with 124 of them based in Leeds.<sup>1</sup> Within this, the region is home to a thriving FinTech hub, with 86% of high growth FinTech companies in Yorkshire and Humber being based in the Leeds City Region. Furthermore, the cost of starting a business in the region has previously been shown to be 80% lower than in London.<sup>2</sup>**

Over the last 3 years, the number of FinTech startups and scaleups identified within the region has increased from 24 to 87, a 263% increase since our previous report. Most businesses are based within Leeds, which is the primary FinTech hub in the region. Our analysis of these businesses showed that the most popular sub-sectors they operate in are payments, lending, Regtech, and WealthTech. The fastest growing sub-sectors are banking and data analytics. Five FinTech startups / scaleups have come off the analysis since the last report, but this is primarily a good news story because four of these firms have been acquired, and just one was dissolved.

A notable trend since our last report has been the emergence of FinTechs focused on sustainability and green finance. In the 'Super Connect for Good 2022' competition, two of the finalists were Leeds-based Answer Pay and CurveBlock. Tred won startup of the year at the Leeds Digital Festival 2022 and is the only FinTech in Europe to be both B Corp pending and a member of '1% for the planet'. Earthchain, a blockchain-enabled climate Fintech, is also in the process of applying for B Corp certification, and has committed to The Climate Pledge, turning the climate crisis into climate action, reaching the goals of the Paris Agreement 10 years early.

Startups in the region are able to benefit from a range of support services, such as PARSE (Peer Advisory Roundtables for Startup Entrepreneurs). PARSE is a peer advisory programme, designed and delivered by Paceline, supported by Leeds City Council and Bruntwood SciTech. It brings together small cohorts of tech startup founders to exchange knowledge, share experiences, and tackle challenges over a 6-month period.

<sup>1</sup> Leeds City Region Enterprise Partnership (2022)

<sup>2</sup> Beauhurst (2022)

*"It's important for us to regularly meet firms and engage with the FinTech sector. This gives us a real feel for what the latest developments are for these firms and the sector more widely."*

**Amy Lee, Head of FinTech Hub, Bank of England**

*"I've found that there's always a bit of a brick wall to break through if you're a FinTech and trying to figure out how to work with larger regulated organisations and similarly, larger established organisations can struggle with connecting to the newer firms, often due to different ways of working, use of language, and traditional ways of thinking and doing business."*

**James Keatley, Director of Transformation, Leeds Building Society**

*"There are two key challenges FinTech firms go through – one is building their business and the other one is explaining it. If you're a FinTech founder, you need to educate people about your business so that you can attract more investment."*

**Richard Carter, Chief Executive, Equiniti Credit Services**

*"I was part of the first PARSE cohort for founders. I went to it for 3 months and it was fantastic. That initiative should be supported on an ongoing basis, and more people should go there as part of their founder journey. It is still very difficult to map out what you need when you're growing your start-up. What accounting firms should I talk to, what other building blocks would we need? A roadmap including these things would be very good for new founders."*

**Peter Kirby, Co-Founder, Tred**

*"Leeds is a dynamic, creative hub with the fastest growing digital economy outside of London. The city's attractive ecosystem has in recent years allowed us to attract and provide a home to some of the best and most innovative businesses of the digital age. The FinTech sector has been one of the key success stories, with a raft of new names coming onto the radar and the FinTech North events programme providing a promotional platform."*

**Stuart Clarke MBE, Festival Director, Leeds Digital Festival & Director, Paceline Ltd**

*"Going back to 2008, the upheaval in the economy drove huge amounts of progress. It's the same with Covid, when people had no choice but to innovate. It has been a great catalyst for growth in FinTech and many other sectors."*

**Chris Rabbit, Founder, Meeow**



# FinTech firms in Leeds City Region

1. **10 Squared, York** – Digital integration specialists who provide solutions in and around kiosk manufacture and digital innovation.
2. **10x Banking, Leeds** – Provides a proprietary cloud native platform, SuperCore™, which enables client banks and providers of financial services to give their customers more timely and relevant experiences and insights when it comes to managing money.
3. **Accept Cards, Calderdale** – Provides integrated payment solutions for businesses including open banking, pay by link and online payments.
4. **ACI Worldwide, Leeds** – Provides software solutions which enable leading corporations, FinTech's and financial disruptors to process and manage digital payments, power omni-commerce payments, present and process bill payments, and manage fraud and risk.
5. **Advise Wise, Leeds** – Provides financial advisors with web tools, streamlining the advice process.
6. **Air Pay, Leeds** – Provides safe and secure mobile transactions, enabling quick, cashless Taxi payments online or via their app.
7. **Alfasapp, Wakefield** – Alfasapp build custom software applications as well as having their own payment platform and crypto exchange software.
8. **Answer Pay, Leeds** – Helps banks and payment service providers to grow payments using Request to Pay.
9. **Arca, Halifax** – A technology platform helping to empower payments and fostering the open banking ecosystem, specifically in Africa.
10. **Aryza, Leeds** – Provider of end-to-end, mission-critical automation software to business customers in regulated industries, focused on the lending, credit, debt recovery and insolvency sectors.
11. **ATD Solutions, Leeds** – A software services company specialising within the commercial and consumer finance market.
12. **Axcess Merchant Services, Leeds** – Provide online payment solutions to businesses, specialising in large businesses, high risk merchants and startup ventures.
13. **Axcess Payment Services, Leeds** – Deliver bespoke payment solutions to businesses.
14. **Bankish, Leeds** – Bankish provides a flexible and extensive toolbox of core IT solutions to help financial services providers take the leap from legacy architecture to an intuitive, secure, and user-friendly environment.
15. **Bizdaq, Leeds** – Online marketplace for buying and selling SME businesses.
16. **Booking Protect, Leeds** – Provides comprehensive refund protection for any ticket, any booking, any sector, anywhere in the world.
17. **BrokerSense, Leeds** – Provides on-demand affordability checking software for mortgage brokers. Recently acquired by Twenty7tec.
18. **CleverAccounts, Leeds** – Provide full-service accountancy, bookkeeping, tax and payroll services for small businesses, contractors, freelancers, and other self-employed individuals.
19. **Clique, Leeds** – The Clique Business Banking Account allows for instant money management, enabling users to view accounts, transfer funds and make payments.
20. **Compact Software, Huddersfield** – Provides accountancy software called WinAccs which can be fully integrated and entirely customisable to a company.
21. **CPP group, Leeds** – Provider of embedded InsureTech and assistance products and services via partnerships with leading insurance, banking and finance companies.
22. **CurrencyWave, Leeds** – Provides businesses with a platform for collecting, converting, and sending international payments in multiple currencies.
23. **CurveBlock, Leeds** – Platform that uses blockchain technology to enable people to invest in property development projects in return for a share of the profit.
24. **Cyborg Finance, Bradford** – Provides independent online mortgage advice.
25. **Data on Demand, Leeds** – Provide a range of consumer data solutions for identification, verification & communication for companies.
26. **DealTrak, Leeds** – Provide a platform that connects automotive dealers with finance lenders and brokers.
27. **Decision First, Leeds** – Offers a secure portal that provides law firms with the mechanism to exchange information with lenders in conjunction with the management of their conveyancing panels.
28. **Digital Wealth Solutions, Leeds** – Financial advice business with the client-facing technology to advise their clients online.
29. **Earthchain, Leeds** – Instantaneous API powered marketplace for funding verified climate projects.
30. **Echo Finance, Kirklees** – Mortgage and protection brokers that offer a bespoke advisory service.
31. **EQ Credit Services, Leeds** – Part of Equiniti, a provider of digital lending platforms and related outsourced loan management services.
32. **Equifax, Leeds** – A global data, analytics, and technology company with services including credit reporting, risk modelling, fraud prevention using AI and machine learning.
33. **Eris FX, Leeds** – Provides an online international money transfer service to businesses and individuals.
34. **Exizent, Leeds** – Provides a platform for people involved with managing the bereavement process.
35. **ExpensePlus, Leeds** – Online, cloud-based fund accounting software, designed specifically for churches and charities.
36. **Experian, Leeds** – A global data and analytics company providing financial data related services to individuals, businesses, and lenders, and also helping organisations prevent identity fraud and crime.
37. **Faster Payment Solutions, Huddersfield** – Help businesses with essential business costs, card payment solutions and alternative funding options.
38. **Fastone Markets Limited, Bradford** – Produced a trading platform with unique proprietary price aggregating technology.
39. **FGC, Leeds** – Provides an international money transfer service from UK to other parts of the world.
40. **Fidomoney, York** – Electronic Money Institution with multi-currency bespoke current accounts which offer security solutions.
41. **Fintel, Huddersfield** – Empower product providers, intermediaries, and end consumers, giving them the tools, the expertise and the knowledge they need to make better informed decisions working in FinTechs such as SimplyBiz and defacto.
42. **Focus Pay, Leeds** – Offer multi-currency accounts including GBP and Euro accounts with access to FasterPayments, SEPA and SWIFT payment methods.
43. **FreezeDebt, Leeds** – Debt advice, management, and solutions app.
44. **GDS Link, Leeds** – GDS Link is a global leader in credit risk management, providing technology solutions, analytical and consulting services.
45. **Global Shares, Leeds** – Global Shares, a J.P. Morgan company, a FinTech that manages employee stock plans for business with over 700 employees via an advanced software platform.
46. **Huddle Capital, Leeds** – UK based specialist lender, providing asset backed finance to UK SME clients.
47. **Ibanflex Wakefield** – Provider of corporate accounts which includes payment functions foreign exchange services.
48. **Iliad Solutions, Leeds** – Develops testing software for business payment processing systems.
49. **Incuto, Ilkley** – Develops financial software for credit unions and community banks.
50. **Infraxis AG, Leeds** – Designs, develops, deploys, and supports financial transaction processing solutions based upon its Fraxis platform.
51. **Inspire Payments, Leeds** – A payments products provider offering payment terminals and integrated business solutions.
52. **Interactive investor, Leeds** – An investment management and trading platform providing up-to-date expert insight.
53. **investUP, Leeds** – Algorithmic investing platform which interoperates with P2P lending platforms and cryptocurrency exchanges to execute investment transactions.
54. **IRIS, Leeds** – Develop integrated software solutions so organisations to minimise admin, make business processes more efficient and

give more time to do what's valued. These include their cloud accounting software and financial management system.

55. **Iwoca, Leeds** – A digitally enabled financing company and help companies offer digital payment products such as BNPL.
56. **Keycare, Bradford** – Produce smart fobs for keys which work with a companion app as well as insurance cover for lost keys.
57. **Knowledge Bank, Barnsley** – Provides a mortgage criteria search system for mortgage intermediaries.
58. **KodyPay, York** – Fully integrates the payment ecosystem to make in-person payment acceptance easier for businesses.
59. **K-Pay, Wetherby** – Produces wearable payment technology such as bracelets and key fobs.
60. **LendingScore, Leeds** – Assesses eligibility for specialist mortgages.
61. **Lexis Nexis Risk Solutions, Leeds** - Use data and advanced analytics to provide insights that help businesses and governmental entities reduce risk and improve decisions.
62. **LHV Bank, Leeds** – Banking services provider offering payments, agency banking, virtual IBANs, safeguarding accounts, multicurrency accounts, and FX.
63. **LSS Pay, Calderdale** - Offer merchant services for businesses and insolvency practitioners along with integrating online payment solutions.
64. **MQUBE / MPowered Mortgages, Leeds** – Provides a platform for brokers and their customers to control and digitally track their mortgage application process / is a tech-enabled mortgage lender.
65. **My Community Finance, Leeds** - a consumer lending platform operated by Amplifi Capital, which currently offers unsecured personal loans.
66. **Naylors Finance, Wakefield** – Developed a digital lending platform to guarantee high level service, efficiency, and quality customer outcomes.
67. **Nochex, Leeds** – Payment solution provider that offer relevant payment services for businesses.
68. **Novus Pay, Bradford** - Specialises in card processing services and payment solutions for businesses.
69. **OnePay, Ilkley** – Alternate payment solutions provider for temporary employees who cannot open a UK bank account.
70. **Online Payments Limited, Kirklees** – Build bespoke card payment systems to make processing card transactions easy and efficient.
71. **Pay Advancer, Leeds** – Salary advanced proposition for employers and employees.
72. **Pay by SMS, Bradford** – Built an online payments product where businesses send customers an SMS through their app. The customer opens the SMS message and fills in their card details and makes a payment.
73. **Paysbridge, Leeds** - A specialised currency exchange company based, helping businesses and individuals move money globally.
74. **Payver, Huddersfield** - Offers innovative payment processing solutions and merchant accounts worldwide for leading cards and alternative payment methods.
75. **PDL Payments, Leeds** – Provides a purpose-built bespoke client and customer focused payment solution for self-employed drivers within the haulage sector.
76. **PrinSIX Technologies, Leeds** – Provides a services-led digital platform for onboarding solutions.
77. **Proactis, Wetherby** – An end-to-end modular platform which enables customers to control spend and manage supply-chain risk; improve compliance and governance of their purchasing activities; reduce the cost of goods and services; all through process digitisation and automation.
78. **Protect Group, Leeds** – Offer insurance platforms such as Protect Financial and Refund Protect
79. **Provenir, Leeds** – Helps FinTech and financial services providers make smarter decisions using its Risk Decisioning Platform.
80. **Reapit, Leeds** – Develops CRM and client accounting software for estate agent companies.
81. **Rebuildingsociety.com, Leeds** – P2P lending platform connecting lenders and borrowers.
82. **Recognise Bank, Leeds** – Digital bank offering saving accounts and flexible loans.
83. **Recordsure, Leeds** – Offers specialist speech and document analytics for mortgage teams by using sophisticated AI and Machine Learning.
84. **Rushpay, Leeds** - Automated payments services for drivers to get paid for fares daily, weekly, or monthly, directly into their bank.
85. **Sandstone Technology, Leeds**: From digital banking and digital onboarding to origination and AI-based data analysis, with cloud-based or on-premises deployment, they create flexible, robust, end-to-end solutions using a multi-channel approach.
86. **Solaris, Skipton** – An embedded finance platform, using smart APIs via which partners can embed financial services quickly and compliantly into their own product offerings.
87. **SmartSearch, Ilkley** – Provides compliance software for due diligence, KYC, and adverse media checks.
88. **Swift VAT Pro, Bradford** – Provides an enterprise MTD platform for submitting VAT Returns online.
89. **Swoop, Leeds** – Simplifies and speeds up the process businesses go through to access grants, debts, and equity.
90. **Symbiant, Leeds** – Offers customisable all-in-one risk, audit, and compliance software solutions.
91. **Tappit, Leeds** – Develops payment processing software for live events.
92. **Taylor Guck, Leeds** – Offers deposit accounts in all major currencies and most emerging market currencies, allowing you to trade anywhere in the world.
93. **The Digital DRA, Halifax** – A digital debt resolution agency that's focussed on helping customers resolve their overdue accounts
94. **Trailight, York** – Offers a compliance management platform, helping financial services manage their individual regulatory compliance.
95. **Trakz Labs, Leeds** – Provides pet owners with technology products and services to monitor their health and interpret data.
96. **TransUnion, Leeds** - A global information and insights company that uses data, software, and technology to provide actionable credit profiles of individuals.
97. **Tred, Leeds** – Offers a green debit card which uses spending to track, reduce and offset environmental impact.
98. **Truevo, Leeds** – Develop payment gateways for businesses including to over 150 countries.
99. **Uown, Leeds** – Provides an online platform for people to buy, sell and own shares in property.
100. **UPStix Technologies, Leeds** - Data driven proptech company using smart technology and an expert algorithm, that can give an instant offer on a house.
101. **Vanquis Bank, Bradford** – Offers credit cards, savings accounts and personal loans with instant decisions and the ability to manage credit via an app.
102. **Vocalink, Harrogate** - Designs, build, and operates bank account-based payment systems. In the UK Vocalink (part of Mastercard) processes over 90 percent of salaries, more than 70 percent of household bills and almost all state benefits.
103. **WAC, Leeds** – Work and money management app for hourly paid workers.
104. **Welcom Digital, Harrogate**: Provides flexible lending and collection solutions for both commercial and consumer finance with their leading enterprise platform, Financier.
105. **White Label Crowdfunding, Leeds** – Specialist FinTech SaaS provider building P2P lending platforms.
106. **WorldPay, Leeds** - Payment processing solutions allow merchants of all sizes to take, make and manage payments seamlessly.
107. **Yorkshire Payments, Calderdale** – Provide a wide range of merchant services to all businesses, specialising in payment processing.

# LexisNexis Risk Solutions



**Founded in 2016, TruNarrative began with just 6 people and a vision to make safe commerce simple; to create a platform that brings together a variety of data sources to enable organisations the ability to manage the entire financial crime lifecycle. Leeds was chosen to act as the headquarters, due to its good links and innovative presence within the FinTech community – which facilitate the company to grow as rapidly as its ambitions.**

TruNarrative created a single, unified platform that allows for simplified and automated onboarding, a dynamic risk score and transaction monitoring. The platform allows for no-code configuration and rapid integration through one easy and intuitive API, orchestrating smooth customer journeys and enabling a single view of customer risk.

As both its employee headcount and customer base increased, in August 2021 TruNarrative was acquired by LexisNexis® Risk Solutions – a global giant in the fraud and risk sector.

LexisNexis Risk Solutions uses data, technology, linking and analytics to deliver actionable insights that enable businesses to improve analysis and risk assessment. Financial crime compliance solutions from LexisNexis Risk Solutions help companies navigate the increasingly complex regulatory landscape, stay compliant and reduce their risk of fines and reputational damage. In addition, fraud and identity solutions from LexisNexis Risk Solutions provide extensive data insights and a seamless platform to help solve fraud and authentication challenges and maximise revenue across every customer touchpoint.

To become part of the LexisNexis Risk Solutions family, the company rebranded to LexisNexis® RiskNarrative™ and subsequently renamed its platform. The acquisition allows RiskNarrative to gain additional resources to further establish its dominance in the fraud and risk space; with access to additional data and even more markets.

***"Organisations are seeking solutions that help them comply more easily with evolving regulations and prevent financial crime, so they can focus more on growing their businesses,"*** said Rick Trainor, CEO of LexisNexis Risk Solutions, Business Services.

***"The RiskNarrative platform aligns with our financial crime compliance and fraud solutions, since it allows regulated organisations, such as banks, payment companies, non-bank financial institutions and designated non-financial businesses, to orchestrate their end-to-end compliance obligations, meeting onboarding and transaction monitoring requirements with lower customer friction.***

***This acquisition positions us well to help a wide range of businesses select the financial crime prevention components they need, then quickly enable and utilise these tools within high functioning, easy-to-use workflows,"*** Trainor added.

***"The team at TruNarrative has worked tirelessly over the past four years building one of the fastest growing SaaS platforms for risk and financial crime,"*** said John Lord, former-CEO and founder of TruNarrative. ***"As we reached our high growth, this inflection point helped us focus on seeking a true international partner who could help drive global adoption of TruNarrative's leading technology. The leading capability from LexisNexis Risk Solutions in data and***

***analytics and the high quality of their team made them an obvious choice to help us deliver the next chapter of our amazing journey."***

Leeds will continue to be the headquarters for the RiskNarrative team as they continue to grow and develop, now with over 100 employees and a firm foundation within the local FinTech and RegTech community.





*"We are proud to continue our support for the Fintech ecosystem across the Leeds City Region. The valuable insights and recommendations from the research Whitecap have undertaken will help us develop the sector further and attract investment into Leeds and the wider region. With a strong talent and innovation pipeline from the region's leading Universities and financial institutions, we are confident that the growth and momentum will continue and drive innovation and investment that everyone will benefit from in the future."*

**Eve Roodhouse, Chief Officer Culture & Economy, Leeds City Council**





# Financial Services & FinTech collaboration

**Leeds has a strong track record as a collaborative city region, particularly across the digital sector.**

**There is an opportunity for more meaningful collaboration between Financial Services and FinTech firms within the region.**

**With the UK having one of the highest FinTech adoption rates in the world (71% vs 64% global average<sup>1</sup>), established Financial Services organisations are increasingly working with (and investing in) FinTech firms in order to enhance their own propositions and performance. A recent study has shown that 9 out of 10 financial institutions now consider FinTech partnerships to be important to their business, a proportion that has almost doubled over the last 3 years.<sup>2</sup>**

FinTech is a sector that is often described as boundaryless, so partnerships are not reliant on geographical proximity. Examples of regional collaboration between locally based Financial Services firms and FinTechs are not commonplace, although there are multiple examples of Financial Services organisations engaging with tech consultancies in the region.

Across the digital sector, Leeds City Region boasts a strong environment for collaboration, with initiatives such as Leeds Digital Festival, Leeds Digital Forum, FinTech North, WILD Digital, LegalTech in Leeds, and the MIT REAP programme creating engagement opportunities for businesses of all sizes. Leeds Digital Festival hosted over 250 events and in 2022, with over 20,000 people from around the world attending in person or virtually. FinTech North, hosted its 7th annual Leeds conference in 2022.

However, the research conducted for this report identified a desire for a more meaningful connection between the established Financial Services firms and FinTech startups and scaleups in the region. Financial Services and FinTech firms alike expressed their interest in having opportunities for deeper collaboration and to engage beyond events. One action that is already in progress is that FinTech North will be hosting a series of innovation challenges, aiming to provide an environment for deeper engagement between Financial Services firms and FinTechs. This initiative has been made possible by a grant from Leeds City Council's Innovation@Leeds funding scheme.<sup>3</sup>

"Collaboration is attractive and challenging in equal measure. As an entrepreneur, everything you do is done in weeks or days, but bigger companies work in much larger timeframes. Everyone has their own priorities within their business, but a misalignment of expectations of pace of progress can make it harder to collaborate and give the (false) impression that there is no interest in the ideas being discussed."

**David Smyth, Head of Growth, Burendo**

"I imagine there are lots of players in the FinTech community who could benefit to learn from each other and what they do, and it would be interesting to find a way to connect the emerging technologies and the established financial sector because then you can start driving the ecosystem."

**Will Ellis, Sales Director, EQ Credit Services**

"There's a lot of activity in the FinTech market, and as an organisation we receive a lot of sales approaches. I find it a lot easier to go to an event and talk face to face with a follow up as opposed to navigating a lot of marketing messages from FinTech firms. These messages can all be very similar on the face of it, so until you have a conversation it can be difficult to establish which FinTech firms can help you based on your requirements."

**Kerri Sporrson, Senior Strategy Lead, Skipton Building Society**

"Financial Services firms often speak a completely different language to tech firms, and need to be more prescriptive to get the collaboration going. Translate the requirements in a way that can be understood by people who can service it."

**Katherine Megson, Innovation Events & Programmes Manager, Bruntwood SciTech**

"I would say that Leeds already has a very well established FinTech cluster. Organisations like FinTech North contribute a lot to collaboration and reports such as this one genuinely help spread the word. Outside of the FinTech community, Leeds has a number of great marketing agencies and MarTech businesses helping to create links and partnerships between businesses and sectors and having been fortunate to work with some ourselves, we can highly recommend them as a way to reach out and collaborate."

**Ryan Morrison, Vice President, Market Planning, LexisNexis Risk Solutions**

"Financial services providers are our clients, so we are always keen to engage and collaborate with them, whether this is on a commercial basis or simply an opportunity to develop a relationship. Our business is an international one, but having our UK operations based in Leeds is beneficial due to the strength of the financial sector in the region, and the wider north."

**Ian Merlino, Head of Business Development, Sandstone Technology**

<sup>1</sup> EY(2021)

<sup>2</sup> Synctera & Cornerstone Advisors (2022)

<sup>3</sup> <https://news.leeds.gov.uk/news/funding-schemes-provide-lift-off-for-new-generation-of-business-innovators>

# Bruntwood SciTech

**Bruntwood SciTech is excited to support this important piece of FinTech activity across the North of England. Our innovative customer base includes financial services providers, digital transformation specialists, and established fintech disruptors. For this reason we feel we are well positioned to add value through facilitation, collaboration, and networking across our campuses in Leeds and Manchester.**

Yorkshire and the NorthWest has boasted a strong financial services sector for many years, and can compete on the national and international stage in attracting exciting startups and global world-leading organisations. We have the building blocks to develop this further, with strong networks, a first class highly skilled talent pool, and award winning innovation coming out of regional cities. The key to further development is in organised activity, via continued establishment of the existing clusters.

Working in partnership with key organisations in the sector such as FinTech North is an integral part of the creation of successful innovation ecosystems. It is evidenced that the success of innovation clusters and ecosystems comes from working in partnership, avoiding duplication, and ensuring resource and energy is spent on a collective ambition. Within the FinTech space, as was further evidenced through the Kalifa review in 2021, the North of England has a real opportunity to develop the sector in an ambitious and sustainable way.

As key partners come together to galvanise this activity, and push it forward, we are reminded that we can make far more impact as a collective.

Bruntwood SciTech's Innovation Services team exists to design innovation ecosystems in partnership with key stakeholders, particularly councils, the NHS and universities. Our commitment to providing world-class specialist infrastructure - both physically and through sector specific support, aligned to each city's ambition and specialisms, provides the perfect landing pad to support the FinTech and wider science and tech sector, through this collaboration.

**bruntwood**  
SciTech



Photo credit: Kane Fulton / Bruntwood SciTech

# Talent & skills

**The young talent pool is increasingly strong, but hiring senior/experienced staff is more challenging.**

**Demand for talent is expected to become increasingly competitive with the entry of new employers to the region.**

**Leeds City Region is a vibrant hub for many students and graduates. There are 9 universities in the region which are home to over 100,000 students. Students who graduate also prefer to stay within the region, as 56% of graduates who study in the region also choose to stay here, and 70% of the students who choose to study elsewhere come back to work here.**

The talent pool is young and increasingly strong. Leeds City Region is an attractive region for students and working professionals thanks to its thriving financial sectors and vibrant cities. Stakeholders interviewed for this report, however, expressed that hiring senior and experienced staff has become increasingly challenging as hybrid working becomes more commonly adopted.

There are also new entrants to the region who are seeking to hire at scale. For example, Cognizant has opened an office in Leeds and is seeking to hire over 200 data engineers as part of its expansion plan, which will see the consultancy hire 1000 people in Leeds.

Tech jobs are amongst the roles with the highest demand, with tech hiring in the Yorkshire and Humber region up 49%. This growth can also be seen in the FinTech sector, with over 7,800 people currently estimated to be employed in the sector within the region, however, availability of skilled talent still remains a challenge for many employers. The nature of FinTechs is such that firms that were traditionally purely Financial Services firms need tech talent and are now also competing with bigger software companies. With the recent cost of living crisis and salaries going up, this has made it especially hard for startups and scaleups to find the talent they need.

Recent research commissioned by xDesign found although 59% of young people in Leeds are considering a career in tech, two-thirds of them think that tech companies could be doing much more to engage and nurture their digital aspirations.

*"Availability of talent was a major factor in choosing Leeds as our base, and we certainly aren't the only people to realise this. Of course, any region outside London and the South East could be considered to have a comparable shortage of tech talent... but there are definitely significant pockets in Manchester, Yorkshire and the North East as a whole. What more would I like to see happen? A wider realisation that you can work for or start a FinTech/RegTech business anywhere in the UK, especially here."*

**Ryan Morrison, Vice President, Market Planning, LexisNexis Risk Solutions**

*"There's plenty of talent in the region, plenty of FS and tech expertise. There may be some short-term pinches but, overall, I believe the situation is easing because of the depth of talent available. The talent pool in the region is growing."*

**Richard Carter, Chief Executive, EQ Credit Services**

*"When it comes to FinTech talent, we produce the type of students and graduates that employers want whether that is from the business school, computer science or anywhere else in the University, but the market for these students is highly competitive and includes global businesses outside of finance such as the 'big tech' firms."*

**Professor Iain Clacher, University of Leeds**

*"Recently, hiring of specific skill sets has become more of a challenge as hybrid and remote working is becoming more widely adopted and employees are able to attract London salaries in the North. Specific skill sets are in high demand as everyone looks to digitally transform and focus on customer experience".*

**Kerri Sporson, Senior Strategy Lead, Skipton Building Society**

*"There's a lot of people coming into the sector but quality and experience is harder to find, which is why the disruption you get through acquisitions of firms in the region is helping. You have to work really hard to get the best people. To attract talent from outside the region you need to articulate why you are different and what you can offer."*

**Matt Ward, Head of Leeds, xDesign**



# University engagement

**There is a strong presence of relevant courses across business, finance, computing, and data courses, but there is an opportunity for FinTech to be more prominent in the academic syllabus.**

**The opportunity for businesses to engage with universities is not well understood**

**Leeds City Region is a hotbed for research and innovation, and is home to 9 universities and 14 further education colleges, 39,000 students graduate every year, 17,995 of them coming from STEM subjects, which provides a strong pipeline of talent for the FinTech sector to support startups, scaleups and established firms, including those looking to expand in the region.**

The academic curriculum of these universities includes a strong presence of finance, data and technology courses. There are currently only a few FinTech-specific degrees available within the region. University of Bradford and University of Huddersfield are the only further education institutions that offer a dedicated FinTech masters course, although Leeds Trinity University plans to launch a FinTech MSc over the next two years and other universities in the region are known to be exploring this opportunity. Through the interviews conducted for this report, we observed that established FinTechs, startups and scaleups would like to have more opportunities to engage with universities in the region because the current opportunities are not well understood or communicated. FinTech skills are wide ranging, and ever-expanding, increasing the need for enhanced engagement between the FinTech sector and universities to understand what skills the young talent needs to be equipped with for a career in FinTech. There is a strong research capability at University of Leeds.

The Centre for Financial Technology and Innovation, launched in 2019, brings together academics in business, law, and data analytics to tackle sector-wide challenges and support the development of new FinTechs. In 2021, it was announced that University of Leeds would also be a location for a research hub for the UK Centre for Greening Finance and Investment, working in partnership with University of Oxford and Imperial College London. Additionally, the Priestley International Centre for Climate at University of Leeds is rated in the top 3 climate research centres worldwide. Leeds Beckett University's business school is highly respected and it has hosted guest lectures focusing on FinTech over recent years. Leeds Trinity University has recently announced its intention to open a city centre campus in Leeds, and has been stepping up its engagement activity in the regional business community. University of Bradford's FinTech, AI and blockchain students have been regular attendees at FinTech North events over recent years.

*"Students don't have a clear roadmap of where they want to go and if courses at universities don't lend themselves into Digital, Tech and FinTech, the talent pool won't know which direction to go. There is a danger they won't have the relevant skills they need either for those future roles. We need to ensure a clear career path is painted with visible role models, open days and other events to promote engagement at an earlier stage in students plans"*

**Rachel McElroy, Marketing Director, Cloud Gateway**

*"I think it would be useful if the universities had an outreach programme where they said – this is what we do, this is how much we charge, and this is how we can help you."*

**Richard Carter, Chief Executive , Equiniti Credit Services**

*"We would like to have more relationships with the universities but there's work to do on both sides. It would be good to work with universities to bridge the gap between theoretical application of skills vs real world experience for students."*

**Simon Gregory, Sales Director, Data on Demand**

*"We are open to work with companies of all sizes. It seems there can be some fears around approaching universities. Smaller companies are more hesitant, but larger companies approach us directly and ask to collaborate."*

**Dr Nabi Omidvar, University Academic Fellow, University of Leeds**

*"A lot of smaller companies don't have the resources to bid extensively for research, but working in partnership with universities could provide them with a means via which to unlock and foster innovation."*

**Katherine Megson, Innovation Events & Programmes Manager, Bruntwood SciTech**

*"Research is crucial for a central bank. The Bank does a lot of engagement with the research and academic community. This as an important area in the FinTech space too. The Future of Finance is one of the key themes of our research agenda, and the FinTech Hub supports this research activity."*

**Amy Lee, Head of FinTech Hub, Bank of England**



# University of Leeds



UNIVERSITY OF LEEDS

## Helping harness the benefits of artificial intelligence for consumer finance company

Research and business experts at Leeds University Business School (LUBS) have worked with leading finance provider, Novuna Consumer Finance, to explore using Artificial Intelligence (AI) technology to make improved credit decisions for customers and safer business decisions.

Novuna is one of the UK's most trusted providers of retail point of sale finance and personal loans, lending over £2.3bn to more than a million customers each year. As the world embraces new technologies and ways of working, the company is working to provide innovative financial solutions and outstanding customer experiences.

One of the key challenges for Novuna is credit scoring for high volume lending. If the decline rate on loans offered is too high then businesses offering consumer goods will move to other consumer finance providers, but if the rate of bad debts is too high, then the business is not profitable. Similarly, it is a major challenge to make effective lending decisions for unsecured personal loans.

## Cutting-edge research expertise

To find a solution to these challenges a team of academics from the Credit Management Research Centre and the Centre for Financial Technology and Innovation (based within LUBS) have collaborated with Novuna to investigate the capabilities of AI technology in supporting loan companies to make more informed credit decisions for customers.

This practical project involved Leeds University Business School working with Novuna to investigate and improve the performance of application credit scoring models. As

Dr Marek Kacer explained, "it involved working with large consumer credit data files, replicating existing modelling techniques and developing new AI models with the objective of making better credit decisions."

Dr Nabi Omidvar, Assistant Professor at Leeds University Business School, commented:

*"The research team were delighted to work on the AI aspect of this joint project which will influence the strategic implementation of AI within Novuna, improve their operational conductivity and create a strong platform for growth."*

Professors Iain Clacher and Nick Wilson emphasise:

*"There is huge commercial interest in AI and a real need to investigate how it might perform in real world applications. As academics, we are committed to understanding the nature of the problem and providing genuine insights which will enable businesses to make informed decisions."*

## Broader perspective

David Jenkins, Senior Risk Manager at Novuna, said:

*"Working with Leeds University Business School has been refreshing. In many ways, the multi-disciplinary team of business and research experts works like a traditional consultancy. However, because they share our enthusiasm to explore the extent to which AI can play a role in the real-world, we have been able to tap into different ideas, and work together in a more open and collaborative way."*

## Focus on impact and outcomes

The project team developed two major solutions which clearly demonstrated that AI models can outperform classic methods of credit scoring and make better credit decisions, leading to Novuna building AI implementation into its business strategy.

[Read the full case study here:](https://business.leeds.ac.uk/working-with-business/news/article/910/helping-harnesses-the-benefits-of-artificial-intelligence-for-consumer-finance-company)

<https://business.leeds.ac.uk/working-with-business/news/article/910/helping-harnesses-the-benefits-of-artificial-intelligence-for-consumer-finance-company>



# Funding & investment

Availability and deployment of funding in the region has been increasing, but FinTechs would like to enhance awareness of funding opportunities and support relating to investor engagement.

There is an increasing opportunity to access innovation grant funding for FinTech firms.

**Leeds City Region is a thriving regional tech hub, home to several innovative and creative startups and scaleups. Data from Dealroom shows that there was an 88% increase in the number of investments in startups in the region over the last two years. Venture capital investment into Leeds startups increased from £153m in 2021 to £288m in 2022.<sup>1</sup> Investments in 2021 had also increased five fold from 2020.**

The pandemic did not stop firms operating in the FinTech sector from raising funding. In late 2020, Painintelligence raised £4.5m in Series A Funding from YFM Equity Partners and Comhar Capital, and Incuto secured £1.75m from the Northern Powerhouse Investment Fund, a £500m fund to boost the growth of SME businesses in the North. More recently, Tred, the Leeds-based FinTech, raised £600,000 in 10 minutes in its crowdfunding campaign in May 2022, which followed an initial crowdfunding campaign in 2021 where it raised over £1 million.

Despite this increased activity, however, access to funding remains a challenge for many startups to navigate. During the course of this project, FinTech entrepreneurs spoke about the difficulty they face in identifying and connecting with suitable investors. It appears that funding opportunities are not always clearly communicated with smaller FinTechs, and they would also benefit from increased awareness on where to turn for support and advice.

When discussing funding, the focus tends to be on equity investment, but there are also a wide range of debt funding options available, in addition to grant funding.

Innovate UK was increasingly active in the financial and professional services space during 2022, when it launched an innovation grant funding opportunity for organisations to apply for a share of up to £7 million for projects that develop new products and services within Professional and Financial Services, across 2 different strands. Applications were encouraged from firms in insurance, open finance innovation, financial planning and support for consumers and SMEs, financial regulatory compliance and financial crime prevention, and payments and transactions. This was a notable development, as Innovate UK has not previously offered funding specifically targeted at the financial sector. It is not yet known whether any organisations in the region were successful with applications.

*"If you go to a FinTech event in London, it seems there are always investors there who are looking at opportunities. This isn't the case so much in the north. I think we need investors to be more visible and to tell entrepreneurs why they are likely to invest in a business or not."*

**Richard Carter, Chief Executive, EQ Credit Services**

*"It is well known that the risk appetite of investors in the North isn't what it is in London, but people are helping us a lot more now that we have a network in Leeds, but while starting up we didn't have any of that."*

**Will Smith, Co-Founder, Tred**

*"We need to get FinTech founders to talk to each other so there is a community of people who can help signpost each other on where to get funding and which investors are likely to be helpful contacts beyond the immediate funding round. Some VC's are more interested in a term sheet that suits them rather than the business."*

**Chris Rabbitt, Founder, Meeow**

*"Some sources may be better than others but there is not a lack of available funding for businesses with great ideas and well constructed plans. But I do think you need to think carefully about who you take investment from, because an investor's expectations might be very different to your own."*

**Matt Ward, Head of Leeds, xDesign**

*"Funding can be hard to get sometimes because investors may only be interested in commercial performance, but a lot of FinTechs operate with a purpose beyond profit, and that can be hard for people to invest in. FinTechs may be purpose driven, but VC's don't necessarily prioritise or even understand that. They're primarily focused on making money."*

**Joe Roche, Engagement Manager, FinTech North**

*"We were acquired 2 years ago but were self-funded for the previous 10 years. In the beginning the co-founders funded the business and we grew our brand organically using our connections. We were quite fortunate that we didn't really need to seek out external investment but clearly the availability of funding is an important consideration for many startups."*

**Richard Owen, QA Manager, Infraxis AG**

<sup>1</sup> Business Desk (2022)

# FinTech hubs & workspaces

There are a wide range of workspaces that are utilised by FinTech firms, which also exist to support the wider digital sector and economy in general.

**Platform**, which is adjacent to Leeds train station, is one of Bruntwood SciTech's dedicated communities for science and tech businesses, and one of 11 campuses across the UK. Platform contains the city's only dedicated specialist Tech Hub, which is home to a cluster of 100 of the region's most innovative tech and digital startups, scaleups and leading tech names. Platform has strong connections into Leeds's digital tech ecosystem, partnering with numerous local organisations to provide support for digital and tech businesses to form, scale and grow.

The University of Leeds is home to Nexus, its innovation community, which provides businesses with access to expertise across the university and beyond. Nexus currently has over 130 members located across the globe, with many having physical base in its innovation hub on the university campus. Nexus' member businesses have created 300+ new jobs, with approximately 20% of new hires being graduates of the university. It is currently considering expansion plans, and aims to be able to double its community over the next 12 months. Nexus has identified green finance as one of its three key priority areas of focus, alongside smart city capabilities and HealthTech, specifically addressing health inequalities.

The banking sector features prominently in the regional support network, with NatWest, Barclays and Santander all providing city centre hubs for businesses in Leeds. The most prominent is Barclays Eagle Lab at Avenue HQ, which provides support to startups and scaleups in the form of office space, growth and scaling programmes, events, workshops and access to an investor network. Over the last 12 months, a new Eagle Lab has also opened in York, in partnership with the University of York.

Support for the growing FinTech sector is plentiful, and growing, with new commercial spaces in Leeds such as the extensive development at Wellington Place. Meanwhile, Aire Park in South Bank in Leeds is set to deliver 3 hectares of modern living and office spaces over the coming years, and the Leeds Innovation Arc will see an estimated £450m invested to build on the wider region's momentum, and create a hub for research, innovation, and entrepreneurialism in digital, data, engineering, health, and life sciences sectors.

The support facilities available in the region are not limited to Leeds, and one of the high profile developments in 2022 was the launch of Co-Lab in Harrogate. This was co-created by Harrogate Borough Council and the Leeds City Region and York & North Yorkshire LEPs, and was established as an incubator dedicated to help the growth of digital and tech businesses.

## Key Hubs and Workspaces in Leeds City Region

- **Barclays Eagle Lab, Leeds** – Located at Avenue HQ, the Eagle Lab is part of a national network of hubs for businesses, partners, investors, and mentors, providing support in the form of growth programmes, events, mentoring, and office space.
- **Barclays Eagle Lab, York** – Created in partnership with the University of York, this Eagle Lab was opened in 2022 and aims to provide business support and advice to entrepreneurs and businesses in the city.
- **Co-Lab, Harrogate** – Co-lab supports growing businesses with access to funding, advice, and mentoring, including networking opportunities and skills development.
- **Department Leeds Dock, Leeds** – Home to creative, media and tech businesses of varying sizes, as well as the Exchange support / accelerator programme for tech companies which will launch its first Leeds cohort in April 2023.
- **Impact Hub Bradford, Bradford** – A social innovation hub and co-working space, supporting and connecting social entrepreneurs, businesses and startups build solutions to create positive social impact.
- **Knowledge Exchange Centre** – A new collaborative innovation hub located within Leeds Business School, at Leeds Beckett University's Rose Bowl building.
- **NatWest Entrepreneur Accelerator, Leeds** – One of 12 hubs with a physical location in the UK, NatWest Accelerator Hub Leeds provides access to co-working spaces, events, and a network of entrepreneurs, helping entrepreneurs scale.
- **Nexus, Leeds** – Based out of the University of Leeds, Nexus is a community of high growth businesses from around the world, providing support in the form of workspaces, events, networking opportunities, access to an academic community, and business advice.
- **Platform, Leeds** – Part of Bruntwood SciTech's network of innovation districts, Platform offers coworking, serviced and larger leased spaces, along with access to finance and support for businesses to scale or grow.
- **Santander Work Café** – The first UK deployment of a global concept originating in Chile, this repurposed branch in the city centre of Leeds offers free workspace, meeting rooms, a barista bar, and hosts events.
- **Wellington Place, Leeds** – Wellington Place is a 21-acre urban quarter in Leeds city centre, providing a hub for businesses by offering offices, restaurants, bars, and other amenities, and also containing multiple event spaces.



# Ecosystem connectivity

Leeds City Region is home to many network and cluster organisations that play a role in promoting FinTech regionally, nationally and internationally.

Diversity and inclusion have become very prominent topics in event activity across the regional tech ecosystem.

FinTech North provides the primary focal point for FinTech in the region, but there are multiple other meet up groups and networks that are relevant to FinTech, albeit not directly focused on it. These include Leeds Digital Festival, Tech Nation, Leeds Digital Forum, AI Tech UK (previously AI Tech North), LegalTech in Leeds, No Code Lab, Digital Sport North, WILD Digital, Silicon Yorkshire, Tech Tuesday, and Platform Presents.

International connectivity has been strong over recent years, with numerous inbound FinTech missions visiting Leeds, drawing delegations from five different continents: Europe, North and South America, Asia and Australia. Leeds City Council, the Department for International Trade (DIT), and Leeds City Region Enterprise Partnerships (LEP) are all prominently involved in international activity. In 2022, Leeds commenced a city relationship with Lodz, which saw a northern delegation visit Poland early in the year, with a group of FinTech and tech firms from Lodz making a visit during Leeds Digital Festival in September. The visit to Leeds included a FinTech North event focused on the visiting FinTechs.

Diversity and inclusion have been strong themes across tech events and related initiatives in Leeds over recent years:

- **WILD Digital** was originally called Women in Leeds Digital, and runs events focussing on creating and highlighting activity that encourages minority groups to take up a career in the digital sector.
- **Brunwood SciTech** has launched a **Female Founders Incubator** at Platform. The six month programme supports eight early stage female founders with mentoring from successful founders and CEOs. It also hosts a **Female Founders Forum**, a bi-monthly networking event to connect female founders in tech across the city to help build a support network.
- **The D List** is a more recent development. Part of the Include Me platform, it is a directory of event speakers from diverse backgrounds, and provides a resource for event organisers seeking to ensure their agendas are well balanced.

Partner Content

## FinTech North

FinTech North is an events-led, ecosystem facilitator established to provide a platform to share ideas, celebrate innovation, champion diversity and share best practice in regional FinTech. The focal point for Northern FinTech, FinTech North occupies a unique position in the ecosystem; working neutrally to promote and support FinTech innovation across the entire North, whilst collaborating nationally as part of the FinTech National Network. In 2023, FinTech North is a community of over 5,000 people that share an active interest in FinTech and Financial Services.

Since foundation in 2016, FinTech North has delivered over 100 events in the North of England, welcoming speakers and delegates from all corners of the FinTech and FS landscape. From large flagship conferences showcasing regional ecosystems to monthly seminars covering pertinent topics in the sector, FinTech North events are thought-leading and interactive, attracting people at all stages of their careers to become part of the Northern FinTech community, grow their network and learn more about FinTech.

Leeds is the spiritual home of FinTech North, with its first event taking place as part of the inaugural Leeds Digital Festival at aql's Salem Chapel in 2016. Recurring annually ever since, FinTech North's Leeds conference is a celebration of the vast FinTech ecosystem in the Leeds City Region, showcasing the astounding regional FinTech innovation occurring, whilst bringing together a wealth of expert speakers and delegates to collaborate and champion everything excellent about FinTech in Leeds.

In 2023 FinTech North will host its 7th annual conference in the city, and is also running an innovation challenge funded by Innovation@Leeds grant funding. In addition, FinTech North is working towards future seminars, webinars, roundtables and more exciting initiatives in the pipeline, including a recently launched FinTech Marketplace, and supporting the Department for International Trade with both in-bound and out-bound FinTech trade missions.

FINTECHNORTH

"We are delighted with the results of the Leeds City Region FinTech Ecosystem report, and congratulate Whitecap and all its partners who made this endeavour possible. The UK's global position as a thriving FinTech ecosystem is best demonstrated by the strength and depth of our industry across the entirety of the country. This is perfectly exemplified by the FinTech ecosystem in Leeds, which is matching both the levels of investment and growth in individual sub-sectors of FinTech, as well as the emerging trends we have seen elsewhere.

"As we grapple with continued economic uncertainty, the opportunity for hubs like Leeds to thrive and sustain our international FinTech ecosystem will undoubtedly continue to expand. Innovate Finance, the industry body for UK FinTech, looks forward to continuing to support the city's success."

Janine Hirt, CEO, Innovate Finance





# Stakeholder quotes

"Undoubtedly, there are recruitment challenges, but there are a lot of graduates from other cities who moved to Leeds. There's something about Leeds that makes people want to live here."

**Simon Gregory, Sales Director, Data on Demand**

"I've long been an advocate of remote working, and have been running my FinTech firms on this basis well before Covid. I do find that sometimes hard work may go unnoticed because people are working from home, so it is really important to recognise when people are going above and beyond."

**Daniel Rajkumar, MD & Founder, rebuildingociety.com & White Label Crowdfunding**

"I've been in Leeds for 25 years, and I'm always keen to see the city develop and improve. Leeds Digital Festival has been a great success and has really helped raise the profile of Leeds. In future, a key thing I'd like to see is better signposting of careers opportunities to those coming through the education system, and more FinTech events to help shine the light on this sector specifically."

**Steve Anderson, Tech Founder**

"There is a huge opportunity to continue to develop the FinTech sector in the Leeds City Region. I believe that to be successful, we need to be focussing not only on what the problem is, but what we can do about it. The key is to make sure the people who get involved can really help develop the sector in the region and beyond."

**Peter Cornforth, Commercial Director, Answer Pay**

"Universities need to be more plugged into the sector, and there are opportunities to do that. But the nature of many university courses means they can be difficult to link to practical career opportunities. This is where apprenticeship courses can be really good, because they are so practically orientated. Universities need to relay to students what a career in FinTech will look like."

**David Smyth, Head of Growth, Burendo**

"Collaboration between established FS firms and FinTech startups and scaleups could be stronger. Sectors with high regulation and governance can find it difficult to talk openly about the work they do for obvious security reasons so learning from each other has to be done in a way that fosters trust. Legacy infrastructure in comparison to born in the cloud technology is very different. Organisations know lack of agility will stifle them in a demanding consumer market, but actually there is a great deal these colliding worlds can learn from each other. Traditional banks and building societies were built on personal service and have a huge amount of history, data and longevity to their existence to draw upon unlike newer FinTechs. This presents a strong mutual partnership of knowledge sharing."

**Neil Briscoe, CTO, Cloud Gateway**

"Rather than specific courses, I'm more concerned about building the right skills for future technical leaders and developing agile mindsets. We also need to raise awareness around FinTech skills and opportunities as opposed to just having a named FinTech course."

**James Keatley, Director of Transformation, Leeds Building Society**

"Some of the ways universities can work with businesses can be very cost effective and beneficial. For example a Knowledge Transfer Partnership (KTP) is part funded by Innovate UK, and involves university academics working within businesses on innovation related projects. Depending on the size of the organisation, the business will only need to cover 30-50% of the project cost so it's a highly cost effective way to access experienced research and innovation resources."

**Dr Nabi Omidvar, University Academic Fellow, University of Leeds**

"We have supported Fintech North since 2016 and value their lead in creating a vibrant ecosystem, providing regular opportunities to share knowledge and expertise, network and create partnerships - not just with the fintech sector but also across the broader digital and tech sectors. The strength of this community plays a big part in making Leeds a great place to innovate, accelerating growth and productivity, creating good jobs and a place where employers want to locate and invest, and in turn driving progress towards a healthier, greener and more inclusive future."

**Eve Roodhouse, Chief Officer Culture & Economy, Leeds City Council**



# FURTHER INFORMATION

Definitions and methodology

Sponsor Profiles

Contributing Organisations

# Definitions & Methodology

## FinTech definition and categories

FinTech can be defined as the application of technology to improve financial products and services. This makes it a very broad category, making it extremely challenging to categorise companies and jobs, especially in the absence of standard measures such as SIC codes.

In this report we have differentiated between three different types of companies directly operating within the FinTech sector:

**FinTech startups and scaleups** - Pure FinTech business models, often with a focus on disrupting the sectors they work in.

**Established Financial/FinTech organisations** - Established entities, offering financial products or services via tech-enabled processes.

**Tech firms** - Businesses operating in multiple markets (must include serving financial services or FinTech).

## Estimated FinTech workforce

Categorising jobs within FinTech is additionally challenging, as not everyone working in established financial services or tech sectors is working in FinTech. We have conducted primary research, which involves a manual count of employees in each startup and scaleup in the region to establish the number of jobs within FinTech startups and scaleups and have adopted a proxy methodology to estimate the number of jobs within the established Financial/FinTech organisations to calculate the overall number of jobs in the overall FinTech sector within the three categories listed above.

To calculate the FinTech workforce we have adopted the following methodology:

Total FinTech Workforce = 5% of combined tech workforce (data from Tech Nation) and financial services workforce (data from ONS) + FinTech startup and scaleup workforce (data from Whitecap primary research)

We use SIC 62 to as a proxy to estimate the Leeds City Region proportion of the overall Tech Nation tech workforce figure. Tech Nation uses a wider range of SIC codes to calculate the overall tech workforce, including those that are part of 26, 58, 61, 63 and 95, and by default all of these categories are also included in our workforce estimates.

## Estimated Regional FinTech GVA

When calculating regional FinTech GVA we use the estimated FinTech workforce and the regional GVA:

Regional FinTech GVA = Total FinTech workforce x Regional GVA per worker.

To calculate the regional GVA per worker we used data from ONS and Tech Nation.

## Data sources

Throughout our research we use a range of data sources to find and identify FinTech companies. This includes a number of publicly available and subscription-based third party databases and platforms.

We then manually assess each organisation to generate the data points that make up our regional FinTech analysis.

# Sponsor profiles

**bruntwood**  
SciTech

**Bruntwood SciTech**

Bruntwood SciTech is the UK's leading provider of office, lab and scientific services for the science and technology sector. Our network of innovation districts and 500+ businesses connects the UK's most ambitious cities, regions and science and technology communities together through collaboration and specialist support, offering access to finance, talent, new markets and a unique public, private, academic, clinical partner network.

<https://bruntwood.co.uk/scitech/>



**Cloud Gateway**

Cloud Gateway is a provider of intelligent networking and connectivity services to support access to digital services. They have built a platform that can adapt to the technical needs of any public or private sector entity. This allows them to focus on building their own applications and services to deliver great outcomes and experiences for everyone.

<https://www.cloudgateway.co.uk/>

**EQUINITI**

**EQ Credit Services**

EQ Credit Services builds innovative solutions that transform the credit industry by providing advanced loan management technology and outsourced services to banks and other lending institutions. The company combines agile award-winning proprietary technology and expertly skilled resource to drive efficiencies and tangible value on behalf of its clients.

<https://equiniti.com/uk/services/eq-digital/credit-services/>

**FINTECHNORTH**

**FinTech North**

FinTech North is a community focused organisation that brings together people and organisations with an active interest in FinTech across the north. Since 2016 FinTech North has hosted more than 100 events. FinTech North is a member of the FinTech National Network, linking it to the wider national ecosystem.

<https://www.fintechnorth.uk/>



**Leeds Building Society**

Since 1875, Leeds Building Society has operated as a mutual - owned by and run in the interests of our members. The Society was set up to help people save and borrow to get the home they wanted and we've stayed true to our original purpose ever since.

<https://www.leedsbuildingsociety.co.uk/>



**Leeds City Council**

Leeds City Council has a vision for Leeds to be a compassionate city with a strong and diverse economy. Our mission is to tackle poverty and inequality and improve the quality of life for everyone in Leeds. Stimulating entrepreneurship and delivering innovation delivers a healthier, greener and inclusive future for Leeds

<https://www.leeds.gov.uk/>



**Leeds City Region Enterprise Partnership**

Leeds City Region Enterprise Partnership (the LEP) works with partners across the public and private sectors to stimulate regional growth and unlock Leeds City Region's vast economic potential. The LEP is committed to helping the FinTech sector thrive in our region, attracting international organisations and brands to invest in our economy, creating jobs and prosperity for everyone who lives, works and does business here.

<https://www.the-lep.com/>



**LexisNexis Risk Solutions**

*LexisNexis® Risk Solutions harnesses the power of data and advanced analytics to provide insights that help businesses and governmental entities reduce risk and improve decisions to benefit people around the globe. We provide data and technology solutions for a wide range of industries including insurance, financial services, healthcare and government.*

<https://risk.lexisnexis.co.uk/>



**University of Leeds**

*The University of Leeds is one of the largest higher education institutions in the UK. We are a values-driven university, and we harness our expertise in research and education to help shape a better future for humanity, working through collaboration to tackle inequalities, achieve societal impact and drive change.*

<https://www.leeds.ac.uk/>



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Leeds | Manchester | Milton Keynes | Bristol | Newcastle | Birmingham

The information contained in this report is of a general nature in relation to the FinTech sector in the Leeds City Region and is not intended to address the circumstances of any particular individual or entity. Appropriate professional advice should be sought before taking action relating to the contents of the report. Whitecap Consulting has endeavoured to provide accurate and timely information but cannot guarantee the accuracy of such information at the date of publishing or in future.

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