MANCHESTER
The UK’s northern FinTech capital
The UK is an ideal location for technology applied to financial services – FinTech. The sector includes both:

**Traditional FinTech** (larger incumbent technology firms supporting the financial services sector)

**Emergent FinTech** (small innovative firms using new technology to bring financial services directly to consumers, often disrupting existing business models).

Manchester is recognised for its FinTech potential by industry body Innovate Finance and the FCA. As the UK’s second largest economy, Manchester is an economic powerhouse and its reputation as a ‘city of innovation’ is today truer than ever. In recent years, the city-region has negotiated a unique set of powers devolved by central government, giving the city unparalleled control over skills, transport and business support. This enables Manchester to create a very strong business environment. This environment includes:

- An existing ecosystem of bank and insurance technology operations in addition to FinTech companies
- A strong and growing pool of tech talent.
- A strong technology infrastructure
## WHY MANCHESTER

As one of the UK’s fastest growing regions for FinTech, Manchester provides access to:

<table>
<thead>
<tr>
<th>Market Opportunity</th>
<th>Talent</th>
<th>Cost Competitiveness</th>
<th>International Connectivity</th>
<th>Proximity to London</th>
<th>Research and Innovation</th>
<th>Established and Growing Industry</th>
<th>Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Many banks and financial services firms have FinTech decision makers and technology departments based in Manchester, drawing on local expertise and supply chains.</td>
<td>Manchester’s four world-class universities produce some of the UK’s top software developers. There are 82,300 people employed in digital roles and The University of Manchester’s Computer Science Faculty is one of the best in the country, with many graduates going to work in the financial services industry.</td>
<td>Operating costs in Manchester are typically 30-40% lower than London. This makes it an ideal location to scale a business and relocate R&amp;D/support type functions.</td>
<td>Manchester is home to the UK’s largest regional airport serving over 220 destinations worldwide including the USA, EMEA and APAC, with excellent connectivity into major financial hubs.</td>
<td>London is emerging as the FinTech capital of the world and Manchester is only 2 hours by train. This coupled with lower risk and easy access provide a complementary offer to the capital.</td>
<td>Institutions like The University of Manchester are leading in research such as data analytics, financial engineering, artificial intelligence and market/credit volatilities which have applications in risk management, investment decision making as well as credit and market risk analysis.</td>
<td>Manchester boasts many financial services firms with large technology operations, including Barclays, Bank of America Merrill Lynch, Lloyds and The Co-operative Bank.</td>
<td>Manchester has a proven track record in supporting companies wanting to establish and expand operations and there is a very co-ordinated support network across the city.</td>
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| 2016 | Europe’s most competitive business location. KPMG Competitive Business Alternatives | 60% of UK businesses and 20 million consumers are located within a 2-hour drive of Manchester |

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A THRIVING SECTOR

Manchester has strengths across FinTech sub-sectors, including:

**Payments:** There are a number of software companies developing innovative payment solutions for the financial services sector. This, coupled with a strong retail/e-commerce industry, means Manchester has the ideal environment to develop and test new products.

**Platforms:** The region is home to peer-to-peer lenders, equity crowdfunding platforms and financial aggregators.

**Software:** There are a number of companies providing software to the financial services sector, covering areas such as cloud computing, accounting tools and mobile applications.

**Data Analytics:** Manchester is committed to making non-personal data freely available and the city’s collaborative approach means we’re the perfect place to pilot new applications and services. The University of Manchester is currently developing the next generation of data analytics which, along with high performance computing facilities, could be used by firms to develop their offer to clients.

**Cyber Security:** The North West is one of the UK’s most prevalent regions with over 120 companies based here in areas such as service provision, products, integration and design.

MARKET OPPORTUNITIES

FinTech firms located here form an integral part of the supply chain to a number of financial services companies, many of which have large technology operations with a significant IT spend.
TALENT

With the largest travel-to-work catchment area of any regional city and a young and growing population, Manchester provides a constant stream of talent enabling companies to scale up their operations within short timescales. From large financial services companies such as Barclays and The Co-operative Bank through to FinTech firms such as AccessPay, Crowdcube and MarketInvoice, Manchester has a proven track record in helping companies build up a skilled and talented labour force. The region also has one of the largest student populations in Europe, allowing investors to tap into an emerging labour force.

324,000
employees
in financial,
professional and business services

82,300
tech employees

88,000
students

380,000
students within an hour’s drive

200+
languages spoken

7.2
million
within an hour’s drive

76% of University of Manchester students graduate with a first or 2:1

66% of students stay in the area after graduating

Degree Courses relevant to FinTech

<table>
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<tr>
<th>Course</th>
<th>Greater Manchester Universities</th>
<th>Universities within an hour’s drive</th>
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<tr>
<td>Computer Science</td>
<td>Undergraduates 3,505 Graduates 1,080</td>
<td>Undergraduates 12,705 Graduates 3,795</td>
</tr>
<tr>
<td>Engineering</td>
<td>Undergraduates 9,165 Graduates 3,395</td>
<td>Undergraduates 29,065 Graduates 8,505</td>
</tr>
<tr>
<td>Maths</td>
<td>Undergraduates 1,900 Graduates 680</td>
<td>Undergraduates 7,100 Graduates 2,360</td>
</tr>
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Source: HESA 2015
WORLD-CLASS RESEARCH

The region is home to several universities and institutes which have a proven track record of working closely with industry on R&D related projects. Areas of specialism include:

- Artificial intelligence / machine learning
- Big data
- Blockchain
- Compliant and secure data management
- Cryptocurrencies
- Cyber security
- Data analytics, machine Intelligence & mobile security
- Data privacy, authentication and transparency
- Financial inclusion / social impact
- Informatics
- LegalTech
- Market impacts of new technology
- Regulatory impacts of new technologies
- Smart contracts
- User experience
There are an array of FinTech/digital hubs across the region, from commercial accelerators to co-working spaces, providing a base where start-ups, SMEs and larger firms can collaborate and flourish. Manchester is constantly investing in its FinTech future and an ever-increasing number of spaces are opening up.

The Vault
The Vault is a new FinTech digital workspace within the XYZ building in Manchester’s financial services district - Spinningfields. The Vault provides the infrastructure and environment needed for start-ups to grow and encourages collaboration and innovation. Its location within Spinningfields promotes and facilitates connections with financial institutions and investors. Businesses located here get access to pitching sessions to banks/investors, time with the FCA and are able to attend regular FinTech events.

Rise Manchester
Rise is an entrepreneurial hub run by Barclays aimed at inspiring and nurturing tech entrepreneurs and start-ups. Rise offers a state-of-the-art workplace in which to meet clients, collaborate with peers and access skills-based workshops and training, creating the optimum environment for entrepreneurs to thrive. Rise allows companies to trade under their banking license and use its technology platform to help test and deliver new solutions to market. Membership is open to professionals from the finance, FinTech, social enterprise, education, healthcare and gaming industries.

eSpark
NatWest and RBS, together with KPMG, are stepping up their support for entrepreneurs and high-growth businesses with a network of new business accelerator hubs, including one in Manchester. This hub offers free workspace, hands-on mentoring, a start-up ‘bootcamp’ and a free programme of up to 18-months of advice, support and funding clinics. Entrepreneurs can gain access to the hub in Spinningfields, uniting them with fellow entrepreneurs, specially trained bank staff and experienced business mentors. They also have the opportunity to go on to pitch to potential investors.
Greater Manchester is a hotbed of business opportunity, and it’s great that the city is taking an active role in accelerating the success of the region’s businesses. This investment in Greater Manchester businesses, from one of the country’s most forward thinking authorities, sits alongside private sector funds representing a great example of public and private sectors working together for the benefit of the economy.

Anil Stocker, CEO and Co-Founder, MarketInvoice

VST Enterprises is a technology solutions company that has developed VCode, a state-of-the-art 2D barcode. This innovative payment gateway solution enables one-click impulsive digital and monetary transactions from any scanned media, at long distances, within 170 degrees in virtually any lighting condition. This platform has a range of applications in the financial services sector such as bank cards, loyalty schemes, in-app purchases, consumer goods purchases and top-up payments.

MarketInvoice has developed an award-winning online marketplace allowing companies to sell outstanding invoices confidentially to raise capital. The platform allows SMEs who have outstanding invoices to large corporates to trade these with institutional investors online. The platform offers a new take on invoice finance selling through an online exchange rather than bilaterally to a bank. In 2014, the Greater Manchester Combined Authority struck an innovative deal with MarketInvoice to buy invoices owed to Greater Manchester firms in order to release money, which can then be used to hire new staff, export to new markets and fuel growth.

Manchester-based AccessPay uses advanced cloud-based technology to offer clients secure, streamlined and efficient solutions for multi-bank and multi-currency cash management, SWIFT, Bacs payments, debit payments, credit payments, and SEPA. Across the UK and throughout the world, accounting and payroll systems fail to directly link up with banks. This means that no matter how high or low the volume or value of the transaction, the process for sending and receiving business payments is manual, error prone and time consuming. AccessPay solves this problem by taking away hours of manual processing time, enabling their customers to make quicker business payments. AccessPay was the first SWIFT partner in the UK allowed to offer cloud-based payment and cash management applications fully integrated with SWIFT.

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Headquartered in Manchester, with offices in the USA and Asia with clients across four continents, Hello Soda is an international big data and text analytics company. Hello Soda was founded in response to the lack of personalisation across business processes, like underwriting and ID verification, which meant that consumers were no longer being treated as individuals, therefore missing out on services that they deserved. Hello Soda is focused on bridging the gap between businesses and consumers to create more personal relationships and improve automated decisions. The business has recently launched a software platform that predicts a person’s creditworthiness based on structured and unstructured data.

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CASE STUDIES

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Ebury combines financial services expertise with innovative new technologies to help businesses better fund and manage their international trade. Clients benefit from increased clarity and control over their international transactions, allowing them to trade confidently with their customers and suppliers. Ultimately, clients are able to protect and improve their margins, unlock working capital and accurately forecast their cash flows. Ebury delivers this value through providing a unique combination of lending, currency and payment products, offered over an online platform and supported with access to world class insight and analysis to help their clients succeed.

The Blackmore Group was established in response to growing demand for access to multi-asset portfolios from both institutional investors and high net worth individuals. Founded in 2013, the boutique investment house has developed a bespoke suite of products to reflect the fast-evolving needs of clients. So far, they have taken £37 million of assets under their wing, with a further £19 million under administration. And yet, this is only a taste of the market opportunity.

Nivo’s secure instant messaging products help service providers deliver better customer service, reduce costs and innovate. The platform was built for Barclays by industry experts and has bank standard security, identity and compliance features built in. Unlike mainstream messaging solutions you know who you’re talking to and that data is private - which means you can do a full range of sensitive servicing as easy as sending a text message. Nivo is making this technology available to all companies of any size with free and easy access to the platform.

Adyen is the technology company reinventing payments for the global economy. The only provider of a modern end-to-end infrastructure connecting directly to Visa, Mastercard, and consumer’s globally preferred payment methods, Adyen delivers frictionless payments across online, mobile, and in-store. With offices all around the world, Adyen serves more than 4,500 businesses, including 8 of the 10 largest U.S. Internet companies. Customers include Facebook, Uber, Netflix, Spotify and L’Oreal.
HOW MANCHESTER CAN HELP

Manchester is a city committed to supporting new investors and helping existing companies to grow.

MIDAS, Manchester’s inward investment agency, can signpost businesses towards all the relevant initiatives and provide guidance on funding, to enable growth and develop new products. Other areas of support include angel investment, accelerators, enterprise zones, knowledge transfer partnerships and tax relief.

MIDAS can help you and your business with relocation and expansion plans. MIDAS has a reputation for understanding diverse business needs and helping to remove any barriers for companies looking to locate or expand into Manchester. MIDAS’ specialist business development team can assist you with a range of free, bespoke packages of confidential support that will make your journey as smooth and simple as possible.

The services provided by MIDAS are also available to intermediaries such as location consultants, will save you money, time and effort and enhance your project with the expert knowledge and local intelligence that result in a faster and more successful move.

Barclays Technology Centre has a number of technology centres around the world but their main one is located in the south of Greater Manchester. This site is home to 4,000 staff who are employed in a variety of technology and infrastructure roles. Barclays has been located on the 35-acre site for over 40 years, with staff carrying out duties supporting the bank’s credit card and ICT infrastructure. Knutsford is where Barclays develop mobile applications, such as Pingit, which enables mobile phone users to make free payments to other UK mobile users directly and the Barclays mobile banking app. This division employs 400 people and is growing. There are also an additional 250 people working in informatics and analytics looking at the commercial opportunities in big data.

Bank of America Merrill Lynch is located in Chester. 50 minutes from central Manchester. The bank has had a presence here for over 20 years and is a key location for the bank’s credit card business MBNA, employing over 3,500 people. In 2011, the bank opened a new technology centre that supports its Capital Markets and Wealth Management businesses across EMEA and there are plans to generate 2,000 jobs on this site over the decade. In 2013, BAML created a further 60 jobs in Chester with the launch of its first European Global Command Centre which provides support for its technology infrastructure.

Bank of America Merrill Lynch

Free support includes:
- Research support and business case development
- Introductions to local networks
- Recruitment and training support and advice
- Property solutions
- Relocation advice and assistance
- Post-investment PR support

Contact MIDAS to see how Manchester can support your future innovation.

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MIDAS’ Services

Barclays Technology Centre

Manchester Technology Innovation Centre

FinTech/cyber security companies in the region also include:

Be in good company

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Barclays

Bank of America Merrill Lynch

MIDAS

Located in Greater Manchester, Midas has spent over 40 years helping companies looking to locate or expand into Manchester.

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Manchester is forecast to be the UK’s best performing city to 2020

EY 2017 Annual UK Regional Economic Forecast