



WIG

The Whitehall & Industry Group
connecting the sectors



'Technology & Digital' Series

Update on the Independent Fintech
Strategic Review

26 November, 2020

Expert Insight

We were joined by Ron Kalifa OBE, Non-Executive Director at the Bank of England, and Chairman of Network International and FutureLearn, to discuss the state of play in the UK Fintech sector, and the Independent Strategic Fintech Review which he is leading.

Some of the key points he touched upon include:

- The UK is at the heart of Fintech growth and innovation. A well developed eco-system with strong venture capital funds and access to talent, make the UK an attractive base for Fintech start-ups.
- Despite having a leading number of start-ups, the UK is not attracting the same level of scale-up businesses - only 8 of 66 global Fintech unicorns are based in the UK.
- Absence of a centrally coordinated strategy, numerous barriers to investment, and rising global competitiveness are key challenges faced by the sector.
- The strategic Fintech review will outline priority areas in need of support, providing recommendations based on 5 workstreams: skills, talent, policy, national connectivity and global competitiveness.
- International collaboration is vital, particularly in the context of Brexit and COVID-19.
- Since 2016, Fintech bridges have been agreed with Singapore, China and Australia, signalling positive developments in cross-government and cross-sector cooperation.



Presentation Spotlight

A thriving Fintech sector could play a major role in our post-COVID economic recovery:

- The Fintech sector is worth around **£7 billion** to the UK economy annually, and employs approximately **60,000 people**.
- The UK is home to more than **1600 Fintech businesses**, the most of any European Country.
- The UK currently holds around **10% of global Fintech market share**, translating in a GVA (Gross Value Added) of **£9 billion** in 2019.

Our members' questions

A number of interesting questions were raised by our members. Some of the topics included:

- The impact of Brexit on the Fintech industry
- Barriers faced by Fintech businesses looking to invest in the UK
- The extent to which the UK government's Fintech ambitions work in tandem with strategies such as AI, and the National Data Strategy
- How the review will support the creation, and continued success, of Fintech hubs outside of London

WIG members can listen to Ron's presentation [here](#)
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