

# South West FINTECH REPORT 2023



Sponsors:



FinTech West



# 10 key facts about the South West

## A significant and growing FinTech ecosystem

1. The FinTech sector in the South West is estimated to employ nearly 19,000 people, and contributes more than £1bn to the regional economy.
2. There are 193 FinTech firms in the region, with key strengths in payments, WealthTech, and lending.
3. Prominent FinTech brands based in the region include include ClearBank, Moneyhub, Crowdcube, Ripjar, Seccl, Loqbox, Cardstream.
4. The South West has multiple FinTech-related courses (including FinTech MScs at UWE, University of Bristol, University of Gloucestershire, and University of Exeter), in addition to an active engagement of Further Education colleges in the sector.
5. The number of FinTechs in the Bristol & Bath FinTech ecosystem has almost trebled in size over the last 4 years.

## Engaged in prominent regional and national growth activity

6. National and global brands such as ClearBank, Curve, Pismo, and Hazeltree have chosen to create bases in the region as part of their growth, and there is a significant opportunity for more FinTechs to expand into the South West.
7. The true FinTech workforce is likely to be considerably higher than estimated, with quality of life and proximity to London amongst the factors encouraging people to live in the region while working for organisations based elsewhere.
8. A new Economic & Social Research Council (ESRC) funded national FinTech accelerator will be launched from Bristol, via a project led by a University of Bristol consortium including FinTech West.
9. FinTech West has now built a growing community of more than 3,000 people, and has recently announced a new South Coast hub working with Bournemouth, Christchurch & Poole (BCP) Council.
10. The South West community has strongly engaged with the new national Centre for Finance, Innovation & Technology (CFIT) on its first coalition, which focuses on Open Finance.

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## Project Team



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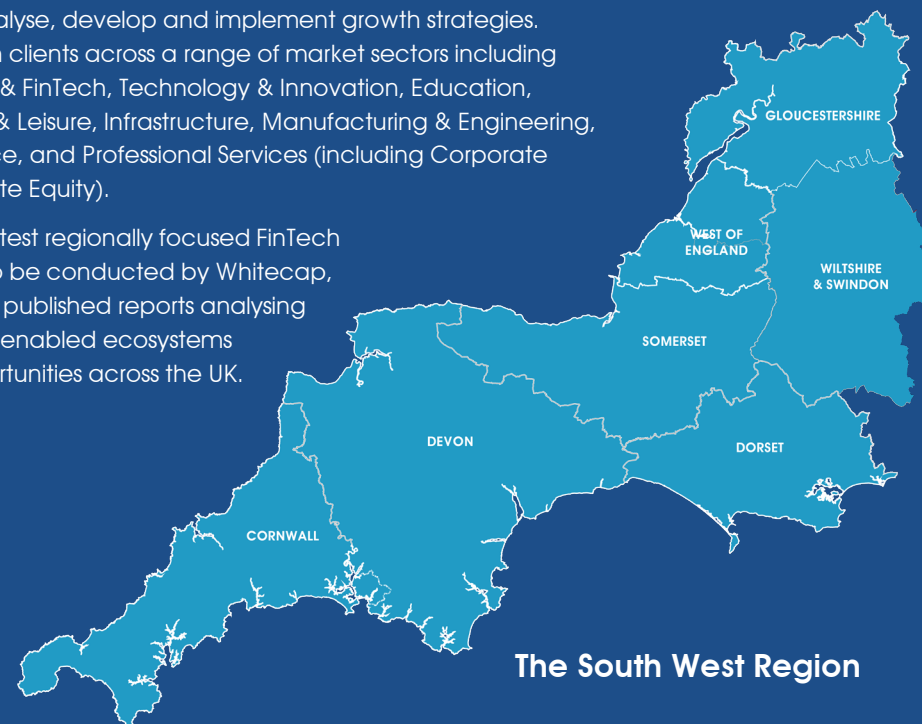
**Queralt Vila Smith**  
Junior Consultant, Whitecap Consulting

## 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.



The South West Region

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



# FOREWORDS

Professor Jonathan Beaverstock  
Ezechi Britton MBE

# Foreword: To FinTech and beyond - becoming an established FinTech cluster



**Professor Jonathan V. Beaverstock, University of Bristol,  
Principal Investigator: Future Finance (Innovate UK), &  
Knowledge Exchange Fellow, FinTech West**

**For over thirty years, I've focused my research on the competitiveness of financial services clustering in London, Frankfurt and Singapore. Across these global financial centres, innovation adoption in financial services has been a constant in the genesis of talent, wealth creation and entrepreneurial spirit.**

The emergence of Financial Technology (FinTech) has become the latest innovation in a string of technologically driven disruptions to the market creating new opportunities for entrepreneurs, small and medium sized enterprises (SMEs) and multi-locational and global players. Depending on which global rankings you scrutinise, the usual top global financial centres, for example New York, London, Singapore, Hong Kong and San Francisco also dominate in FinTech, with additional cities like Zurich, Amsterdam, Dubai, Berlin and Shanghai.<sup>1</sup>

All of London's economic drivers and attributes as a FinTech Superhub are well acknowledged <sup>2</sup>, but for the UK to truly excel in FinTech and stay atop the global stage, significant assets and productivity must be mobilised from its thriving FinTech city-regional ecosystems like Manchester-Leeds, Edinburgh-Glasgow, Birmingham, Cardiff and, significant to the South West of England, Bristol, Bath and beyond.

It is vital to include the 'beyond' in our flourishing regional FinTech ecosystem as start-ups and growing FinTechs from Somerset, Devon, Cornwall, Dorset, Wiltshire and Gloucestershire must mobilise in unison with Bristol and Bath to fly the flag for the entire South West region. Connectivity and synergies are the vital ingredient for FinTechs from the entire south-west to thrive in a competitive UK and global FinTech landscape.

As an academic with local roots, the visibility of the city-region's FinTech ecosystem became a personal project to support and make sure that we 'out do' the rest! In 2020, I reached out to Stuart Harrison at FinTech West to bring together my expertise on innovation in financial services and financial services clustering, with Stuart's in-depth knowledge of the Bristol and Bath FinTech Ecosystem to understand how the South West's FinTech ecosystem can 'Learn from London' to drive forward its competitiveness, growth and sustainability. Funded by the Economic and Social Research Council (ESRC), we shared our best practice and knowledge, which culminated in the acclaimed report, 'Learning from London's FinTech sector'<sup>3</sup>, which concluded that FinTechs and stakeholders in the city-region had to

scale-up three significant competitive advantages: (i) access to national, regional and local funding; (ii) depth and breadth of talent pools and pipelines; and (iii) the establishment of accelerators and incubators.

Importantly, this project energised my full commitment to FinTech West as an inaugural member of the Advisory Board, inputting on the national FinTech landscape, financial services clustering and role of the University of Bristol in supporting the community, and also in follow-up ESRC funding as a Knowledge Exchange Fellow incoming to FinTech West in 2022.<sup>4</sup>

From May 2023, the University of Bristol is among four universities with FinTech West to lead a first-of-its-kind £1.8 million research programme to accelerate innovation adoption in SMEs and mid-tier financial services firms. Funded by Innovate UK/ESRC, the innovation adoption accelerator, Future Finance, will work closely with smaller financial services firms to understand the challenges they face and explore how technology and innovation can help over those issues and make a tangible difference to their businesses. The accelerator is designed to be highly collaborative, bringing together smaller financial services firms with experts in technology and innovation to work together to find solutions. Please come and join us on this journey!

This report represents an important milestone in the development of FinTech across the South West, and has clearly identified that the region has a significant amount of activity taking place that goes beyond the long-recognised cluster in Bristol and Bath. I believe we should all feel very optimistic and excited about the future of FinTech in the South West.

<sup>1</sup> The Financial Centres Index 34, September 2023 [https://www.longfinance.net/media/documents/GFCI\\_34\\_Report\\_2022.09.28\\_v1.0.pdf](https://www.longfinance.net/media/documents/GFCI_34_Report_2022.09.28_v1.0.pdf)

<sup>2</sup> The Financial Centres Index 34, September 2023 [https://www.longfinance.net/media/documents/GFCI\\_34\\_Report\\_2022.09.28\\_v1.0.pdf](https://www.longfinance.net/media/documents/GFCI_34_Report_2022.09.28_v1.0.pdf)

<sup>3</sup> <https://www.fintechwest.co.uk/news/ensuring-the-future-sustainability-and-competitiveness-of-the-bristol-and-bath-fintech-cluster>

<sup>4</sup> <https://www.fintechwest.co.uk/news/fintech-west-establishes-further-credibility-with-the-appointment-of-professor-of-international-management>

# Foreword:

## Leading the world in financial innovation



**Ezechi Britton, MBE, CEO,  
Centre for Finance, Innovation & Technology (CFIT)**

**The UK's fintech hubs are helping to drive economic growth in every nation and region of the country. The Kalifa Review of fintech identified Bristol and Bath as together representing one of the UK's 10 key clusters of fintech innovation. This fresh analysis shows an impressive near trebling of the number of fintechs in the area over the last 4 years.**

As CEO of the Centre for Finance, Innovation and Technology (CFIT), it is exceptionally motivating to read this report which highlights the crucial role the South West is playing in advancing the fintech sector and bolstering the financial well-being of the broader community. The various regional initiatives and activities over the last few years have clearly had a strong positive impact on the region, with the sector now employing nearly 19,000 people and contributing more than £1 billion to the economy.

Advancing financial innovation through the UK and building enhanced connectivity across the nations and regions is central to CFIT's mandate. As the central convening force for all participants across the financial services ecosystem – including policymakers, regulators and academics – we are addressing the most complex challenges facing innovators, wherever they are based.

The South West is home to some of the UK's most prominent UK fintech brands, as well as some of the most esteemed universities and educational institutions in the country. With a vibrant pipeline of skills, key strengths in payments, wealthtech and lending, as well as a new ESRC-funded national FinTech accelerator,

it is an area with much to offer to the national agenda. In fact, the South West regional expansion itself, growing from a core of Bath and Bristol into an expanded hub extending along the South Coast, shows just how much can be achieved through wider collaboration.

Approximately half the fintech firms in the South West region are now based in locations beyond its core beginnings. This evolution is to be strongly applauded and it bodes exceptionally well for the future of wider UK financial innovation. By working together to bring down any barriers to broader expansion, we will further springboard UK fintech sector growth that will create more opportunities for financial inclusivity and significantly improve outcomes for all SMEs and consumers across the UK.

# Executive summary

**We are delighted to present our first report on the FinTech sector in the South West of England, which builds upon our previous 2019-20 report covering the Bristol & Bath FinTech ecosystem.**

In developing this report, Whitecap has conducted an analysis of the FinTech activity in the South West. This has included hosting monthly steering groups, conducting desk research, and gathering insight direct from stakeholders via roundtables and interviews, in addition to our ongoing national and international consulting projects in FinTech, financial services and technology.

In February 2021 the government published its strategic review of FinTech (the Kalifa Review), which highlighted Bristol & Bath as one of 10 key FinTech clusters. Following the Kalifa Review, a 3 year cluster strategy for the region was developed by West of England Combined Authority and Deloitte.<sup>1</sup> Our previous report in on FinTech in this region had found there to be a high concentration of FinTech startups and scaleups when compared to other regions, and our updated analysis in 2023 shows that the Bristol & Bath ecosystem has gone from strength to strength, nearly trebling in size.

But the story of FinTech across the South West spans much further afield than Bristol & Bath, and is an impressive one. Approximately half of the FinTech firms in the region are based in other locations, and the evolution of the ecosystem can be evidenced via recent initiatives such as the announcement

by FinTech West of a new South Coast hub in collaboration with Bournemouth, Christchurch and Poole (BCP) Council and Dorset LEP, supported by Barclays Eagle Labs Bournemouth, to provide more support to the extended FinTech community across the South Coast.

There have also been nationally significant developments emanating from the South West, most notably the recently announced 'Future Finance' accelerator which will be a University of Bristol led consortium including the University of the West of England and FinTech West. The project will focus on helping smaller financial services firms to understand the challenges they face and explore how technology and innovation can help overcome those issues and make a tangible difference to their businesses.

The South West also has a leading role in the ongoing engagement with the new Centre for Finance, Innovation & Technology (CFIT), including the involvement of numerous regionally based organisations in the initial CFIT coalition, which focuses on Open Finance.

This report finds the South West to have core strengths in payments, WealthTech and lending. It is important to note that WealthTech is a broad category, and within it this region exhibits a strong financial inclusion / 'FinTech for good' theme.

Measures <sup>2</sup>	2023
FinTech Gross Value Added (GVA)	£1.067bn
FinTech firms	193
FinTech startups and scaleups	160
Estimated FinTech workforce	18,919
FinTech startup & scaleup workforce	2,197
Established	17%
Scaleups	37%
Startups	46%
Turnover of FinTech startups & scaleups HQ in the SW	£250.4m
Total investment of FinTech startups & scaleups HQ in SW	£389.8m

<sup>1</sup> Turning Possibility into Prosperity (Deloitte, 2022)

<sup>2</sup> For definitions of key measures, please see Data Analysis & Methodology section.

# South West Regional Highlights 2023

## WEST OF ENGLAND

**Key locations:**  
Bristol, Bath, Weston-super-Mare

**£398.7m** FinTech GVA      **7,073** FinTech workforce

**93** FinTech firms      **71** startups & scaleups

**FinTech Strengths:**  
WealthTech, Payments, Lending

## SOMERSET

**Key locations:**  
Taunton, Frome, Bridgwater

**£46.3m** FinTech GVA      **822** FinTech workforce

**7** FinTech firms      **7** startups & scaleups

**FinTech strengths:**  
Payments, Money Management, Data Analytics

## GLOUCESTERSHIRE

**Key locations:**  
Cheltenham, Gloucester, Stroud, Cirencester, Tewkesbury

**£170.0m** FinTech GVA      **3,013** FinTech workforce

**24** FinTech firms      **19** startups & scaleups

**FinTech Strengths:**  
Payments, Accounting, Lending, RegTech

## WILTSHIRE

**Key locations:**  
Swindon, Salisbury, Chippenham, Trowbridge

**£132.6m** FinTech GVA      **2,349** FinTech workforce

**16** FinTech firms      **12** startups & scaleups

**FinTech Strengths:**  
Payments, WealthTech, Accounting, RegTech

## CORNWALL

**Key locations:**  
Redruth, Falmouth, St Austell, Truro

**£38.9m** FinTech GVA      **549** FinTech workforce

**10** FinTech firms      **10** startups & scaleups

**FinTech Strengths:**  
Payments, Lending, Data Analytics

## DEVON

**Key locations:**  
Exeter, Plymouth, Torbay

**£91.8m** FinTech GVA      **1,627** FinTech workforce

**19** FinTech firms      **18** startups & scaleups

**FinTech Strengths:**  
WealthTech, Data Analytics, Payments

## DORSET

**Key locations:**  
Bournemouth, Poole, Weymouth

**£165.9m** FinTech GVA      **2,954** FinTech workforce

**28** FinTech firms      **27** startups & scaleups

**FinTech Strengths:**  
Payments, Lending, WealthTech



# 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 South West is home to a geographically dispersed range of established financial services and FinTech organisations.</li> <li>The region ranks fifth in the UK in terms of financial and professional services GVA, and is an increasingly prominent exporter.</li> </ul>	<ul style="list-style-type: none"> <li>Encourage the regionally-based financial services organisations to engage with regional FinTech initiatives and events.</li> <li>Raise awareness of export opportunities for FinTech firms in the South West, citing the region's success in this field, and enhance promotion of the South West as a destination for UK and international financial services and FinTech firms seeking to expand geographically.</li> </ul>	<ul style="list-style-type: none"> <li>Inward investment organisations</li> <li>Established FS</li> <li>Networks / cluster groups</li> </ul>
<b>FinTech startups /scaleups</b>	<ul style="list-style-type: none"> <li>The region has more than 150 FinTech startups and scaleups with key strengths in payments, WealthTech and lending.</li> <li>There is a strong presence of ethical finance orientated FinTech firms.</li> </ul>	<ul style="list-style-type: none"> <li>Promote the FinTech startups and scaleups within the region and beyond, helping them to accelerate the process of raising awareness and to connect to other ecosystem stakeholders who can support their growth.</li> <li>Ensure the key strengths in payments, WealthTech and lending are made clear in promotional activity, along with the focus on ethical and green finance.</li> </ul>	<ul style="list-style-type: none"> <li>Inward investment organisations</li> <li>Networks / cluster groups</li> </ul>
<b>Financial Services &amp; FinTech collaboration</b>	<ul style="list-style-type: none"> <li>South West FinTech firms have successfully established partnerships with existing financial services brands.</li> <li>The new national South West based 'Future Finance' accelerator will drive national FinTech collaboration with SME financial services firms.</li> </ul>	<ul style="list-style-type: none"> <li>Create opportunities for established financial services organisations and FinTech firms to engage in collaborative activity that can open opportunities for in-depth discussions on specific topics, for example hackathons, innovation challenges, and tightly scoped workshops.</li> <li>Raise awareness amongst the South West financial services community of the new 'Future Finance' FinTech accelerator.</li> </ul>	<ul style="list-style-type: none"> <li>Established FS</li> <li>Networks / cluster groups</li> <li>Higher education</li> </ul>
<b>Funding &amp; investment</b>	<ul style="list-style-type: none"> <li>Funding conditions have been challenging in recent times, but South West FinTech firms have enjoyed success in raising investment.</li> <li>The supply of funding accessible by FinTech firms on a regional and national level appears to be increasing.</li> </ul>	<ul style="list-style-type: none"> <li>Encourage London-based investors, including the new FinTech Growth Fund, to engage with FinTech firms in the South West, via a combination of relationship development, marketing, and events.</li> <li>Support FinTech founders with information and guidance on how to raise funding and where from, also linking them into the wider initiatives that are available to tech entrepreneurs in the South West.</li> </ul>	<ul style="list-style-type: none"> <li>Professional services firms</li> <li>Networks / cluster groups</li> </ul>
<b>Talent &amp; Skills</b>	<ul style="list-style-type: none"> <li>The region has a strong pool of FinTech talent, reflected in an estimated workforce of nearly 19,000.</li> <li>Initiatives such as T Levels can increase the supply of entry level FinTech talent, but the supply of experienced workers can be a challenge.</li> </ul>	<ul style="list-style-type: none"> <li>Raise awareness of FinTech career opportunities, and the university and college courses that can act as pathways to FinTech jobs. This can help increase demand, which in turn will enhance the supply of FinTech related courses.</li> <li>FinTech, financial services, tech, and professional services organisations should encourage staff to participate in guest lectures/talks with students, to help increase understanding of the types of jobs available in FinTech.</li> </ul>	<ul style="list-style-type: none"> <li>Further &amp; higher education</li> <li>Established FS</li> <li>FinTech firms</li> <li>Professional services firms</li> </ul>
<b>University engagement</b>	<ul style="list-style-type: none"> <li>The South West has 16 universities with approximately 200,000 students, 4 of which offer FinTech Masters courses.</li> <li>The region is well placed to capitalise on the increased focus on research and innovation funding for FinTech and financial services.</li> </ul>	<ul style="list-style-type: none"> <li>Encourage more universities and colleges to develop FinTech-related courses, with a focus on helping the students gain industry experience and insight via placements and guest lectures.</li> <li>Continue to improve links between industry and academia, encouraging increased joint research project activity and seeking to maximise the opportunity offered by the increased research funding potentially available via UKFin+ Network, UKFAN, and other sources.</li> </ul>	<ul style="list-style-type: none"> <li>Further &amp; higher education</li> <li>Established FS</li> <li>FinTech firms</li> <li>Networks / cluster groups</li> </ul>
<b>Hubs &amp; workspaces</b>	<ul style="list-style-type: none"> <li>The region is home to numerous innovation hubs and workspaces, with universities and corporate brands playing prominent roles.</li> <li>The new Bristol-based £1.8m ESRC FinTech accelerator is a nationally significant development launching in the South West.</li> </ul>	<ul style="list-style-type: none"> <li>Encourage key hubs and workspaces to create specific engagement opportunities for FinTech firms in their communities, to help signpost FinTech entrepreneurs to networks, and potential clients, partners, and suppliers.</li> </ul>	<ul style="list-style-type: none"> <li>Hubs &amp; workspaces</li> <li>Networks / cluster groups</li> <li>Professional services firms</li> </ul>
<b>Ecosystem connectivity</b>	<ul style="list-style-type: none"> <li>FinTech West plays a central role in facilitating the South West FinTech community.</li> <li>The South West has a number of tech-orientated network and cluster organisations that can be beneficial to FinTech firms.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to build the overall South West ecosystem and sub-regional clusters via FinTech-related events and activities that can bring people interested in FinTech together and can help develop value-creating relationships.</li> <li>Link with national developments and initiatives, to help integrate the South West with the increasing amount of UK activity through bodies such as Innovate Finance, CFIT, and Department for Business &amp; Trade.</li> </ul>	<ul style="list-style-type: none"> <li>FinTech firms</li> <li>Networks / cluster groups</li> </ul>

# Stakeholder quotes

"There is a very good ecosystem down here, everyone seems to be collaborative. On a national level, we work a lot in the lending space where partnerships and co-branding are commonplace. Additionally, the payments and e-money sectors are increasingly based on collaboration and joint branding. By the time our financial services and FinTech clients come to us they've already got the deal on the cards already, so there is a lot of activity in this space and it would be great to see more South West collaborations."

**Ben Player, Associate Director  
(Consumer & Small Business Finance), Osborne Clarke**

"We have committed to the South West with our new UK office in Bath and are looking forward to getting closer to the FinTech sector in the region. As a New Zealand based organisation, we identified this area due to its proximity to great Tech companies and Universities. The South West acts as the perfect 'springboard' to the rest of the UK and Europe."

**Bret Duffield, General Manager,  
United Kingdom / EMEA, Integration Works**

"Every year we have students that are attracted to our FinTech courses with the intention of starting a startup. Three years ago a student fought hard to get enrolled in the entrepreneurship module and when I asked her why, she said she enrolled on the FinTech programme because she wanted to start her own business."

**Hisham Ihshaish, MSc FinTech Programme Leader, UWE**

"London is only an hour away from Bristol on the train, providing some great sources of funding, networking opportunities and support for FinTechs within the region."

**Beth Abbott-Stratford, CFO, Flexys Solutions**

"The South West clearly has a strong positioning around FinTech for Good."

**Anita Kimber, Partner, EY**

"I'm London born and Taunton raised. A Somerset software guru built the Cardstream engine. A school best pal helped me sign up our first hundred white labelled gateways. We made our first – and excellent – apprentice Head of Partner Support in one giant leap. The three of us paved the way. We grew on profits alone. Eight years later, we've added FCA regulated acquiring and game-changing "100-second KYC verification" to our stack. We're now active in five continents and our tech is being embedded into Canada's two biggest banks' acquiring platform and a pan-Asian acquiring giant. Traction; reputation; scaling. All from a Taunton HQ and a London satellite. And no air pollution."

**Adam Sharpe, CEO, Cardstream**

"The FinTech ecosystem in the South West has been continually evolving over recent years, and we have many specialisms here including wealth management and 'FinTech for Good'. It's an exciting sector for the region and one that continues to have strong growth potential"

**James Berry, CEO, Great Western Credit Union**

"The great thing about the South West is that it's a very open and collaborative community. People are friendly, honest and transparent and it's a really good place to do business. I think the regions are quite different and there is a lot of variety. For example, Bristol is a fast moving city, whereas a region like Devon has a more relaxed culture."

**Pete Woodward, Co-Founder & CEO, Securious**

"Collaboration is one of our strengths as a region. Most people here want to be visible, contactable, and to just be helpful."

**Louis Spencer, Senior Relationship Manager | Technology,  
Media & Telecoms Sector Lead, West of England, NatWest**

"The South West is a large region and very geographically dispersed. On the face of it, we're not as joined up as some other regions of the UK, both in terms of transport links but also in terms of a coordinated economic development approach. I think this is an area of opportunity, and potentially the wider South West could become increasingly prominent if it can evidence meaningful action."

**Jonathan Beaverstock, Professor of International Business  
Management, University of Bristol**

"The South West region is positioned to capitalize on significant future opportunities stemming from its robust technological capabilities. Quantum technology, in particular, holds substantial promise for the financial services industry. Notably, Bristol University consistently produces a yearly cohort of 1000 graduates well-prepared for Quantum-related endeavours."

**David Henderson, Head of Pensions, Penny**

"I continue to watch with interest and ever increasing optimism as the UK's regional FinTech sector evolves and grows. To see so much FinTech activity across the many regions within the South West is very encouraging, and I hope this report will act as a catalyst for future growth and economic prosperity for the region and the UK"

**Chris Sier, Chief Executive, ClearGlass, & Chairman, FinTech North**

**Osborne Clarke is proud to be the main sponsor of this report. Our FinTech team helps established and emerging FinTech companies navigate evolving regulation across the South West, nationally and internationally.**

**We provide full legal support throughout the FinTech lifecycle – from starting up to product development and customer journeys through to implementing complex cross-border FinTech transactions. Our team works with start-ups, scale-ups/growth businesses and FinTech unicorns, in addition to challenger banks, payment providers, consumer finance providers, software solutions, cryptocurrency platforms, large corporates, lenders, investors and industry bodies and regulators.**

## **Case study: FCA updates guidance on social media financial promotions**

As the nature of regulation changes, it is more important than ever for fintech firms to stay abreast of new developments. This case study highlights the increased regulatory emphasis on consumer protection.

The Financial Conduct Authority (FCA) recently consulted on new guidance for financial promotions on social media, with final guidance expected later this year. Alongside new rules on the promotion of cryptoassets and the implementation of the Consumer Duty, it reflects a growing regulatory focus on adapting to new technology while driving high standards of consumer protection.

### **The status quo**

The UK restriction on financial promotions prohibits a person, in the course of business, from communicating an invitation or inducement to engage in investment activity unless they are authorised or exempt, or the communication is approved by an authorised person. As consumers are influenced by financial promotions, it is critical they are accurate, clear and fair.

The financial promotion rules apply to social media; the FCA published guidance in 2015 to address the nuances of making financial promotions via this channel.

### **The new guidance**

A key driver behind the new guidance is the evolution of social media. In 2015, social media was text-based and character-limited. Much has changed since then: video-based media has become popular; a new class of financial influencers or “finfluencers” has emerged; and products with newer business models, such as buy now pay later and cryptoassets, tend to be marketed on social media. These trends have changed the risk profile of social media as a channel for financial promotions.

## **Changes to the guidance include:**

- Regulatory scope. The FCA is concerned influencers may not realise they can fall within scope of regulation, and stresses that any type of communication can be a financial promotion, including memes and even chatroom communications.
- One element of a financial promotion is a communication “in the course of business”. This can be difficult to interpret in social media business models, so the guidance clarifies this captures “any level of commerciality” – promoting a regulated financial product to gain followers or likes could be in the course of business, even if the influencer is not directly compensated for that post.
- Risk warnings. The existing rules require that risk warnings are clear, prominent, and without a design feature that reduces their visibility or prominence. The new guidance gives examples of compliant and non-compliant promotions – for short-form video, the FCA expects the warning to be displayed clearly and prominently across the screen throughout, not just in the caption.
- The Consumer Duty. This applies to marketing to retail customers, regardless of platform. Ensuring social media marketing is consistent with the updated guidance will help firms demonstrate they are delivering good outcomes for retail clients. However, Consumer Duty considerations may mean it is inappropriate to market on social media, or that a firm should change its marketing strategy to ensure good outcomes are delivered for all retail customers.

## **Next steps**

Final guidance is due later this year. As significant changes are not expected, firms may wish to make sure they are compliant with the guidance now. In particular, the new guidance may help firms deliver good outcomes for retail customers in line with their Consumer Duty obligations.



# South West FINTECH REPORT 2023

Ecosystem overview

Financial & FinTech sector

FinTech startups and scaleups

Financial Services & FinTech collaboration

Talent & Skills

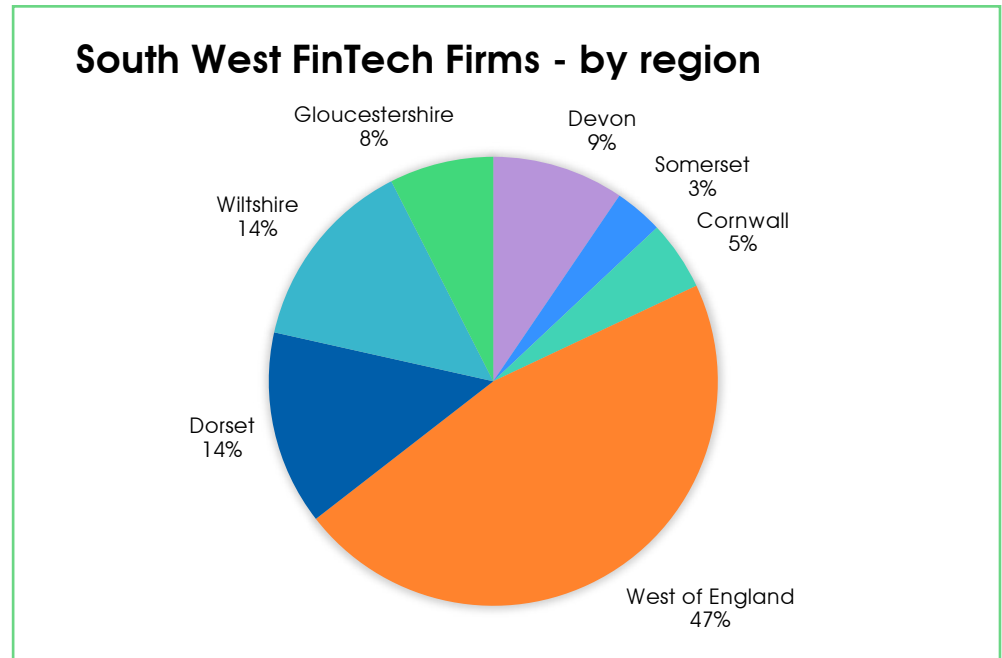
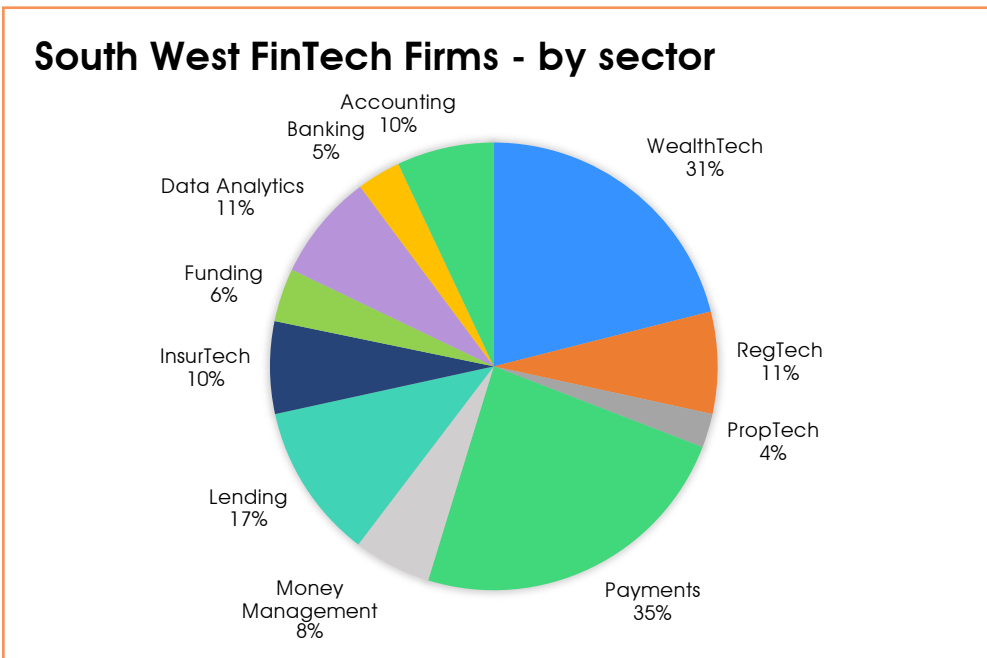
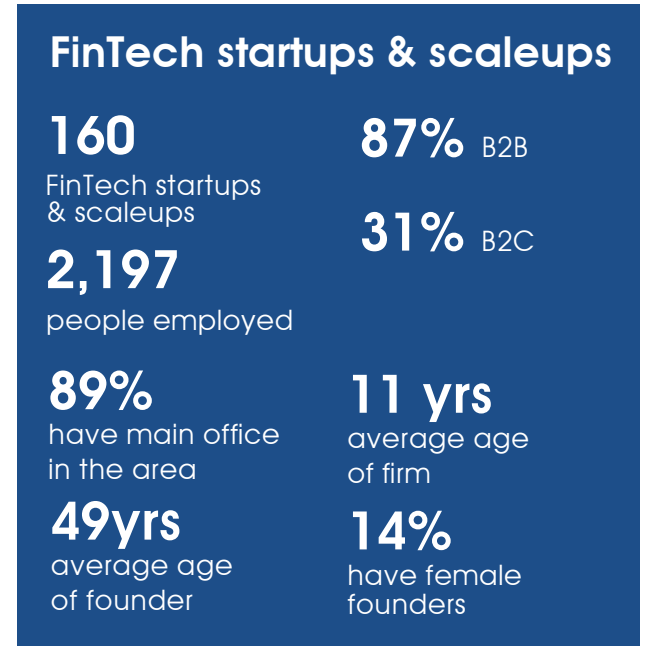
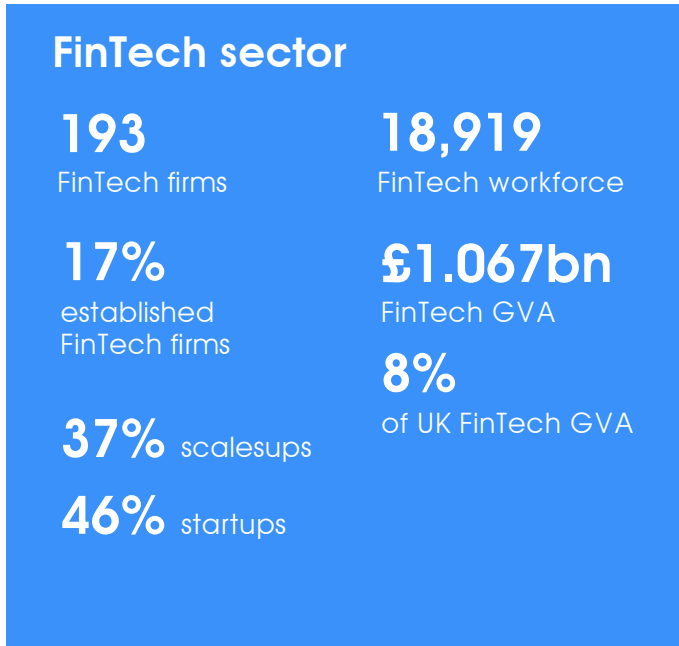
University engagement

Funding & Investment

Hubs and Workspaces

Ecosystem connectivity

# South West FinTech Ecosystem 2023



# South West FinTech Ecosystem 2023

**PAYMENTS**

**WEALTHTECH**

**ACCOUNTING**

**INSURETECH**

**BANKING**

**LENDING**

**REGTECH**

**FUNDING**

**PROPTECH**

**DATA ANALYTICS**

\*Some FinTech firms operate in more than one subsector.

# Financial & FinTech sector

- **The South West is home to a geographically dispersed range of established financial services and FinTech organisations**
- **The region ranks fifth in the UK in terms of financial and professional services GVA, and is an increasingly prominent exporter**

The South West is a base for major national and international financial services organisations including Aviva, AXA, Bank of Ireland, Barclays, Computershare, Hargreaves Lansdown, JP Morgan, L&C Mortgages, Lloyds Banking Group, LV, Nationwide, NatWest, RAC, RSA, and St. James's Place.

Our research found that one in five FinTech firms in the South West are categorised as 'established' in the analysis, a proportion that increases to one in four when focused on Bristol and Bath, which was cited in the Kalifa Review as a startup and scaleup hub. Examples of established FinTech brands with a presence in the South West include Backbase, ClearBank, Curve, Dojo, Parentpay, and Pismo.

A recent report<sup>1</sup> showed that financial and related professional services account for 8.3% of the region's GVA, ranking it fifth nationwide by this measure. Bristol is the region's largest financial centre, with a workforce of 39,390 followed by Bournemouth and Swindon (each estimated to have around 12,600 jobs). Bristol is also named as one of only seven UK cities to employ more than 30,000 people in financial services, along with London, Birmingham, Manchester, Edinburgh, Leeds, and Glasgow.

In total, 153,000 people in the South West are employed in financial and related professional services, and there are 16 regional constituencies that employ more than 3,000 people. This figure is comparable with the South East (18) and East of England (17), and higher than other regions including Yorkshire & Humber (10), Scotland (7), West Midlands (6), North East (4), Wales (4), and Northern Ireland (2). In fact, only London (28) and the North West (22) report significantly higher figures than the South West, highlighting that the region has a significant and geographically dispersed financial and related professional services sector.

The South West's financial and FinTech sector is not only of national significance, it also plays a prominent role in the UK's export activity. The region exported nearly £5bn of financial and professional services to Europe and the wider world in 2020, representing an increase of more than a quarter over the last decade, accounting for 3.8% of the UK's total financial services exports.<sup>2</sup>

<sup>1</sup> Enabling Growth Across the UK 2023 (TheCityUK, 2023)

<sup>2</sup> Exporting from across Britain: Financial and professional services 2022 (TheCityUK, 2022)

## Stakeholder quotes

*"As a bank, NatWest wants to continue to grow its tech sector presence in the South West, both in terms of the role we play in the digital economy and also the funding we can provide to firms in this space, including FinTechs."*

Louis Spencer, Senior Relationship Manager | Technology, Media & Telecoms Sector Lead, West of England, NatWest

*"We are a mutual, but I think the interesting thing for us has been our change in appetite for technology, and why we engaged in FinTech. We were a paper-based legacy organisation, but now we are almost entirely tech driven. We did lose some members when we closed a branch, but it was being used by 50 people out of our 17,000 members. We have had to be really clear on what we can and can't do as an organisation."*

James Berry, CEO, Great Western Credit Union

*"There are some cultural issues within the unbanked community in the UK. They simply don't trust banks and financial institutions, and rather save money under their bed or something like that."*

Ali Kazmi, Founder, Ethical Equity

*"The accounting sector is being hugely impacted by FinTech. Many parts of what we do are now driven by technology, which for example, means we can produce a set of accounts much more efficiently allowing us to spend more time helping our clients strategically with their business."*

James Robinson, Partner, PKF Francis Clark

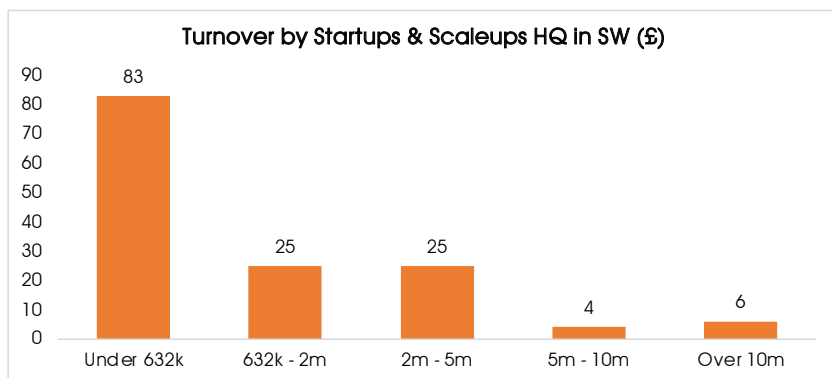


# FinTech startups & scaleups

- The region has more 160 FinTech startups and scaleups with key strengths in payments, WealthTech and lending
- There is a strong presence of social and environmental finance orientated FinTech firms.

The South West is home to 160 FinTech startups and scaleups, employing more than 2,000 people. These firms primarily operate across key FinTech sub-sectors such as payments, WealthTech, lending, RegTech and accounting, although the South West also has a high presence of InsurTech firms when compared to other regions which Whitecap has analysed.

An analysis of the turnover of the startups and scaleups headquartered in the South West using Companies House data shows the vast majority to have a turnover below £2m, with more than half having estimated annual revenues below £632k. These firms cover a wide range of sectors within FinTech, including specialisms such as payments, WealthTech, and lending.



Bristol & Bath is often considered to be a region with a focus on impact led finance, and the success of homegrown FinTechs with a strong social purpose such as Loqbox, Tumelo, and Moneyhub along with newer startups such as Good With, Comentis and Ethical Equity provide substance to this claim, as does the presence of financial services brands such as Triodos, Great Western Credit Union and Bath Building Society. This shift towards impact led finance aligns with the region's strong green credentials, evidenced when Bristol became the UK's first-ever European Green Capital in 2015. The city has a stated ambition to become carbon neutral by 2030.

## Stakeholder quotes

*"You have to invest in compliance right from the start. People starting a FinTech tend to see a gap in the market and not be too worried about the regulatory side of things because where they have worked before somebody else has dealt with all those structures. Time and time again we have seen firms grow really fast and get into trouble because they haven't kept their eye on the ball, and they haven't invested in compliance early enough, and this can be really expensive and painful for them."*

**Nikki Worden, Partner, Osborne Clarke**

*"You can have a fantastic idea, you can be technically brilliant, and you can develop software, but so much comes down to the leadership abilities and strategic thinking, as well as a broad range of critical skills such as operational planning, marketing, communication, and emotional intelligence. We need to educate and support the people that are coming forward with good ideas, who are often technical individuals who know how to build the product; but not where to get the money from or how to justify it to an investor."*

**David Mutton, Business Advisor, Evolve Management**

*"Regulatory compliance and tech excellence are the twin pillars of FinTech success. Even the best digital innovation has to be robust and scalable to be successful for future founders."*

**Adam Sharpe, CEO, Cardstream**

*"Since the early stages of our business we enjoyed strong local support in Bristol and the South West, especially via FinTech West. As we grew we were also able to tap into initiatives in other regions, most notably the West Midlands where we participated in an incubator via SuperTech, and have also engaged with regional angel investors. As a result, I have seen first hand the value of connecting across different regional ecosystems and would encourage other founders to consider this."*

**Ali Kazmi, Founder, Ethical Equity**

# FinTech firms in the South West

- 3stepIT, West of England:** An asset management platform designed to support procurement, management and end-of-life disposal and refresh of devices.
- Absurdia, West of England:** An algorithmic crypto trading platform providing tools to reduce operational costs and scale operations.
- Account-Ability, Gloucestershire:** Corporate performance management software providing financial planning, budgeting, forecasting and reporting solutions.
- AGM Technologies, West of England:** Insurance software integrating automotive, wholesale, distribution, analytics, and insight tools.
- AI Simulator, West of England:** A simulated and risk-free investment platform, integrating AI to provide practice start-up investment opportunities, within private markets.
- Air Later Life Lending, Gloucester:** A multifaceted technological and human capital lending platform offering digital tools and financial professionals (including lenders and advisors) aimed at supporting business growth.
- Albany Group, West of England:** Offers technology products to mitigate risk for fraud investigations, in addition to auditing and risk analysis services.
- Alpha Group, West of England:** A joint fintech and consultancy service directed at providing financial solutions through specialising in risk management, global accounts, and payments for international organisations.
- Alternative Business Funding, West of England:** A lending platform that compares lending offerings through issuing finance specialists to help businesses choose their best suited loan provider.
- Automotive Compliance, Gloucestershire:** Provides insurance and finance to motor dealers using showroom systems and seamless integration with insurance providers.
- Avoco Identity, Dorset:** A digital platform specialising in cloud based, consumer-centric, identity and personal data sharing.
- Backbase, West of England:** Banking and financial service that offers an engagement banking platform for businesses to re-architect banking and operations towards customer needs.
- Batsrock, Somerset:** App providing financial advice, insurance, risk management and information systems services.
- BehindLogin, West of England:** Behind Login helps FinTech and FS teams understand their competitive landscape to build products that win in the market.
- Bluqube, West of England:** Financial and accounting software with ingrained cloud and browser-based technology, which optimise cross-business financial operations and information management.
- Bookcheck, Gloucestershire:** Accounting service offering financial reports with automated payroll services and Xero migration.
- Brightpearl, West of England:** Develop retail operating systems including accounting and data analytics functions.
- Broadridge, West of England:** Providing technology infrastructure for financial servicing offering capital markets, wealth, and investment management.
- Bunk, West of England:** A cloud-based property management platform aimed at helping developers and property owners let and manage properties using a digital first model.
- Buyline, Gloucestershire:** Buyline is a retail finance provider for SMEs so they can offer customers credit options when buying their products.
- Capsule, Gloucestershire:** Capsule Insurance operates an insurance brokerage, specialising in partnerships with high-growth companies.
- Cardstream, Somerset:** A provider of white label payment services from a cloud payment platform including fraud solutions and payment integrators.
- CheckMyFile, Cornwall:** A credit report service offering a full payment history conducive towards an overview of matters impacting a client's credit score.
- Checkrisk, West of England:** fintech services aimed at building differentiated wealth, investment, and risk management practices.
- Choose Wisely, Dorset:** A banking and lending service providing bank accounts and loans with an integrated loan eligibility checker.
- Claritum, West of England:** Developed a Procurement as a Service cloud software which automates and digitises procurement processes.
- ClearBank, West of England:** Provides financial institutions with banking infrastructure and real-time clearing access to stimulate business growth whilst securing accounts with a financial service compensation scheme.
- ClickAlgo, Wiltshire:** Software platform that specialises in building technology solutions for trader & other commercial retail brokerage platforms.
- Comentis, West of England:** Risk assessments administered through a financial vulnerability assessment to objectively identify and support clients' vulnerabilities within the sectors: wealth, mortgages, equity release and consumer finance.
- CountyEPOS, Dorset:** EPOS provider for software and PDQ services that offer and maintain point of sale systems for businesses.
- Crane Payment Innovations, Wiltshire:** Supplier of software and automated payment options.
- Creditplus, Dorset:** Online credit and finance platform with lending and sourcing options for automobile dealers which are integrated into a certified dealer network.
- Crowdcube, Devon:** Investment crowdfunding platform with an international network of private businesses with share buying options for investors.
- Crowdfunder UK, Cornwall and Dorset:** Platform aimed at helping organisations raise crowdfunding.
- CrowdProperty, Gloucestershire:** Platform specialised in property project funding with tailored advisory in development, refurbishment, bridging, exit and auction finance.

36. **Currency Clear, Dorset:** A seamless global payments dashboard allowing for currency exchanges and international invoices.
37. **Curve, West of England:** Banking service providing clients a card to process payment transactions between multiple bank accounts aggregated within a mobile app.
38. **Dancerace, West of England:** Provider of software for the factoring, invoice discounting, trade finance and asset-based finance marketplace.
39. **Data Interconnect, Wiltshire:** Data Interconnect develops invoicing software that aims to ease cashflow.
40. **Dijon Platform, West of England:** A digital fundraising platform for local and international charities, businesses, and NGOs.
41. **Dinghy, Gloucestershire:** An InsurTech that specialises in professional indemnity, public liability, and business equipment insurance services for freelancers.
42. **Dojo, West of England:** A provider of online payment options and portable card machines and a transaction tracking app.
43. **Donatis, Devon:** Funeral donation management platform incorporating API and payment processing technology to connect businesses with fundraisers and donors.
44. **Dovu, West of England:** A decentralised Web3 platform equipped with specialised technology to carry out carbon onboarding processes, auditing carbon offsets and increasing carbon liquidity.
45. **Ecom6, Devon:** Connects businesses with merchant banks offering web, text, and phone payment systems with automated voice responses.
46. **Edenred Payment Solutions, Wiltshire:** Edenred offers a range of payment and financial services.
47. **Edge forecast, West of England:** Develops financial forecasts to help SMEs raise loan and equity finance
48. **Eflow, West of England:** A consultancy facilitating regulatory compliance in financial organisations through employing a consolidated global trade surveillance system.
49. **Ekoto, Dorset:** Specialise in personalised funding solutions for businesses.
50. **Embark Group, Wiltshire:** Developer of leading digital retirement solutions across financial advice, robo-advice, banking, and wealth management.
51. **Emporio, Dorset:** Electronic point of sale system including easy inventory management, ecommerce integration and loyalty apps.
52. **Envelop, West of England:** White label cyber insurance solutions for insurers and brokers to provide to clients.
53. **Equiniti, Devon:** Financial outsourcing platform offering shareholder, pension, and remediation solutions.
54. **Equisoft, West of England:** Digital transformation products and services aimed at providing insurance and investment solutions.
55. **Ethical Equity, West of England:** Investment platform offering financial and digital services to unite ethical start-ups and scale-ups with like-minded investors onboarding social, cultural, or environmental change.
56. **Ewaterservices, Gloucestershire:** A sustainable water provider to Sub-Saharan communities, which allows people to pre pay for water through remote payments and apps.
57. **ExpensSys, Wiltshire:** Expense management software paired with a mobile app, that incorporate automated financial features.
58. **Fidelius Group, West of England and Gloucestershire:** Financial planning specialists engaging clients with wealth management, corporate wealth, mortgages, and employee benefits advice.
59. **Finage, Dorset:** Data availability software that offers real-time and historical financial market statistics.
60. **Findparkpay, Cornwall:** An online portal for car park payment solutions that allow users to pay and extend parking sessions remotely.
61. **Finova, West of England:** Cloud based banking software incorporating savings and mortgage technology for lenders, intermediaries, and consumers.
62. **Flex Pay, Gloucestershire:** Online portal integrating payment plans, interest free loans and credit agreements.
63. **Flexys, West of England:** Flexys has set the standard for modern debt collection technology. Its industry-leading software product Control+ enables enterprise clients to gain control of their collections operation, modernise their approach and deliver vastly improved service to customers in debt.
64. **FNZ, West of England:** Wealth management platform offering digital financial products and investment operating technology.
65. **Folk2Folk, Cornwall:** Peer to peer lending platform that provides fixed-rate investment opportunities for institutional investors.
66. **Founder Catalyst, West of England:** Platform curating automated legal documentation and transaction management processes, secured in a data room.
67. **Freyda, Devon:** Freyda is a cloud-based solution helping financial institutions to process, interpret and analyse data from their documents.
68. **FTax, West of England:** Online tax filing software and accounting services portal that securely archives all file self-assessment forms and data.
69. **Fundsurfer, West of England:** Crowdfunding and pre-vetted deal flow investment platform with fundraising and funding tools and services.
70. **Galabid, Dorset:** Digital silent fundraising auction and crowdfunding platform with payment processing technology.
71. **Gaudi, Wiltshire:** Gaudi creates bespoke web-based platforms for financial institutions, with a focus on self-invested personal pensions, savings and investment accounts.
72. **Gemini 2000, Dorset:** Payment terminal manufacturer with specialised offerings in contactless payments, incorporating interface and security features.
73. **Giant Group, Gloucestershire:** End-to-end software and support services for candidate onboarding and pay, targeted at recruitment agencies.
74. **Goodtalent, Wiltshire:** Marketplace platform connecting technology talent with recruiters using skill matching digital tools and mediating the crowdsourcing, screening, and hiring processes.
75. **Good With, Cornwall and Devon:** Built by psychologists making use of automated interactive responses and technology infrastructure that integrate cognitive behavioural therapy practices with AI, geared towards financial planning.
76. **Gr8pay, Wiltshire:** Digital payment software with anti-fraud algorithms and integration into third party platforms.
77. **Great Western Credit Union, West of England:** A banking and lending platform offering financial services.



- 78. Growth Lending, West of England:** Funding platform for B2B firms, issuing revolving credit facilities, selective invoice finance and flexible invoice discounting.
- 79. Harbour, West of England:** Harbour provides banking for both crypto and traditional forms of currency, aiming to be transparent and allow a seamless transition between finance types.
- 80. Hazeltree, Dorset:** Cloud-based treasury and liquidity solutions software.
- 81. Heycentric, West of England:** A payment software with automated online and phone payment options, along with an income management component providing a view of businesses real-time cash position.
- 82. HyLabs, Devon:** Blockchain enabled platform linking borrowers, lenders, and investors in order to conciliate the management of debt financing.
- 83. iiPay, Gloucestershire:** A data management compliance hub operating a payroll reporting and ePay slips service, utilising data transfer technology to provide employers with a payroll solution for employees.
- 84. Imegamedia, Dorset:** Lender and retail finance solutions and consultancy that seamlessly integrate software with multiple ecommerce platforms to connect lenders with web stores.
- 85. IMP Software, Devon:** Financial management software with budgeting, forecasting, and reporting tools, to support multi-academy trusts.
- 86. Infinifty, Somerset:** Infinifty is a unique NFT creator studio and showcase platform for creators, brands and collectors."
- 87. Intelligent AI, Devon:** A multi-layered platform using AI, predictive algorithms, risk data and visualisations to measure and identify real-time property risks.
- 88. iPipeline, Gloucestershire:** iPipeline is a leading provider of no code and low code, cloud-based software solutions for wealth management, life and annuities.
- 89. IPPEX Global, Gloucestershire:** Digital software synthesizing HR, payroll, and compliance processes to streamline the management of international employees.
- 90. Iress, Gloucestershire:** Software development company for wealth management firms.
- 91. Irithmics, West of England:** Artificial intelligence platform that analyses key decisions of global institutional investors to identify changes in market dynamics and trends.
- 92. Ironbright, West of England:** Financial planning and investment platforms providing managed portfolio services.
- 93. ITC Compliance, West of England:** Financial service regulation consultancy, implementing cloud-based data storage system for retail sites navigating compliance requirements.
- 94. ITM, West of England:** eCommerce software house with expertise in data and transaction tracking.
- 95. iVAT, Somerset:** Providing real-time monitoring, tracking, and reporting of eCommerce and online sales tax.
- 96. Joiin, Devon:** Automated financial reporting app for creating reports utilising XERO, QuickBooks, Sage, and spreadsheets data across multiple companies.
- 97. Just Move In, Dorset:** Home setup and utility management platforms that streamline financial services for letting agents, property owners, and tenants.
- 98. Key Currency, Cornwall:** Online money transfer service conducted through secure client accounts, aiming to offer lower overhead rates compared to traditional banks.
- 99. Kidsco, Wiltshire:** A banking app for children which teaches kids ways to save money through interactive games.
- 100. Lead Brain Global, Dorset:** Real-time loan marketplace platform with live lead reporting and offering short-term, instalment and logbook loans tailored for brokers.
- 101. Limber, West of England:** A talent marketplace for employers that handles end-to-end employment insurance, payroll, income tax and auto-enrolment pensions.
- 102. Loan.co.uk, Dorset:** A digital loan and mortgage market comparison broker embedding AI to identify low rates in the market.
- 103. Loqbox, West of England:** Online platform offering credit building tools for boosting credit scores and credit history.
- 104. Lumio, West of England:** Money management tool, providing real-time visibility and allowing users to share bills, balances, and expenses across accounts.
- 105. Lynk pay, West of England:** Mobile payment technology merging open banking with taxi payment services for operators to pay and be paid by taxi drivers.
- 106. Mach D Trading, West of England:** A University of West England spinout, creating an algorithmic trading bot for cryptocurrencies.
- 107. MIC Global, Gloucestershire:** Micro-insurance provider integrating machine learning and real-time dashboards to incorporate indemnity into platform companies.
- 108. Moneyhub, West of England:** Personal finance technology, equipped with application programming interface, bridges Open banking, Open Finance and Open Data, enabling seamless connection between customers and financial institutions' services.
- 109. Morning Data, Dorset:** Provider of software insurance systems issuing specialists to provide tailored packages with automated processes and software features.
- 110. Morphpay, Somerset:** A payment gateway offering seamless integration into ecommerce sites, ensuring secure data and money transfers.
- 111. MTPredictor, West of England:** Trading software, automated tools, and risk management solutions.
- 112. MyExpatsIPP, West of England:** Pension and investments online platform for non-UK residents and expatriates, offering multi-account and currency features.
- 113. MyGreenDoor, West of England:** A trading style of Pyterra, MyGreenDoor helps landlords and letting agents discover affordable solutions for property improvements.
- 114. NCR Corporation, West of England:** Specialising in providing payment, banking, retail software and technology alongside consultancy services, leveraging a single-platform technology and application programming interface.
- 115. Neighbourly, West of England:** A giving digital platform linking company funds, surplus resources, and volunteer time with local causes, driving positive social impact.
- 116. Nephos Group, Gloucestershire:** Cloud accounting software which involves bookkeeping, forecasting and tax calculations along with other features.
- 117. Nexpay, Devon:** Banking infrastructure and payment solution that allow for multiple payments in a single transaction globally

advisors.

- 118. NMI, West of England:** Transaction gateway for ecommerce sites providing in-store, mobile, online, and self-service payments, and options for integrating with external software.
- 119. NoteChain, Gloucestershire:** Big data digital program providing reports on the cash cycle of banknotes and currency data trends via dashboard visualisations.
- 120. Novia Financial, West of England:** A digital-first investment platform specialising in wealth management, offering integrated technology solutions and portfolio management tools.
- 121. Novia Global, West of England:** Multi-currency international wealth management platform for investment advisors, offering access to funds and investment options.
- 122. Nucleus, Wiltshire:** Financial advisory platform designed to manage investments and savings.
- 123. OB Payments, Cornwall:** A platform embedding Open Banking software and direct debit payments.
- 124. OLTA, Wiltshire:** OLTA develops a platform that allows users to sell their interactive web art as NFTs.
- 125. Openbrix, West of England:** A suite of digital applications integrating the property sector using automated infrastructure, seamlessly connecting tenants, agents, and suppliers.
- 126. Optimum Finance, West of England:** Invoice finance for B2B small and medium sized enterprises, using technology to leverage white labelled application tools that seamlessly embed into third party websites to offer funding to clients.
- 127. Orcapay, West of England:** Offer forensic auditing services on pay slips and provide resources to assist recruitment agencies in delivering compliant and risk-free payroll solutions.
- 128. P1 investment services, Devon:** Technology-driven investment service, providing white labelled platforms and access to open-ended funds, trusts, and shares.
- 129. ParentPay, West of England:** A financial reporting platform offering cashless payment processes, along with money administration and planning services designed for schools.
- 130. Parmenion, West of England:** A digital-first investment platform leveraging proprietary, white-labelled software, and offering cash management features for financial
- 131. Pay360, West of England:** Offer payment platforms including online, face-to-face and open banking as well as a fraud and identity verification platforms.
- 132. Payaca, West of England:** Customer relationship management software designed to escalate customer engagement and optimise workflows.
- 133. PayItMonthly, Gloucestershire:** Digital payment tools and software integration options such as plugins, PayByLink and application programming interfaces.
- 134. Penny, West of England:** Penny is an award winning app based pension company helping individuals track down lost pension savings in the UK.
- 135. PensionPal, West of England:** Online and app-based scalable governance software designed for corporate boards, pension schemes and charities.
- 136. People Group Services, Wiltshire:** Payroll services offering compliance/onboarding and workforce management solutions, for recruitment agencies and contractors.
- 137. Pismo, West of England:** Banking platform providing an all-in-one processing platform that applies cloud-native and application programming interfaces for banking and payments.
- 138. Platform One, Dorset:** An international investment platform offering a financial wrap digital portal and technology licencing options.
- 139. Playsafe Systems, West of England:** Machine management tool that leverages Quantum monitors to establish rapport by providing data driven insights on venue-level income, income sources and financial reports/earnings per square meter.
- 140. Polaris Element, Somerset:** Cloud-based business management solution dedicated to the hospitality industry, providing software to control costs by improving stock control and avoiding wage overspending.
- 141. Propflo, West of England:** Financial planning platform utilising AI data insights and energy-efficient retrofitting to assist mortgage and property businesses to decarbonise.
- 142. Qpay, Dorset:** Providing businesses access to global payment ecosystems, multi-currency, money transfer, faster payments, expenses, and disbursement cards.
- 143. Quaipe, Cornwall:** Digital platform providing international online payment options offering fraud screening tools and software integration to a payment gateway.
- 144. Quid Pro Go, Gloucestershire:** A credit card processing software designed for insolvency practitioners.
- 145. Ratio, Dorset:** Software building platform using AI and machine learning to offer financial products and digital tools.
- 146. Reassured, West of England:** Life insurance broker with a digital platform that integrates online payments and access to financial protection.
- 147. Redington, West of England:** Investment consultancy specialising in pension funds and long-term savings institutions, incorporating digital tools, automation, and additional technology strategy advisory services.
- 148. Regency FX, Cornwall:** An international payments provider specialising in large volume cross border payments and offering cross currency services.
- 149. Renewable Exchange, West of England:** A management platform facilitating revenue forecasting, e-signature agreements and providing data insights such as price estimates.
- 150. Ripjar, Gloucestershire:** Platform leveraging automation and machine learning to detect and monitor threats from financial criminal activity through real-time risk assessments of client data.
- 151. Roqqett, West of England:** Payment, online banking, and ecommerce digital portal, offering payment processing software.
- 152. Row, Dorset:** Row secures consumers insurance solutions through analysing various offers on the web.
- 153. Saltare, West of England:** Mobile-led payment technology services and consulting.
- 154. Seccl, West of England:** An investment software offering technology platforms, including savings apps and digital banks, accessible through application programming interfaces.
- 155. Secta Finance, Devon:** Online platform providing homeowner, mortgage, development, and bridging loans.

- 156. Semantic Trading, Devon:** A deep learning analysis of financial news and public data sources, including trading statements and quarterly results, to assist businesses monitor factors that impact share prices.
- 157. Senta, West of England:** Cloud-based practice management software imbedding automation and customisable workflows that seamlessly integrate with external sites to provide financial insights to businesses' customers.
- 158. Shape, Somerset:** An all in one software solution which is split into 6 modules for payments businesses.
- 159. Shrap, Dorset:** A platform offering an anonymous and transactable digital currency for micropayments.
- 160. Sika FX, West of England:** Remittance platform for pan-African payments.
- 161. Simplexed, West of England:** Digital platform offering software designed to provide insurer integrations, comparison services, insurance and broker systems and mobile development.
- 162. Skye, West of England:** Providing global payment solutions for cross border businesses.
- 163. Smart Volution, Dorset:** Retail-focused software offering electronic point-of-sale solutions for payments processing, inventory management and customer service.
- 164. SmartStream, West of England:** Financial transaction management software designed for banks to buy side-firms and corporations, and businesses to improve operational control, build new revenue streams, mitigate risks, and follow compliance practices.
- 165. Somerset Bridge, Gloucestershire:** Insurance provision platform specialised in underwriting, broking, and claims handling.
- 166. Sørn, West of England:** Digital insurance marketplace for investment, acquisition, and partnership opportunities.
- 167. Stratiphy, West of England:** Stratiphy develops software designed to provide investment analysis, including historical investment performance and stock strategy comparison.
- 168. Strawberry Invest, Devon:** An online investment platform enabling customers to digitally manage investment, savings, and self-invested personal pension accounts.
- 169. Streeva, Cornwall:** Financial transaction software specialising in bridging payment data to facilitate seamless payments.
- 170. Systopia, West of England:** Cloud-based point-of-sale solutions for orders and payments within the corporate hospitality and retail industries.
- 171. Tedaisy, Wiltshire:** Insurance technology software using data and automation to provide online insurance solutions to the pet and travel markets.
- 172. Testlink, Dorset:** Help ATM providers through supplying parts, repairs, and maintenance to keep their ATM networks running at capacity.
- 173. The Bunch, Dorset:** Financial planning and transaction software handling the set-up and management of utilities payments.
- 174. The Right Crowd, West of England:** An investment marketplace connecting businesses with mediating investors and investment funds.
- 175. Tickitto, West of England:** A ticketing platform leveraging technology to aid travel retailers purchase tickets to events.
- 176. Time Finance, West of England:** Financial software for commercial finance, including asset and invoice finance, business loans and vehicle finance, with an Open Banking integration for transactional banking data.
- 177. Trade Lenda, Devon:** A digital financial service solution offering access to credit, micro-savings, investment, and insurance.
- 178. Tripcatcher, Gloucestershire:** Mileage expense software publishing data directly to other software platforms including Xero, Dext and Crunch.
- 179. Trust, West of England:** The Trust app uses ANPR parking along with payments technology to enhance drivers' interaction with parking locations.
- 180. Trust Payments, Dorset:** A mobile payment gateway for ecommerce sites, converging data, technology, and banking seamlessly across devices.
- 181. Tumelo, West of England:** Technology software allowing fund managers and investment platforms provide voting functionality to clients, using digital reporting tools to support the production of regulatory and client reports.
- 182. Twenty7tec, Dorset:** Software specialised in streamlining and digitising financial services for mortgage, wealth, and protection advisors.
- 183. txtNation, Devon:** txtNation provides mobile and web billing services to businesses.
- 184. Unified Finance, Wiltshire:** Digital payment and pay-out solutions leveraging payment processing platforms for ecommerce businesses.
- 185. Untied, Dorset:** Untied develops software designed to automate and simplify the self-assessment tax returns process.
- 186. Value xd, Devon:** A software development platform specialising in analytics for environmental, social and government/impact design, measurement, and reporting.
- 187. Verisk, West of England:** A digital platform utilising data management and predictive modelling to create tools providing insurance risk-assessment services and decision analytics for insurance professionals.
- 188. Vizopay, Devon:** A carbon-neutral payment app that processes transactions from various e-stores and offers digital features that track and visualise the environmental impact of every payment.
- 189. Whale Trade Centre, West of England:** Whale Trade Center provides a decentralized platform for the users to trade in fiat and cryptocurrencies such as Bitcoin, Ethereum, Altcoin etc.
- 190. Wink Money, West of England:** A digital platform that leverages Open Banking, and offers the development, integration, and operation of financial technology.
- 191. Xassets, Wiltshire:** A cloud-based asset management software and toolsets that integrate to data source, web service or application programming software.
- 192. xplore, West of England:** xplore develops an app that allows users to find and earn loyalty points with independent businesses.
- 193. Zahara, West of England:** Purchase management platform enabling digital approvals for supplier invoices and purchase requisition.

# Cardstream



## Now

Pay-by-retina challenging the ten-pound note. Crypto interchanging with dollars. Fingertip vein scans beating fraudsters. Two-minute ID checking, which last year took two months. Challenger Gateway and new PayFac entrants joining a previously mysterious and impenetrable industry.

Cardstream® enables all of this and much more.

130 new, thriving Payment Gateways added to the payments industry, many run by entrepreneurs new to Fintech. An @Open Payment Network (OPN®) where hundreds of payment providers serve thousands of merchants. Start-ups. SMEs. Corporate giants. National banks. Global and trusted Tier One Acquirers. European conglomerates. Canada's largest trillion-dollar-throughput bank.

All are powered by Cardstream today.

## Then

At Cardstream's 2015 Taunton birth, half-a-dozen ecommerce payment companies existed in the UK, providing complex and loosely regulated services. For many merchants, getting payments online was harder than running their actual business.

Cardstream changed the market, providing simplicity and scalability.

## How

Cardstream's mantra is to economise on effort; optimise on effectiveness; and keep it simple. Merchants and white label Partners can access everything they need through a single API. This enables merchants to get online fast and frees up Fintech entrepreneurs to run their own-branded Gateway/PayFac.

Cardstream handles the technicalities.

## Where

Cardstream is headquartered in Taunton one mile from the M5 in an office lying between the River Tone's peaceful pathways, kingfishers, herons and moorhens; and the town's busiest thoroughfare. Taunton is the centre of Cardstream's operations as it expands across Europe, with global presence already scaling. "Why move anywhere else?" asks Founder and CEO Adam Sharpe. "Great local talent. Clean fresh air. New London sales presence. The business is scaling and leading it from Taunton is part of our drive to do that."

## Who

Cardstream's is a rare Fintech story. Self-funded and reflecting year on year growth in profits. Cardstream's mutually supportive OPN® is attracting ever more Fintech operators to join and mutually leverage one another. "Big funding rounds don't appeal," reports Adam. "Cardstream is unconstrained by parties external to Fintech. The bigger our network grows, the more entrepreneurial leaders there are to ensure it thrives and scales."

Growing consistently by more than 30% year on year, Cardstream has not needed to raise growth funding. Having built an experienced leadership team, the group organisation defines its own strategy; builds its strong product set; and sells its ever-expanding suites of tools and ancillaries. The experienced teams rapidly deploy the dizzying options of Bank-to-Bank; Debit card; Credit card; Crypto; Alipay; Paypal; or any of the world's thousands of Alternative Payment Methods (APMs). Then they add them to Cardstream's secure foundations for delivery to its Partners to build their world class payment propositions. All through Cardstream's single API.

## Welcome

Any Payments service provider; any entrant into the Gateway or PayFac Acquirer world; indeed, anyone with a Fintech drive should engage with Cardstream. Whether already involved in Fintech or a complete newcomer, they are now welcomed into a high octane industry that was once reserved for the privileged few. Cardstream's transparency and technology has provided flourishing business opportunities where barriers once stood.

[cardstream.com](https://cardstream.com)





# Financial services & FinTech collaboration

- **South West based FinTech firms have successfully established partnerships with existing financial services brands.**
- **The new national South West based 'Future Finance' accelerator will drive national FinTech collaboration with SME financial services firms.**

The FinTech sector operates on a predominantly B2B basis, and this is true of the South West where we have found 87% of FinTech firms to have a B2B proposition, albeit nearly a third (31%) have a B2C element to their proposition. These figures are broadly aligned with other regions Whitecap has analysed. Despite this, enhancing collaboration with, and access to, large financial services organisations remains an 'ask' from the FinTechs in the region.

Many of the B2B collaborations between financial services and FinTech firms take the form of client relationships. Moneyhub counts Swindon-based Nationwide, the world's largest building society, as one of its 30 enterprise clients. Twenty7tec, a FinTech firm based in Bournemouth, built its business in the mortgage market but has since expanded into wealth and insurance. Its software connects mortgage lenders to mortgage advisers, and it has collaborated on end-to-end integrations with brands including Aldermore, Barclays, Nationwide, Virgin Money, Halifax, TSB and Yorkshire Building Society. It has also acquired other FinTech firms including Meet Parker, BrokerSense, and Bluecoat Software. Bath Building Society has worked with locally based tech consultant, Altus, to conduct a review of its core technology platform.

Small and medium sized financial services businesses are often considered to be underserved by FinTech solutions. Via a new South West led initiative, these firms are set to benefit from a first-of-its-kind £1.8 million programme to accelerate innovation adoption in SMEs (small and medium-sized enterprises) and mid-tier financial services firms to help boost their productivity and competitiveness. University of Bristol, alongside three other universities and FinTech West, is leading a project to create a new innovation adoption accelerator, Future Finance, which is funded by Innovate UK and the Economic and Social Research Council (ESRC).

## Stakeholder quotes

*"I feel the collaboration that currently exists across the ecosystem, for example between FinTechs, Universities and large financial services firms, can be quite fragmented and disjointed. I think it it's a challenge for larger companies to make sure they're joined up and speaking to all external parties with one voice. A good example would be where there may a relationship between a FinTech or a University and one person in one part of an organisation, but there may be other parallel relationships held across different parts of the same company."*

**Matt Bonetti, Head of Digital Colleague Experience, Hargreaves Lansdown**

*"We would love to have more collaborations and partnerships with industry and universities, but the challenge is finding shared goals and actually making it happen. Everyone is working towards something and when you can identify shared goals, it becomes easier to collaborate."*

**Bea Gelder, Head of Operations, Loqbox**

*"We work with a wide range of financial and FinTech firms and we are seeing increased growth and scale across the region. I think our FS clients are definitely increasingly open to FinTech solutions, and we see an ever increasing number of partnerships between the large FS brands and FinTechs, rather than these being traditional vendor relationships."*

**Dan Read, Partner, TLT**

*"We are actively building connections between our EY FinTech Practice, BRITE and the regional Financial Services sector."*

**Anita Kimber, Partner, EY**

*"More collaboration across the sub regions of the South West would be useful. From our perspective, there are so many large potential clients for our cybersecurity services across multiple parts of the private sector, as well as the public sector and universities. It's a significant target market for firms like us seeking to grow."*

**Pete Woodward, Co-Founder & CEO, Securious**

*"Many of the disciplines that are flourishing at the universities are programmes that have been initiated by a market need and collaboration of a mutual vision between higher education and industry. Examples include AI related opportunities, the advances in regulations and freedom and ownership of data. There is demand from industry for these roles, and people from a range of humanities subjects are getting involved in the FinTech sector."*

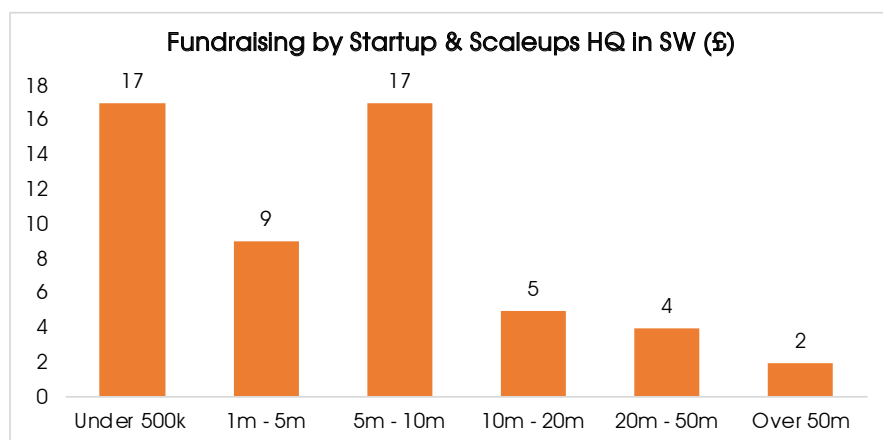
**Hisham Ishaish, Senior Lecturer, Computer Science and Creative Technologies, UWE**

# Funding & investment

- **Funding conditions have been challenging in recent times, but South West FinTech firms have enjoyed success in raising investment.**
- **The supply of funding accessible by FinTech firms on a regional and national level appears to be increasing.**

Amidst the challenging economic environment, FinTech investment levels have reduced globally, but the UK remains the second largest FinTech market behind the US. This is despite a 37% decline over the first half of 2023<sup>1</sup>, when \$2.9bn was raised across 199 deals. Innovate Finance noted that this investment level was higher than pre-covid, and was 35% higher than the first half of 2020.

Anecdotally, based on recent discussions with FinTech investors, it appears there remains a strong supply of funding available to FinTech firms seeking to raise investment in the £1-10m range, subject to these firms having developed robust business plans. Across the South West, Whitecap's analysis shows that the vast majority of raises by locally headquartered FinTech firms has been at levels below £5m:



<sup>1</sup> H1 2023 FinTech Investment Landscape (Innovate Finance, 2023)

<sup>2</sup> Bristol named as one of Europe's top 20 tech hubs (B24/7, 2022)

Data from Dealroom last year placed Bristol in the top 20 tech hubs in Europe, based on venture capital investment received <sup>2</sup>, and a number of Bristol-based FinTech firms have successfully completed fundraises since the start of 2022.

These include ClearBank (£181m), Moneyhub (£40m), and Tumelo, (£15m). Additionally, Bath-based FinTech startup Roqqett was acquired by international payments group Equals Group for up to £2.25 million.

The South West Investment Fund, launched in 2023 and managed by the British Business Bank (the UK government's economic development bank), offers a range of commercial finance options with loans from £25,000 to £2 million and equity investment up to £5 million. The new fund covers the entire South West region including Bristol & Bath, Cornwall and the Isles of Scilly, Devon, Dorset, Gloucestershire, Somerset and Wiltshire. At this stage, it is not known to what degree FinTech firms will benefit from this fund, but a comparable fund in the North of England has been utilised well by the FinTech sector.

Bristol-based FinTech firm Ethical Equity has set out to increase the availability of funding to entrepreneurs from ethnic minority backgrounds and connects with many of the regional bodies working to support underserved communities. The firm is the UK's first dedicated, ethically compliant investment platform and connects ethical startups / scaleups with like-minded investors. It has been a winner of the SuperTech Seeds no-code accelerator competition, and is based at the Engine Shed, Bristol.

On a national level, the new FinTech Growth Fund provides patient, domestic capital to UK growth stage FinTechs. The Fund draws on the recommendations of the Kalifa Review to crystallise its vision – securing the future of the UK's financial services by supporting the UK FinTech sector. The fund will look to undertake, on average, four to eight investments per year, with investments between £10 million and £100 million.

# Stakeholder quotes

*"Although we are no longer in the situation where there is an abundance of money around, there is still investment out there from an equity perspective and our private equity team continues to be busy with clients who are investing. Over the last year or so we've seen firms that are smaller than the clearing banks, a tier below, investing in FinTechs. So, there is plenty of investment, and we only see a segment of it."*

**Tom Bussy, Banking & Finance Partner, Osborne Clarke**

*"At the management top table, we're not tempted by funding rounds. They involve inevitable delays in an environment that punishes those mercilessly. The quick and the damned. Sure, there's the risk of taking a wrong turn but we've never found that something we've spent budget on is completely useless. We throw nothing away. In a market where tomorrow may look nothing like today, there's invariably a place for what you build."*

**Adam Sharpe, CEO, Cardstream**

*"There has been a recent reduction in early-stage funding. We have a lot of wealthy investors in the South West but their connections are often in London, so their investments are not necessarily made within this region. Research has shown that investment is best made within 2 hours of the funder, which works for Bristol and Bath, but we need to find more ways to connect investors with businesses across all areas of the South West."*

**Paul Jones, Senior Investment Manager Regional Funds, British Business Bank**

*"There are some good investors in the region but there are definitely advantages to working with London based investors for early stage funding, especially if you need a significant early stage cheque to support global growth plans."*

**Glenn Smith, FinTech entrepreneur**

*"Between 2009 and 2019, ethnic minorities only raised 1.7% of total funding, and within that number, black entrepreneurs accounted for 0.24% and black female fundraisers accounted for 0.02%. Something needs to be done to change the current funding scene and make it more inclusive."*

**Ali Kazmi, Founder, Ethical Equity**

*"Speaking to peers who have raised a Series A funding round in the last few years it has been almost exclusively through London or Europe based funds, but the recently announced SWIF fund (South West Investment Fund) backed by the British Business Bank will hopefully stimulate more activity in the region for earlier stage business funding. I have noticed that there is a new angel network coming up in the South West and a buzz around seed stage investment, as well as a lot of M&A and later stage PE already, so I'd hope that the SWIF announcement goes some way to attracting more VCs & VCTs to the region at series A and beyond."*

**Beth Abbott-Stratford, CFO, Flexys Solutions**

*"It all comes down to what you do differently and why you would benefit from funding. I do think there's a lot of funding available and the appetite is still there from funders, but you need a strong business plan to be able to access it."*

**Pete Woodward, Co-Founder & CEO, Securious**

*"We hire graduates in Equisoft and we have interns in Altus Consulting. In our consulting business, if it's their first internship it can be a significant investment of time to bring them up to speed with our business, as our work can be in complex regulated financial services markets. In Equisoft, our software engineering side of the business, it can be easier to bring in entry level talent with specific tech skills and capabilities."*

**Will Watling, Business Development Director, Altus Consulting**

*"In terms of technology firms, Bristol has comparatively high levels of equity-based investment. The composition and make-up of the Tech/FinTech sector here is slightly different to other regions – historically we've tended to see businesses exit to large corporates – we don't have a long tail of long-standing SMEs like some the other regions. The equity investment environment in Bristol might be a factor in why we see fewer businesses growing to scale but it's pleasing to see several examples scale-up in the last 12-18 months (and not exit) which is fantastic for the region and the Tech eco-system itself."*

**Louis Spencer, Senior Relationship Manager | Technology, Media & Telecoms Sector Lead, West of England, NatWest**

*"The SEIS level of up to £250k is really significant. Investors can invest with confidence on this basis due to the tax protection. If you can't raise £250k via this route, I'd suggest you either don't know how to sell your idea to investors, or you need to revisit your idea."*

**Glenn Smith, FinTech entrepreneur**

*"Numerous thriving university programs have been established due to a combination of market demands and a shared vision between academia and industry. For instance, fields related to applied AI and regulatory developments concerning data ownership have emerged from this collaboration. These industries are actively seeking individuals from various humanities backgrounds, and FinTech, rooted in regulatory and technological advancements, is a prime example of such interdisciplinary study disciplines."*

**Hisham Ihshaish, MSc FinTech Programme Leader, UWE**

# Integration Works



**IntegrationWorks is a highly regarded player in the integration solutions and services market. Our mission is to help our customers use and share their information more effectively. We integrate disparate systems to streamline inefficient processes and improve productivity.**

IntegrationWorks has been in business for over 18 years, with an established clientele across New Zealand, Australia and the United Kingdom. We have depth and knowledge in the banking and FinTech markets.

## **We are Local.**

We opened a new EMEA head office in Bath having recognised the South West as a leading hub for emerging tech, innovation and top talent.

Our UK operation works with our regions across the globe to deliver end-to-end integration services.

We have a track record working with leading clients in banking and financial services, including local UK retail banks NatWest and MetroBank, through to full-scale market leaders worldwide such as ANZ, ASB, Commonwealth Bank, BNZ.

As part of our expertise in the finance market, we are members of BIAN. This article outlines the benefits IntegrationWorks believe BIAN adds to the industry.

## **We use BIAN.**

The Banking Industry Architecture Network (BIAN) is an open and free framework for banking interoperability. This is a world-class reference architecture and methodology for interoperability across the banking and finance industry, created by the world's largest Banking and Finance organisations.

BIAN provides a common playbook for how business and technology achieve a common digital goal.

We believe adopting BIAN is both a technical challenge to overcome and a cultural shift; essential to maintaining a competitive advantage in the rapidly changing market.

## **We understand the pain.**

Financial institutions have been under immense pressure globally to adapt to new customer demands, skill shortages, regulatory changes, and new technologies. This disruption results in solutions that are 'bolted on' and often developed to meet short-term or tactical needs.

IntegrationWorks support our clients to implement standards and interoperability allowing banking and financial services providers to build at speed. This allows reuse of existing technology and services, improving efficiency and cost savings.

Ultimately, solutions built to BIAN standards shift disparate applications and tools to scalable and interoperable systems.

## **We Automate.**

For any organisation looking to improve efficiency and productivity, the path forward is Automation. IntegrationWorks has a track record of working with leading Financial Institutions to implement platform engineering and integration outcomes in our solutions.

Building with an automation-first approach realises several benefits for our clients, including increased developer productivity, scalability, and enhanced team collaboration.

## **What we do.**

Implementing BIAN through IntegrationWorks offers a standardised and modular architecture to banking and finance interoperability. This improves cost savings, increases agility to respond to new initiatives, and creates a platform for future innovation.

To find out more please contact us via our website: [www.integration.works](http://www.integration.works)



# Talent & skills

- **The region has a strong pool of FinTech talent, reflected in an estimated workforce of nearly 19,000.**
- **Initiatives such as T Levels can increase the supply of entry level FinTech talent, but the supply of experienced workers can be a challenge.**

The 2.9 million strong workforce in the South West is estimated to include more than 320,000 people working in financial services and tech related roles. Whitecap estimates the FinTech workforce in the South West to be nearly 19,000, making it a significant source of employment in the region. The true FinTech workforce is likely to be considerably higher, with quality of life and proximity to London amongst the factors encouraging people to live in the region while working for organisations based elsewhere.

Encouragingly, the workforce in the South West is growing. Bristol and Bournemouth are forecast to be among the UK's top cities for employment growth, with both predicted to see an average 1.7% increase in jobs each year between 2024-26. This is the joint second-fastest rate in the UK, behind only Manchester at 1.8% and matching London, Reading and Brighton. Bristol is ranked 7th in the UK and 49th globally for graduate employability <sup>1</sup>, and is home to a diverse population drawn from more than 180 nations, 45 religions, and 91 languages.

The region including Gloucestershire, Wiltshire and Bristol & Bath ranks 13th in the UK in terms of the proportion of workers with qualifications of NVQ4 <sup>2</sup> or above (47%), but in Devon and Cornwall the figure sits at closer to 40%, ranking them 25th and 27th respectively.

The further education sector is showing an increasingly strong interest in financial services and FinTech, particularly in respect of T Levels. T Levels are an alternative to A levels, apprenticeships and other 16 to 19 courses. Equivalent in size to 3 A levels, the courses include a 45 day placement, significantly different to their predecessor courses, which typically included just 30 hours of work experience. Anecdotal feedback from employers suggests that colleges are able to adapt quickly to the needs of employers, and to work more dynamically than other parts of the further and higher education sector.

<sup>1</sup> QS Graduate Employability Rankings (2022)

<sup>2</sup> Global Horizons (Institute of Export & International Trade & Flint Global, 2023)

## Stakeholder quotes

*"We have found recruitment to be easier than in London as we offer something positive – access to the local market while also engaging in national and international opportunities."*

Anita Kimber, Partner, EY

*"T Levels bring in high calibre students. As colleges we need to promote T Levels further. We'd be keen to look at any opportunity where FinTech experts could come to talk to our students about the sector, especially if these could potentially lead to industry placements. I think the biggest thing is awareness of the FinTech jobs that are out there, and how to get them."*

Sarah-Jane Shillito, Employee Account Management – Work Experience, Bridgwater & Taunton College

*"T Levels are amazing, it's blown everyone's socks off. We've had a T level student working with us over the summer and a degree apprenticeship as well. They're great workers, people and have big aspirations. The enthusiasm is coming into FinTech and cybersecurity in general but they're coming from different levels and areas."*

Pete Woodward, Co-Founder & CEO, Securious

*"It's very difficult to find people with payments and FinTech expertise locally. We recruit widely and accommodate remote working and offshore outsourcing. It's taken a while and is far and away the hardest part of our evolution, but we now have a pretty good handle on working requirements. There are lots of moving parts with all of them morphing at pace."*

Adam Sharpe, CEO, Cardstream

*"You have to have great commitment to retrain in order to do an apprenticeship or upskill or take another route to your chosen career, potentially reducing your salary. We are aiming to work with the universities and colleges to upskill people in ways that are useful to businesses and can also work in a flexible way to allow more people to develop their skills and gain higher waged employment."*

Claire Main, Economic Development Officer, BCP Council

# University engagement

- **The South West has 16 universities with approximately 200,000 students, 4 of which offer FinTech Masters courses.**
- **The region is well placed to capitalise on the increased focus on research and innovation funding for FinTech and financial services.**

There is a substantial range of technical and business related courses, and in the West of England alone nearly 30,000 students per year enrol in Mathematical Science, Computer Science, Engineering and Technology, or Business Studies undergraduate courses.

Four of the 16 universities currently offer a dedicated FinTech MSc course (Bristol, UWE, Exeter, Gloucestershire), and these courses have different areas of focus within the subject area of FinTech. For example, UWE's long standing FinTech course offers a broad syllabus with a strong business angle; University of Bristol has a strong reputation in trading and data science, and its law school tackles regulatory issues; University of Exeter has initially placed a focus on blockchain and smart contracts; while at University of Gloucestershire there is expertise in cybersecurity.

Over recent years, University of Bristol has become a global player in the field of innovation and technology, supporting significant research infrastructure investments (the most recent being the new location for the Isambard-AI centre) and specialist taught Degree Programmes in MSc Financial Technology with Data Science, MSc Financial Technology, and BSc Business Analytics, for example. UWE's FinTech masters course includes weekly guest lectures from FinTech industry professionals, including speakers from Hargreaves Lansdown, EY, Moneyhub, Whitecap, Tumelo, Seccl, Ethical Equity, Starling Bank, Barclays, and Bain & Co. University of Bath does not currently have a course that is badged as FinTech, but it is highly rated for accounting, finance and law, and is

launching an MSc in Financial Mathematics with Data Science in 2024, and also has a FinTech Society. In 2022, FinTech West worked with University of Bristol and UWE to host a showcase of FinTech talent whereby the FinTech Masters students from across the two universities were invited to present their dissertation projects to an audience of FinTech professionals. A comparable event took place in October 2023

There has been an increased focus on the role of research and innovation in FinTech and financial services over the last two years, with two FinTech academic research networks having been launched (UKFin+ Network & UKFAN), and the new Centre for Finance Innovation & Technology (CFIT) which will also seek to engage with academics as part of its FinTech-focused coalitions.

The South West has strong credentials in terms of accessing R&D investment. The Gloucestershire, Wiltshire and Bristol & Bath region has recently been ranked 8th out of 40 in the UK based on a reported £346m of higher education sector enterprise R&D expenditure, with Devon ranked 18th and reporting £151m.<sup>1</sup>

South West universities are also supportive of startup companies founded by student and graduate entrepreneurs with numerous examples of programmes and initiatives supporting high tech spin-outs and startups. Three of the region's universities (Bristol, Bath, Exeter) operate within the renowned SETsquared programme while having their own specific initiatives and other universities employ their own programmes, for example, University of Falmouth's Launchpad Venture Studio. Drawing on a report from another region which could serve as an example for the South West, FinTech Scotland published a Research & Innovation Roadmap<sup>2</sup>, which laid out a 10 year plan of how academic and industry could work together on FinTech-related initiatives.

## Stakeholder quotes

*"Numerous students are eager to secure internships or part-time positions in real-world companies, even if it's just for a month, benefiting both the students and the companies. Currently, there's an International Talent Internship Scheme in place where the government financially supports companies to host students for 75 hours. Unfortunately, many FinTech firms remain unaware of this beneficial scheme."*

Yanhui Zhu, Senior Lecturer of Economics, Bristol Business School, UWE

*"Universities are becoming more responsive to the needs of the market now, particularly at taught Masters degree level which is an excellent way to access high quality international students. FinTech has been a Masters subject for several years but is also starting to appear on various undergraduate degree courses as well."*

Jonathan Beaverstock, Professor of International Business Management, University of Bristol

*"Universities are making strides in fostering collaboration, but there remains room for expedited progress in this regard. An opportunity exists for academic institutions to gain a deeper understanding of the inner workings of larger corporate entities. Universities, understandably, aim to integrate students into industry settings as a part of their educational experience, although aligning the timing can be a complex undertaking."*

David Henderson, Head of Pensions, Penny

<sup>1</sup> Global Horizons (Institute of Export & International Trade & Flint Global, 2023)

<sup>2</sup> FinTech Scotland Research & Innovation Roadmap

# Stakeholder quotes:

## University engagement, talent & skills

*"There is a divide between academics and the FinTech world. The key bit about FCA regulation of financial services is how it applies in practice and what that means for the businesses, which is a leap the academics don't generally take because they are not working with them day to day. The main point for FinTechs is how to embed academic research into their business and monetise it."*

**Nikki Worden, Partner, Osborne Clarke**

*"I feel we should continue to raise awareness amongst local businesses of the opportunity for a student placement. Every BU student has the opportunity to undertake a placement for typically 6 to 30 weeks depending on the course. Students can bring specialist knowledge and a fresh perspective to a business, and our Placement Coordinators work closely with employers, academics and students to ensure all parties make the most of the opportunity. Ways to retain talent locally is an important and ongoing topic of conversation. Some of my enterprise work supporting students with their start-ups can make a valuable contribution should the student decide to set up their businesses locally."*

**Mark Painter, Business Development Manager (Business Engagement), Bournemouth University**

*"UWE's FinTech guest lecture series stands out as one of the most highly regarded modules within the Business School, consistently achieving the highest or second-highest ratings. Student feedback underscores the immense value they place on gaining direct access to industry experts who bring real-life insights across a spectrum of relevant topics."*

**David Henderson, Head of Pensions, Penny**

*"FinTech MSc students are taking relevant modules, and typically they've got some background that is self-taught or educated through those programmes. This helps them understand what they're coming into, as opposed to someone who doesn't understand the ecosystem. This is an advantage for the students and also the employers."*

**Adam Sharpe, CEO, Cardstream**

*"As I saw when I was a business journalist, Bournemouth University has been good at forging links with businesses. Consequently, some businesses are prospering from these relationships, but I suspect there are many more who are not tapping into that talent. It might be helpful to have more structured interaction between businesses and universities, to unlock the significant potential across these two groups."*

**Darren Slade, Content Manager, Iplc**

*"I feel there is still a gulf between academia and business in terms of their operations and systems, particularly relating to expectations around responsiveness and project timescales. I think a key challenge for universities is how to share knowledge in a way that is relevant and appropriate for business but which also takes account of the processes and priorities of the individual academic institution."*

**Mark Painter, Business Development Manager (Business Engagement), Bournemouth University**

*"Knowledge about scaling businesses in the South West is particularly needed. Growth companies can pay for consultants but there is a lack of scaling businesses that are looking for advice on big Series A raises or their next development. That is a gap, not just in the South West but something that needs navigating so those businesses see there is support for them to grow."*

**Ed Tellwright, Senior Manager, South West, British Business Bank**

*"Numerous students are eager to secure internships or part-time positions in real-world companies, even if it's just for a month, benefiting both the students and the companies. Currently, there's an International Talent Internship Scheme in place where the government financially supports companies to host students for 75 hours. Unfortunately, many FinTech firms remain unaware of this beneficial scheme."*

**Yanhui Zhu, Senior Lecturer of Economics, Bristol Business School, UWE**

# Hubs & workspaces

- **The region is home to numerous innovation hubs and workspaces, with universities and corporate brands playing prominent roles.**
- **The new Bristol-led £1.8m ESRC FinTech accelerator is a nationally significant development launching in the South West.**

The South West's universities play a prominent role in the hubs and workspaces across the region which host FinTech startups. The Engine Shed is an iconic location in central Bristol operated by the University of Bristol whilst UWE has been rapidly expanding its campus based business support facilities with Future Space as a focal point. University of Bath's Innovation Centre is home to a business incubator, while Exeter University Innovation Centre was the incubator for the successful equity crowdfunding platform Crowdcube, which raised over £213 million from its 350,000+ registered members for 480+ start-ups and companies. Falmouth University's Venture Studio is also a prominent incubator and has been home to FinTech entrepreneurs.

There is also a growing presence of major corporate brands developing a presence. Nationwide opened a digital hub in Swindon in 2020. Barclays Eagle Labs has 32 locations around the UK, with one of the longest established locations being Bournemouth, subsequently Poole, and until the recent Bristol launch, was the only one in the South West. NatWest's Entrepreneur Accelerator programme has 13 physical hubs around the UK, including one in Bristol, which when the programme launched was designated as one of only four FinTech hubs. Also in Bristol, EY has established a business, research, innovation, technology, and engineering (BRiTE) hub, as part of its efforts to ramp up capabilities in financial services design, data analytics, and engineering.

As has been mentioned in the report, a new financial services accelerator, funded to the value of £1.8m by Innovate UK and the Economic and Social Research Council (ESRC), is a University of Bristol led consortium including UWE, Glasgow University, Glasgow Caledonian University and FinTech West. The accelerator, which was awarded after a highly competitive national bid process, will be delivered in collaboration with SETSquared, Engine Shed, and a wide range of supporting partners. The accelerator will work closely with smaller financial services firms across the UK to understand the challenges they face and explore how technology and innovation can help overcome those issues and make a tangible difference to their businesses.

SETSquared, TechSPARK and Tech South West are widely referenced across the region as providers of invaluable support to tech entrepreneurs. SETSquared is a collaboration between the Universities of Bath, Bristol, Exeter, Southampton, Surrey and latterly Cardiff, and provides a local support network offering start-up help, investors, commercialisation tips, mentoring services, and more. TechSPARK runs the START programme, which includes 28 hours of training for pre-startup business concepts, as well as access to investment opportunities, and the opportunity to earn a fully funded place on an incubation programme. Tech South West focuses on funding, talent and business support across the entire South West having launched a platform to help inform and connect tech founders with sources of funding.

## Stakeholder quotes

*"Loqbox would credit a lot of its beginnings to SETSquared and Engine Shed. They are great organisations that were an important part of our story."*

**Bea Gelder, Head of Operations, Loqbox**

*"At the point we would have needed the support of local incubators or accelerators I don't think I was aware of any in the South West. We have always had strong support locally though, and our accountants and legal partners are based in the region."*

**Adam Sharpe, CEO, Cardstream**

*"Last year, the university launched Bristol Innovations, a network which combines our academic research and student community expertise with industry and stakeholders to translate research into practical real-world solutions. It is important for the university to provide a focal point for pathways to innovation and entrepreneurial opportunities with partners and stakeholders."*

**Jonathan Beaverstock, Professor of International Business Management, University of Bristol**

*"It is very difficult to find a focused FinTech accelerator because a lot of the common issues addressed in an accelerator could work for any high-tech startup, so they tend to be more general."*

**Stuart Harrison, Director, FinTech West**

*"We are happy to use open workspaces, but have to follow company policies to ensure confidentiality on client projects. Working as a consultancy in a highly regulated market doesn't necessarily align to the open and more social environment in collaborative workspaces."*

**Will Watling, Business Development Director, Altus Consulting**



# Ecosystem connectivity

- **FinTech West plays a central role in facilitating the South West FinTech community.**
- **The South West has a number of tech-orientated network and cluster organisations that can be beneficial to FinTech firms.**

There are a broad range of stakeholders in FinTech, so connectivity within the FinTech ecosystem is crucial for fostering collaboration and creating an environment within which FinTech entrepreneurs can access the talent, funding and market opportunities that they need to grow.

As the representative body for FinTech in the South West, FinTech West is involved in the vast majority of FinTech-related initiatives in the region and aims to support the efforts of other organisations to help promote, connect and grow the sector.

As part of the FinTech National Network, FinTech West has engaged in collaborative initiatives with other regions such as working with FinTech Scotland as part of CFIT's coalition, and via its active role in the FinTech National Network has contributed to national FinTech events such as the Innovate Finance Global Summit (London) and the UK FinTech Symposium (Edinburgh).

A high profile new development in 2023 was the inaugural South West FinTech Awards taking place. The awards were organised in

association with FinTech West by Recruit121, a Cardiff-based organisation that also run awards programmes in Wales and London. Moneyhub, Hargreaves Lansdown, Ethical Equity, Streeva, Penny and Joiin were among the winners from FinTech companies from across the South West, covering Bristol, Cornwall, Dorset, Devon, Gloucestershire, Somerset and Wiltshire.

FinTech is very closely aligned to the wider tech ecosystem, and the South West is home to many tech-focused network and cluster organisations that promote connectivity across their regions. Bristol Tech Festival has become a recognised focal point for tech events each autumn, while Tech South West works across the whole region, and works with hubs, science parks and clusters operating throughout the region including Digital Plymouth, Digital Somerset, Engine Shed, Silicon South in Dorset, Software Cornwall, Tech Exeter and TechSPARK. These organisations play a key role in deriving connectivity within specific regions and technologies, and can be valuable communities and connectors for FinTech firms.

## Stakeholder quotes

*"How you connect with people and how you build networks is key. Although online communications have opened a whole new world of interaction, there is nothing quite like relationships built through face-to-face communication via events. Our team regularly use collaborative workspaces which offer diversity and flexibility."*

**Suzie Davis, Global Head of Brand & Marketing, Integration Works**

*"There are a lot of opportunities for events in Bristol. I'd love to see more connectivity between businesses and how we can connect peers and our members and supporting consumer duty. I would like to see some smaller events. We have creative thinkers, we need to inspire them from top-down."*

**Bea Gelder, Head of Operations, Loqbox**

*"I think we've built a good network; we work with local search and legal teams. In terms of banking we get moved around with our relationship, we start local but then they want us to go work with their London based FinTech team and we lose our local presence."*

**Adam Sharpe, CEO, Cardstream**

*"The South West's FinTech ecosystem presents a plethora of opportunities for those who are proactive and well-connected. Establishing the right connections can unlock numerous doors, but it necessitates an earnest effort to engage with industry professionals at various events. Additionally, taking the initiative to participate as a speaker at these events can be highly advantageous."*

**David Henderson, Head of Pensions, Penny**

*"Now that we are approaching our launch and raising capital, I am definitely getting out more and meeting people. There are a number of major crypto and fintech events in London which I make sure I get to. Having more similar activity in the South West would be great to help me meet the right people. Particular as I'm very encouraged to hear there are so many other FinTech firms in the region."*

**James Brownlee, Co-founder, Harbour**

# FinTech West



**FinTech West is the representative body for FinTech in the South West and part of the FinTech National Network. It operates a community open to anyone interested in FinTech and, as such, has built up a large and diverse group consisting of over 3,000 people.**

FinTech West's activities are wide ranging with a great deal of work happening behind the scenes in addition to the more obvious public events to inform and educate. There are a number of ongoing initiatives, usually undertaken in partnership, which seek to help promote and grow the opportunity for FinTech regionally, nationally and internationally. Core activities in these initiatives are usually seeking to bring together the community to help solve key challenges such as generating more job opportunities, providing easier access to funding (especially underserved communities) and promoting equality, diversity and inclusion.

FinTech West operates with core objectives to:

- Connect and inform the FinTech community in the South West
- Promote the South West as a FinTech centre of excellence and help develop the sector
- Add value to and help generate regional economic benefit
- Align to the development of the national FinTech sector

There is no charge for "membership" of the community, and all are welcome to get involved whether attending events of interest, seeking advice, searching for funding or looking for other forms of support or advice. FinTech West relies on donations, sponsorship

and project work to fund its work as well as the support of those in the community who give up their valuable time to help progress various activities.

Over the last year, FinTech West has engaged in a wide variety of regionally focused initiatives, including:

- leading coalition work with CFIT (Centre for Finance, Innovation & Technology) on Open Finance
- being involved as "co-investigators" alongside the University of Bristol for the successful ERSC innovation accelerator bid (Future Finance)
- arranging industry engagement as part of the UWE FinTech MSc course and engaging with MSc students taking roles as part of FinTech West activities
- launching FinTech West – South Coast in collaboration with BCP Council and Dorset LEP
- exploring potential solutions to assist underserved founders obtaining funding and promoting EDI within FinTech businesses

A growing number of events have taken place with an increasing focus on interactive discussion around specific topics which has drawn notable positive feedback from attendees. With around 3,000 having now signed up for FinTech West events, and a greater dispersion across the region, they remain a popular and successful way to disseminate information and engage with the community.

To join the community, simply visit our website or email [info@fintechwest.co.uk](mailto:info@fintechwest.co.uk) with any thoughts, questions or feedback. [www.fintechwest.co.uk](http://www.fintechwest.co.uk)



# Stakeholder quotes

*"We are seeing more and more experimentation and collaboration in London and some great examples in the South West (eg Nationwide). But there is more that could be done. As a region, we could actively look to share learnings. It is always tough to move past some of the inherent risks of working with FinTechs, and so legacy firms can often find it easier to opt for Enterprise Solutions or in-house. Some of this is cultural and technical, but the regulatory environment that FS firms operate in does not help the adoption/ collaboration with FinTech with respect to outsourcing core parts of the customer experience or journey."*

**Anita Kimber, Partner, EY**

*"We have got a lot to shout about in BCP and the South West. If we talked about all the companies here, whether they are micros or larger enterprises working on some quite substantial projects, we'd really get the attention of people locally, regionally, nationally, and internationally. This would help with the attraction and retention of businesses and talent."*

**Claire Main, Economic Development Officer, BCP Council**

*"A lot of crypto companies tend to work in a remote basis. We need technical people with super specialised skills relating to traditional fintech and banking, as well as web3; so we need to cast the net wide to find them. But as we scale we will want a central hub around which to base things, and so it is really encouraging to see how developed the FinTech ecosystem in Bath and Bristol is."*

**James Brownlee, Co-founder, Harbour**

*"The benefit of being in Bath is that it's only an hour from London. It's a logical place to relocate to if you're moving out of London, and you can find some really highly skilled people here. I hired a CTO who was a payments sector expert but lives in Bath."*

**Glenn Smith, FinTech entrepreneur**

*"There is good collaboration between organisations in the same sectors. It is the people themselves that drive that to work collaboratively. At the moment it is primarily person to person relationships. Finding more people to connect into in a wider organisational connectivity requires an ecosystem which I think Bristol has got but perhaps not other parts of the South West."*

**Ed Tellwright, Senior Manager, South West, British Business Bank**

*"It's essential to actively participate in events, especially if you're considering a startup. These gatherings provide a platform for discussing challenges and understanding the ins and outs of business. Additionally, involving small to medium-sized companies and fostering collaboration with universities can help address their unique problems. Fintech West has been instrumental in organising numerous events, benefiting the ecosystem."*

**Hisham Ihshaish & Yanhui Zhu,  
MSc FinTech Programme Leaders, UWE**

*"Working in collaboration with other organisations across multiple sectors, we can always raise the profile of the South West further. We also have to continue to develop the growth areas of the economy, such as the digital sector. The quality of life angle is a strong draw, but we can't just expect people to stay here unless there are desirable career opportunities in the region."*

**James Robinson, Partner, PKF Francis Clark**



ENGINE SHED

LAUNCH

# South West REGIONS FINTECH

West of England

Cornwall

Devon

Dorset

Gloucestershire

Somerset

Wiltshire

# West of England




## Regional overview

 **1,171,700** population  
**635,800** workforce

### KEY LOCATIONS:

Bristol, Bath, Weston-super-Mare



## Regional FinTech sector

 **£398.7m** FinTech GVA  
 **7,073** FinTech workforce  
 **93** FinTech firms

### KEY FINTECH STRENGTHS:

WealthTech, Payments, Lending

## FinTech startups & scaleups

 **71** startups & scaleups  
**88.7%** HQ in region  
 **£94.7m** total turnover by firms in HQ region  
**£243.9m** funding raised by firms in HQ region  
**10** average age of firm  
**46** average age of founders

- **The West of England represents 47% of the FinTech firms in the South West and 37% of the total GVA with strengths in WealthTech and Payments.**
- **The number of startups and scaleups has risen by 153% in the last 3 years.**
- **The West of England has emerged as a key FinTech hub in the UK, attracting London and internationally based firms to locate to the region.**

The West of England is made up of Bristol, Bath & North East Somerset, North Somerset, and South Gloucestershire. Bristol is the largest city in the region and is often described as the 'gateway' to the South West. Large financial organisations are based there, such as Aviva, Hargreaves Lansdown, Lloyds Banking Group, and AXA. This demonstrates a strong network of potential buyers / partners for FinTech services, as well as a source of financial services and FinTech-related skills and employment.

FinTech in the West of England is particularly strong, representing 47% of the total FinTech firms in the South West. From our previous FinTech report of the West of England in 2019/20, the number of FinTech firms has risen by 151% showing strong growth within the region. GVA and workforce have also grown extensively in the last three years, both growing by 91%.

Strong growth has been seen in the number of startups and scaleups which has more than doubled since our previous report. Prominent startups include Penny (Bristol) and Roqqett (Bath), who have both raised over £1m of fundraising. The West of England is also home to the majority of established FinTechs in the South West. Since our last report, thirteen established FinTechs have either grown within or have come into the region showing the attractiveness it holds.

Some have come from overseas such as Pismo (Brazil), Backbase (Netherlands) and Equisoft (Canada), whereas others are London based such as Alpha Group, Curve and Finova. One of the largest success stories coming out of the West of England is Parmenion, an established WealthTech grown out of and still headquartered in Bristol.

The West of England is well served by universities supporting education, research and initiatives relevant to FinTech and financial services. Besides the specific FinTech MSc courses offered by the University of Bristol and the University of the West of England (UWE), Bath University is very highly rated for its Accounting and Finance and offers MSc courses such as Financial Mathematics with Data Science. Both Bristol and Bath are also part of the SETSquared network supporting tech entrepreneurs, while UWE has its own Future Space hub.



# Bristol & Bath FinTech Ecosystem 2023

STARTUPS

SCALEUPS



ESTABLISHED FINANCIAL SERVICES

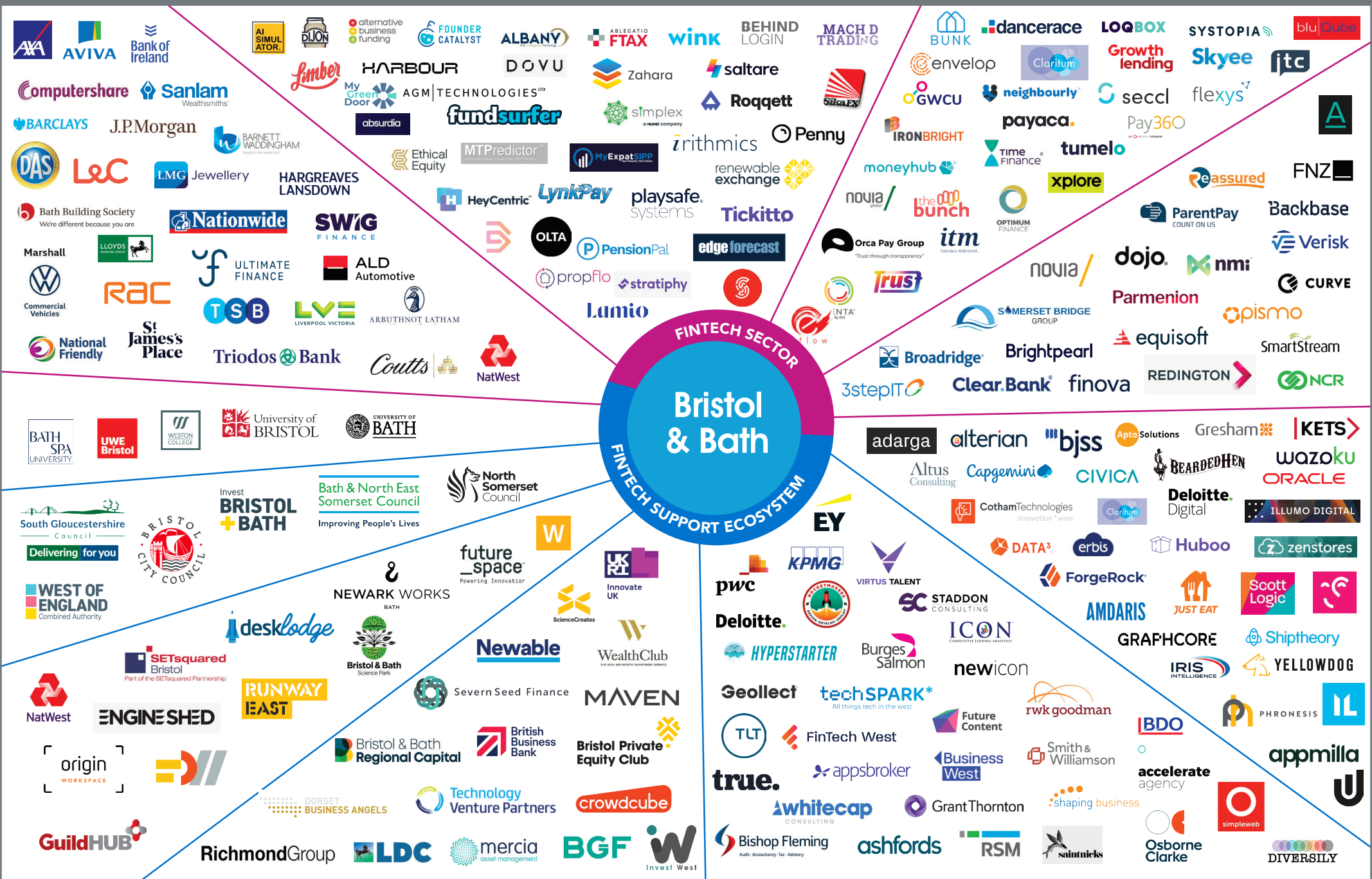
HIGHER EDUCATION

PUBLIC SECTOR

DIGITAL / HUBS

ESTABLISHED FINTECHS

TECH COMPANIES



# Invest Bristol & Bath

## A collaborative cluster for tech-driven financial innovation

The West of England is home to the UK's largest digital cluster and highest density of FinTech start-ups and scale-ups outside of London. We're proud to be a world leader in innovation and recognised as one of the top 10 regions by the UK FinTech Strategic Review. We have a robust cluster of more than 93 firms, contributing to the support of 7,073 FinTech-related roles. Our homegrown success stories include Moneyhub, Seccl, LOQBOX, and Hargreaves Lansdown, a prestigious FTSE 100-listed FinTech company with assets totalling £102 billion.

Our region is a hub for high-productivity businesses. We boast a network of Enterprise Zones and Areas that draw in businesses, generating employment opportunities. Additionally, we have multiple business incubators and accelerators, such as the NatWest FinTech accelerator and SETsquared, the global leader among university accelerators. These innovation hubs offer workspace and invaluable support to burgeoning businesses. They serve as an ideal platform for start-ups and scale-ups to foster collaboration, drive innovation and change at an industry level, both nationally and internationally.

A continuous flow of highly skilled graduates from universities in Bristol and Bath have been instrumental in fuelling the rapid growth of our region as a thriving FinTech hub. These graduates bring expertise from fields such as Data and Computer Sciences, Banking and Finance, Business Management, Law, and digital-creative subjects. Their contributions, both in research and teaching, empower our region to not only sustain but further accelerate its growth in the FinTech sector.

In 2021, the cloud based FinTech company Pismo, with support from Invest Bristol & Bath, selected the West of

England as its global headquarters. This decision was influenced by the region's abundant talent pool, strong European connectivity, and its capacity to facilitate the company's global expansion and operations. In the two years that followed, Pismo's growth has been exponential now making it our region's fifth unicorn (company worth over \$1bn).

*"We're so incredibly pleased that Bristol is our European foothold. We see our own diversity reflected in the city and believe that Bristol has the potential to become a local engineering hub for Europe. As we grow, we're excited to see Bristol grow as well, hopefully for many years to come."*

**Vishal Dalal, CEO (North America, EMEA, APAC) at Pismo**

A new game-changing development in Bath Quays will be the gateway for professional, financial and FinTech service companies to launch and expand into our region, with nearly 250,000sqft of contemporary workspace on the riverfront. A thriving cluster of professional and financial service businesses in Bath already play a crucial part to the local economy, with key players including Altus, Stone King, Wither King, Mogers Drewett, Novia and Ascentric.

The West of England Combined Authority plays a pivotal role in nurturing the regional business ecosystem, actively promoting innovation, and advancing sector development. We provide comprehensive, tailored support to businesses looking to establish and expand their presence in our region through Invest Bristol & Bath. For businesses that are already part of our community, the West of England Growth Hub is dedicated to assisting small and medium sized enterprises to innovate, scale-up and thrive by connecting them with the necessary support resources.

The thriving FinTech sector in the West of England serves as a compelling demonstration of the region's significance on both national and international scales

Invest  
**BRISTOL**  
**+ BATH**



Credit: Bath Quays



Credit: Hargreaves Lansdown



# Cornwall

## Regional overview

 **572,000** population  
**272,000** workforce

### KEY LOCATIONS:

Redruth, Falmouth, St Austell, Truro

## Regional FinTech sector

 **£38.9m** FinTech GVA  
 **549** FinTech workforce

 **10** FinTech firms

### KEY FINTECH STRENGTHS:

Payments, Lending, Data Analytics

## FinTech startups & scaleups

 **10** startups & scaleups  
**90.0%** HQ in region

 **£33.0m** total turnover by firms in HQ region  
**£16.8m** funding raised by firms in HQ region

**9** average age of firm

**49** average age of founders

- **Ten FinTech startups and scaleups are based in Cornwall, and it has a strength in payments and predominantly a B2C focus.**
- **FinTechs such as Good With, Folk2Folk and Crowdfunder UK have been successful in raising high levels of funding.**
- **FinTechs are leveraging the support systems and business hubs within the region.**

Cornwall is the most South Westerly county in the UK and has the lowest workforce and GVA out of all the South West regions. However, the area is home to the fastest growing tech sector in the South West, including strengths in AgriTech, Gaming, MarineTech, Renewable Energy, and SpaceTech. <sup>1</sup>

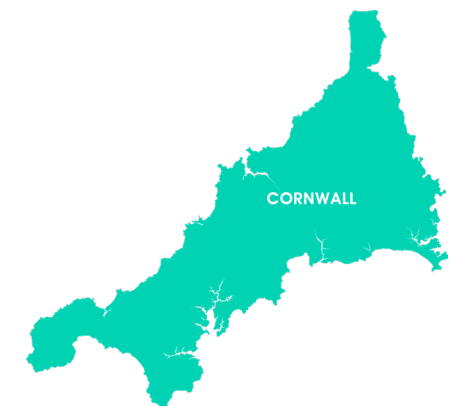
Many might not at first associate the county with FinTech yet Cornwall does have a robust ecosystem for businesses in the payments sector, including OB payments, Regency FX, and FindParkPay. Additionally, the Cornwall-based firm for money management, Good With, has built a strong profile, obtaining funding through Innovate UK grants and being finalists in regional and national competitions, including the Tech for Good Open Banking Awards and the South West FinTech Startup of the Year.

Additionally, Cornwall is home to a large number of successful scaleups. Folk2Folk and Crowdfunder UK have successfully raised significant amounts of funding. A notably emerging scaleup is Key Currency. Since being incorporated in 2016, the company has managed to expand organically to employ over 30 people in Cornwall and maintain offices abroad in Spain despite not having raised any money. With a history spanning more than twenty years, Checkmyfile a credit reporting agency is another significant FinTech employer in Cornwall.

<sup>1</sup> Whitecap, 2022

A notable theme which has surfaced is that seven out of ten firms have a B2C (business-to-consumer) offering, which contrasts with the B2B (business-to-business) trend in the South West region.

There is evidence of Cornwall-based FinTech businesses utilising the ecosystem's resources. For instance, the academic spinoff firm FindParkPay from Falmouth University has been able to establish itself in the market thanks to their launchpad accelerator. Quaife and Key Currency are also based in specialised business hubs with the former in Pool's innovation hub and the latter Truro's technology park.



# Devon

## Regional overview



**1,201,000** population

**608,000** workforce

### KEY LOCATIONS:

Exeter, Plymouth, Torbay

## Regional FinTech sector



**£91.8m** FinTech GVA



**1,627** FinTech workforce



**19** FinTech firms

### KEY FINTECH STRENGTHS:

WealthTech, Data Analytics, Payments

## FinTech startups & scaleups



**16** startups & scaleups

**94.2%** HQ in region



**£36.8m** total turnover by firms in HQ region

**£51.0m** funding raised by firms in HQ region

**7** average age of firm

**44** average age of founders

- **Devon has multiple FinTechs using emerging technologies such as AI and predictive analytics.**
- **Exeter is a key FinTech hub for Dorset and the South West.**
- **Crowdcube is one of the largest FinTechs to come out of the South West and is based in Exeter.**

Devon is the second most populous region in the South West, trailing only to the West of England. Devon is well-known for its CleanTech and HealthTech strengths, with hubs in Exeter and Plymouth. According to our analysis, Devon is also the fourth largest FinTech region, with nineteen FinTechs.

Exeter is the primary FinTech hub in Devon, with 10 of 13 FinTech startups based there. Companies like Joiin, Freya, Intelligent AI, and Valuexd, show there is a key strength in data analytics. Intelligent AI and Valuexd are two examples of notable successes. Intelligent AI has received significant financing, including funding through Innovate UK and the Cornwall Investment Fund, as they seek to grow into the region. Valuexd was chosen by the Department for Business and Trade to participate in the Tech for Good virtual trade mission to the USA. "Tech for good" concepts stand out in the Exeter startup community, which also includes Donatis and Vizopay.

Exeter also has a number of successful scaleup FinTechs. IMP Software, situated in Exeter Business Park, has expanded fast since its incorporation in 2019 to now employing around fifty people and generating multimillion pound revenue. Crowdcube has perhaps been Exeter's biggest success story in

the sector. Starting in Exeter, Crowdcube now have a London office and have gone through many rounds of fundraising, accounting for a significant chunk of the £51 million raised by Devon FinTechs. They were also named as one of the top fifty most innovative FinTechs for 2021 by Business Cloud.<sup>1</sup> Equiniti, a large multinational company relocated to Exeter in 2017, is another well-established WealthTech in the region.

Our research suggests that Devon, and particularly Exeter, is home to a vibrant FinTech ecosystem with the potential to become a more established hub given the current wave of fast growth startups. The presence of startup facilities such as SETsquared Exeter, Plymouth Science Park, and Exeter Science Park will surely have a positive impact in this respect.

Joining Exeter University which already offers a FinTech MSc to around 100 students, MLA College, based in Plymouth is to offer a FinTech MBA from 2024, albeit focused on distance learning. Exeter itself is building a reputation for crypto and blockchain expertise with over 600 undergraduate students currently taking the Bitcoin module.



<sup>1</sup> Business Cloud, 2022



# Dorset

## Regional overview

 **781,400** population  
**386,600** workforce



**KEY LOCATIONS:** Bournemouth, Poole, Weymouth, Christchurch

## Regional FinTech sector

 **£166.7m** FinTech GVA  
 **2,956** FinTech workforce  
 **28** FinTech firms

**KEY FINTECH STRENGTHS:**  
Payments, Lending, WealthTech

## FinTech startups & scaleups

 **27** startups & scaleups  
**85.2%** HQ in region  
 **£46.6m** total turnover by firms in HQ region  
**£29.4m** funding raised by firms in HQ region  
**13** average age of firm  
**50** average age of founders

- **Dorset is the second largest FinTech startups & scaleups hub in the South West.**
- **Bournemouth and Poole are the key regions for FinTech in Dorset with Wimbourne also being the base for two FinTechs.**
- **Bournemouth has been a focal point of inward investment activities, with firms such as Hazletree and Loan.co.uk opening bases there.**

Dorset is centrally located on the South Coast of England and is has the third largest workforce in the South West. Dorset is known for having a strong tech sector which includes, Advanced Engineering and Manufacturing, AgriTech, and MarineTech. Along with this, Dorset has a well-established financial sector with over 1,600 companies including LV, JP Morgan, Investec, and Lloyds.<sup>1</sup> These factors could create a huge opportunity for Dorset to build upon its already significant FinTech and financial services sector.

Dorset is the second largest sub-region for the total amount of FinTechs with twenty-eight FinTech firms. The region has a great mixture of startups, scaleups and established FinTech and financial firms. Bournemouth and Poole have an even split in terms of startups. Shrap, a payments startup based out of Poole, has raised over £1 million in funding since its incorporation in 2018.

Dorset is home to the largest scaleup hub outside of the West of England, with fifteen in the region. Homegrown FinTechs such as Just Move In, CreditPlus and Twenty7tech are large employers to the region. Just Move In, a certified B Corp, has raised over £10 million in funding and in 2020 were part of the TechNation FinTech accelerator.

Peartree Business Centre in Wimbourne, a market town in Dorset, is home to two scaleup FinTechs (Smart Volution and Platform One). A great story for a town of 15,000 people as growth tech firms can have a significant positive impact on smaller communities.

Bournemouth has seen inward investment activity in the region from large FinTechs. Loan.co.uk, Hazeltree and Trust Payments have moved a part of their operations to Bournemouth. Hazeltree, who opened their UK FinTech engineering centre, said they were attracted by the tech talent in the region.

Despite this, as yet there are no FinTech specific courses within Dorset which could improve the talent pool coming out of universities and engage cooperation with the larger financial sector brands in the region. In addition, from our analysis, FinTech use of the local digital hubs and innovation campuses in the region is limited. Greater involvement could foster further innovative startups.



<sup>1</sup> Dorset LEP, 2022

# Gloucestershire

## Regional overview

 **646,000** population  
**332,800** workforce

**KEY LOCATIONS:** Cheltenham, Gloucester, Stroud, Cirencester, Tewkesbury



## Regional FinTech sector

 **£170.0m** FinTech GVA  
 **3,013** FinTech workforce  
 **24** FinTech firms

### KEY FINTECH STRENGTHS:

Payments, Accounting, Lending, RegTech

## FinTech startups & scaleups

 **19** startups & scaleups  
**89.0%** HQ in region  
 **£60.0m** total turnover by firms in HQ region  
**£47.2m** funding raised by firms in HQ region  
**12** average age of firm  
**54** average age of founders

- **Gloucestershire outperforms in FinTech relative to its population statistics.**
- **Having a strong Cybersecurity sector filters into a strong RegTech sector with FinTechs like Ripjar, Iress and iPipeline in the region.**
- **A strong talent pool is being supplied to the region through the university's FinTech MSc degree and colleges who are engaged with FinTechs.**

Gloucestershire is the most northern county in the South West with easy access to Bristol, Bath, the Midlands, and Oxford. The county is well known for its strengths in cybersecurity and is home to the National Cyber Security Centre (NCSC) in Cheltenham. Despite being the fifth largest populated region, it has the second largest FinTech ecosystem in terms of GVA primarily due to strength in tech compared to other regions such as Dorset which is more focused on financial services. The University of Gloucestershire offers an MSc in Financial Technology and has partnered with St. James's Place to form the Finance in Society Research Institute (FISRI). FISRI aims to research the social impact of financial services.

The local ecosystem is a mix of firms across different sub sectors and sizes. The startup sector is particularly strong in accounting with many located within Cheltenham. This includes firms such as Tripcatcher, Ippex Global, Account Ability, and Nephos. Dinghy, an innovative InsurTech based in Cheltenham, managed to raise nearly £1m in funding and were acquired by Kingsbridge Insurance Brokers but are still running as a separate entity.

In terms of scaleups, there are strengths in RegTech, payments and lending. The strength in cyber links would suggest a strong number of RegTech

<sup>1</sup> Gloucestershire College, 2020

companies. This is evident through companies such as RipJar, who have been involved in the FinTech innovation lab accelerator based in London but are headquartered in Cheltenham Spa. They employ over fifty people within the region and have raised more than £30m in funding. There have also been successful scaleups that have been established in the last ten years in the Payments and Lending sectors such as PayItMonthly, Air and Buyline, who all have multi-million-pound turnover.

Gloucestershire's strength in cybersecurity has also been successful in attracting large, more established RegTechs to the region such as Iress and iPipeline. There is also evidence of collaboration within the ecosystem as Iress work with Gloucestershire College to train apprentices in software, IT infrastructure and Cyber apprenticeships.<sup>1</sup>



# Somerset




## Regional overview

 **573,100** population  
**275,000** workforce

### KEY LOCATIONS:



Taunton, Frome, Bridgwater

## Regional FinTech sector

 **£46.3m** FinTech GVA  
 **822** FinTech workforce  
 **7** FinTech firms

**KEY FINTECH STRENGTHS:** Payments ,  
Money Management, Data Analytics

## FinTech startups & scaleups

 **7** startups & scaleups  
**100.0%** HQ in region  
 **£5.2m** total turnover by firms in HQ region  
**£0.9m** funding raised by firms in HQ region  
**12** average age of firm  
**54** average age of founders

- **Taunton is the key hub for FinTechs in Somerset in which there is a strength in payments.**
- **Scaleups such as Cardstream are bringing employment to the Taunton region and helping the local ecosystem.**
- **Initiatives such as Gravity will increase the demand on talent and colleges are providing a good stream of talent for an entry level workforce.**

Somerset is the second least populous sub-region in the South West with a relatively small but growing tech sector. Somerset has a rich history in nuclear energy and has particular strengths in Aerospace, CleanTech and MedTech. In terms of FinTech, Somerset has a small number compared to the rest of the South West sub-regions with only 7 FinTechs in the area, all being startups and scaleups with a relatively strong payments ecosystem.

Taunton is seen as the digital hub in Somerset along with having good transport links to London and the North. This is evident in our analysis as it is home to five out of the seven FinTechs. Taunton also has a particular strength in payments with four of the five FinTechs in the area operating in this subsector. The region is home to a couple of new startups that have been incorporated in the last two years. Shape Technologies provides a whole platform for payments businesses to operate on and Infinifty who have developed a platform to promote NFTs. Taunton also has a good scaleup scene with 3 firms employing over 70 people in the region. Cardstream is the largest FinTech in the Somerset region, an organically grown payments company.

There are plenty of opportunities for the Somerset region to grow. Gravity, a new 616-acre commercial is set to bring over 5000 jobs. Said to be the first UK commercial smart and clean campus, organisations

will benefit from opportunities to collaborate and could bring FinTechs with a sustainability solution. Local talent is either being attracted through people coming from outside the region or is being fostered through colleges. There are a couple of colleges located in Taunton and Yeovil that supply talent at entry level.

Bridgwater and Taunton College have strong links with the tech industry which presents an opportunity for students to increase their awareness, experience, or engagement of the regional FinTech sector through partnerships. However, with no significant university presence, it is likely that the local talent will not have the necessary experience needed for some of the roles that the FinTech sector demands.



# Wiltshire




## Regional overview

 **747,100** population  
**375,600** workforce

### KEY LOCATIONS:



Swindon, Salisbury, Chippenham, Trowbridge

## Regional FinTech sector

 **£132.6m** FinTech GVA  
 **2,349** FinTech workforce  
 **16** FinTech firms

**KEY FINTECH STRENGTHS:** Payments, WealthTech, RegTech, Accounting

## FinTech startups & scaleups

 **12** startups & scaleups  
**83.3%** HQ in region  
 **£12.1m** total turnover by firms in HQ region  
**£0.9m** funding raised by firms in HQ region  
**10** average age of firm  
**57** average age of founders

- **Wiltshire has the fourth largest FinTech GVA in the South West.**
- **Wiltshire has a strong presence of Financial and Tech firms including Nationwide, Zurich Insurance and Openwork.**
- **Swindon and Salisbury are the main hubs for FinTech and both towns have established FinTechs based in them.**

Wiltshire is the fourth largest populated sub-region within the South West. It has the equivalent largest FinTech ecosystem in terms of GVA within the South West. Despite having less firms compared to Devon, they have a larger GVA which is due to their overall strength in Finance and Tech. For example, having operational departments for the likes of Nationwide, Openwork and Zurich Insurance who do engage in FinTech, it strengthens the GVA. Nationwide opened their digital tech hub in Swindon in 2020 just before the pandemic. <sup>1</sup>

Payments has emerged as a prominent subsector within Wiltshire's FinTech startup ecosystem. Of the seven startups operating in this region, five are engaged in payment-related activities. Noteworthy companies include Goodtalent and ExpenSys, which have successfully secured funding. Additionally, there are FinTechs like Kidsco, focusing on financial education for children. Swindon, as the fourth largest town in the West, serves as the primary hub for four of these FinTech startups. The presence of co-working digital spaces such as Workshed and Flexspace in Swindon, despite no direct association with FinTechs, provides fertile ground for future startups.

Wiltshire and Swindon exhibit a relatively smaller scaleup community compared to other regions. Salisbury stands out as a host for a couple of scaleup companies. Notably, Tedaisy, an InsurTech firm founded in Salisbury in 2015, has grown to employ over thirty people in the region. However, Wiltshire has a relatively high number of well-established FinTechs for a region of its size. These include organisations in payments, such as Crane Payment Innovations and Edenred, and in WealthTech with firms such as Nucleus and Embark Group based in Swindon and Salisbury.



<sup>1</sup> Finextra, 2020

# FURTHER INFORMATION

Data analysis methodology

Sponsor profiles



# 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 South West Region proportion of the overall Tech Nation tech workforce figure. Tech Nation used 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 databases and platforms, including our primary data partner [The Data City](#).

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



# Sponsor profiles



Amdaris

Amdaris delivers Software Development, Product Design, Digital Transformation, Application Support and Consultancy Services from our UK headquarters in Bristol and Eastern Europe delivery centres in Moldova, Romania, Ukraine and Bulgaria. We work across a wide range of sectors including financial services and FinTech.

<https://amdaris.com/>



Cardstream

Cardstream is a multi-award-winning PCI DSS Level 1 independent payments gateway, providing white-label Partner resellers with access to our Open@Payment Network. With our 200+ acquirer connections and anti-fraud service providers, we are able to connect our partners and their merchants to an unrivalled global network of payment solutions.

<https://cardstream.com/>



FinTech West

FinTech West is the representative body for Fintech in the South West and part of the FinTech National Network. It operates a community open to anyone interested in FinTech and, as such, has built up a large and diverse group consisting of over 3000 people.

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



Integration Works

IntegrationWorks helps our clients use and share data more effectively. As a recognised global leader in integration, we create bespoke and custom integration solutions for Government Departments, State-Owned Enterprises and large organisations worldwide. Headquartered in New Zealand, our UK base is in Bath.

<https://integration.works/>



Invest Bristol & Bath

Invest Bristol & Bath, the inward investment arm of the West of England Combined Authority, is supporting an ever growing number of FinTech companies choosing to locate in the area. It offers tailored support and can help your company explore the opportunities available in our region, through bespoke research, property solutions, talent and relocation support. Invest Bristol & Bath help businesses from anywhere in the world tap into the West of England's expertise, knowledge and talent, to help your business thrive.

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



Osborne Clarke

Osborne Clarke is an international legal practice and our goal is simple: to help our clients and our people succeed in tomorrow's world. We've been around for over 250 years and have a presence across Europe, Asia and the US, with a major South West presence via our Bristol office. Within our core sectors, our clients range from market leaders to fast-growth companies, including FinTech firms.

<https://www.osborneclarke.com/>



RSM

RSM is a leading provider of audit, tax and consulting services globally, with 31 UK offices and a network spanning 120 countries. Our clients range from start-ups to listed companies across the Fintech sector and wider technology industry. We closely follow the latest industry developments and trends, finding innovative solutions to keep our clients at the forefront of their sector.

<https://www.rsmuk.com/>



University of the West of England (UWE)

The University of the West of England (UWE) is a public research university, located in and around Bristol. With more than 36,000 students and 4,200 staff, it is the largest provider of higher education in the South West of England. UWE was one of the first UK universities to launch a FinTech MSC, in 2019.

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

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The information contained in this report is of a general nature in relation to the Tech sector in the South West of England 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.