Banking Competition Remedies Ltd (BCR) announces the awards of Pool A Capability and Innovation Fund

The Board of Banking Competition Remedies Ltd (BCR) today announces the results of the Capability and Innovation Fund Pool A grant process.

The Capability and Innovation Fund Pool A is designed to promote competition in the market for banking services to SMEs in the United Kingdom through expansion of each successful applicant’s business capacity, product offering and/or target markets.

BCR’s assessment and decision-making processes have been completed on time and adhered to the assessment criteria. Consideration by the BCR Board included any existing business current account offerings and how each business case facilitated the development of more advanced offerings of business current accounts and ancillary products for SMEs in the United Kingdom.

The grants which have a combined value of £280 million are awarded as follows:

- An award of £120 million to Metro Bank PLC
- An award of £100 million to Starling Bank Limited
- An award of £60 million to ClearBank Ltd

The three successful applicants will shortly be invited to enter into a Capability and Innovation Fund Agreement with BCR.

As part of the application process, each organisation has provided commitments stating what it will deliver with these funds. These can now be found at https://bcr-ltd.com/reports-statistics/.

Godfrey Cromwell BCR’s Chairman said: “These awards seek to increase competition in the business banking market and to improve the financial products and services available to SMEs. Following the successful launch of the Incentivised Switching Scheme by BCR last year, Pool A is the first group of grants from the Capability and Innovation Fund. Further grants (Pools B, C and D) will be awarded later this year.”

BCR received a total of 16 applications from 6 applicants for the Pool A process during an application window between 1st November 2018 and 31st December 2018.

-Ends-

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**Notes to editors**  
Banking Competition Remedies Ltd (BCR) is the independent body established to implement the £775 million Royal Bank of Scotland (RBS) State Aid Alternative Remedies Package. BCR is independent from RBS and the UK Government. It is governed by an independent board of directors.

The Alternative Remedies Package was negotiated and agreed between HM Government and the European Commission and comprises two RBS funded measures amounting to £775m:

- **The Incentivised Switching Scheme** is allocated up to £275m to assist SME customers within the Williams & Glynn business to move to ‘challenger banks.’ A further maximum sum of £75m has been set aside within RBS to cover customers’ switching costs.

- **The Capability and Innovation Fund** is allocated £425 million to encourage eligible bodies to develop and improve their capability to compete in the provision of banking services to SMEs and develop and improve the financial products and services which are available to SMEs. This is made up of four Pools (A, B, C and D).

Details of the remaining pools are as follows:

Pool B facilitates the modernisation of existing business current account offerings or the development of new business current accounts or ancillary product propositions for SMEs in the UK. The application window opened on 1st February 2019 and closes on 29th March 2019.

Pool C facilitates the expansion of business offerings to include, lending or payments services to SMEs in the United Kingdom or international payments services to SMEs in the United Kingdom. It opens on 1st May 2019 for applications and closes on 28th June 2019.

Pool D facilitates the commercialisation of financial technology that is relevant to SMEs. The application window opened on 1st November 2018 and closes on 30th April 2019.