



INNOVATE/FINANCE

Navigating the New Government

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INNOVATE/FINANCE **Webinar presented by:**



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Agenda

- Introduction
 - Overview of the election results
 - Key Ministers
- Government priorities
 - Policy announcements
 - Legislation
- Parliament
- What's next?: A look ahead
- Questions & Answers



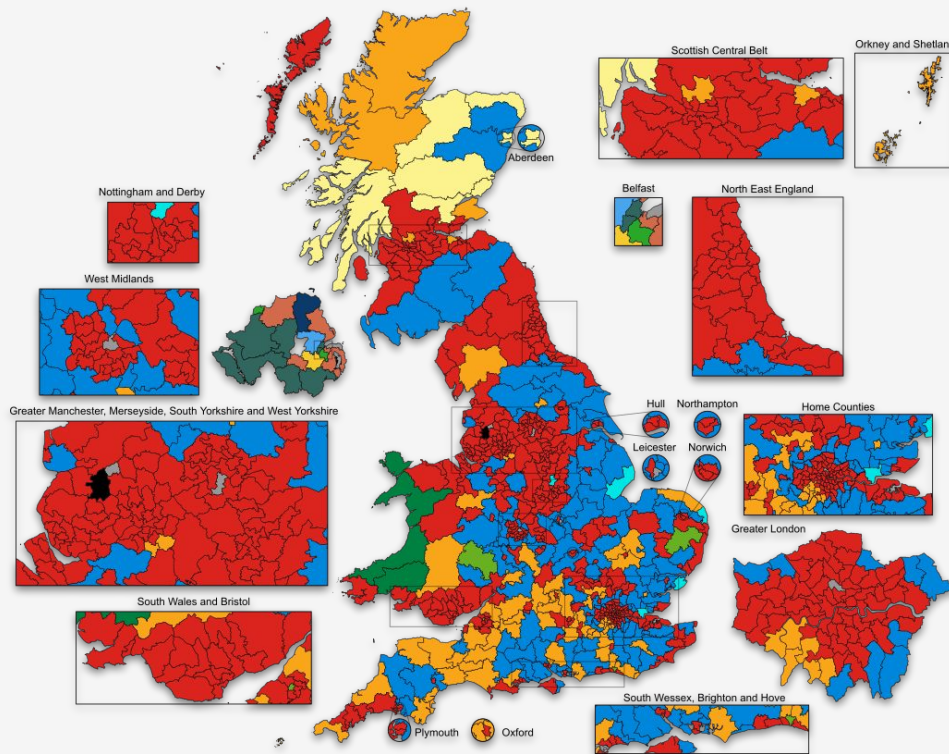
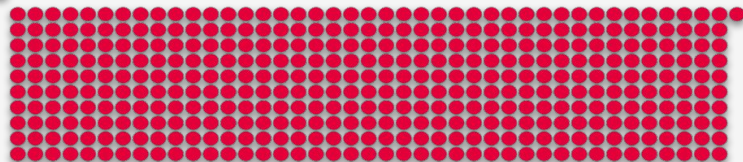
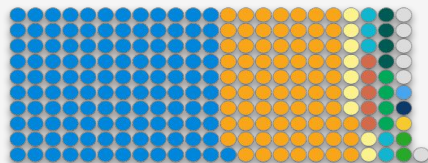


Introduction: Election results & key Ministers

What were the general election results?



650/650 declared



Source of results:

<https://www.theguardian.com/politics/ng-interactive/2024/jul/04/uk-general-election-results-2024-live-in-full>

Source of graphics: https://en.wikipedia.org/wiki/2024_United_Kingdom_general_election



Sir Keir Starmer KCB KC MP

Prime Minister's focus:

- Mission-driven
- 'Country first, party second'
- 'Government of service'



Chancellor of the Exchequer



Rachel Reeves MP

Chancellor's focus:

- Driving the economy
 - Growth
 - Economic stability
 - Fiscal responsibility



Economic Secretary to the Treasury



Tulip Siddiq MP

City Minister's focus:

- Overseeing financial services
- Driving the FinTech agenda



Other FinTech related Cabinet Ministers



Home Secretary

Yvette Cooper MP



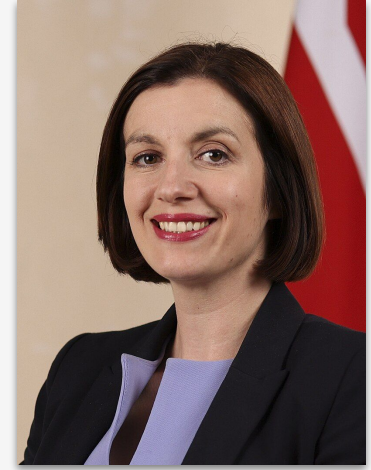
**Secretary of State for
Business and Trade**

Jonathan Reynolds MP



**Secretary of State for
Science, Innovation
and Technology**

Peter Kyle MP



**Secretary of State for
Education**

Bridget Phillipson MP

Other FinTech related Treasury Ministers



Chief Secretary to the Treasury

Darren Jones MP

Attends Cabinet and is deputy to the Chancellor

- Public expenditure and spending reviews
- Capital investment
- Tech across government



Financial Secretary to the Treasury

Lord Livermore

- Growth and productivity
- Investment
- Industrial strategy
- Innovation and digital



Minister for Pensions

Emma Reynolds MP

Joint HM Treasury & Department for Work and Pensions Minister

- Pensions review
- Arm's-length bodies: Money and Pensions Service, National Employment Savings Trust, The Pensions Ombudsman, Pension Protection Fund and The Pensions Regulator

Other FinTech related Ministers



Minister of State for Security

Dan Jarvis MBE MP

- Economic crime
- Fraud



Minister of State for Schools

Catherine McKinnell MP

- Curriculum review
 - Financial literacy
 - Digital literacy



Parliamentary Under Secretary of State for AI and Digital Government

Feryal Clark MP

- Digital identity
- AI regulation, transparency, ethics and opportunities
- Cybersecurity



Parliamentary Under Secretary of State for the Future Digital Economy and Online Safety

The Baroness Jones of Whitchurch

- Online safety
- Tech policy and market facing technology, including skills
- International strategy
- Digital Markets Unit



Government priorities: Policy announcements & Legislation

Labour's 5 Missions



**Get Britain
building
again**



**Create Great
British Energy**



**Rebuild
NHS**



**Make Britain's
streets safe**



**Break down
barriers to
opportunity**





Government priorities: Building a Smart Data Economy



"Digital identity services are already being used by millions of people to save them time. When people choose to use them, **these services cut down admin and increase security making it much easier to open bank accounts, start jobs, rent flats** and much more."



"Our **legislation will make sure that people can fully trust these services**. We will give certified services a trust mark so people can find the digital identity providers that are following our strict security and data processing rules."

Peter Kyle MP, Secretary of State for Science, Innovation and Technology

Policy announcement

Digital ID

People will be able to **prove their identity for everything from paying tax to opening a bank account** using a **government-backed "digital ID"**.

Legislation

Digital Information and Smart Data Bill

- **Carries over provisions** within the **previous Data Protection and Digital Information Bill**.
- **Creation of Smart Data schemes** and **extending digital identity** products and services.
- This will provide the **legal powers to unlock the full potential of Open Banking** and put it on a long-term sustainable footing.
- It will also **enable Smart Data to continue to be developed and introduced** in areas such as finance, energy and transport.

Source of quote and policy announcement:

<https://www.thetimes.com/uk/politics/article/government-backed-digital-ids-will-provide-trust-mark-for-paying-taxes-808gxzww9>



Government priorities: Investment

Policy announcement

National Wealth Fund

Some of the plans announced include **£7.3bn additional funding** be allocated through the UK Infrastructure Bank and **reforms to the British Business Bank** to help it mobilise institutional capital.

Legislation

Building on the Mansion House compact

National Wealth Fund Bill

- Puts the government's **new £7.3bn fund on a statutory footing**.
- Seeks to provide a **vehicle for institutional investment in growth** through the British Business Bank and the UK Infrastructure Bank.



Government priorities: Pensions

Policy announcement

Pensions Review

A taskforce of industry executives and ministers from **HM Treasury and Department for Work and Pensions** will propose ways to **improve pension outcomes and increase investment in UK markets.**

Legislation

Building on the Mansion House compact

Pensions Scheme Bill

- Includes measures to **support consolidation in the pensions market.**



Additional government priorities

Policy announcement: Financial & digital literacy

Curriculum Review

A goal of the review includes delivering a curriculum that ensures **children and young people leave compulsory education ready for life and ready for work, building the knowledge, skills and attributes young people need to thrive.**

Legislation: Bank resolution

Bank Resolution (Recapitalisation) Bill

- Takes **forward proposals to expand the statutory functions and levy-raising powers of the FSCS** in order to **enhance the resolution regime.**
- This will provide the Bank of England with a **more flexible toolkit** to respond to bank failures.

Other legislative priorities

Draft Audit Reform and Corporate Governance Bill

"The draft bill will replace the Financial Reporting Council with a new regulator – the Audit, Reporting and Governance Authority – with the powers it needs to tackle bad financial reporting and to build that trust...[and] extend Public Interest Entity (PIE) status to the largest private companies and thus making sure the audits of those important businesses are high quality and giving early warning of financial problems."

Skills England Bill

"This legislation will establish Skills England to bring together businesses, providers, unions, Mayoral Combined Authorities and national government to ensure we have the highly trained workforce that England needs. Ministers will reform the Apprenticeship Levy into a Growth and Skills Levy to ensure that the mix of government funded training available to learners and employers aligns with skills needs."

Draft Equality (Race and Disability) Bill

"The draft Bill will enshrine in law the full right to equal pay for ethnic minorities and disabled people and to introduce mandatory ethnicity and disability pay reporting...It will require mandatory ethnicity and disability pay reporting for larger employers (those with 250+ employees)."

Employment Rights Bill

"The Bill will deliver on policies set out in the Plan to Make Work Pay that require primary legislation to implement including...making parental leave, sick pay, protection from unfair dismissal and flexible working available from day one on the job for all workers."

Labour manifesto pledges

Open Banking and Open Finance

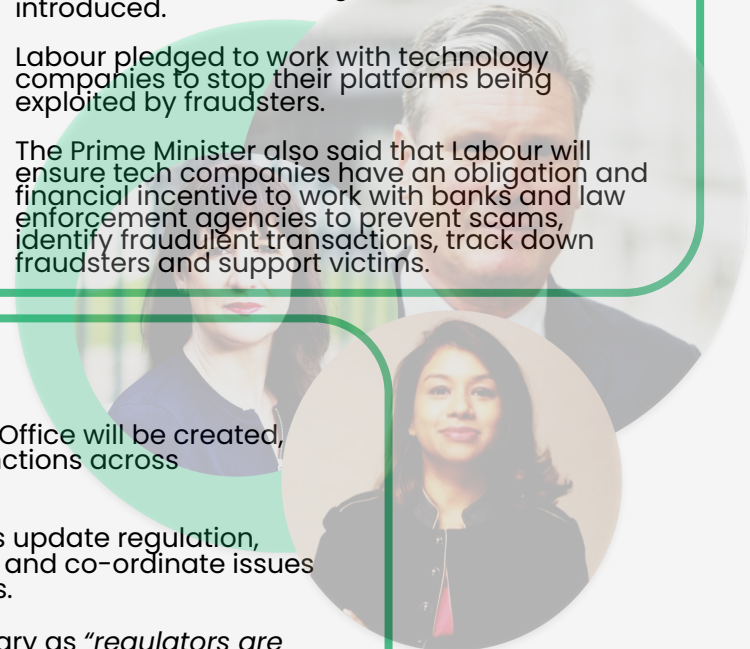
- Open Banking and Open Finance was highlighted as key to delivering their plans.
- Labour pledged to support new technology, including Open Banking and Open Finance while ensuring a pro-innovation regulatory framework.

Fraud

- A new expanded fraud strategy to tackle various threats, including online fraud will be introduced.
- Labour pledged to work with technology companies to stop their platforms being exploited by fraudsters.
- The Prime Minister also said that Labour will ensure tech companies have an obligation and financial incentive to work with banks and law enforcement agencies to prevent scams, identify fraudulent transactions, track down fraudsters and support victims.

Regulators and regulation

- A new Regulatory Innovation Office will be created, bringing together existing functions across government.
- This Office will help regulators update regulation, speed up approval timelines, and co-ordinate issues that span existing boundaries.
- Labour considers this necessary as *“regulators are currently ill-equipped to deal with the dramatic development of new technologies, which often cut across traditional industries and sectors”*.



Labour Financial Services Review

Enhance the international competitiveness of the UK's financial services sector

- Joined-up, innovation-centred approach to regulation and supervision including RegTech/SupTech, and adapt oversight to accommodate innovative technologies and business models.
- Streamline the regulatory rulebook to align with the Consumer Duty.

Reinforce consumer protection and financial inclusion

- Reform of the advice and guidance boundary.
- Regulate Buy-Now Pay-Later (BNPL).
- Adopting a joined-up approach to fraud, including the involvement of tech companies.
- Empowering payment services providers to delay possibly fraudulent payments.

Reinvigorate our capital markets

- British Business Bank: Support more lending at scale by challenger banks and small business lenders.
- British 'Tibi': Opt-in for DC funds to invest a proportion of their assets into UK growth.
- Increase investment by institutional and individual investors in UK capital markets.

Embrace innovation and FinTech as the future of financial services

- Update Consumer Credit Act to provide an outcomes-based approach which is fit for the digital age.
- Set international standards for the use of Artificial Intelligence (AI) in financial services, and an agile approach to regulation.
- Deliver the next phase of Open Banking to unlock increased competition in retail Variable Recurring Payments.
- Work with regulators and industry to develop the roadmap for Open Finance.
- Advance ongoing work to create a UK central bank digital currency (CBDC).
- Make the UK a global hub for securities tokenisation.



Parliament



**Leader of HM
Official
Opposition**

Rishi Sunak MP



**Shadow
Chancellor of
the Exchequer**

*Jeremy Hunt
MP*



**Shadow Secretary
of State for
Business and
Trade**

Kevin Hollinrake MP



**Shadow Secretary of State
for Science, Innovation and
Technology**

Andrew Griffith MP



**Shadow Economic
Secretary to the
Treasury**

Alan Mak MP



Leader of the Liberal Democrats

Sir Ed Davey MP



Treasury, Business, Energy and Industrial Strategy and International Trade Spokesperson

Sarah Olney MP



Foreign Affairs & International Development and Science, Innovation & Technology Spokesperson

Layla Moran MP

Following the Liberal Democrats success in winning 72 seats, the party will play a larger role within the opposition side of the House of Commons.



**Luke Charters
MP**

Previous roles include Head of Fraud and Compliance at Remote and Strategy Lead, Payments at the Financial Conduct Authority (FCA)



**Matthew
Patrick MP**

Previously worked on fraud and scams at Pay.UK



**Samantha Niblett
MP**

Told The Guardian (June 2024) that she wants to “attract FinTech companies to South Derbyshire” and Labour Women in Tech Founder



Kanishka Narayan MP
FinTech start-up adviser and investor

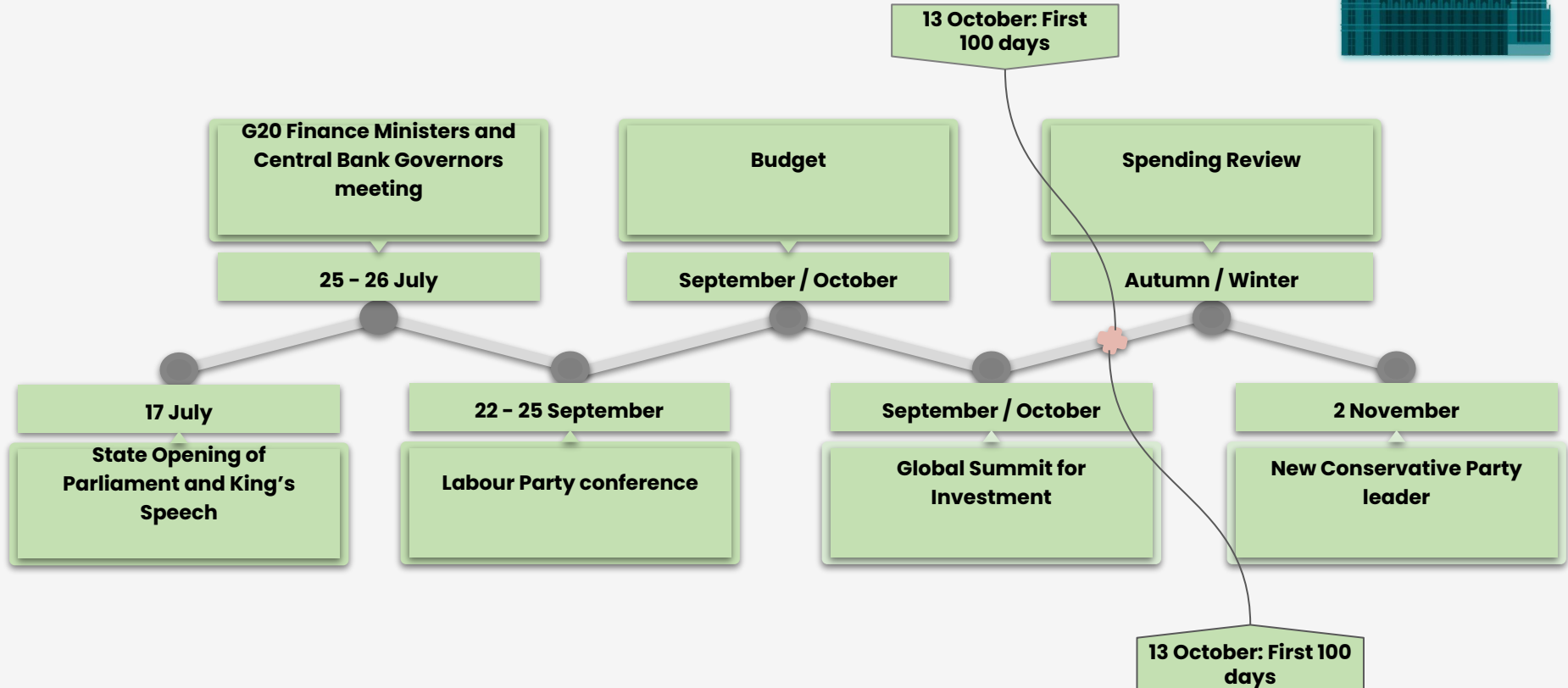
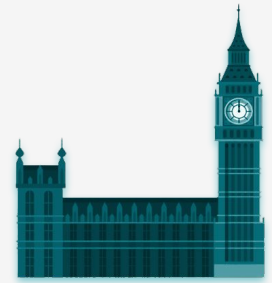


Callum Anderson MP
Previous roles include Senior Business and Policy Adviser at the City of London Corporation and Regulatory Strategy Manager at the London Stock Exchange



What's next?: A look ahead

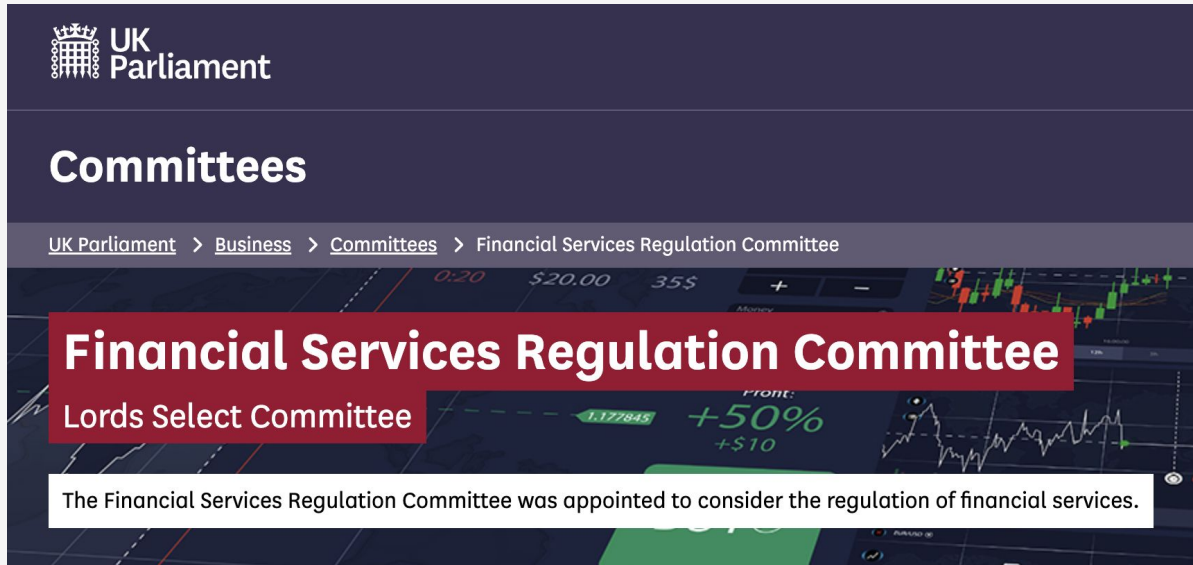
Key events: First 100 days & beyond



Select Committees



The Chairs and composition of Commons Select Committees and 'permanent' Committees in the House of Lords will be finalised in October.



The screenshot shows the UK Parliament website. At the top left is the UK Parliament logo. Below it, the word "Committees" is displayed in large white text. A breadcrumb trail reads: [UK Parliament](#) > [Business](#) > [Committees](#) > Financial Services Regulation Committee. The main heading is "Financial Services Regulation Committee" in large white text, with "Lords Select Committee" below it in smaller white text. A white text box at the bottom of the screenshot contains the text: "The Financial Services Regulation Committee was appointed to consider the regulation of financial services." The background of the website is a dark blue with a financial chart overlay.

UK Parliament

Committees

[UK Parliament](#) > [Business](#) > [Committees](#) > Financial Services Regulation Committee

Financial Services Regulation Committee

Lords Select Committee

The Financial Services Regulation Committee was appointed to consider the regulation of financial services.

It is not guaranteed that the Lords Financial Services Regulation Committee will reconvene in this Parliament. This Committee may be reappointed after Summer Recess.

What did we say in our General Election manifesto?

1

Build the world's first
Smart Data economy

- Open Finance
- Opening everything Smart Data economy
- Underpinning infrastructure and framework

2

Make the UK the most
secure place in the
world for consumers
and businesses to use
digital finance

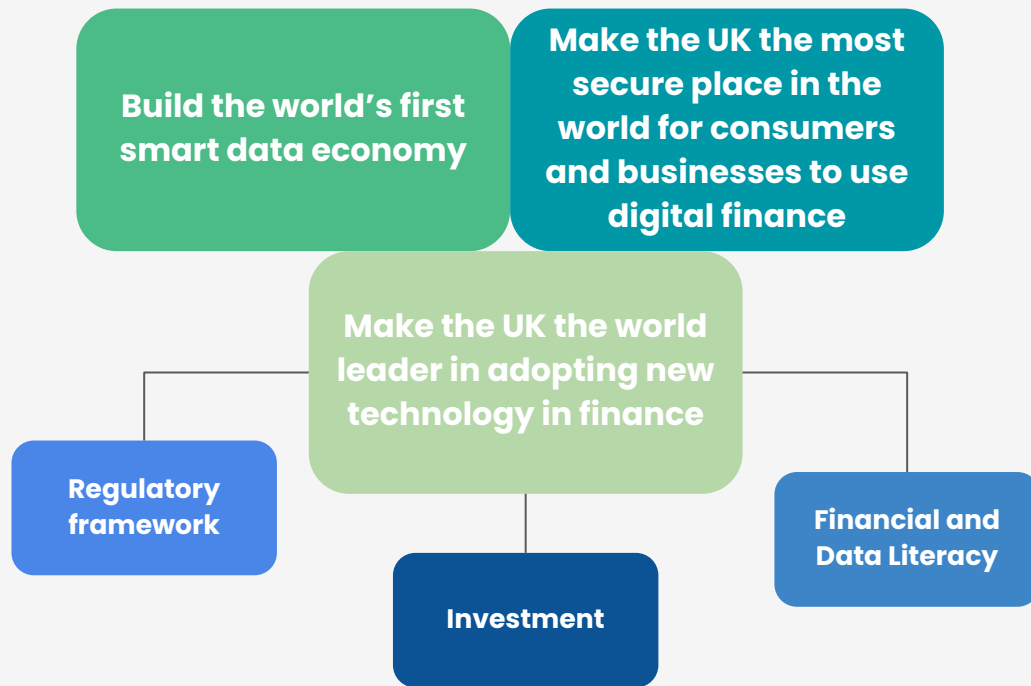
- Set ambitious targets to tackle payments financial fraud and improve data collection and analysis across the public and private sector
- Shared responsibility and liability for social media and telecommunications companies
- Create a National Anti Scam Centre

3

Make the UK the world
leader in adopting
new technology in
finance

- Build a regulator framework for the future of digital finance services
- Support homegrown FinTech companies with their funding needs
- The most financial and data literate population in the world

FinTech Plan for Government



The in-tray – live issues that require prioritisation



National Payments Vision

**Buy-Now Pay-Later
regulation**



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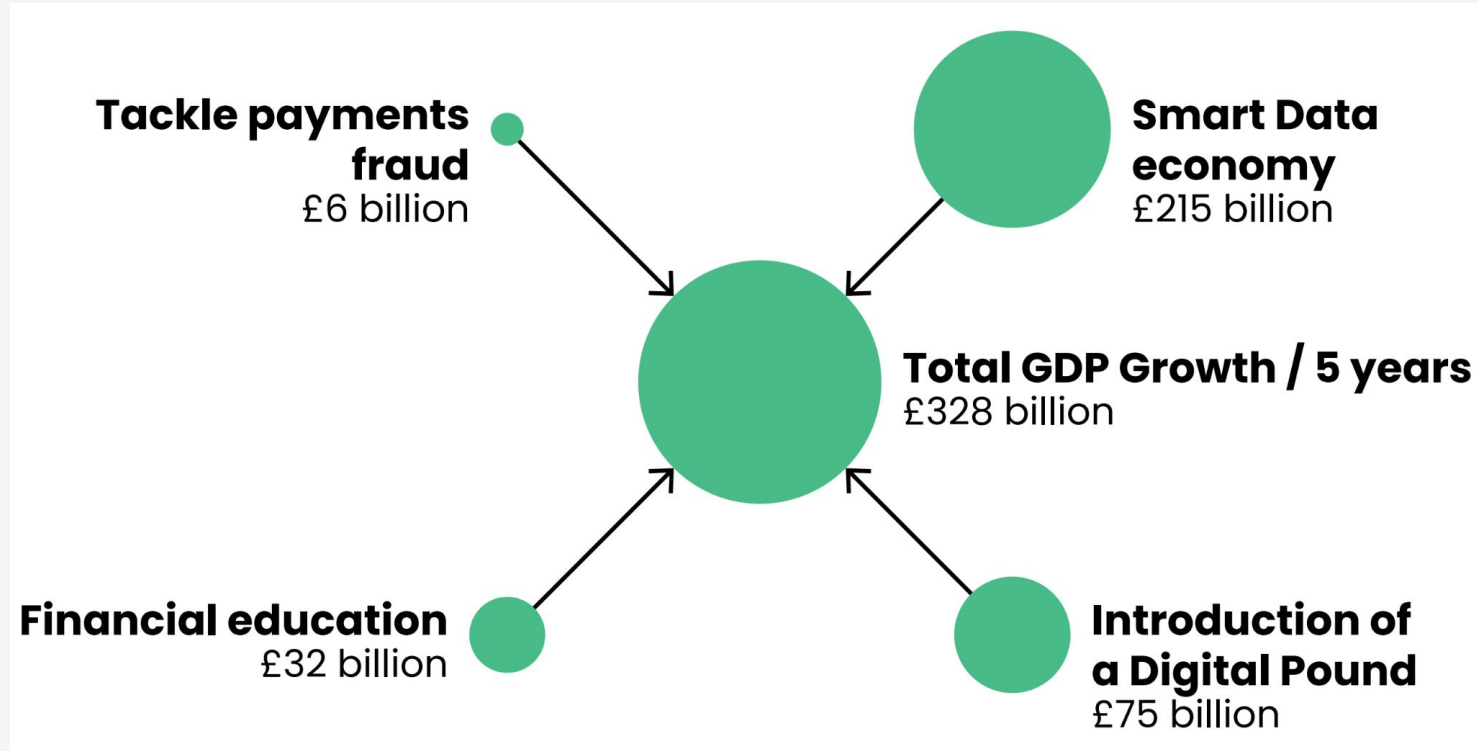
FinTech Plan for
Government



First 100 days of implementation



If realised, our ambitions can add £328bn to the UK economy over 5 years



Navigating the New Government

Thank you.

Questions & Answers.

