

Banking Competition Remedies Ltd

Key Achievements

Capability & Innovation Fund

Pools A-F

CIF Pool A Key Achievements as of 30 June 2023

Metro Bank – £70m Award

- In December 2022, we completed development of Mflow - enabling SMEs to link their bank account to their favourite cloud accounting platform and will roll-out to customers throughout 2023.
- In April 2022, we launched our Revolving Credit Facility product, helping larger, more complex businesses better manage cash flow peaks and troughs.
- We have rolled out our new Business Overdraft product across stores and in the mobile app, helping our customers better manage their cashflow, providing quicker access to funding and pre-approved limits. A critical foundation to deliver this enhanced SME lending experience, is our new digital credit platform, allowing real time automated credit underwriting.
- We launched our new Enhanced Foreign Exchange proposition – giving customers access to real rates via a new-and-improved digital journey.
- In August 2021, we opened our fourth new store in the North of England in Bradford. This follows openings in Manchester, Liverpool and Sheffield.
- Over the first three years of programme delivery (2019- 2021) we launched a range of new products, services and partnerships to better support SMEs.
 - Business current account online application process for single and multi-director businesses. Supported by an SME brand campaign, which focused on our dedication to helping small businesses thrive and involved giving three Metro Bank customers their very own national advertising campaign.
 - Offering Government-backed loans to our business current account customers. By the end of 2021 we provided 38k loans and £1.7bn to UK businesses.
 - Receipt management - letting businesses capture and store receipts, which get automatically matched to the customer's transaction history.
 - Business invoicing – allowing quick creation, tracking and management of invoices.
 - Artificial-intelligence-led 'Business Insights' capability into the Metro Bank mobile app – helping businesses manage their cash flow and make more data-driven decisions.
 - Partnership with Enterprise Nation, a leading provider of advice and expertise to small businesses in the UK. The new collaboration offers a range of benefits for Metro Bank's business customers, including a year's free membership to Enterprise Nation which would usually cost £99.
 - A new partnership with cloud accounting provider Clear Books, offering easy accounting software with free bank feeds and exclusive discounts to Metro Bank small business customers.
- And finally, throughout 2019 and 2020 we improved payments services for businesses with a range of new propositions.
 - Physical sweeping functionality, helping businesses to manage their liquidity with automated rules for transferring funds between their accounts.
 - We became a direct participant of Bacs, the Pay.UK-operated payment system, helping enable Direct Debit origination for business customers.

ClearBank – £60m Award

- Now one of the leading SME challenger in terms of BCAs; creating a true SME first alternative to high street banks
- Achieved c.9.6% market penetration; 529,484 members
- Integrated 21 SME solution partners
- Built significant awareness at 52% prompted brand recognition
- Completed integrating a wide range of business registration options from company to domain registration
- Delivered advanced business financial platform functionality including advanced invoicing, digital tax and intermediated credit
- Easier switching with expedited onboarding and trial switching for established business using open banking is live; while work on CASS is progressing

CIF Pool B Key Achievements as of 30 June 2023

The Co-operative Bank PLC - £15M Award

- Made continued improvements to the onboarding journey, utilising the digital onboarding journey delivered as part of CIF and making improvements to questions asked and information collected. This has made the onboarding journeys more effective and further accelerated the application process. As shown by an increase of 2.1% in Q2 of new business account applications resulting in a new business account being opened.
- Made continued improvements to the SME mobile app which was delivered as part of CIF. This included additional payment functionality, cosmetic changes, and enhanced fraud controls to protect customers which has seen mobile users base increase by 1% in Q2 2023. The improvements in the functionality of the mobile App has resulted in a greater than 40% uplift year on year of customer payments. Also further improved our digital functionality by expanding the range of accountancy software providers who can connect into the online banking channel via Open Banking.

Investec Bank plc - £15M Award

We maintain strong progress in the development of our propositions and remain on track to achieve our public commitments. We are currently supporting over 8,000 clients through our new products, which we continue to build upon as we strive to provide market leading offerings and an out of the ordinary client experience for UK SMEs.

- We continue to make good progress on our transactional banking proposition as we incorporate valuable client feedback to make feature improvements that will strengthen the overall proposition to our growing client base.
- We continue to build upon the new digital portal for our brokers. Through a continuous dialogue with brokers using this new platform we are able to ensure we are providing features that will bring the greatest value to our brokers and their clients. This will not only improve their user experience, but it will also provide greater efficiency across the end-to-end lending journey, in turn reducing the speed of lending decisions and ultimately enhancing the experience for the end clients.
- For this project, we have directly created 39 roles to date, covering several essential product and technical delivery roles.

CIF Pool C Key Achievements as of 30 June 2023

Atom Bank - £10M Award

- As of 30th June 2023, £482m of BCR-attributable secured lending has been completed, with an additional £180m in the pipeline.
- Atom has responded to the challenge of COVID-19 and released its balance sheet to support the economy, with over £2.5bn of applications received for our secured lending CBILS and RLS products.
- Atom has deployed the build of 'Portal Lite', the first iteration of its Next Generation Broker Portal to its intermediary partners and, as of Q2 2023 continues to release new features.
- Atom is creating high quality jobs in the North East of England, including roles in Data Science and Engineering. As of the 30th June 2023, supported by the BCR programme, 46 people have joined Atom, including 7 graduates.
- Atom announced in Q4 2022 that it was the first UK bank to sign the UN's Climate Neutral Now Pledge, a voluntary agreement to become carbon neutral. This commitment aligns with its previous announcement that Atom will be a carbon positive business by 2035 — going beyond net zero and committing to taking more carbon out of the environment than it is responsible for emitting. In Q2 2023, we partnered with emissions insight specialists Alectro to better understand the impact that our business, employees and suppliers are having on the planet.
- Atom was accredited for the third phase of the British Business Bank's Recovery Loan Scheme in Q3 2022, the first non-high street lender to begin lending under the programme.
- Atom achieved full registration of the Lending Standards Board (LSB) in Q3 2022. Registration with the LSB further confirms its commitment, beyond its regulatory obligation, to treating customers fairly and providing responsible lending outcomes throughout the product life cycle.
- In Q1 2022, Atom built and deployed a radically enhanced pricing engine and quote tool that enables it to provide a quote on a secured lending application, often the hardest to quote on quickly, within 60 seconds. This addition allows brokers offering secured business loans to self-assess and create an indicative quote within the portal before submitting an application. In Q4 2021, Atom delivered its first fixed rate business lending product, to provide consumers with the ability to benefit from the certainty of fixed payments as we enter a rising interest rate environment.
- Atom has introduced a range of open data capabilities into its stack, including Open Banking, Accountancy and eCommerce, facilitating automated underwriting assessments, real-time decisions and improving the customer experience compared to traditional paper-based processes.
- Atom is working with Newcastle University, the Federation of Small Businesses and the NE Chamber of Commerce on the build out of its proposition and the reduction of financial bias in lending decisions.
- Since receiving the BCR grant, Atom has built the underlying infrastructure for its small business app in partnership with our strategic partner Thought Machine. It has also completed the underpinnings of its smart lending and savings platform with Thought Machine.

iwoca Ltd - £10M Award

- Total spend for Q2 2023 was £1.3m and we have now achieved our overall spend commitment of an additional £13m of our own funds being invested in addition to the CIF grant.
- We successfully onboarded three new OpenLending partners during Q1 2023, taking our total to date to 21.
- In Q2 2023, iwocaPay launched two new product upgrades and continues to serve a growing network of sellers, growing to over 650 unique sellers paid to date by the end of Q2 2023.
- A good quarter of OpenLending issuance resulted in £18.6m being originated via our OpenLending platform during Q2 2023, 14% of the total OpenLending issuance to date.

Modulr Finance - £10M Award

- PISP payments have now reached 1,091,778 transactions initiated
- 2.28m card transactions have been processed via physical cards
- We have an SME reach of 69,316 through our APCC tool, 676,766 through our Payment as a Service solution, and 938,319 through our innovation solutions.
- Accountants Payments Control Centre has 684 accountancy practices and accountants onboarded as of Q4 2022.
- Accounting Partner Engagement: 60 partners now onboarded, enabling their SMEs to access Modulr's Payment as a Service solutions.

The Currencycloud Group Ltd - £10M Award

- We have processed cross-border payments for over 37,400 UK SMEs (9.1% of all UK SMEs trading internationally) over the last twelve months.
- Value of cross-border payments processed on behalf of UK SMEs over the last twelve months has increased to ~£17.6 billion.
- We continue to distribute our services widely to UK SMEs, having onboarded 211 financial institutions serving UK SMEs and UK Fintechs since January 2020.
- We have complemented the CIF grant funding with over £56m of additional investment to date to deliver a global transaction banking platform for UK SMEs, exceeding our co-investment commitment.

CIF Pool D Key Achievements as of 30 June 2023

Codat Limited - £5M Award

- Codat has now successfully completed delivery of all Pool D commitments.
- Codat's platform has been used by banks, alternative lenders, insurers, payments/point of sale providers, cash flow forecasting tools and many more to accelerate development of new and improved integrated products for SMEs.
- Codat has increased the proportion of UK SMEs covered, the variety of use cases supported, and the number of financial services providers using our platform. Codat is now used by over 200 financial service and software providers.
- Codat's platform now enables financial products to integrate with commerce platforms including Stripe and Shopify, alongside their broad range of accounting integrations from Xero, and Quickbooks to Wave, Sage 200cloud and Microsoft Dynamics 365 all via a single, developer friendly API. We support 16 platforms in total, including Amazon Seller Central, Clover and Paypal.
- Codat has successfully launched our self-serve platform and lending portal. These new products are helping our clients to quickly test, build and view data on the Codat platform.
- Codat is pleased to announce that we are now working with five fellow BCR recipients, Atom Bank, Virgin Money, Fluidly, Swoop and Previsio to power integrated product offerings.
- Codat is now used by more than 250 clients worldwide from tier one banks to emerging startups.

Fluidly/OakNorth Bank - £5M Award

- In Q2 2023, we delivered our Credit Decision and Transaction Execution deliverables which now concludes the final delivery of our business case.
- In Q1 2023, spend of our committed Co-investment of £5m was successfully deployed and we completed delivery of our final 3 public commitments.
- In Q4 2022, we completed the extension of the digital application for commercial investment loans, as well as completing the secure data integration with our credit decision engine. We have also completed the development of the credit decision engine which will allow us to make decisions on loan applications faster.
- In Q3 2022, we launched the new OakNorth digital application journey for residential property loan applications under £3m. This will make the online loan application process much faster and easier, cutting down average times to complete an application and gather all the paperwork to apply for a loan from weeks to hours.

- In Q2 2022 we launched as one of the partners on Virgin Money's new SME proposition M-track and featured in their communications showcasing our product. We also received FCA approval for the OakNorth acquisition of Fluidly.
- In Q1 2022, we launched two new features to help SMEs understand their business better and make more informed decisions. These were Instant Insight, which provides an initial view of the business ahead of the full cashflow forecast, and Cash Performance, that compares actual company performance to the AI forecast. We also enhanced our training capabilities to provide information and understanding on the Fluidly products including the new OakNorth products.
- We have 44 lenders in our marketplace, many of whom are alternative finance players, and we are working with more than 40 of the Top 100 Accounting Firms in the UK to reach as many SMEs as possible at scale.
- In 2021, we launched our first fully automated funding journey enabling SME businesses to receive an instant decision about their funding options and receive approval for funds in real time. We launched our VAT insights tool to allow our SME users of both Quickbooks and Xero to benefit from this feature, including forecasting VAT payments and handling VAT deferrals. We also launched actions within our product to help SMEs manage their cashflow, including a new 'Plan' feature which supports financial decision making.
- In 2020, we launched our funding journey (financial services marketplace): this allows SMEs to instantly access pre-qualified funding offers from a range of lenders by inputting just their company name.
- Awards: In 2020, we were awarded the LUCA Award for best cashflow forecasting software and the Accounting Excellence Award for Software Innovation of the Year. We continued to strengthen our partnerships with General Ledgers (Xero and Intuit Quickbooks) and were awarded Practice App of the Year (2020) at the Xero Awards. In 2021, we were shortlisted for two Accounting Excellence awards, the Partnership Award for building relationships with accountants and Product Innovation of the Year, for our funding platform.

Funding Options Limited - £5M Award

- Q2 2023 - Funding Options has used BCR funding in line with our pledges to help facilitate over £349m of new lending (debt) which includes £91m of new loan volumes for alternative lenders without any cost acquisition to UK SMEs since the commencement of Pool D.
- Q1 2023 - Funding Options' acquisition by Tide, which completed on 1st February 2023.
- Q3 2022 - The Funding Options team has expanded its data-driven platform for the SME finance sector with the launch of Funding Cloud: Insights, which provides market knowledge and intelligence to the small business lending industry. Following on from the successful launch of Funding Cloud in 2021, we wanted to deliver further market intelligence and granular trend data to our lender partners so they can evolve their lending proposition and make more accurate decisions about products.
- Q4 2021 – We continued to submit applications for new loans without any cost of acquisition to a growing number of lender partners, delivering in line with the target. Additionally, we launched "Funding Cloud™ Connect" - our tailored solution for

professional firms through our Advisory channel to help empower accountancy firms and other professional companies to provide vital support to their local SMEs.

- Q2 2021 – We launched Funding Cloud™, a technology and data-driven platform that connects businesses, lenders, and partners to facilitate fast, accurate and secure access to funding at scale to achieve fully digitally underwritten lending decisions in real time. The shortest time frame achieved to date from a business submitting a finance application to full approval by a partner lender, is 20 seconds. The shortest time frame achieved to date from a business submitting a finance application to having the money transferred into its bank account by a partner lender, is 18 minutes.
- Q2 2020 to Q1 2022 - We have navigated the changing COVID-19 conditions in the SME finance sector diligently - pivoting the team's focus, when necessary, with the introduction and cessation of the different HMG schemes - to always ensure we continue to provide a competitive choice of appropriate funding options for UK SMEs.
- Q1 2020 – As an early adopter, Funding Options has championed the benefits of Open Banking infrastructure for both our business customers and lender partners. Adoption rates have since been strong and as of Q2 2023 over 37k accounts had been connected using Open Banking.

Swoop Finance Limited - £5M Award

- Launch of new virtual CFO where SMEs can access loans, grants, and investment, as well as cut costs across utilities, banking, and FX resulting in £2.7bn+ in finance raised and saved for UK SMEs.
- 700k+ funding applications received through the platform.
- 2000+ funding providers onboarded within the integrated marketplace.
- Released new funding tool for Vendors to give greater access to asset and leasing solutions.
- Rolled out funding marketplace for lender rejections.
- 800k+ SMEs utilising Swoop Virtual CFO marketplace.
- Launched SwoopGBT to external subscription customers
- 50 new employees in the Midlands.

Form3 Limited - £5M Award

- In Q4 2022, we delivered Universal Confirmations.
- In Q3 2022, we delivered 'Correspondent Account Management' and 'Payment to FX Flow Integration' functionalities.
- In Q2 2022, we delivered 'SWIFT International Payments' functionality.
- In Q4 2021, we delivered 'Payment System Orchestration' initiative.

CIF Pool E Key Achievements as of 30 June 2023

Virgin Money Plc – £35m Award

- Having fully deployed CIF spend, Virgin Money is utilising its remaining matched funding to support the delivery of our commitments. We have chosen to prioritise resource where we can create the most value for SME customers. For a number of reasons, including the strong lending support we're already offering SMEs today, and the evolving macroeconomic context driving greater focus on liquidity management and the opportunity to provide a better experience for SME depositors, we have agreed to pivot from digitising lending to digitising deposits.
- We have made continued improvements in our onboarding journeys, sustaining net customer growth, and increasing market share by a further 0.1%. At the same time, we've made further gains in delivering improved experiences, with Customer satisfaction now achieving our target of 75%.
- We've also recently announced partnerships with Xero and Quickbooks, strengthening our proposition and the support we can offer to SMEs
- With the delivery of further initiatives, we have now met our commitment of investing an additional 150,000 hours of Relationship Manager time per annum.
- Relationship Manager capacity has also helped to support our increase of £134m in lending to SMEs in Q2 2023.
- We continue to deliver improvements to our digital servicing capabilities, including more digital self-service functionality . This has supported customer growth and led to better customer experiences demonstrated by customer satisfaction reaching 75%.

ClearBank – £25m Award

- Now one of the leading SME challengers in terms of BCAs; creating a true SME first alternative to high street banks.
- Achieved the committed 1% additional the market penetration.
- Surpassed the committed of £200m cumulative flow of funding across intermediated and proprietary credit as well as the debt and equity managed services networks.
- Achieved the commitment to support digital payments via upgrades to our payment functionality including RTP, COP and Digital cheques.
- Achieved our commitment to raise our awareness levels via spending over £11m of our own funds on marketing - currently awareness is at 52% prompted brand recognition.
- Achieved our commitment by providing opportunities for more than 25 SME partners.
- Exceeded our diversity commitments by onboarding more than 50,000 female and 20,000 BAME entrepreneurs and raised our Women in Leadership to over 35%.
- Achieved the committed 100% matched funding of the £25m BCR award with £26.7m own spent.
- On Track to deliver the final commitment to have 70,000 businesses use their existing third party BCAs on our platform by end of 2023.

MarketFinance – £10m Award

- As of Q1 2023, we have lent over £545m to over 2,600 UK SMEs and have processed more than 15,000 transactions in relation to our Embedded Finance Solution.
- Our total recruitment to date is 123.
- In Q4 2022 we officially launched our first sole trader solution and successfully serviced our first sole trader customers through Kriya Payments (previously MarketPay).
- We kicked off a project to utilise credit insurance in Kriya Payments in order to further increase our acceptance rates and help even more UK SMEs.
- We have now successfully deployed both CIF and our committed co-investment.

Codat Limited – £2.5m Award

- Codat's platform has been used by banks, alternative lenders, insurers, payments/point of sale providers, cash flow forecasting tools and many more to accelerate development of new and improved integrated products for SMEs.
- Codat has increased the proportion of UK SMEs covered, the variety of use cases supported, and the number of financial services providers using its platform.
- Codat's platform now enables financial products to integrate with commerce platforms including Stripe and Shopify, alongside its broad range of accounting integrations from Xero, and Quickbooks to Wave, Sage 200cloud and Microsoft Dynamics 365 all via a single, developer friendly API. Since being awarded CIF funds, Codat has increased its coverage of commerce platforms substantially to support 16 platforms in total, including Mollie and Prestashop.
- Codat has successfully launched its self-serve platform and lending portal. These new products are helping its clients to quickly test, build and view data on the Codat platform.
- Codat has now completed 4 out of 5 of its commitments.
- Codat is pleased to announce that it is now working with four fellow BCR recipients, Atom Bank, Virgin Money, Fluidly and Prewise to power integrated product offerings.

ezbob Ltd – £2.5M Award

- All CIF related functionality has been delivered.

tomatopay – £2.5m Award

- untied is live with Barclays supporting sole traders for the UK January 2023 tax season.
- tomato pay secured a partnership with Spire Technologies in the middle east to address SMEs in the Kingdom of Bahrain and the Kingdom of Saudi Arabia which will benefit UK SMEs.
- tomato pay reconfigured its infrastructure to be cloud partner agnostic thereby opening up new opportunities to configure the platform with a wider set of go-to-market partners, and in turn, market to more UK SMEs.
- untied has deployed SA800 partnership return filing capability over API for third parties to use to file to HMRC.
- untied has deployed a web-based and API-accessible TIN checker, allowing digital platforms to verify the national insurance number, date of birth and name of those earning on them; this is also useful for financial institutions.

- untied has deployed API-driven and secure bulk registration for HMRC agent services.

Funding Xchange Ltd – £5m Award

- In partnership with Shawbrook, we won ‘the best digital Innovation award’ for the Asset Finance category.
- We have successfully deployed both CIF and our committed co-investment of £5m.
- Since BCR funding, FXE onboarded 30 additional lenders to offer the suite of liquidity options across the platform.
- Our CIF funded portfolio monitoring solution is live with multiple banks and lenders.
- We have created 55 highly skilled positions and embedded a hybrid working arrangements linked to regional offices to support at least 60% of our staff.
- We remain in a market leading position with respect to diversity at >50%.

CIF Pool F Key Achievements as of 30 June 2023

Codat Limited – £5m Award

- Codat's platform has been used by banks, alternative lenders, insurers, payments/point of sale providers, cash flow forecasting tools and many more to accelerate development of new and improved integrated products for SMEs.
- Codat has successfully built and launched the Sync for Commerce API to enable automatic reconciliation of sales transactions into the major UK accounting software providers. 5 payment providers are now using or implementing the new product.
- Codat has successfully built and launched our new 'Assess' product which allows lenders to connect and derive insight from SMEs' sales data. It has already been used to evaluate more than 5,000 SMEs.
- Codat has now delivered on 3 out of 4 of our commitments.

Cashplus Bank – £5m Award

- In Q2 2023, Business Credit Card Payments Integration was delivered which concludes delivery of CIF committed functionalities.
- To date, £2.4m of cashback rewards has been credited by CashPlus.
- In Q1 2023, Guaranteed Pricing capability was delivered.

Swoop Finance Limited - £2.5M Award

- Launched new AI workflow tools in collaboration with Microsoft to improve the automation of growth financing applications
- Closed £497m in growth financing.
- Generated 5,813 growth finance leads.
- Added 2 new growth financing lenders onto the marketplace and portal products.