



WHITE PAPER

Accelerating the Unicorn Landscape in UK Fintech

A joint report by Innovate Finance & BCG with contributions from the Unicorn Council for UK Fintech

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Foreword



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The UK's fintech sector has already proven its worth. Billions invested, millions of consumers better served, thousands of high-skill jobs created across the country, and a generation of entrepreneurs who chose to build here. And very importantly, these incredible fintechs have been the drivers of innovation in financial services. That is the foundation on which this report stands.

This publication, codeveloped with Innovate Finance, highlights the fintech contribution to the UK, but also attempts to answer a more forward-looking question: is the UK doing enough to ensure the fintechs it creates can also scale here, stay here and win globally? Our view, formed through interviews with 20 of the UK's most significant fintech founders and CEOs, is that the answer today is not yet. However, that through concerted effort by the ecosystem, the gap can be closed, and the window to act is open now.

What struck us most across these conversations was the constructive ambition. These are founders who believe in the UK, have built here deliberately, and want to continue doing so. Their ask is not for any special treatment, but for the infrastructure to scale: domestic capital that backs the full journey, regulation that moves at the speed of innovation, market access that reflects the UK's global ambitions, and incentive frameworks worthy of the talent being asked to take risks and stay the course.

Other markets are not waiting. The US is accelerating on digital assets and payments modernisation. India and Singapore are growing their fintech investment at rates the UK is not matching. The prize of being one of the world's leading fintech hubs is not permanently reserved.

This report sets out what needs to change, and why the moment to act is now. The firms capable of becoming the UK's next global champions are already here. The task is to build the conditions that allow them to reach their potential.

We have many unicorns – but we need more of them, and the UK is more than capable of making it happen.

Finally, we would like to extend our gratitude to all of the fintechs and Innovate Finance members who provided their thoughtful views and ideas to make this report possible.

Through its positive impact on growth, inclusion, value creation and democracy, fintech is one of the UK's great success stories. Over the past decade, the UK has secured more fintech investment than any country bar the US. Today, fintechs deliver more than 68% of SME lending across the country. And they are a significant source of employment - in 2024 the most significant in financial services.

The UK has created phenomenal fintech unicorns and high growth firms that have transformed financial services for the better. The sector is also producing substantial value for investors. But to reach its full potential, and continue powering growth in the UK economy, it needs to be properly supported. The task now is to maintain global leadership and continue to build the companies of the future. For that, we need government, industry and regulators to move forward together, faster.

Two years ago, Innovate Finance launched the Unicorn Council for UK Fintech (UCUF), which I have the honour of co-chairing alongside founding co-Chair Philip Belamant, CEO of Zilch, Francesca Carlesi, CEO of Revolut Bank UK, and Charles McManus, Founder of ClearBank. The Council convenes more than 30 CEOs and founders of the largest, most exciting and highest-growth UK fintechs, with the aim of providing policy recommendations and feedback to maintain the UK's leading global position.

This report, curated by Innovate Finance and our partners at Boston Consulting Group, showcases the tremendous positive impact this current cohort of high-growth companies has already had on the UK economy and society. Importantly, it also outlines the critical steps and policy changes necessary for the UK to continue to create the unicorns of the future and build them into global champions.

We would like to thank our inspiring Innovate Finance members, who contributed their time and insights to helping make this report possible. As is illuminated in the following pages, we have here in the UK, without a doubt, the very best fintech ecosystem in the world. Our innovators, our entrepreneurs and our founders are second to none. UK fintech has already proven its value. Now we must all work together to continue to write this positive story for the future.

The Path to Scale-up Nation

The UK is home to a generation of globally recognised fintech challengers across financial services. These companies have thrived in part due to the UK's unique strengths, including a principles-based regulator that pioneered the sandbox model, a talent cluster rooted in London's status as a leading global financial centre, and a strong early-stage capital environment that consistently backs new ideas. These conditions have helped the UK excel in creating numerous exciting fintechs over the past decade. But as the sector matures, we face a new and different challenge: can the UK continue to support promising, hyper-growth firms and scale them into global winners? Equally, how can we ensure that more of the value they create stays onshore?

Before examining what may be holding this ambition back, it is worth recognising, acknowledging and celebrating what has already been built. The fintechs we interviewed for this report are sustaining thousands of high-value jobs across the country, improving financial services for millions of consumers, expanding access to credit for the SMEs that make up the majority of UK businesses, and actively shaping the regulatory frameworks that govern the sector. Our report documents this tremendous and inspiring contribution. The good news is that the task for the UK is not to create this value from scratch, but rather to retain, scale, and reinvest more of it at home – and in doing so, enable UK fintechs to scale globally and create new multinational enterprises at home.

The risks to the UK's global fintech leadership, and to ongoing creation of unicorn companies, are becoming harder to ignore. Capital invested in UK fintech remained broadly flat between 2024 and 2025, even as markets such as India and Singapore recorded growth of more than 40%¹. Meanwhile, the US is moving with renewed urgency on digital assets, stablecoins and payments modernisation; areas where the UK helped write the rulebook. Other fintech hubs are emerging fast, emphasizing the need for urgent action in the UK.

This report draws on interviews with the founders and CEOs of some of the fastest-growing and most exciting UK fintechs, case studies and relevant policy and regulatory developments. Our discussions with these stakeholders surfaced four systemic frictions that consistently stop UK fintechs making the leap from domestic success to global scale:

1. A regulatory pace and risk appetite that remains misaligned with the speed of innovation.
2. A domestic capital gap at the growth stage, driven by low institutional risk appetite.
3. A constrained adjacent market opportunity.
4. An equity and wealth-creation framework that is failing to incentivise and retain the talent needed to compete globally.

The UK is at an inflection point - but also a genuine moment of opportunity. The Chancellor has explicitly committed to making Britain the place where frontier technologies start, scale and stay, moving to align public funding, procurement and pro-growth policies behind innovation². Peter Kyle, the Business and Trade Secretary, has declared his ambition for the UK to create its first trillion-dollar company. In 2021, the Kalifa Review of UK fintech set out a roadmap to extend the UK's competitive edge³. Five years on, progress has been meaningful but uneven, and the window to act is narrowing as other markets move faster. As Sir Ron Kalifa, former CEO of fintech giant Worldpay, put it, the UK has laid the rail track but hesitated to run the trains⁴. On a more

1. Fintech Investment Landscape 2025, Innovate Finance. <https://www.innovatefinance.com/capital/fintech-investment-landscape-2025/>
2. Chancellor Rachel Reeves, Mais Lecture 2026, UK Government website, 17 March 2026. <https://www.gov.uk/government/speeches/mais-lecture-2026>
3. UK Government Policy Paper: The Kalifa Review of UK Fintech, HM Treasury, 16 April 2021. <https://www.gov.uk/government/publications/the-kalifa-review-of-uk-fintech>
4. UK has laid track for open banking, but failed to run the trains, Karl Flanders, Computer Weekly, 27 Feb. 2026. <https://www.computerweekly.com/news/366639612/UK-has-laid-track-for-open-banking-but-failed-to-run-trains>

positive note, the government has signalled its willingness to rebuild closer alignment with Europe, creating a structural opportunity for fintechs that lost passporting access to a market of more than 450 million consumers.

While previous reviews have mapped the fintech landscape, this report focuses on the specific infrastructure that can enable scale and proposes four concrete calls to action: fixing the capital gap to enable growth-stage depth, rebuilding mutually beneficial market access, building a talent infrastructure fit for the next phase, and using public–private collaboration to shape policy. If the UK gets these things right, the prize will be more globally competitive, UK-headquartered fintechs choosing to IPO in London, a stronger and more permanent talent cluster, and a more competitive financial services sector, driven by greater productivity, resilience and innovation. The fintechs capable of delivering these goals are already here. The question is whether the conditions to keep them, scale them and ultimately own the value they create are in place?

How Leading Fintechs Support Growth, Innovation and Competitiveness in the UK

Across our interviews with the founders and CEOs that comprise Innovate Finance’s Unicorn Council for UK Fintech, a clear and compelling set of contribution themes emerged. These firms are no longer just promising innovators, but businesses making a material contribution to the UK economy. Starling now serves 4.6 million accounts and holds £12.1 billion of customer deposits⁵. Zilch has processed over £5 billion of purchases – both online and in-store. Epos Now has enabled £30 billion in gross transaction value (GTV) for small and medium-sized businesses. Together, these figures show that UK fintech is already building large, durable platforms from a domestic base.

One important area of fintech impact is in anchoring high-value jobs and talent in the UK. The Fintech Unicorns, employ thousands of people in the UK across technology, product, operations, risk and commercial roles. Beyond job creation, these firms are helping to deepen the UK’s capabilities in high-skill areas that are critical to the fintech ecosystem. Several have also reinforced the UK as a strategic operating base. Revolut, for example, has emphasised that London is its global headquarters and that it continues to invest in expanding its central offices there. Similarly, Stream has kept product engineering centralised in the UK, citing access to engineering talent from leading universities.

A second major contribution is the improvement of financial services for UK consumers. Fintechs have materially improved the quality, accessibility, and user experience of financial services, and the strongest proof point is the scale at which consumers now use them. Zopa, for example, has grown to 1.7 million customers, with £6.4 billion of deposits and £3.8 billion of loans on balance sheet⁶. ClearScore’s app is UK’s #1 credit score and report app, trusted by nearly 16m users⁷. More than 3,000 fintechs across the UK now offer a wide range of products and services, including savings and transactional accounts, credit facilities, payments, trading, investment, risk management, compliance and customer relationship management solutions.

One of the clearest impacts has been in everyday banking, where neobanks have raised customer expectations around speed, usability and service quality, prompting incumbent banks to improve their own propositions. A 2025, FCA-mandated service quality survey carried out by Ipsos placed Monzo and Starling as the top two performers for overall service quality and online and mobile banking service, ahead of legacy banks such as Barclays and HSBC⁸. FNZ provides another example of this contribution, through replacing fragmented legacy systems at banks, insurers and wealth platforms with a single end-to-end platform, and layering in AI to help end customers execute more efficiently.

5. Starling Bank, Annual Report, 2025

6. Zopa, Annual Report, 2025

7. ClearScore Website

8. Personal banking service quality – Great Britain, Ipsos, 16 Feb. 2026. <https://www.ipsos.com/en-uk/personal-banking-service-quality-great-britain-february-2026>

Fintechs are also having a meaningful impact on the real economy, particularly in improving access to finance for small and medium-sized enterprises (SMEs). SMEs are the backbone of the UK economy, making up 99.9% of all businesses, or 5.7 million firms at the start of 2025. They employ 16.9 million people, representing 60% of the private sector workforce, and generate around half of private sector turnover, equivalent to £2.8 trillion⁹. Yet, many SMEs have historically faced slow, bureaucratic and inflexible lending journeys that were poorly suited to their needs. Challenger and specialist lenders such as Simply Asset Finance and iwoca have helped address this problem by redesigning the borrowing experience around speed, convenience and better use of data. As a result, they increased their share of SME lending from around 40% in 2012 to 68% in 2025¹⁰. OakNorth has provided over \$20 billion in lending to thousands of businesses supporting the creation of more than 70,000 jobs. Allica's lending has supported 118,000 jobs and contributed £8.4 billion to UK GDP. Fintechs are also helping SMEs operate more efficiently, by embedding payment automation into everyday business workflows. Modulr, for example, works through channel partners such as Sage, Xero, BrightPay and AllPay to integrate payroll software with payroll platforms, helping SMEs improve automation and efficiency.



“The gap in the SME funding space has been widening between the traditional bank offering and what SMEs need. The SME sector in particular needs deep specialism and focus. The independent non-bank providers are delivering that. Our model has been to focus on a niche and do it extremely well. For that purpose, we are driving technology and AI development specifically for this business area.”

– Ylva Oertengren, COO & Co-Founder, Simply Asset Finance

Finally, fintechs are helping to shape regulation in line with innovation, which is contributing to the creation of a thriving ecosystem. Many participate in FCA-led sandboxes and other regulated testing environments for business use cases and products. Their practical input on how new technologies should be treated helps inform policy decisions. In the first quarter of 2026, for example, Revolut was one of the four companies selected to test stablecoin use cases, including in payments, wholesale settlement and crypto trading, which would contribute to shaping of the UK's final stablecoin rules.

What We Heard from Leading Fintechs: Four Interlocking Frictions

Across our interviews with fintech founders and CEOs of Unicorn Fintechs, a consistent picture emerged. The UK's ability to create fintechs is not in doubt; but more contentious is whether the conditions that helped establish it as a thriving hub are evolving quickly enough. Every fintech leader we spoke to acknowledged the UK's genuine strengths, including the FCA's principles-based, outcomes-focused approach, the value of regulatory sandboxes, the depth of available capital, the strength of the talent base and the continued evolution of the regulatory framework. These are real advantages, and they remain important foundations of the UK's fintech story. However, founders consistently pointed to four interlocking frictions that emerge later in the scaling journey.

9. UK Small Business Statistics, Federation of Small Businesses. <https://www.fsb.org.uk/media-centre/uk-small-business-statistics>
10. Smaller business lending markets showing signs of improvement, finds latest British Business Bank research, British Business Bank, 17 March 2026. <https://www.british-business-bank.co.uk/news-and-events/news/smaller-business-lending-markets-showing-signs-improvement-finds-latest-british-business-bank>



“The risk appetite of UK investors, both private and public, is quantifiably lower than that of stateside investors. UK investors are patient, but they are not as risk-on as their American counterparts.”

– Mark Mullen, CEO & Co-Founder, Atom bank

1. Regulatory Momentum and Risk Appetite Can Feel Misaligned with the Speed of Innovation

While the FCA’s growth mindset is widely valued, including the recently launched PRA/FCA Scale-up Unit, fintechs continue to navigate approval timelines that are materially slower than in other markets. Some of Stream’s UK regulatory licences, for example, took 15 months from application to approval, compared with 30 to 60 days in most US states. Stream’s co-founder also highlighted that the FCA’s lower application fees appear to encourage a high volume of low-quality submissions, contributing to backlogs that slow decision-making for more credible firms. At the same time, in areas such as digital assets, some geographies are moving faster on policy design and implementation. ClearBank, for example, is already operating under MiCA in the Netherlands, while UK frameworks remain work in progress. Founders emphasise that delay is creating a competitive disadvantage in areas the UK helped pioneer. More broadly, they argue that UK regulators are not yet sufficiently open to calibrated risk-taking to support scaling. In their view, the prevailing regulatory approach remains overly risk averse, constraining the UK’s ability to lead in areas such as stablecoins, digitalised capital markets, and other technology-led financial services. This is seen as a broader challenge, compounded by the UK’s decision to implement Basel 3.1 more stringently than many other European markets.



“UK regulators are now confronted with new and challenging issues like AI, tokenisation, and crypto. Because of the sophistication of its regulatory framework and its pro-competition agenda, the UK has an opportunity to foster faster, safer adoption of these new technologies than may be possible in other markets.”

– Blythe Masters, Group CEO, FNZ



“The UK possesses a combination of market sophistication, a tech-savvy consumer base, and the necessary regulatory and infrastructural 'wrappers' - such as its regulatory sandbox approach – to support companies looking to pilot new financial engagement strategies. To maintain this innovative edge, it is crucial that UK policymakers avoid prematurely over-regulating these emerging models.”

– Mike Walters, CEO & Co-Founder, Form3

2. Domestic Scale-up Capital Constrained by Low Levels of Risk Appetite

A risk averse capital environment is the most consistently cited constraint on UK fintech scaling. Indeed, UK pension fund allocation to UK equities has fallen sharply over time, leaving a much smaller pool of domestic growth capital available. Today, UK pension funds allocate only around 4% of their assets to UK equities, down from more than 50% 25 years ago¹¹. The consequence is structural: many UK scale-ups are compelled to seek later-stage growth equity from American private equity houses and North American pension funds, which in turn shifts governance, listing preferences, and ultimately the centre of gravity of these businesses away from the UK, as observed by the CEOs of ClearBank and Zilch. Even where capital exists, UK investors are often seen as more cautious, because the upside from top-end fund outcomes is perceived to be lower. British Business Bank data shows that, at the 99th percentile, US venture capital funds generate Distributed to Paid-In Capital (DPI) multiples of 9.59, compared with 5.95 for UK funds¹². This reduces the pull of “home run” returns that typically justify a high-risk investment strategy. Founders also pointed to a broader conservatism across UK and European capital markets, with greater emphasis on near-term cash generation than on backing high-growth businesses at scale.

While recent initiatives such as the Mansion House Accord signal genuine intent, founders were broadly sceptical that structural reform alone will shift behaviour. The deeper problem, they argued, lies not in the volume of capital sitting within pension funds but in the incentive structures governing how it is deployed. Moving away from cost of investment to its outcome and outperformance, allowing Trustees mandate of protection to one of growth, among many other measures are needed to drive the relevant capital allocation towards the high growth sectors of the economy.



“In 2020, eight years after our launch, we were seeking \$40 million. Despite our sustained growth and profitability in the UK, and having launched and gained early traction in the US with all regulatory licences, our experience was challenging. We pitched to 103 UK and European funds and family offices and did not find a single one prepared to lead the round. In contrast, when we went to the US, we had the money within three months.”

– Louise Hill, Founder, GoHenry



“The top-quartile growth companies will always have access to funding. However, the core issue in the UK is whether companies in the 50th to 75th percentile can still obtain funding. Can those companies get the capital they need to prove an unproven business model, pivot, and iterate to make it work? This is where the US is far ahead of the UK.”

– Christoph Rieche, CEO & Co-Founder, iwoca

11. Comparing the asset allocation of global pension systems, William Wright and James Thornhill, New Financial, September 2024. <https://www.newfinancial.org/reports/comparing-the-asset-allocation-of-global-pension-systems>
12. UK Venture Capital Financial Returns 2024, British Business Bank. <https://www.british-business-bank.co.uk/sites/g/files/sovrnj166/files/2024-11/uk-vc-financial-returns-report-2024.pdf>

3. A More Constrained Adjacent Market Growth Opportunity

Brexit removed EU passporting rights for UK-based firms, and no equally workable alternative has emerged. The current EU equivalence system offers only a limited substitute. While, in theory, it can grant third-country firms certain market access rights where their home regulations are deemed equivalent, in practice only one equivalence decision has been granted to the UK, compared with 18 for the US and 16 each for Canada and Australia¹³. As a result, many UK fintechs now require both a UK and an EU licence to operate effectively, increasing cost, complexity and the compliance burden. That said, UK fintech unicorns are expanding in non-EU markets including the USA and Commonwealth nations, driven by a mindset focused on products that can be rolled out globally.



“A limited addressable market makes it exceedingly difficult for a company to scale and become a global player. The UK must focus on rebuilding bridges and positioning itself as a springboard for growth into other countries. Establishing new bilateral agreements is not optional, it is essential.”

– Francesca Carlesi, UK CEO, Revolut

4. An Insufficient Equity and Wealth-creation Framework, Which Founders Believe is Making it Harder to Attract and Retain Ambitious Talent at Scale

Across the board, founders are clear that the UK still does not offer an equity incentive framework that is competitive enough for growth-stage businesses operating in global talent markets. Recent policy changes around enterprise management initiatives (EMI) were acknowledged by interviewees but widely seen as too limited to materially shift outcomes for larger firms. This is particularly important in the fintech sector, where competition for senior technical, product and commercial talent is global and equity forms a core part of the value proposition.

Founders also raised a broader concern that the UK can feel less supportive of wealth creation, which may influence where ambitious entrepreneurs and senior talent choose to build and scale businesses. They linked this not only to equity incentives, but also to a wider perception that success is less well rewarded than in competing markets. That concern sits alongside a 45% top rate of income tax, capital gains tax rates of 18% and 24%, and an inheritance tax regime that remains a consideration for founders thinking about long-term wealth creation and succession. One broader signal of this sentiment is the estimated net migration of around 16,500 millionaires from the UK in 2025, representing over £90 billion of wealth¹⁴.



“We have these amazing engineers, but HM Treasury's CSOP rules does not allow us to grant those engineers equity at the same level we could in the US. The UK is failing to lean into one of its key comparative advantages, its talent, by preventing companies from compensating them competitively.”

– Portman Wills, Co-Founder, Stream

13. EU-UK regulatory cooperation in financial services, EPRS European Parliamentary Research Service, March 2025. [www.europarl.europa.eu/RegData/etudes/ATAG/2025/769530/EPRS_ATA\(2025\)769530_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/ATAG/2025/769530/EPRS_ATA(2025)769530_EN.pdf)

14. Country Wealth Flow 2025, Henley & Partners. <https://www.henleyglobal.com/publications/henley-private-wealth-migration-report-2025/country-wealth-flows>



“When you look at the incentives, or lack thereof, for reinvesting wealth generated from a successful startup or exit, the UK is a little bit behind. There are a number of good initiatives in other jurisdictions that could be lifted, shifted, and deployed in the UK. So, while there is a lot of work to be done, we have to recognise that the government is listening.”

- Iana Dimitrova, CEO, OpenPayd

These are not isolated constraints. They are systemic issues that progressively undermine the UK’s ability to capture the full value of the fintechs it creates. In the following section, we examine the actions already underway to address these friction points, alongside global best practices that may offer relevant lessons for the UK.

Policy & Regulation - The Next Wave of Growth Will Depend on Policies that Move in Step with Scaling

The UK government is taking steps to support the next phase of fintech growth, bringing an increasing focus on policy, regulation and public-private collaboration. For example, the fintech industry has been prioritised as a key pillar of the Government’s Financial Services Strategy, and de facto its Industrial Strategy.

Regulation can help fintechs in **three ways**:

- 1. Removing regulatory obstacles.** A productive approach would be to speed up authorisations and replace prescriptive rules with outcome-based consumer protection. This would include building supervisory and enforcement teams that understand innovators’ business models.
- 2. Introducing proportionate, competitive pro-innovation rules for new products and services that lie outside the regulatory perimeter.** This should be undertaken at pace. Recent examples of progress include regulation of buy-now-pay-later companies, where a new regime has finally been introduced, and crypto assets, where the UK is now catching up with other countries. Regulatory uncertainty deters investment while regulatory clarity is a draw to global investors.
- 3. Opening new markets for competition and innovation.** Open banking is the UK’s success story in this area. The UK led the world in adoption and this sparked a wave of fintech innovation. The industry now needs bold and rapid regulatory action to extend this to open finance.

Despite headwinds, the UK is increasingly recasting regulation as an enabler of fintech scaling. This is reflected in several recent measures designed to support innovative firms more effectively. The joint PRA/FCA Scale-up Unit, announced by the Chancellor in her 2025 July Mansion House speech and launched in October 2025, aims to help fast-growing firms navigate regulatory processes, support product innovation, provide feedback on new policy proposals and strengthen dialogue between firms and regulators. The FCA has also introduced faster authorisation timelines, with the timeline for new authorisations and variations of permission applications reduced from six months to four, alongside a more digitised application process and enhanced support for firms during the application journey¹⁵. In parallel, the establishment of the Office for Investment: Financial Services reflects a commitment to helping international firms set up and expand in the UK, supporting wider objectives around growth, job creation and productivity¹⁶.

15. FCA sets faster targets for authorisations, FCA website, 15 July 2026.

<https://www.fca.org.uk/news/news-stories/fca-sets-faster-targets-authorisations>

16. Office for Investment: Financial Services, <https://www.theglobalcity.uk/ofi-financial-services>



“The focus has shifted from starting companies to helping them scale, which is a positive development that needs to be maintained, specifically in financial services. The regulators have set up the scale up unit which we are proud to have joined. We need to do our best to ensure that it succeeds in the same way the new bank setup unit succeeded 10 to 12 years ago.”

– Jaidev Janardana, Group CEO, Zopa

Public-private collaboration is also playing an important role in shaping policy in practice, with the UK continuing to build on its model of testing innovation in controlled environments before full rollout. Through initiatives such as the FCA Regulatory Sandbox, the Digital Securities Sandbox, and the Digital Sandbox, fintechs and financial institutions can test products, digital assets and market infrastructure within regulated environments. These testing frameworks not only support innovation but help inform the design of future regulation. In one example, the FCA launched the Stablecoin Sandbox in November 2025, received 20 applications, and in February 2026 selected Monee, ReStabilise, Revolut and VVTX to test stablecoin solutions in a controlled setting, either live in the market with consumers or using firm data. Insights from this process are expected to contribute to the development of the UK’s final stablecoin rules later in 2026¹⁷. More broadly, the National Payments Vision, published in November 2024, has set a clear direction for payments modernisation, with ongoing engagement between government, regulators and fintechs helping shape future approaches to payments regulation and infrastructure, including work on the modernisation of payments regulation, the enablement of agentic payments, and the Bank of England’s initiatives on infrastructure design and DeliveryCo¹⁸.

Experiences from other markets shows what can be achieved when public reform is paired with private sector participation. Brazil, for example, has demonstrated how fintech scale can be unlocked when reforms are sequenced and implemented in a coordinated way. The central bank acted not only as a regulator but also as a builder, developing core instant payment rails such as Pix, driving adoption at scale through mandated participation by large institutions, and sequencing reforms across payments, onboarding, lending and open finance to create an integrated digital finance ecosystem. Benefits have included faster innovation, increased financial inclusion, stronger digital adoption and rising competition.

Capital - To Build More Breakout Firms, the UK Needs Capital that Backs the Journey From Promise to Scale

The UK government has signalled continued support for scaling of high-potential firms through public investment in innovation-led sectors. In March 2026, it announced £2.5 billion for AI and quantum, including £500 million for British AI companies¹⁹. The November 2025 Budget package, promised to channel £7 billion into innovative enterprises, out of which £4.5 billion will be going to high priority sectors such as financial services, helping firms scale and remain in the UK²⁰. It is also supporting flagship initiatives such as the Cambridge Innovation Hub, helping to strengthen activity across sectors including life sciences, deep tech and AI²¹. (see Exhibit 1).

17. FCA selects 4 firms to test stablecoin innovation in its Regulatory Sandbox, FCA website, 25 Feb. 2026.

<https://www.fca.org.uk/news/press-releases/4-firms-selected-test-stablecoin-regulatory-sandbox>

18. New industry owned and led organisation established to deliver the next generation of the UK’s retail payments infrastructure

19. UK will win AI race as Chancellor sets out economic ‘big choices’, HM Treasury, Department for Science, Innovation and Technology, The Rt Hon Liz Kendall MP and The Rt Hon Rachel Reeves MP, UK Government website, 17 March 2026. <https://www.gov.uk/government/news/uk-will-win-ai-race-as-chancellor-sets-out-economic-big-choices>

20. Budget backs technology firms to start-up, scale-up and stay in Britain to drive growth and national renewal, Department for Science, Innovation and Technology and The Rt Hon Liz Kendall MP, UK Government website, 27 Nov. 2025. <https://www.gov.uk/government/news/budget-backs-technology-firms-to-start-up-scale-up-and-stay-in-britain-to-drive-growth-and-national-renewal>

21. Innovation Hub investment announced as part of £500 million Oxford-Cambridge growth package, University of Cambridge website, 23 Oct. 2025. <https://www.cam.ac.uk/news/innovation-hub-investment-announced-as-part-of-ps500-million-oxford-cambridge-growth-packag>

EXHIBIT 1

Case Study | How Cambridge's Innovation Hub turned university research into successful growth companies



CONTEXT

Hub supports startups to grow and compete on the world stage

- Brings together founders, investors, large companies, and academics at its 2.7-acre campus on Hills Road in central Cambridge
- Seen as the UK equivalent of innovation centres such as Boston's Lab Central and Paris's Station F.
- In 2025, the UK government committed **£15 million funding** as part of a broader £500 million package aimed at development of the Oxford-Cambridge Growth Corridor



IMPACT

Investment landscape has expanded significantly with multiple success stories

- Number of active companies have risen nearly **80%**, from 473 in 2015 to 848 in 2025
- Total investment into University spinouts increased from **£46 million** in 2015 to **£879 million** in 2024, representing **27.9%** of all equity raised in the region

FEATURE SPACE

Featurespace, originated in the University of Cambridge developed AI that detects payment fraud and financial crime in real time. **Acquired by Visa in 2024 for £700m+**

river lane

Riverlane, has grown from a Cambridge spinout (founded by Cambridge researcher) into a global quantum software and deeptech player, **raising \$75 million Series C in 2024**

Alongside these initiatives, the UK is taking steps to mobilise more long-term private capital into growth businesses. One important development has been the activation of investment from defined contribution pension funds. The Mansion House Accord, signed in May 2025 by 17 pension providers covering around 90% of active Defined Contribution (DC) savers, commits signatories to invest 10% of default funds in private markets by 2030, with at least 5% allocated to the UK²². The government has stated that this could unlock more than £25 billion for the UK economy while also supporting better financial outcomes for savers. In parallel, the Pension Schemes Bill would encourage DC consolidation by mandating DC multi-employer schemes to operate a main scale default arrangement (MSDA) holding at least £25 billion in assets from 2030²³. The experiences of Australia and Canada offer useful lessons for Pension funds. In Australia, the creation of fewer, larger workplace pension funds, alongside pooled investment through pension fund-owned managers in specialised areas such as infrastructure, helped lower costs and build scale. In Canada, consolidating funds into larger pools allowed schemes to hire specialised in-house investment professionals. Together, these examples suggest that larger pension funds can be better placed to invest successfully in private assets, in turn increasing returns for their investors.

The UK could take learnings from other countries to explore new channels to facilitate pension investment into venture and growth capital. In France, for example, the Tibi initiative formalised commitments from institutional investors to support scale-ups. Under this voluntary pact, pension funds, insurers, and sovereign wealth funds allocated part

22. Pension schemes back British growth, HM Treasury, Torsten Bell MP and The Rt Hon Rachel Reeves MP, UK Government website, 13 May 2025. <https://www.gov.uk/government/news/pension-schemes-back-british-growth>

23. Pension Schemes Bill, UK Department for Work and Pensions, UK Government website. <https://www.gov.uk/government/publications/pension-schemes-bill-scale-and-consolidation/pension-schemes-bill-scale-and-consolidation>

EXHIBIT 2

Case Study | How France formalised commitments from institutional investors to support strategic scale-ups through "Tibi initiative"



PROBLEM STATEMENT

France produced strong startups but lacked scale-up capital to make them global leaders. Many firms were sold early or relied on U.S. and Asian late-stage investors, raising economic and sovereignty concerns

What is the "Tibi Initiative" and how does it work?

- Tibi initiative builds a sovereign, market-driven investment ecosystem to help European tech leaders scale globally
- Investors commit capital through the voluntary Tibi Charter to strategic late-stage and growth funds
- It uses a decentralized model, where certified PE and VC funds compete for Tibi-labelled investment based on sector focus, performance & strategy

Who are the stakeholders and their roles?

- **French Treasury** committee oversees the initiative, investor commitments, fund certification
- **Government** sets the framework, ensures transparency, aligns the initiative with national priorities
- **Bpifrance** (France's Public Investment Bank) supports the market through fund promotion, selective co-investment
- Pension funds, insurers, and sovereign wealth funds as Institutional investors

What impact has the initiative contributed?

- **Stronger scale-up financing:** Tibi has mobilised €14.0bn so far, exceeding targets (€6.4bn in 2020–2022; €7.6bn since 2023)

Doctolib

Doctolib, raised over €500 million in 2022, from Eurazeo, Bpifrance

- **Strengthened and diversified fund ecosystem:** 160 funds approved; 127 unlisted funds have raised €34bn, while 33 listed funds manage €17bn+ and actively support French IPOs

of their long-term capital to approved late-stage and growth funds. The state's role was to define eligibility criteria and monitor participation, while investment decisions remained with independent funds. (see Exhibit 2).

The UK is also making changes to strengthen London's appeal as a listing venue, recognising in particular the hurdles faced by founder-led companies. One such initiative is the London Stock Exchange's PISCES (Private Intermittent Securities and Capital Exchange System) which creates a structured route for early investors and employees to access liquidity without forcing the company into a premature trade sale or full public listing before it is ready to scale. Multiple founders pointed to PISCES as an encouraging signal, the task now is to build liquidity and participation so that it becomes a meaningful pathway, not just a structural option.

Additionally, The FCA's new listing rules, effective from July 2024, simplify the regime by creating a single commercial companies category and streamlining eligibility requirements in line with international standards²⁴. Changes to the Public Offers and Admissions to Trading Regulations, effective from January 2026, aim to make capital raising easier and more cost-effective²⁵. In addition, in November 2025, the government announced a three-year exemption from the 0.5% Stamp Duty Reserve Tax charge for newly listed shares on UK regulated markets²⁶. That said, there may be lessons to draw

24. FCA overhauls listing rules to boost growth and innovation on UK stock markets, FCA website, 11 July 2024. <https://www.fca.org.uk/news/press-releases/fca-overhauls-listing-rules-boost-growth-and-innovation-uk-stock-markets>

25. PS25/9: New rules for the public offers and admissions to trading regime, FCA website, 15 July 2025. <https://www.fca.org.uk/publications/policy-statements/ps25-9-new-rules-public-offers-admissions-trading-regime>

from markets such as the US, Hong Kong and India, which are seeking to make IPOs less complex for fintechs by reducing paperwork, giving companies more privacy as they prepare and allowing them to test investor interest ahead of launch.

Market Access - Winning at Home is Not Enough and UK Fintechs Need Clearer Pathways into Adjacent and Global Markets

Brexit fundamentally changed the growth equation for UK fintechs. It created a total addressable market (TAM) constraint, and many fintechs have responded by pursuing Commonwealth markets, bilateral partnerships, or re-licensing in the EU. The question now is how the UK can systematically rebuild a market access infrastructure that enables its best firms to scale beyond domestic boundaries.

This matters not just as a market size question but as a matter of strategic positioning. All things being equal, establishing a company in a city like Berlin now provides access to more customers than setting up in London. For the next generation of scaling fintechs, that asymmetry is a material disadvantage that no amount of domestic execution can fully compensate for.

Two credible responses to this constraint emerged from our interviews. The first is to rebuild meaningful access to the EU market, where the structural gap is most acute. The second is deepening Commonwealth and bilateral expansion, which several leading UK fintechs have found to be a more pragmatic path than the EU narrative typically acknowledges. In reality, these are complementary strategies and the UK needs both.

Clear.Bank

"Access to Europe is important, and access to international markets is critical for the next phase of UK fintech to flourish."

— Mark Fairless, CEO, ClearBank

EU-UK Ties: Rebuilding Mutually Beneficial Access

The EU remains the most structurally compelling adjacent market for UK fintechs by size, regulatory proximity and cultural affinity. The loss of Authorised Electronic Money Institution (AEMI) passporting has left expensive bank licences as the primary viable route to pan-European scale, a barrier that is prohibitive for most fintechs and limits the TAM story they can credibly tell investors. Even where firms have absorbed the cost of double-licensing, the structural burden for the next generation of scaling companies remains unchanged.

TRUELAYER

"Europe is 99% aligned with what we do in the UK. It is the path of least resistance because the regulations are substantially the same."

— Francesco Simoneschi, CEO & Co-Founder, TrueLayer

26. Policy Paper: Stamp Duty Reserve Tax – UK Listing Relief, HM Revenue & Customs, 26 Nov. 2025. <https://www.gov.uk/government/publications/stamp-duty-reserve-tax-relief-changes/stamp-duty-reserve-tax-uk-listing-relief>

Collaboration between the EU and UK has improved in recent years but remains limited in its practical effect on market access. The UK-EU Financial Services MoU, signed in June 2023, established a joint regulatory forum. Fintech innovation and digital innovation were explicitly on the agenda as areas for technical cooperation. But joint action including sandbox collaboration or the reintroduction of passporting has not been discussed.

Chancellor Reeves' Mais Lecture in March 2026 made the case for closer UK-EU alignment as a deliberate policy choice, framing it as a mechanism for higher growth and a reduced cost of doing business for both sides²⁷. The Chancellor's appetite to re-engage is an important signal, and for fintechs, deeper alignment could, over time, mean reciprocal access to capital and talent, as well as simplified authorisation across the region.

In our interviews, several founders who have already absorbed the cost of double-licensing noted they have adapted and moved on. But the structural burden for the next wave of scaling fintechs remains. It is also worth noting that even with passporting, the EU was never truly a single market in practice, requiring localised sales forces, country-specific infrastructure, and jurisdiction-by-jurisdiction regulatory expertise. Re-engagement would reduce friction significantly but would not eliminate the operational complexity of serving a fragmented continent.

Commonwealth and Bilateral Routes: Real Traction, Unrealised Potential

While the EU debate dominates policy conversations, several leading UK fintechs have built significant international scale through a route that deserves equal recognition and more deliberate policy support. Commonwealth and English-speaking markets share the UK's consumer credit culture, look to the FCA as a regulatory reference point, and offer materially lower competitive intensity. Critically, the product often travels with minimal adaptation, reducing both time to market and capital requirements for expansion.

ClearScore is the most compelling case study. Rather than pursuing EU expansion, which the company found constrained by more conservative consumer credit attitudes and a strong preference for established incumbents, it expanded into South Africa, Canada and Australia. Today ClearScore serves approximately 26 million customers globally of which 7.5 million are in South Africa alone, with around 50% market penetration, and has replicated its core product across all four markets with minimal localisation.

This pattern is not unique to ClearScore. Stream attempted expansion into Ireland, Spain, Portugal and the Netherlands before getting traction in the US. Modulr launched in the US in partnership with FIS and connected live to FedNow within nine months, demonstrating what becomes possible when infrastructure is built to enable rapid integration. These experiences point to a broader truth: for many UK fintechs, English-speaking markets with familiar regulatory DNA offer a faster and more capital-efficient scaling path than the EU, regardless of geographic proximity.

The global route is not a substitute for rebuilding EU access. The TAM difference is too large for that. But it is a viable and currently underserved strategic path. Post Brexit, the UK has built a network of formal bilateral fintech agreements outside of Europe, with hubs including Singapore, the US, Hong Kong and South Korea. Goals include overcoming market access barriers, fostering investment and sharing best practice²⁸. There is also significant unrealised market potential. While agreements are in place and the breadth of partnerships is impressive, practical steps towards easing market access and investment corridors are still lacking, and none of the partnerships are close to enabling the depth of access passporting once provided in Europe.

27. Chancellor Rachel Reeves, Mais Lecture 2026, UK Government website, 17 March 2026. <https://www.gov.uk/government/speeches/mais-lecture-2026>

28. Further bilateral agreements exist with e.g. Australia as well as the Global Financial Innovation Network (GFIN) cofounded by the FCA in 2019 with over 90 member organisations

Converting current arrangements into practical mechanisms, through bilateral sandbox frameworks, simplified regulatory mutual recognition in defined sub-sectors and dedicated cross-border investment programmes, would give the next generation of UK fintechs a meaningful path to scale.

Whether the route is EU re-engagement or Commonwealth expansion, the underlying constraint is the same: UK fintechs face a structural TAM disadvantage that no amount of domestic execution can fully compensate for. The US remains an attractive destination, and several of the firms we interviewed are pursuing it, but it is a high risk, high reward market, with complex local regulations and a well-documented history of UK firms struggling to establish themselves. There is no single correct answer, and founders must formulate strategies based on their business models and risk appetite. What the UK government can do is reduce friction across all viable paths, deepening foundational partnerships with practical support rather than leaving each firm to solve the market access problem from scratch.

Alongside trade access, UK authorities can promote cross-border fintech services by prioritising and supporting UK leadership of international standard setting and by designing global standards in areas like open banking (specifically cross border account-to-account payments) and protocols for agentic AI. In addition, digital assets are an area in which the UK needs to take a lead but has been slow to do so.

Talent - Building Global Winners Requires Incentive Models that Retain Top Talent and Visa Policies that Attract International Talent

The UK government is taking steps to strengthen talent and the regional ecosystem that underpins fintech growth. One important focus area is the development of talent and innovation ecosystems. This includes efforts to build growth corridors such as the Oxford-Cambridge corridor, modelled on Silicon Valley, with the aim of attracting and retaining world-class AI and fintech talent, strengthening research and development and generating wider innovation spillovers²⁹. At the same time, the government is supporting regional financial services clusters, including fintech hubs such as Leeds and Manchester, with backing through initiatives such as the British Business Bank's Cluster Champions programme, as highlighted in the Financial Services Growth and Competitiveness Strategy, published in July 2025³⁰.

The UK is also seeking to enhance its attractiveness to international talent through specialist visa routes. Existing pathways, including the Global Talent visa, High Potential Individual visa, Skilled Worker visa, and Scale-up Worker visa, form part of the UK's offer to help innovative and fast-growing firms recruit internationally. These routes provide an important mechanism for fintechs and other scaling businesses to access the specialist skills needed to support growth.

Alongside these steps, the government is strengthening tax-advantaged equity incentives to help growth companies recruit and retain talent. From 6 April 2026, the Enterprise Management Incentive regime and Company Share Option Plan (CSOP) rules have been expanded, increasing the company-level options limit from £3 million to £6 million and raising the employee threshold from 250 to 500. These changes mean that a broader group of scaling businesses will be able to use EMI options as part of their compensation models, helping them compete more effectively for talent³¹. However, our interviews with founders

29. Oxford-Cambridge corridor to be UK's "Silicon Valley", HM Treasury and The Rt Hon Rachel Reeves MP, UK Government website, 17 March 2026. <https://www.gov.uk/government/news/oxford-cambridge-corridor-to-be-uks-silicon-valley>

30. Call for evidence outcome: Financial Services Growth and Competitiveness Strategy: Overview, HM Treasury website, 21 July 2025. <https://www.gov.uk/government/calls-for-evidence/financial-services-growth-and-competitiveness-strategy/outcome/financial-services-growth-and-competitiveness-strategy-overview>

indicate a clear view that more can and should be done to make the UK internationally competitive.



"I would double and triple down on London as the centre of excellence for fintech and technology; it is the jewel in the crown. This involves reducing visa requirements for talented people and subsidising businesses, especially in AI and technology."

— Jacyn Heavens, CEO & Founder, Epos Now



"We need to be clearer as a country that entrepreneurs are central to driving growth — that's how you create jobs and strengthen the economy. If we want more of that, we have to ensure the UK is seen as a place where ambitious people want to build and stay."

— Rishi Khosla, CEO & Co-Founder, OakNorth Bank

Finally, the government is taking steps to identify and develop the workforce skills needed to support growth and productivity. This includes support for the development of a financial services skills compact through the Financial Services Skills Commission, alongside work to identify the AI and technology capabilities that the sector will need in the years ahead³².

Together, these efforts reflect a broader recognition that talent, skills and strong regional ecosystems will be central to the long-term success of the UK fintech sector.

Call to Action: Four Steps to an Ecosystem that Supports Scaling

Our interviews and research suggest the fintech scaling gap is not one of ambition or talent, but of infrastructure and speed. More specifically, it is a question of whether the UK has the right mix of capital, regulatory speed, market access and talent to help fintechs scale successfully. Addressing these challenges requires action in **four areas**:

Capital: fixing the capital gap to enable greater scale-up depth

The Mansion House Accord represents a structural shift for UK capital markets. The key question now is whether that capital will reach FinTech scale-ups or continue to flow primarily into established funds. Pension fund consolidation should be accelerated in line with the forthcoming policy direction, while drawing on best-practice models from Australian and Canadian workplace pension funds to build the scale, governance, and risk appetite needed to take meaningful positions in UK growth-stage FinTech and other scale-ups.

31. Policy paper: Expanding the eligibility limits of the Enterprise Management Incentive scheme, HM Revenue & Customs website, Updated 23 January 2026. <https://www.gov.uk/government/publications/enterprise-management-incentive-scheme-increasing-the-limits/expanding-the-eligibility-limits-of-the-enterprise-management-incentive-scheme>

32. Correspondence: Letter from the Economic Secretary to the Treasury to the Financial Services Skills Commission, HM Treasury website, 5 Nov. 2025. <https://www.gov.uk/government/publications/industry-to-identify-ai-and-tech-skills-needs-in-financial-services/letter-from-the-economic-secretary-to-the-treasury-to-the-financial-services-skills-commission> Correspondence: Letter from the Economic Secretary to the Treasury to the Financial Services Skills Commission, HM Treasury website, 5 Nov. 2025. <https://www.gov.uk/government/publications/industry-to-identify-ai-and-tech-skills-needs-in-financial-services/letter-from-the-economic-secretary-to-the-treasury-to-the-financial-services-skills-commission>

Positive steps have been taken on reforming the IPO agenda, but the next phase should focus on further simplifying the IPO process itself, drawing on the playbooks of markets such as the US and Hong Kong, abolishing stamp duty in line with other leading markets, and developing ways to improve remuneration for senior executives and board members, including through more flexible use of share-based incentives.

Improving exit opportunities in the public markets should also be treated as a core part of the scale-up capital agenda: if investors do not see a clear and attractive route to liquidity through domestic public markets, that will inevitably constrain risk appetite in private markets as well.

Clear.Bank

“The consolidation of pension funds must be accompanied by a shift in mandate from caretaker to increased and considered risk-taker. Pension funds should be investing for outperformance, not minimal returns against the average industry benchmarks.”

— Charles McManus, Founder, ClearBank

Allica Bank

“If there is no clarity on good demand in a public market exit in a country, that is also a limiting factor on risk appetite, because it's not clear (for the investors) you can get the returns.”

— Richard Davies, CEO, Allica Bank

Market Access: Foster Mutually Beneficial Routes to Growth

The EU is where the structural access gap is most acute. Building on the framework for closer alignment set out by the Chancellor, fintech should be part of the next wave of alignment sectors. A practical first step would be a fintech-specific EU–UK market access arrangement, beginning with a joint sandbox framework and moving towards mutual recognition of authorisations in defined sub-sectors such as open finance.

The UK already has fintech bridges with several jurisdictions outside the EU, including Singapore and the US. Strengthening these bridges through bilateral sandbox arrangements, simplified regulatory support and dedicated cross-border investment programmes would give the next generation of fintechs a more navigable and better-resourced set of options beyond the domestic market.

zilch

“Create a shared regulatory sandbox, allowing companies to build products that are compliant in both the UK and Europe simultaneously. Establish reciprocal passporting rights for specific licences — a consumer credit lender in Spain could passport its licence via the FCA to operate in the UK, increasing competition and choice for UK customers while allowing UK businesses to compete in Europe without needing to acquire a bank.”

— Philip Belamant, CEO & Co-Founder, Zilch

Talent: Build an Infrastructure that Reflects Changing Market Needs

The UK, and London in particular, has long been an epicentre of talent across financial services. But as the global landscape evolves, greater attention needs to be paid to whether UK fintechs have the capital, regulatory headroom and growth pathways required both to access the right talent and to incentivise ambition. If the UK does not adapt, talent will increasingly migrate elsewhere.

One important response would be to strengthen regional talent clusters. Current initiatives provide a strong foundation, but sustained funding commitments are needed if established hubs are to avoid falling into a stop-go cycle. There is also a strong case for further reform of the Enterprise Management Incentive regime. This could comprise increasing both individual and company-wide option limits, so that fintechs can offer meaningful employee equity on terms that are more competitive with other markets, particularly the US.

Regulation: Move From Risk-aware to Risk-open Oversight

The UK's principles-based, outcomes-focused regulatory model is a genuine competitive advantage and one that founders consistently identify as a strength. The FCA was also a pioneer of the regulatory sandbox model and has built one of the most institutionalised versions globally. The task, therefore, is not to dismantle this approach, but to build upon it.

The danger is that caution becomes a barrier to the UK participating meaningfully in the next wave of financial services innovation. One practical step would be to explicitly signal greater openness to risk on emerging technologies. The FCA's recent moves in mortgages, including the relaxation of loan-to-value constraints and lowering of capital barriers, demonstrates capability. The same logic could be applied to categories such as digital assets, agentic AI and programmable payments, where the UK helped pioneer frameworks but risks falling behind in live deployment. A second priority would be to formalise co-design as a standard practice. Rather than relying on occasional consultation, the UK could put in place more structured mechanisms for fintechs to participate in shaping policy from the outset, drawing on models under which regulators and innovators develop frameworks together in real time.



"The UK regulator is generally much more engaged than any other regulator in the jurisdictions I operate in. The opportunity now is to make sure that engagement keeps pace with the speed at which technology, particularly AI, is moving."

— Justin Basini, Group CEO & Founder, ClearScore



"Leading up to 2016 and 2017, many initiatives that were in the works around non-bank financial institutions and challenger bank licences came through at pace. This had a positive impact on the market, enabling innovation and competition. There's a real opportunity to get that overall industry culture back to create similar momentum."

— Myles Stephenson, CEO & Founder, Modulr

From Promise to Scale: The UK's Moment to Lead

The UK has earned its place as the world's second-largest fintech market and produced a generation of globally recognised challengers across financial services. Every founder we spoke with acknowledged the structural advantages that made this possible, including a principles-based regulator, deep pools of specialist talent and access to global capital.

But creation and scale are different, and the UK has not solved for both equally. The conditions that enabled a generation of successful fintech startups are not the same that will produce the next generation of global winners. The UK has the momentum and the foundations to close that gap, but it requires deliberate action across the four areas we highlight in this report.

The government's explicit pivot toward active industrial strategy, its signalled willingness to rebuild closer alignment with Europe and the structural reforms already underway on capital, regulation and talent all point in the right direction. The question is whether they are moving fast enough and are sufficiently coordinated to make a material difference for fintechs that are making scaling decisions now.

Alongside these structural actions, there is a broader cultural and mindset shift required that policy alone cannot deliver. The UK needs to do more to celebrate and reward entrepreneurial success, not as an abstraction, but through the equity incentives, tax frameworks and public narratives that signal to founders, talent and investors that the country supports those who build.



"The UK needs to fully embrace growth, provide ambition, stability and clarity about the future, and use technology-led productivity gains to lift living standards across the board."

— Raman Bhatia, Group CEO, Starling

If the UK gets this right, the benefits can be concrete and mutually reinforcing: more globally competitive, UK-headquartered fintechs will choose to IPO in London, strengthening public markets and recycling capital back into the ecosystem. A stronger and more permanent talent cluster will take root, underpinned by firms with the capital and market access to deploy that talent at full potential, rather than exporting innovation when domestic conditions fall short. And consumers and small businesses across the country will benefit from a growing financial services sector.

The UK Government has an ambition to support the first UK trillion-dollar company. That company may well grow from a fintech unicorn. Indeed, fintech accounts for over half of the UK's £1 billion companies. The direction set out in this paper would support the emergence of more unicorns, the growth of £100 billion valuations and ultimately a trillion-dollar business. In turn, creating world-beating companies would not only support wealth creation, exports and jobs, but would bolster the UK's sovereign capabilities and foster its economic resilience.



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Innovate Finance

Innovate Finance is the independent industry body for UK FinTech.

Its mission is to accelerate the UK's leading role in the financial services sector by directly supporting the next generation of technology-led innovators to create a more inclusive, more democratic and more effective financial services sector that works better for everyone.

Innovate Finance's membership and partnership community ranges from seed stage startups to scale up and high growth FinTechs; from multinational financial institutions to big tech firms; and from investors to global FinTech hubs. Innovate Finance supports its members and the wider financial innovation ecosystem by promoting policy and regulation that allows innovation to thrive, encouraging talent, diversity and skills into the sector, facilitating the scaling journey, fostering business opportunity, partnerships and domestic and international growth, and driving capital into UK FinTech.

By bringing together and connecting the most forward-thinking participants in financial services, Innovate Finance is helping create a financial services sector that is more transparent, more sustainable and more inclusive.

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