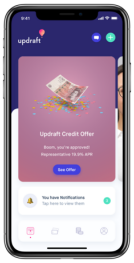
London Fintech Updraft raises £16m to help people break up with their credit cards

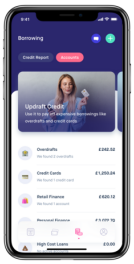
Wednesday 2 December, 2020

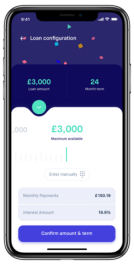
Media:













LONDON, UK -- 2nd Dec, 2020 -- Updraft, a part lending, part credit report, and part financial planning app designed to tackle escalating consumer borrowing, has secured £16m in funding to help its member's avoid unnecessary credit card and overdraft charges. The funding arrives in the form of equity and debt, with specialist investment firm Quilam Capital leading on the debt side, and the UK Government's Future Fund participating via their convertible loan note alongside a group of high-net-worth investors.

Available now via the Apple App Store, Updraft was founded by financial services executive Aseem Munshi, former Head of Cards and Unsecured Lending for HSBC, UK. With over 15 years' of experience in banking, Munshi realised there was a problem that could only be solved from the outside - that consumers drift into borrowing more and more each month without noticing. Consumers will pay over £10b in fees and interests for overdraft and credit cards in 2020 alone.

The startup is among a new group of fintechs that are going after the lending market, but in a unique approach, the company wants to help customers get rid of spend-linked borrowings such as credit cards, overdrafts and increasingly, the buy now pay later schemes often found on ecommerce sites. Using open banking and credit report data, Updraft automatically builds a 360-degree picture of a user's spending and borrowing and provides a series of interventions designed to lift the consumer back into the black. Where expensive borrowing is detected, users can get 'Updraft Credit' to pay off these high-interest-rate debts with a lower-cost loan, potentially saving them thousands of pounds in charges.

While the UK market has its fair share of personal finance apps, for Millennial Borrowers with limited wealth - getting good financial advice remains difficult. This is where Updraft stands out from the crowd; they are the only provider to use a mixture of algorithms and human interactions to give members bespoke recommendations - in-particular to how to pay off borrowings in the quickest amount of time and how to go about building savings.

The app has so far struck the right chord with consumers. More than forty thousand people joined the waitlist for the FCA approved service and 15 thousand were granted early access to beta test Updraft throughout 2020 before it hit the App Store last week. The company says they've already refinanced millions of pounds of borrowings using their own balance sheet and a typical Updraft member has been able to reduce their borrowing charges by up to 50%.

Alongside Munshi, the business has a solid founding team. Co-founders include David Yalland (Chief Product Officer) and Matt Millar (Chief Technology Officer). Greg Detre, the former Chief Data Scientist at Channel 4 is heading up data science for Updraft; whilst Andrés Castaño (ex Starling Bank) leads mobile.

In addition to the support of Quilam Capital, Updraft has attracted a board of advisors that includes Mat Braddy, Brand Founder of Just Eat plc, Philip George, founder of Shawbrook Bank and Sanjiv Sud, ex Head Retail Bank HSBC India, and Global exec at HSBC.

Confirming Quilam Capital's investment, Director Sarah Watts gave the following statement:

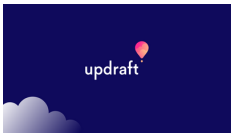
"Over the years we've seen innovators making use of open banking, shed light on financial health and provide credit, however Updraft provides a truly unique offering across all of these aspects with a market leading solution to give customers the fairly priced credit they deserve. We're delighted to invest in Updraft and support the business on their mission to give consumers the tools to save and reach their life goals faster."

CEO Aseem Munshi comments:

We are thrilled by this vote of confidence from a respected institution like Quilam. This funding gives us the fire power to take on the UK's spiralling consumer borrowing.

Updraft is available now on iPhone via the Apple App Store, with the Android version soon to follow.

www.updraft.com



Related Sectors:

Business & Finance :: Consumer Technology :: Government :: Lifestyle & Relationships :: Personal Finance ::

Related Keywords:

Updraft :: Money :: App :: Refinance :: Credit :: Score :: Report :: Quilam :: Capital :: Future :: Fund :: Borrowing :: Debt :: Payoff :: Creditcard ::

Scan Me:

Company Contact:

Updraft

E. david.yalland@updraft.com
W. https://www.updraft.com/

View Online

Additional Assets:

Newsroom: Visit our Newsroom for all the latest stories:
https://www.updraft.pressat.co.uk