

## **Cashplus Bank – Public Commitments**

### **£5 million award**

Cashplus Bank is an established and innovative provider of digital banking for small business and has already served more than 150,000 UK SMEs. We understand the difficulties that healthy small businesses face in accessing lending and payments services, exacerbated by the Covid-19 crisis.

As the small business-powered UK economy begins to recover and government-backed lending schemes recede, access to flexible, cost-effective banking services will be crucial. As a credible-and-innovative digital bank, Cashplus is perfectly placed to quickly deliver effective solutions and help small businesses kick start the economy.

This Capability and Innovation Fund (CIF) grant enables Cashplus to support more UK small businesses with a highly experienced alternative to traditional banks. Cashplus commits to deliver c.£200m of additional small business lending, create guaranteed interest rate savings, return £2m in cashback and increased competition in the SME banking market by the end of 2022, rising to £5bn in lending by the end of 2025 and over £51m in cashback by the end of 2025.

### **COMMITMENT 1 – Expansion of SME lending:**

We will deliver an all-new business credit card, with phased rollout through 2022 and delivery of all functionalities by the end of Q4, that will serve as a truly flexible SME credit and payments facility, driving increased choice and more competition in the market.

Combining our unique lending expertise in corporate overdrafts and basic SME credit cards, accompanied with sustainable product economics, we will deliver a new business credit card with a range of valuable features and a market-beating 1% cashback (entirely funded by Cashplus). This product will be an industry-first, truly flexible credit and payment facility with integrations to Open Banking, Faster Payments and Direct Debit and will return up to £2m in cashback to small businesses by 2022. This product will deliver £200m in new business lending by the end of 2022, and £5bn to the end of 2025.

Through this product, we will commit to lending to an additional 100K businesses by December 2022.

### **COMMITMENT 2 – We will make switching and opening credit products fast, simple, and beneficial for small businesses**

Cashplus will remove barriers to switching by making it straightforward and painless for businesses to change providers. We will:

- I. Launch a bespoke business credit building product to help small businesses access cheaper funding in the future, by the end of Q1 2022.
- II. Remove competition barriers by building small business eligibility checks for all credit products, with APIs allowing integration to external data sources, by the end of Q2 2022.
- III. Provide customers with guaranteed pricing and credit limits, and, through Open Banking, offer guaranteed savings where we can beat competitor costs, by the end of Q3 2022.

- IV. Develop an industry-leading underwriting process, that leverages advanced AI to help customers access funding by the end of Q4 2022.

**COMMITMENT 3 - Development of Reconciliation and Expense Management Tools leveraging Open Banking**

We will transform business banking by providing the most flexible SME banking solutions in the industry. For both our SME Business Credit Cards and Business Current Account, we will transform business banking by providing advanced tools that will simplify life for UK businesses. These solutions will reduce administrative burden and drive great efficiency by building an industry first of expense tracking and invoice reconciliation into the Business Credit Card platform, along with direct accounting package integration by the end of Q3 2022. Completing the SME tool kit, Cashplus will also ensure that HMRC digitisation solution of Making Tax Digital will be available and easy to use for micro limited business and sole traders by the end of Q2 2022.

**COMMITMENT 4 - Partnering with business:**

We will partner with at least five UK businesses throughout 2022 to deliver CIF initiatives.

**COMMITMENT 5 - Investment**

We will invest £10m of our own funds into delivering these commitments, in addition to the 100% of all cashback rewards – up to £2m by the end of 2022 - funded by Cashplus.