

UK tech firms and investors brought together for landmark Treasury Conference

- Chancellor Rishi Sunak convenes landmark Treasury Connect conference in London today to bring together CEOs of the UK's biggest tech firms and investors
- New data shows government support during the pandemic lands taxpayers with stakes in high performing, high-growth firms including education platforms, healthcare companies and an energy tech company
- More than one fifth of people in the UK's biggest cities are employed in the tech sector which saw a record-breaking £11.2 billion invested last year despite the pandemic

At the first-ever Treasury Connect conference in East London, Rishi Sunak will bring together the CEOs of the UK's biggest investors and tech firms, including Funding Circle and Monzo, and lead four sessions on access to finance, Fintech, talent and life sciences.

He will also announce that government support during the pandemic through the Future Fund, which enabled UK-based firms to apply for convertible loans to support continued growth and innovation, has landed taxpayers with stakes in more than 150 high-growth firms.

These include Vaccitech PLC, which co-invented the COVID-19 vaccine with the University of Oxford and that has been supplied by AstraZeneca to 170 countries worldwide, and Century Tech, an innovative education platform that uses AI to personalise learning for children.

Speaking ahead of the Treasury Connect conference, the Chancellor of the Exchequer Rishi Sunak said:

I am delighted to bring some of our biggest tech firms and investors together today to celebrate UK technology and expertise at Treasury Connect. These firms have huge economic potential and will play a critical role in our future prosperity – all while creating high-skilled jobs and boosting the economy as part of our Plan for Jobs.

The Future Fund was set up to ensure that investment keeps flowing to our most innovative businesses, and it's fantastic that taxpayers now have equity in these top-performing start-ups.

Investing in these companies has the potential to accelerate innovations that will transform UK industry, develop new medicines and strengthen our position as a science superpower.

Digital Secretary Oliver Dowden said:

It's fantastic to see firms and investors from around the country coming together to celebrate this golden age in UK tech.

The tech sector has played a crucial role throughout the pandemic and these innovative firms are key to driving growth through our recovery.

We've been working tirelessly to back digital businesses with pro-innovation policies such as the Future Fund and the National Data Strategy so we can create jobs, wealth and boost people's digital skills right across the UK.

The UK's world-leading tech sector employs more than one fifth of people in the UK's biggest cities, accounting for 9% of the UK workforce. Despite the disruption caused by Covid-19, last year a record-breaking £11.2 billion was invested in the UK's tech companies.

The Government stood behind the sector during the pandemic by launching the Future Fund, in May 2020, which has supported nearly 1,200 firms, in sectors such as digital tech and life sciences, with £1 billion of investment. The scheme also helped these start-ups and innovative firms to secure funding from third party investors who had to at least match the government funding on each loan.

Latest data, released today by the British Business Bank shows some of these early investments have now turned into stakes in these high-growth firms, showing the scheme is working.

This includes healthcare company Cipher Surgical Limited which has developed products to maintain a clear view of the laparoscope used by surgeons when carrying out abdominal keyhole surgery, making operating time quicker and cost less.

Other companies that have Government stakes include Ripple Energy, a firm that allows customers to own shares of a wind farm.

Catherine Lewis La Torre, CEO, British Business Bank said:

The Future Fund helped keep investment flowing to high-growth UK businesses during the pandemic. Designed to create a bridge to an innovative company's next funding round, over £1 billion of convertible loans were issued to more than 1,000 firms. Over 150 companies have already seen this funding convert to equity as they

have gone on to successfully raise further private sector capital.

The continued success of companies such as those supported by the Future Fund, will be essential in ensuring the UK retains its world leading position in science, innovation and technology.

Today's news follows the £375 million Future Fund: Breakthrough which opened for applications in July to help high-growth, R&D intensive companies bring game-changing technologies to market. In the short period of time the programme has been open for applications, there has been strong interest, with the scheme open for applications on a rolling basis to R&D intensive companies with well-established UK operations.

The Government's existing programmes to support innovative firms looking to scale up, include the Life Sciences Investment Programme and British Patient Capital's £2.5 billion 'patient capital'.

Further information

Further stakeholder reaction:

Samir Desai, CEO and Founder of Funding Circle:

The Treasury Connect conference highlights the Chancellor's ongoing commitment to the UK's world-leading tech sector, and we applaud the way HM Treasury and the British Business Bank worked with Fintechs and Banks to support small businesses during the pandemic.

We're proud of the role our technology and distribution platform played in delivering this vital support, and look forward to continuing to work with the Government to help SMEs access growth finance.