

Press release issued on behalf of BCR

31 August 2021

BCR publishes progress updates on Public Commitments from Pool A, B, C and D Capability and Innovation Fund recipients

The Board of Banking Competition Remedies Ltd (BCR) today publishes progress updates for Pool A, B, C and D recipients, providing a summary of performance against their public commitments to the period 30th June 2021.

The updates of those awarded, their original commitments made and key achievements to date can be found [here](#).

In this reporting period, BCR approved a business case change for iwoca mainly due to reallocation of spend to support future initiatives following success of its lending offering. These changes have now been reflected in its public commitments.

Aidene Walsh, CIF Executive Director, said: “This latest round of reporting continues to demonstrate the strong performance from the majority of awardees in creating new products, services and networks in support of UK SMEs with an increasing number of Public Commitments being met ahead of schedule. Starling continues to increase its market share which is now 6.3%, a fantastic achievement in the market. ClearBank are at 5.9% combining both Pool A and Pool E market share achievements.”

A summary of performance against awardees public commitments can be found in the notes to editors, with links to the full updates provided below:

Pool A ninth quarter update

- *Starling Bank Limited public commitment progress update*
- *Metro Bank plc public commitment progress update*
- *ClearBank Ltd public commitment progress update*

Pool B eighth quarter update

- *Investec Bank plc public commitment progress update*
- *The Co-operative Bank plc public commitment progress update*

Pool C seventh quarter update

- *Atom Bank plc public commitment progress update*
- *The Currency Cloud Group Ltd public commitment progress update*
- *iwoca Ltd public commitment progress update*
- *Modulr Finance Limited public commitment progress update*

Pool D eighth quarter update

- *Codat Limited public commitment progress update*
- *Fluidly Limited public commitment progress update*

- *Form3 Ltd public commitment progress update*
- *Funding Options Limited public commitment progress update*
- *Swoop Finance Limited public commitment progress update*

The next progress updates for Pool A, B, C and D awardees will be in November 2021. Pool E awardees will provide their next reporting update in October 2021. As part of BCR's role in monitoring the way that organisations are using the funds, BCR holds awardees to account on their progress against business plans which includes meeting all the recipients. For more details on how BCR monitors CIF awardees see [here](#).

Pool F: new funding round under the CIF scheme

Following the consultation period for Pool F, BCR has confirmed that the grant sizes to be made available are 2x£5m and 1x£2.5m. The application window opened on Wednesday 25 August with over 60 companies indicating early interest. Further details can be found [here](#).

Notes to editors:

A summary of Pool A, B, C and D performance against public commitments / business cases

Pool A ninth quarter update

Starling Bank Limited public commitment progress update: Starling now has 374,245 SME customers, resulting in a 6.3% share of the UK SME market. Over 54,000 SME businesses have directly benefited from the £2.3bn of lending made available by Starling to date. Starling continues to enhance its launched products, for example, customers are now able to receive payments in foreign currencies into their EUR or GBP accounts, and access the first two sessions of Starling's Business Class videos.

Metro Bank plc public commitment progress update: Metro launched an SME brand campaign in June which focuses on its dedication to helping small businesses thrive via the special relationship it has with customers. While some of its lending initiatives are delayed due to the prioritisation of government lending schemes earlier in the year, Metro remains on track to achieve all its public commitments.

ClearBank Ltd (CTBB) public commitment progress update: CTBB now has 353,014 SME customers, resulting in a 5.9% share (5% directly attributable to Pool A) of the UK SME market, and has built significant brand awareness. It also continues to develop and launch propositions, including enhancing its fast onboarding process not only through the app but also through the web.

Pool B eighth quarter update

Investec Bank plc public commitment progress update: Investec is now supporting over 3,100 SMEs through its Business Savings Account, Lending and FX propositions. To date, it has managed over £258m in savings for SMEs, lent over £126m under CBILS, BBLs and RLS, and clients have bought over £198m in FX.

The Co-operative Bank plc public commitment progress update: The Co-operative Bank is making strong progress with its transformational initiatives. It continued to improve its onboarding journey, mobile app for business customers and suite of product and services (including Business Concierge services and SME insurance). The Co-operative Bank was confirmed as the UK's best rated high street bank for ESG credentials in June 2021 by Sustainalytics.

Pool C seventh quarter update

Atom Bank plc public commitment progress update: Atom has over £0.6bn of funding applied for through its secured lending CBILS product and, as at 30 June 2021, completed £143m of BCR attributable secured lending. It also achieved a market leading customer Net Promoter Score (NPS) of +88, surpassing the committed 2025 target. It is, however, experiencing delays to two commitments associated with the challenges to delivery of its Next Generation Broker Portal due to challenges with a partner.

The Currency Cloud Group Ltd (Currencycloud) public progress commitment: Currencycloud has processed cross-border payments for 7.1% of all UK SMEs trading internationally (over 23,700 UK SMEs) over the last twelve months and continues to enhance its cross-border payments proposition. This quarter it signed 20 financial institutions serving UK SMEs and UK-based Fintechs.

iwoca Ltd public commitment progress / business case update: iwoca has successfully achieved its no and limited personal guarantee commitment almost three years ahead of schedule, originating £376m as at 30 June 2021. In addition, it launched a new iwocaPay partnership with Futrli with the number of transactions tripling in the last quarter. It also onboarded one new partner, Swoop, to its OpenLending platform this quarter, bringing the total number of partners on the platform to ten.

Modulr public commitment progress update: Modulr delivered its second automated Onboarding initiative - integration with PassFort, and launched Payment Initiation Services (PISP) Standing Orders and Confirmation of Payee Inbound this quarter. It also successfully launched its Alpha pilot Integration with Brightpay. It has surpassed its SME reach commitment for the Payment Innovation product.

Pool D eighth quarter update

Codat Limited public commitment progress update: Codat continues to make strong progress having delivered 4 out of its 7 public commitments. It remains on track to outperform against its remaining commitments. Codat continues to support banks and lenders with its application journey solution for the government backed loan scheme, which has been deployed by UK Tier 1 & 2 lenders.

Fluidly Limited public commitment progress update: Fluidly made further enhancements to its VAT insights tool and investigated alternative data sources for the benefit of a wider range of SMEs. This quarter, it offered 1,000 complimentary licenses to members of the Enterprise Nations network enabling SMEs to avail of its wide-reaching functionality.

Form3 Ltd public commitment progress update: Form3 continued to build its SWIFT solution whilst engaging in sales and marketing activities in advance of launch.

Funding Options Limited public commitment progress: Funding Options launched Funding Cloud™, a platform that connects businesses, lenders and partners to facilitate and secure funding at scale. It continues to surpass lending value targets despite the number of additional SMEs being slightly behind target due to government backed loan schemes.

Swoop Finance Limited public commitment progress update: Swoop launched a new unsecured lending partnership with BNP Paribas and developed an Equity Scorecard with NatWest for its high growth customers. It continues to forge ahead with key partnerships in supporting SMEs to apply for and secure finance. 248k SMEs are utilising Swoop's Virtual CFO marketplace and 835 providers have been onboarded. It continues to experience challenges in reaching some impact targets due to the current economic environment but remains committed to its ambitious targets as the market moves towards recovery.

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About BCR

Banking Competition Remedies Ltd (BCR) is the independent body established in 2018 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** – which has now closed having distributed £251m of the dowry fund available to SMEs that switched from NatWest.
- The **Capability and Innovation Fund** – to which £425 million has been allocated to support the development of wider capabilities and competition in the SME banking market essentially through grants to eligible challenger institutions across five pools. BCR holds awardees to account by closely monitoring their progress against business plans. There are currently 21 awardees across 5 pools and a further Pool F comprising 3 awards totalling £12.5m is now open.