

Business

Start-up bank chases the well-heeled

Katherine Griffiths Banking Editor

A former chief executive of the Co-operative Bank, has become chairman of a start-up digital lender seeking to shake up the market for wealthy customers.

Niall Booker, 61, who also held senior roles at HSBC during a 30-year career there, joins several other industry veterans at Monument, which has applied for a banking licence and aims to capture some of the 3.5 million people it believes have the means to use its services.

The new bank will lend up to £2 million to customers through an internet-only application, which it believes it can do because of superior technology for credit checking.

Banking for the wealthy is made up of long-established names such as Coutts, C Hoare & Co, Hampden & Co and Weatherbys.

High street banks also offer accounts for customers with high asset levels, but have for years faced com-

plaints about the quality of the service.

Mintoo Bhandari, a former managing director at private equity house Apollo Global Management who is setting up Monument, said that it would aim to fill the gap, using lower costs of digital technologies and an absence of legacy systems.

“We think premier banking does not really exist in the UK today. It is not premier in any genuine sense of service,” Mr Bhandari said.

Monument is aimed at people with assets of between £250,000 and £5 million, in addition to their properties. It will target doctors, lawyers, accountants and business people.

Customers will be able to open an account with a minimum of £25,000, compared with £50,000 for other premier banking accounts. It will not offer a current account but use open



Coutts has long been seen as a home for the very wealthy

banking technology to link its savings and loans offering to its customers' existing accounts.

There is a gap in the market for a digital bank for the wealthy as the explosion in fintechs in the past decade has largely ignored this segment, Mr Bhandari believes.

The start-up is at an advanced stage of the licence process with City regulators, with an aim to be up and running within six months. Its launch comes as the fintech world has been shaken by the scandal at Wirecard, the digital payments company, as well as the coronavirus pandemic.

The virus has underlined the need for robust digital banking, Mr Bhandari said: “Before, we thought 90 per cent of transactions would be digital and 10 per cent face-to-face. Now we think 98 to 99 per cent will be digital.”