

Ex-chancellor Lord Hammond enlisted by new £1bn UK fintech fund

Lord Hammond, the former chancellor, is among a host of heavyweight figures being enlisted to back a new £1bn fund aimed at accelerating the expansion of some of Britain's most promising financial technology companies.

Sky News has learnt that [Lord Hammond](#) has been lined up to serve on the advisory board of the new venture, which has been provisionally named the Fintech Growth Fund.

City sources said on Monday that it would seek to raise capital from institutional investors and be independent of the government.

The idea for the initiative was one of the central recommendations contained in a landmark government-commissioned review of the UK fintech industry published last year by Sir Ron Kalifa, the former Worldpay executive.

Companies including Barclays, London Stock Exchange Group and Mastercard are said to have been approached about providing small amounts of seed funding to get the new vehicle operational.

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Lord Hammond, who was chancellor between 2016 and 2019, has become involved with several fintech and cryptocurrency businesses since stepping down as a minister.

Among the other senior figures expected to play a role in the Fintech Growth Fund is Al Lukies, an entrepreneur who has served as a government fintech ambassador for nearly a decade.

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Phil Vidler, a former Treasury official who now runs the FinTech Alliance, is also involved.

Insiders said plans were being assembled for an announcement

about the fund's launch as soon as this autumn.

It is expected to invest in companies seeking capital beyond their Series B stage, which is when they typically seek to raise tens of millions of dollars to "scale up" their operations.

Companies in this bracket in the UK could include the likes of GoCardless and Freetrade, according to industry figures.

Sir Ron's review highlighted a capital gap in this area, saying in his report that a £1bn fund could "act as the catalyst in developing a world-leading ecosystem".

"With a £2bn fintech growth capital funding gap in the UK, many entrepreneurs prefer to sell rather than continue to build their promising company," his report said.

"There is £6trn in UK private pension schemes alone, a small portion of which could be diverted to high growth technology opportunities like fintech."

A spokeswoman for LSEG declined to comment, as did Lord Hammond, Mr Lukies and Mr Vidler.