Licence to Share

Building a Smart Data Economy

December 2025

STARTUP
C*ALITION

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About Startup Coalition

Startup Coalition, formerly the Coalition for a Digital Economy (Coadec), is an independent advocacy group that serves as the policy voice for Britain's technology-led startups and scaleups. Startup Coalition was founded in 2010 by Mike Butcher, Editor-at-Large of technology news publisher TechCrunch, and Jeff Lynn, Chairman and Co-Founder of online investment platform Seedrs. Startup Coalition works across a broad range of policy areas that matter the most to startups and scaleups: Access to Talent, Access to Finance & Regulation.

Polling Methodology

The data in this report is the result of polling commissioned by Startup Coalition and conducted by Public First. Fieldwork was conducted online between 14–17 November 2025, with a sample of 1,067 UK adults. All results are weighted using Iterative Proportional Fitting ('Raking') by interlocking age and gender, region, and social grade to nationally representative proportions. Public First is a member of the British Polling Council (BPC) and abides by its rules. For more information, please contact the Public First polling team at polling@publicfirst.co.uk.

Acknowledgements

Thanks to the startup founders who contributed to this report, and particularly to the featured case studies. Thanks to the experts who contributed and to Beauhurst for providing underpinning data.

Executive Summary

The Smart Data economy is already taking off, and the passage of the Data Use and Access Act in 2025 now lays the groundwork for it to soar. As the market delivers these use cases in earnest, assessing where to use these new powers is now key for the UK Government, and in early 2026 it will publish a new Smart Data roadmap. This report brings two new bits of evidence to help guide this next phase.

First, new nationally representative polling conducted by Public First shows that public demand for Smart Data is strong and consistent.

- Three-quarters told us they share their data at least some of the time, and two-thirds want data to move seamlessly across the services they use.
- Twice as many people support companies sharing limited data securely to make services more efficient (46%) as oppose it (22%).
- Financial services firms are the most trusted to use data (80% trust), with government departments (73%) and energy suppliers (69%) just behind.

Public support, however, is conditional. 62% of people feel they lack control over how their data is used, with the main concerns being data privacy and security.

Brits want the government to enforce data rights, set clear standards, and provide visible trust mechanisms. When asked about regulated Smart Data, half support the idea and only a small minority oppose it. This demand means that the Government should practice what it preaches: if there is an opportunity to introduce interoperability across the economy through Smart Data, it should. We recommend that they start with ticket resale and driving test booking.

Second, we quantified the UK's Smart Data startup sector for the first time. 214 UK firms are delivering Smart Data-driven services across the economy. Combined, firms have raised £3.2bn and are worth £5.4bn. Open Finance dominates, constituting 77% of the value of the whole sector, and the lesson from Open Banking is unmistakable. 93% of Open Banking investment followed government intervention: when the government sets pro-competitive rules that open up data, investment surges and innovation accelerates. Smart Data is an economic opportunity for the UK. Consequently, we restate the priority sectors of finance, energy and property, and advocate for exploratory work in retail and transport.

Taken together, the polling and startup data show that Smart Data is both a response to public demand and a significant growth opportunity. Smart Data schemes can help the government lower costs through transparency, combat fraud, improve service quality and open up markets.

Our conclusion is simple: let the market deliver Smart Data wherever possible, and let the government intervene where structural barriers or public-interest goals require it. Our roadmap recommends progressing priority schemes in finance, energy and property; deploying Smart Data to deliver in-train policy (such as ticketing and driving tests); exploring new schemes in retail and transport; and creating a cross-economy governance body to coordinate standards and accreditation.

With the Data Use and Access Act now in force and a new Smart Data strategy due in 2026, the UK has a rare opportunity to turn widespread public behaviours and early-stage innovation into a world-leading Smart Data economy.

Introduction

Introducing Smart Data is critical to unlocking the full potential of the UK's digital economy.

Today, consumer and business data remain siloed and underused, often trapped by incumbents with little incentive to enable real-time sharing. Smart Data changes this by enabling secure, real-time access that fuels innovation, competition, and consumer choice. Its adoption in consumer facing industries promises three major benefits: increased competition by decoupling data from services, greater consumer empowerment through personalised offerings, and stronger economic growth driven by a more dynamic, data-driven market.

More profoundly, the accelerated use of Smart Data will increase digitalisation, efficiency, and interoperability across the UK economy. This will break down barriers to entry for innovators, create new and exciting use cases for end users, and deliver more security and efficiency across many industries, as well as combatting fraud.

Startup Coalition cares because startups and scaleups are at the vanguard of bringing Smart Data to life for consumers and businesses. Today, all too often, the main beneficiaries of data are large corporates, who fail to deliver on the full potential of this data for the end user. Startups are changing this, but could do it faster with the aid of Smart Data.

What is Smart Data?

Smart Data is happening across many sectors of the UK economy, every day, delivering value to individuals and businesses alike. It can be the seamless connecting of data between providers to prove identity, or the bespoke personalisation of a product resulting from sharing a history of behaviour. It can be the aggregation of information for convenience, or the synthesis of public data with private data shared with consent, to produce something completely new. It can also be the joining up of business data to support compliance, reduce fraud, and improve public services.

Smart Data can be all of these things, but there are a handful of key, common characteristics:

- Data sharing is realtime, or nearly realtime
- Data sharing is seamless, digital, and frictionless
- If personal information is involved, informed consent is obtained

Where the market can deliver Smart Data safely and at scale, it should. Where structural barriers, entrenched incumbency or public-interest objectives prevent this, the government should step in to mandate access, set standards, and build trust infrastructure.

In cases where these are required, they can be introduced either through industry collaboration or through government action. After the introduction of the Data Use and Access (DUA) Act in 2025, if

Government intervention is required, the introduction of these elements could be achieved under a regulated Smart Data scheme.

Smart Data as a regulated activity refers to a new concept set to be introduced through the DUA in 2025. It covers two key types of data sharing: first, the secure sharing of customer data with Authorised Third Parties at a customer's request, enabling individuals and businesses to control how their data is shared and used in real time, as seen today with Open Banking. Second, Smart Data also encompasses the secure sharing of non-personalised datasets with authorised third parties, compelling certain actors to digitalise, standardise, and release data that was previously inaccessible.

Where Are We Now?

The DUA, which became law in June 2025, establishes the legal foundation for Smart Data by defining how customer and business data can be accessed, shared, and used. While the Bill had broad political support when it was enacted, it only provided the framework, and Smart Data will come to life through secondary legislation introducing sector-specific "Smart Data schemes." These schemes will set out the rules for who must share what data, with whom, and under what conditions. Without swift action on these statutory instruments, the government risks stalling a key driver of innovation and economic growth.

In February 2025, Startup Coalition joined forces with the Tony Blair Institute to map out our priorities for the use of the Smart Data powers.[1] This "Making Smart Data Happen" report set out that the three priority sectors for the government to explore should be finance, energy and property, alongside acting to lay the foundations for the Smart Data economy. The actions in this earlier report remain outstanding, but progress over the last year, alongside further consultation with British startups, mean they have evolved.

What's Next?

The Department for Business and Trade is set to usher in a new Smart Data strategy in 2026 to chart the course to a Smart Data economy. To this end, this report provides two new pieces of evidence to support priorisation:

1. In November 2025, we commissioned Public First to survey a representative sample of the UK public about their attitudes to sharing data, the opportunities of interoperable data across the economy, and their appetite for specific Smart Data use cases.
2. Building on our February 2025 analysis of three Smart Data sectors, finance, energy and property, we have expanded our lens. In this report, we contribute, for the first time, an analysis of the whole Smart Data startup sector.

People expect services to work seamlessly together, and they want the benefits of a modern, joined-up economy, but only if trust, security and value are guaranteed. Startups are a critical enabler of the Smart Data economy, but their growth in many sectors is stunted, despite consumer demand. Overall, there remains work for the Government to do.

[1] https://startupcoalition.io/news/making-smart-data-happen/

Pray Share?

Our research shows that the public already shares data widely, expect services to work together, and want better deals and fairer markets as a result. Where this is not happening, they see it as a failure of systems and institutions, and they look to the government to step in. Smart Data offers a way for the government to do exactly that: using secure, interoperable data as a delivery mechanism for competition, consumer protection and wider policy goals.

People Already Share Data, But They Want It to Work

When asked conceptually about data sharing, there was clear demand from respondents.

Most people in the UK are already regular data sharers. Three-quarters told us they share their data at least some of the time, and only 6% say they never do. Why do people share?

- Value is the top driver: 45% share data to get better deals, discounts or rewards.
- Access is next: 37% share data simply because a service requires it.
- Trust matters just as much: 37% say they share because they trust the organisation.

Critically, two-thirds of the public say it is important to be able to move their data easily between services, and twice as many people support companies sharing limited data securely to make services more efficient (46%) than oppose it (22%).

In other words, people are already behaving as if they live in a connected, competitive economy: switching services, trying to get better value, and assuming their data can move with them. Where markets fail to deliver that portability or value, the problem is not public reluctance to share data but the absence of the infrastructure and rules to make data work in the public interest. That is exactly the space where Smart Data schemes can give the government a practical lever to boost competition and deliver better outcomes.

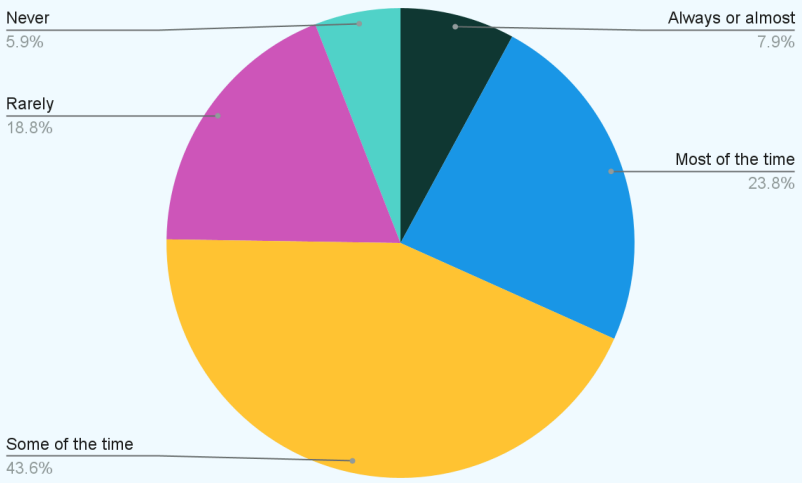

Figure 1, How often do you share your data with companies in this way when using their products or services? (All Respondents)

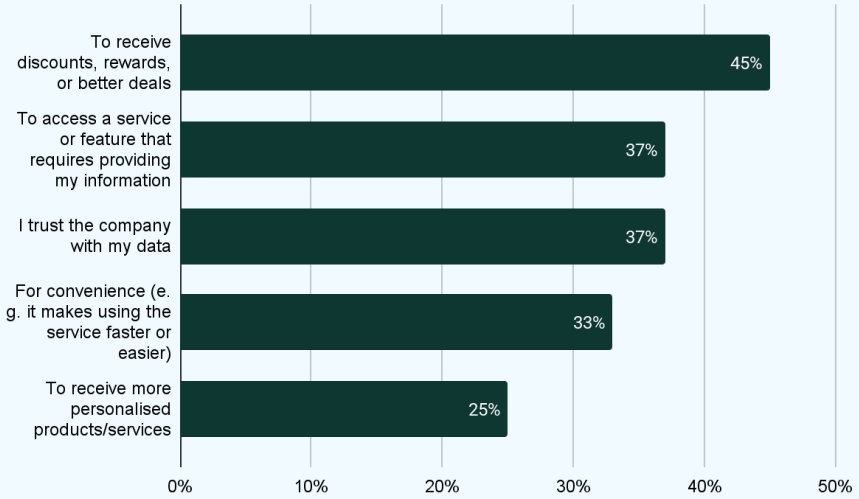

Figure 2, Which of the following most closely reflect your reasons for choosing to share your personal data with a company? (Select all that apply) (Base Respondents)

The Public Expect Joined-Up Services, Public and Private

Across sectors, people expect organisations to spare them the burden of repeatedly entering information. 65% expect data to flow between departments within the same organisation, whilst 71% expect data exchange within the same public service and 55% expect it across different public services. Indeed, nearly half (49%) expect data sharing across companies under the same owner. For different companies in the same sector, expectations are lower: 28% *expect* data sharing, whilst 38% do not.

The expectation in many instances is not that "no one should share data"; the expectation is: “if I’ve already given you my information once, don’t make me give it again.” This is a demand for efficiency, competence and modernity, the foundations of Smart Data, alongside a critique of the status quo: siloed

systems and non-interoperable data create friction for citizens and, in markets, can entrench incumbents at the expense of challengers. Smart Data schemes give the government a way to remove those structural barriers, reducing switching costs and making it easier for consumers to exercise choice.

Trust Is the Barrier, Not the Concept of Data Sharing

Despite strong demand for more joined-up services, concerns are real and visible.

- 39% think the risks of sharing outweigh the benefits, compared to only 19% who think the opposite.
- 52% believe companies benefit more from data sharing than consumers do.
- 62% feel they don't have enough control over how their data is used.
- 55% have refused to use a service because of uncomfortable data requirements.

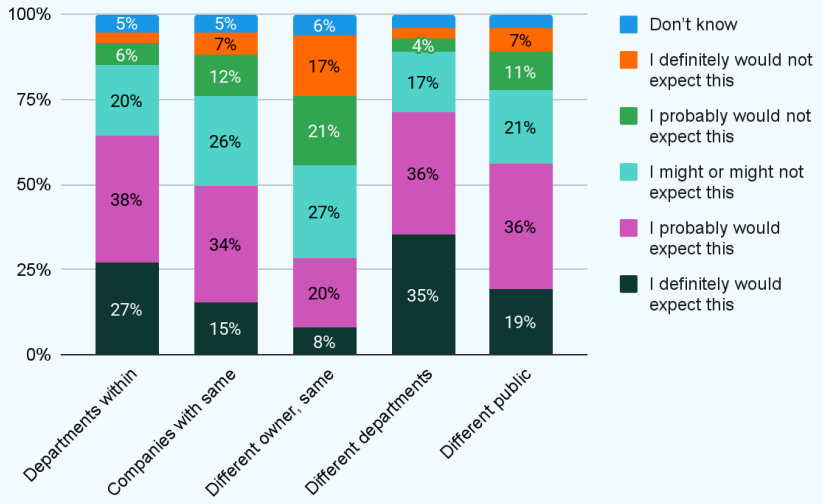

Figure 3, For each of the following types of organisation, please tell us whether or not you would expect them to be able to move your data between services or providers so that you don't have to re-enter the same information each time. (All Respondents)

The top reasons for refusing to share data are:

- Privacy concerns (62%, though this rises to 72% for those that identified as rarely or never sharing data).
- Data security worries (50%)
- Lack of trust in the organisation (45%)

The pattern is clear: people will share, provided the exchange is fair, transparent and safe. Left unregulated, however, data sharing is perceived as something that primarily advantages corporates, not the end user. Smart Data shifts that balance: it allows the government to hard-wire safeguards into how data moves, so that competition and innovation are built on trusted, pro-consumer rules rather than on opaque data advantages.

Sector Insights: Finance and Energy Lead, but Public Appetite Is Broader

The survey shows strong public familiarity with sharing financial data (77%) and data in online shopping (72%). When asked which sectors would most benefit from easier data sharing, the top two were energy (45%) and finance (44%).

This tracks closely with trust levels:

- Finance: 80% somewhat trust these organisations with their data
- Government departments: 73%
- Energy suppliers: 69%
- Telecommunication providers: 64%

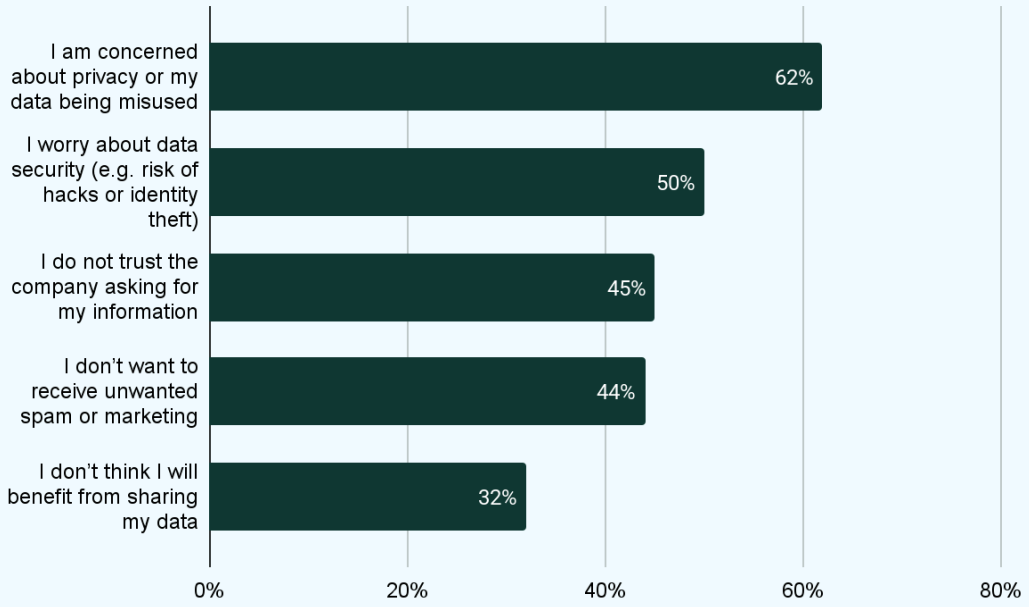

Figure 4, Which of the following are reasons you hesitate or refuse to share your personal data with a company? (Select all that apply) (All Respondents)

These findings validate the Government's current priority sectors, finance and energy, where Smart Data schemes can tackle cost of living pressures, switching frictions and entrenched market power.

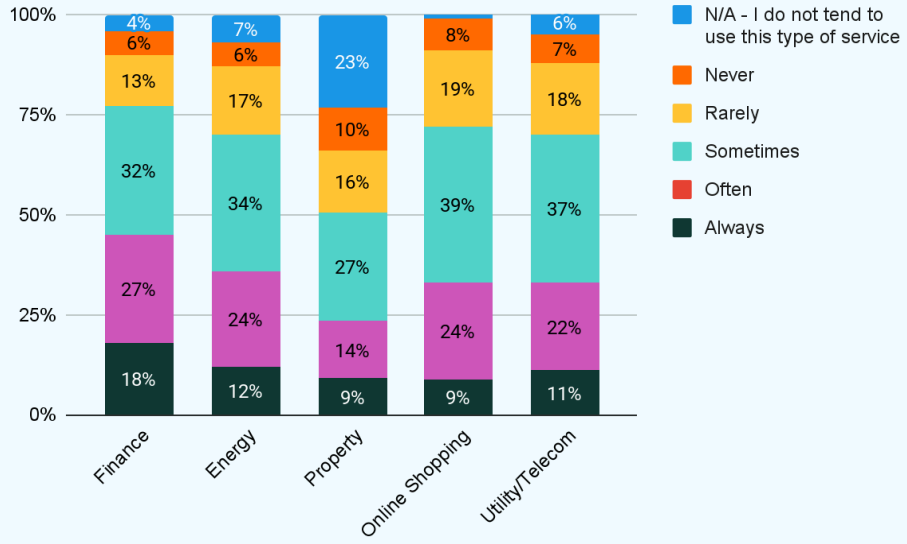

Figure 5, How often do you share your personal data when using services in the following sectors? (All Respondents)

But there was also emerging demand in other areas such as retail and transport, where consumers experience fragmented services, inconsistent prices and limited ability to make their data work for them. That creates a clear opportunity for the government to use Smart Data as a pro-competition tool beyond the initial sectors.

- 44% support a transport Smart Data scheme enabling shared price caps, cross-operator payments, and more integrated journeys.
- 51% of the public would be likely to use a unified retail loyalty program enabled by a Smart Data scheme, more than the 35% unlikely to do so.
- 48% would be likely to use a Smart Data ticketing scheme enabling secure exchange of information to counter ticket touts and prevent fraud, compared to 27% unlikely to do so.

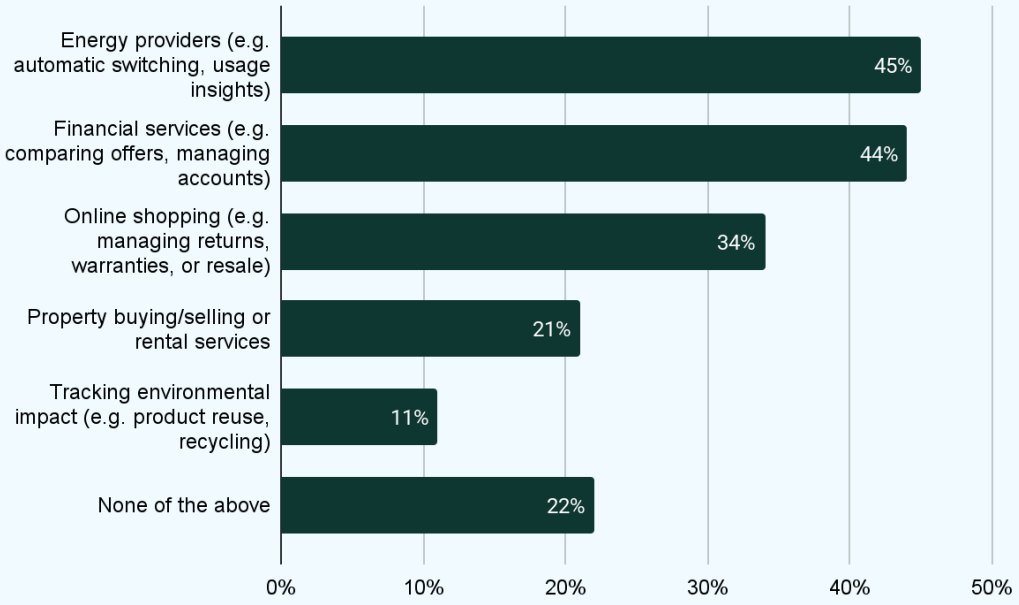

Figure 6, In which areas would easier data sharing be most useful to you personally? (Select all that apply) (All Respondents)

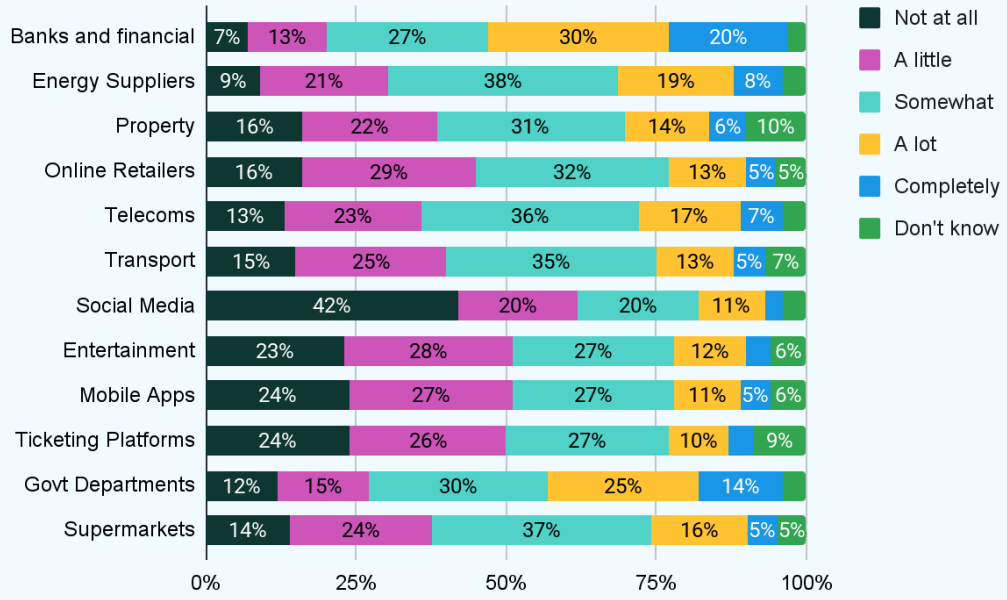

Figure 7, How much do you trust types of organisations to use your personal data responsibly? (All Respondents)

Building Trust in Smart Data: What People Say Would Help

Asked what would make them more willing to share data, respondents chose:

- Knowing data is secure and shared only with permission (43%)
- Saving money through better deals or tariffs (43%)

- Only needing to share data once, with full control (33%)

This reinforces a simple truth: the public wants control, clarity and convenience. Government action also matters. Respondents stated that they wanted the Government to support increasing trust in data sharing through:

- Enforcing data privacy laws (23%)
- Mandating clear consent (19%)
- Creating a certification or “trust mark” (17%)

Only 11% said government action would make no difference.

This is a strong mandate for government-led trust infrastructure that is supportive, not restrictive. Properly designed Smart Data schemes, with robust standards, accreditation and enforcement, are precisely the kind of intervention people are asking for: rules that make markets fairer and safer, while still allowing competition and innovation to flourish.

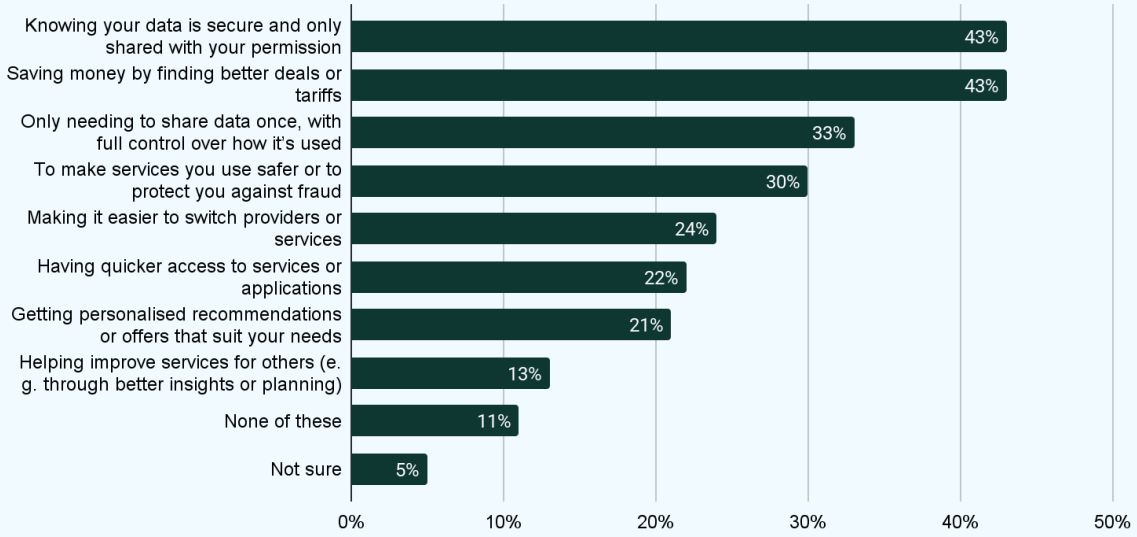

Figure 8, Would any of the following make you more willing to share your personal data with organisations whose services you use? (Select all that apply) (All Respondents)

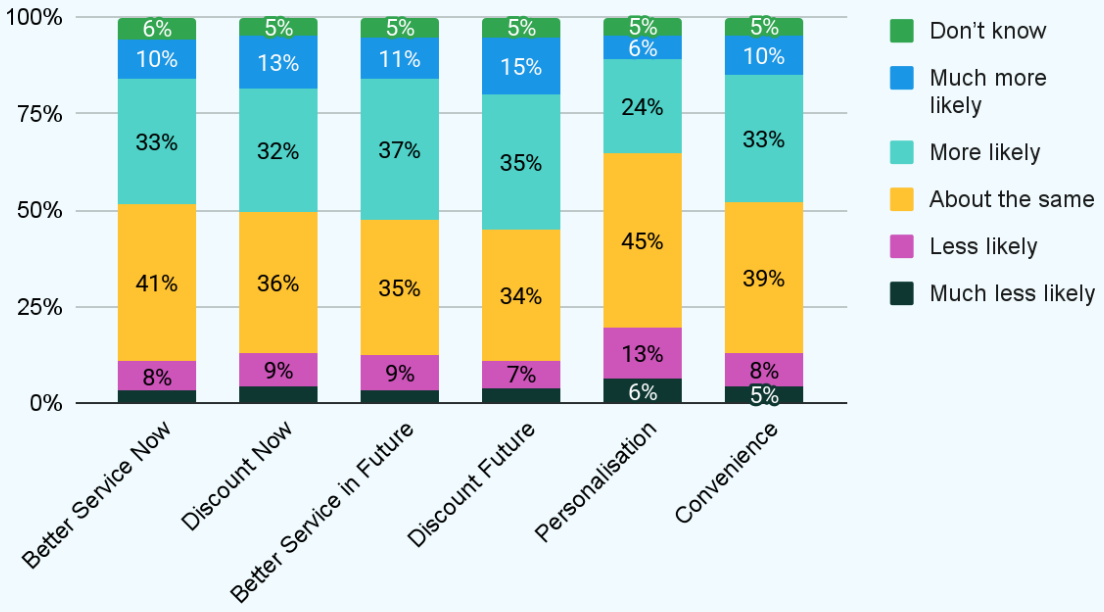

Figure 9, In each of these situations, please tell us whether or not you would be more or less likely to share more of your personal data with a company whose services you were buying (All Respondents)

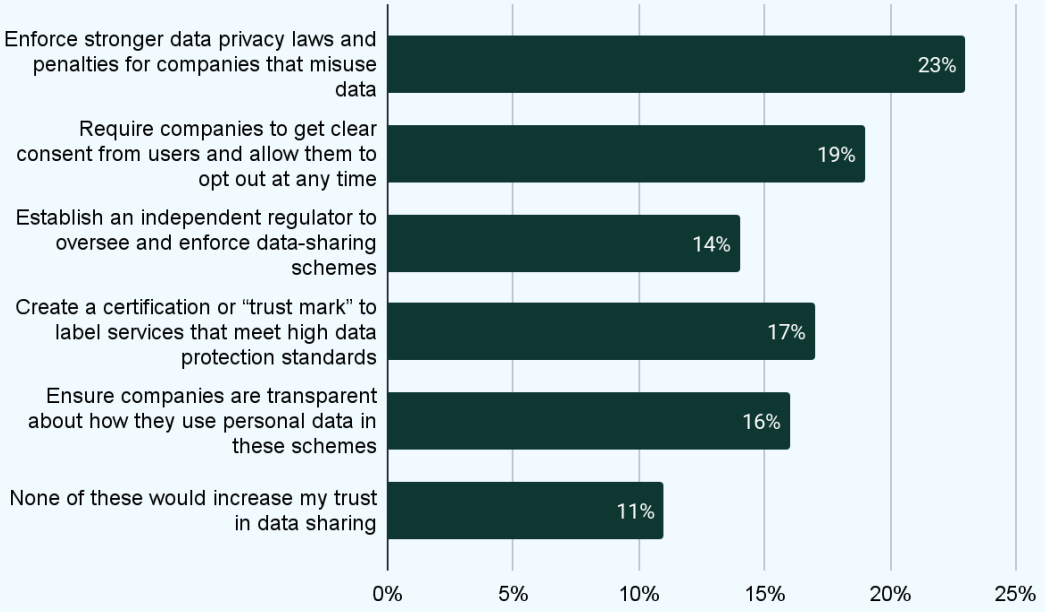

Figure 10, Which, if any, of the following actions by the government would increase your trust in how personal data is shared between companies? (Select one) (All Respondents)

Public Backing for a Regulated Smart Data

When asked directly about a government-regulated scheme enabling secure data sharing between companies, 50% support the idea and only 18% oppose. The UK public broadly supports Smart Data as a concept, especially if it reduces risk and increases convenience. A Smart Data framework could address the concerns highlighted above by providing:

- Clear scope on what can be shared and with whom
- Strong data standards to guarantee security and interoperability
- Trust Frameworks to define responsibilities and liabilities

This gives the government a practical way to pursue its competition and consumer-protection objectives: not by micromanaging individual business models, but by setting the rules and infrastructure that allow people to move their data, choose better deals and hold corporates to account. A more joined-up economy is made possible through Smart Data, the very outcome that the public demands.

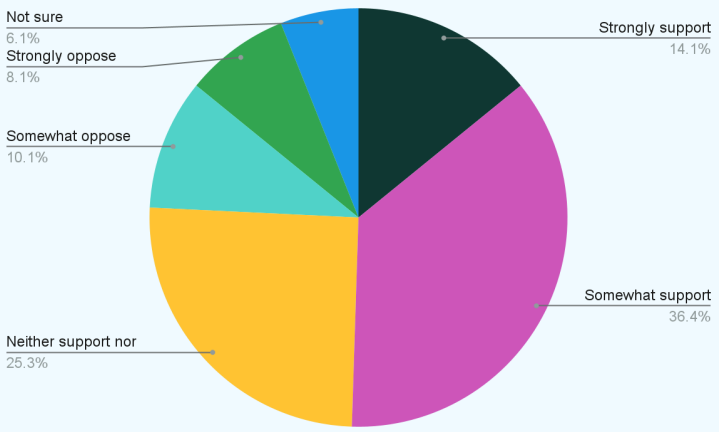

Figure 11, Please imagine that the government was planning to introduce a new regulated scheme that allows consumers to securely share their data between companies. This would be aimed at getting the benefits of data sharing (e.g. more convenient and personalised services) while reducing the risks. To what extent would you support or oppose this idea? (All Respondents)

Next Steps

The polling shows clear but conditional support: the public expect services, public and private, to work together; they expect data to move with them; and they want value, clarity and control. The friction they face today does not come from attitudes to data sharing, but from infrastructure that was never designed for a connected economy.

Smart Data provides the missing layer: a way to standardise, secure and govern data so that markets behave competitively and services operate coherently. It offers a route for the government to address long-standing competition issues, reduce consumer harm, and support innovation across sectors. With this context, the next section considers how Smart Data can serve as a delivery mechanism for the government's wider economic and regulatory ambitions.

Smart Data, Smarter Economy

Smart Data is no longer solely an economic reform tool for regulated markets like banking or energy. It is increasingly becoming an instrument of state interoperability and public service modernisation. Governments across the world face a common challenge: citizens expect public and private services to work together, share information responsibly, and deliver joined-up outcomes. When this does not happen, people experience friction, duplication and inefficiency, and trust in institutions erodes.

Why is Interoperability Across the Economy of Benefit to a Progressive Government?

A progressive government committed to fairness, efficiency, and citizen empowerment stands to gain significantly from state-wide Smart Data interoperability in several ways:

A cheaper, more efficient state with less duplication: Government bodies often hold overlapping datasets but cannot easily share information with one another or with trusted third parties. This forces citizens to repeatedly provide the same details and leads to wasteful administrative friction. Smart Data creates a “once-only” principle: individuals consent to a data transfer once, and secure standards govern how it can be reused. This improves service quality while reducing cost.

Lowering costs for consumers through transparency: In November 2025, the Government introduced a new Fuel Finder scheme, using the Smart Data powers, enabling real-time visibility of petrol prices across the country through sat-navs and other third-party apps signed up to the scheme.[2] This illustrates how mandated, standardised data release can shift market behaviour. When prices are made available in accessible and machine-readable formats, it enables consumer apps, price comparison tools, and route-planners to surface cheaper options, creating competitive pressure without heavy-handed intervention. This approach can be replicated across other sectors where opaque pricing harms households.

Increasing competition by addressing data asymmetries: Progressive policymaking often aims to expand the number and diversity of providers in a market. Where incumbents benefit from privileged access to data, pricing, bookings, customer information, or usage patterns, Smart Data can level the playing field. We saw this with Open Banking: a £4bn sector accelerated thanks to pro-innovation regulatory intervention.[3]

Empowering citizens by giving them control over their own data: A progressive government emphasises rights, agency and autonomy. Smart Data operationalises these values: citizens decide who can access their data, for what purpose, and for how long. This replaces passive data extraction with active, informed participation. Recent research from the Social Market Foundation found that low income households could particularly benefit from Smart Data as they are more likely to encounter poverty premiums and face loyalty penalties.[4]

[2] https://competitionandmarkets.blog.gov.uk/2025/11/17/driving-better-road-fuel-prices-for-consumers/
[3] https://startupcoalition.io/news/making-smart-data-happen/
[4] https://www.smf.co.uk/publications/smart-data-low-income-consumers/

Countering fraud through secure, permissioned data flows: A progressive government committed to protecting consumers and safeguarding public services can use Smart Data as a powerful anti-fraud tool. Smart Data frameworks replace ad-hoc data checks, unverifiable documents and siloed verification systems with secure, permissioned, real-time data sharing between trusted actors. This makes it far harder for fraudsters to exploit information gaps or impersonate individuals, while enabling legitimate users to prove their identity or eligibility instantly and safely. By standardising how data is accessed and validated, Smart Data reduces the burden on frontline services, strengthens enforcement, and creates a digital environment where trust is the default, not an optional extra.

Enabling cross-sector solutions to meet political goals: Complex policy missions like improving young people's economic opportunities, protecting consumers in digital markets, or ensuring fairness in entertainment and cultural sectors require data to flow between organisations. Smart Data frameworks create the interoperability layer that makes these goals achievable.

Smart Data for Smart Policy Delivery

Applying Smart Data principles across the state allows the government to break down information silos and create a more coherent experience for citizens. This is exactly why the first use of the Smart Data powers is the introduction of "Fuel Finder".[5] Smart Data can help governments achieve political priorities faster, more cheaply, and with far greater public support, because it solves problems through openness and interoperability rather than heavier regulation. This aligns with recent work from the CMA focusing on the role of Smart Data in promoting price transparency.[6] It also demonstrates that the Government should prioritise using its powers where Smart Data can support delivery of in-train policy priorities, and there are two key instances in the near term where this could apply: ticketing and driving tests.

Interoperability Case Study: Ticketing

What's Going On?

The Government's recent announcement that reselling event tickets for profit will be outlawed reflects strong public concern about inflated prices, hidden fees, and the difficulty of accessing tickets at a fair cost. Proposed new legislation will cap resale prices at face value and limit the number of tickets which can be resold to combat Illicit and above face value resale. Officials estimate that this could save fans more than £100 million per year.

However, the most significant challenge facing this policy is enforceability. Without reliable data and real-time transparency across primary and secondary platforms, listings could continue to slip through at inflated prices. The Government's own proposals indicate the challenge, as potential resale platforms will not be expected to enforce the ticket resale limits which the Government is proposing to bring in. Industry figures have warned that poorly designed rules and uneven enforcement may simply push resale into unregulated corners of the internet or into social media groups, where consumers do not have the same protections as they do in the formal resale market.

A case for Smart Data?

Smart Data offers a way to make the new cap workable in practice while also facilitating one of the Government's key consumer policy objectives it set out to achieve in its ticketing consultation - to support transferability in the ticketing market. By requiring that all primary tickets be associated with a secure, standardised metadata record, including the original face value, ticket type, seat location, and event

[5] https://competitionandmarkets.blog.gov.uk/2025/11/17/driving-better-road-fuel-prices-for-consumers/

[6] https://assets.publishing.service.gov.uk/media/689c9f499a65499b446361f6/smart_data_and_price_transparency_schemes_discussion_paper.pdf

details, resale platforms could verify price caps automatically before allowing a listing. Consumers would be able to authorise access to their ticket data when they want to sell, while keeping personal information private. This creates a system where compliance happens automatically: a platform simply cannot list a ticket above the permitted price or above the resale volume limits because the underlying data will not allow it.

For regulators, Smart Data also offers a powerful enforcement tool. Access to aggregated resale data makes it possible to identify suspicious behaviour, such as bot-generated purchase patterns, unusually high volumes of resale attempts, or systematic breaches of fee rules. It reduces the need for costly manual enforcement and provides a continuous, real-time view of the market.

For consumers, the benefits are immediate and tangible: clear information on price, fees and authenticity, fewer hidden charges, and confidence that they are not being exploited and are better protected from fraud, helping the government to meet its objectives to drive down the cost of living. For the industry, Smart Data preserves the option of legitimate resale while removing the incentives and opportunities for profiteering.

What's more, Smart Data would support increased competition and innovation in the ticketing market, as resellers would be enabled to compete on fair terms with primary market incumbents. Much like Open Banking, pro-competitive regulation by the government could lay the foundations for start-ups to develop and deliver new innovative consumer offerings in the ticketing sector, while placing pressure on incumbents to raise their game.

Action: The Government should commit to using Smart Data to underpin its ticket resale reforms.

Interoperability Case Study: Driving Tests

What's Going On?

The cost of learning to drive has risen sharply in recent years, and has now become a significant barrier for many young people. Rising lesson prices, higher fuel costs, and increased demand have left learners paying more than ever simply to reach the point of taking a test. At the same time, market transparency is low. Prices vary widely between instructors, availability can change without warning, and it is difficult for learners to compare the quality or reliability of different providers. This lack of transparency is now attracting regulatory scrutiny. In November 2025, as part of a wider crackdown on drip pricing and misleading online sales practices, the Competition and Markets Authority (CMA) launched investigations into several firms, including two of the UK's biggest driving schools. The CMA is examining whether consumers were being misled by advertised prices that excluded mandatory booking fees, a sign that the market may not be functioning in the interests of learners.

A Case for Smart Data?

A Smart Data framework could address many of these problems simultaneously. By standardising key information like prices, instructor qualifications, availability, vehicle type, cancellation records, and pass rates, the government could enable accredited third-party services to present this information clearly and comparably to learners. Consumers could also port their own lesson history or preference data when switching between instructors or platforms, reducing lock-in and encouraging competition.

Regulators would gain access to anonymised, aggregated data that helps them identify price anomalies, misleading practices, supply shortages, or geographic disparities. Smaller or independent instructors, who currently lack the digital capacity of large platforms, would benefit from a level playing field in which their services can be found, compared, and booked with ease.

Action: The Government should commit to using Smart Data to underpin its driving test reforms.

Letting The Market Lead

The above section outlined how the Government can prioritise the use of the Smart Data powers to deliver on in-train policy priorities. However, the most efficient way of delivering Smart Data is through the market delivering on the public demand to share their data. Often, this will be through cutting-edge, digital use cases, often provided by startups. At Startup Coalition, we believe this is why we must start with the Smart Data startup sector. These firms are delivering tangible value to users, both consumers and businesses, without the Government having used its powers under the Data Use and Access Act. To this end, we have quantified and valued the UK's Smart Data startup sector for the first time.

The Smart Data Startup Sector

The Smart Data Sector is worth £5.4bn in 2025.

It is a lively sector covering fourteen distinct sectors, alongside cross-sector use cases. Our dataset included 214 startups, based all across the country, including university spinouts, unicorns, and everything in between. These firms are creating high skilled jobs, redesigning best in class customer experiences, and developing cutting edge, AI-powered solutions demanded by customers across the planet.

Some key figures:

- Number of firms: 214
- Total funds raised: £3.2bn
- Median raised: £2.4m
- Total value of the sector in November 2025: £5.4bn
- Median value in November 2025: £8m
- Number of exits: 26
- Number of failures: 23

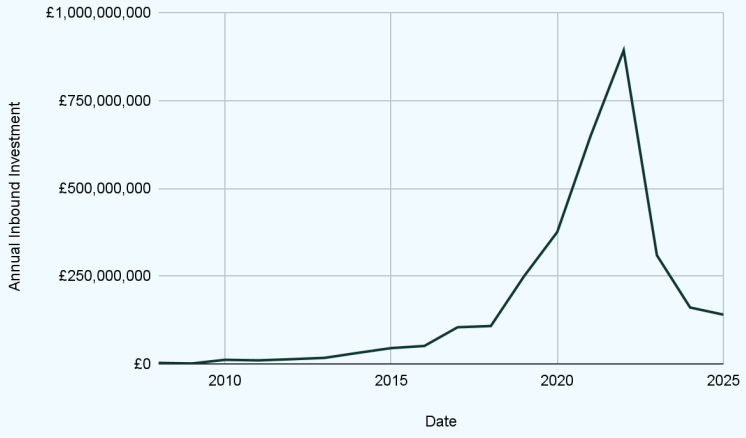

Figure 12, Annual Investment into the Smart Data Startup Sector 2006-2025

The biggest single sector by population, fundraising and value is Open Finance, and by some way. There are 95 Open Finance Fintechs in the dataset, with the next most populous being the energy sector at 34 firms. Open Finance firms have raised a combined £2.4bn, and in 2025 the sector was worth £4.2bn.

Despite only covering a thin slither of the datasets (current account information), the regulated Open Banking sector constitutes more than 77% of the total value of the whole Smart Data startup sector. This is the impact of Government intervention.

The Smart Data startup sector as a whole saw steady growth in year on year annual investment between 2008 and 2018. After this, however, the annual investment into the sector ballooned due to increased inbound investment for Open Finance firms. Between 2018 and its peak in 2022, annual inbound investment in Open Finance firms increased nearly nine-fold from £108m to £893m. This was met with a corresponding increase in value from £767m in 2018 to £5bn in 2022.

When you remove the Open Finance firms from the dataset, there is a rise after 2018, but nowhere near as high, with the peak in 2023 at £166m in annual investment. The gap between Open Finance and the other sectors has closed in recent years: between 2018 and 2022, Open Finance constituted between 74-89% of annual investment into the sector, whereas in 2023 this actually dropped to 46%, before rebounding to 52% in 2024. Though the data is incomplete for 2025, Open Finance is currently on track to constitute 80% of total inbound investment into the Smart Data sector in 2025.

It is unequivocally the case that the introduction of the Open Banking regulations in 2018 turbocharged inbound investment in startups in the sector. 93% of the money raised by Open Finance firms in this dataset came after 2018, and this is also seen starkly in Figure 13.

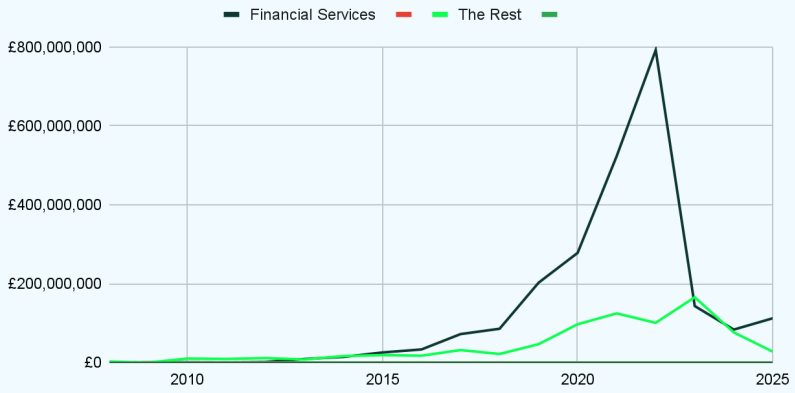

Figure 13, Annual Investment into the Smart Data Startup Sector

Open Banking was a pro-competition regulatory innovation that worked. It signalled to investors that the Government would set a group of founders up to succeed, and the result was a multi-billion-pound sector. The same could be true for the other Smart Data sectors, but to maximise the chances of this occurring, we must learn lessons from the Open Banking experience.

The Next Frontiers

The story of Open Banking demonstrates what happens when clear rules unlock data mobility: investment follows, innovation accelerates, and consumers benefit. The data in this section shows that the wider Smart Data ecosystem is now poised for similar breakthroughs. In our February 2025 report we advised that Open Finance, Open Energy and Open Property are the priorities. This remains the case.

Beyond finance, many of the smaller sectors in our dataset, particularly retail and transport, mirror where finance stood a decade ago: strong consumer demand, early-stage innovators, but limited access to the data required to scale. Having mapped the economic potential of today's Smart Data startups, the next step is to examine where the next wave of growth could come from in these more nascent sectors.

Two sectors stand out as ripe for investigation: retail and transport, where closed data currently constrains competition, consumer choice and service integration, but there are startups attempting to smash down these barriers and deliver on consumer demand to share their data.

Fresh Ideas

Open Retail Loyalty

Startup Case Study: Carbon Trac

CarbonTrac is a data-intelligence platform transforming online grocery shopping by embedding real-time sustainability and nutrition insights into retail journeys. Its smart-swap engine analyses product, nutrition, packaging and emissions data to generate rapid sustainability ratings and offer two to three lower-carbon, nutritionally comparable alternatives with a single tap. By merging environmental and health optimisation, it turns everyday purchases into simple, meaningful climate and wellbeing actions.

The platform serves retailers, suppliers and consumers. Supermarkets receive automated product-level footprints, Scope 3 emissions dashboards and a plug-and-play API layer that can increase average basket value while supporting CSRD and GHG Protocol compliance. Suppliers can contribute limited data to sharpen accuracy and receive benchmarking without costly lifecycle assessments. Shoppers benefit through greener swaps, improved nutrition suggestions and rewards of up to £20 per month for healthier choices.

Founded by CEO Yasmine Abdu, UK Green Tech Startup of the Year 2025 and a globally recognised speaker, CarbonTrac positions itself not just as a tool but as an ecosystem intervention, shifting supply chains through millions of optimised consumer decisions.

However, CarbonTrac's ability to scale is restricted by closed retailer data systems. Delivering live swap prompts and whole-basket analysis requires standardised product catalogues, anonymised purchasing patterns and real-time cart data, information currently locked behind lengthy bespoke integrations. CarbonTrac argues that Open Retail–style, government-mandated data standards would enable secure, interoperable access across retailers, cutting integration time, reducing compliance costs and accelerating sustainability innovation. With open, machine-readable data infrastructure, platforms like CarbonTrac could scale nationwide, improving diet quality, reducing emissions and boosting retailer revenues simultaneously.

What could Smart Data Mean for Retail Loyalty?

A Smart Data scheme for retail loyalty, often referred to as Open Retail Loyalty, could extend the principles demonstrated in Open Banking into one of the UK's most data-rich and consumer-facing sectors. Retailers hold enormous volumes of transaction and behavioural data, yet these insights are usually locked within individual firms. As a result, consumers do not see the full value of their own data (as defined by GDPR), and markets remain fragmented and shaped by incumbents with significant proprietary data advantages.

Open Retail Loyalty could address this by creating a regulated, interoperable framework that allows consumers to securely instruct retailers to share their loyalty and purchase history data with accredited third parties. This would give people greater choice and control, support innovation in budgeting and

savings tools, and increase transparency across the sector. In doing so, Open Retail Loyalty is both an economic and fairness intervention, closely aligned with the government's ambition to improve productivity and competition across the economy.

Why is Open Retail Loyalty of Benefit to a Progressive Government?

For a progressive government focused on living standards and consumer rights, the benefits are clear. Retail is one of the most frequent areas of household spending, and enabling consumers to move their purchase data to trusted services would unlock tools that automatically identify savings, suggest cheaper or healthier alternatives, and support tighter budgeting. This opens up advantages that currently sit behind proprietary loyalty schemes or require high digital literacy.

Open Retail Loyalty would also strengthen competition by reducing data-driven market power. A small number of large retailers control extensive loyalty ecosystems, risking the entrenchment of incumbents and limiting choice. Secure, permissioned data mobility would level the playing field for smaller retailers and innovators, supporting more dynamic local markets and enabling new business models to emerge.

Interoperability in retail loyalty scheme would also contribute to a more connected digital economy. Consumers expect services to work seamlessly when they choose to share data. With Open Retail Loyalty, multi-retailer loyalty wallets, cross-sector budgeting tools, and services linking retail behaviour to financial, health or environmental insights could become commonplace, creating a more coherent and consumer-centred ecosystem.

Open Retail Loyalty further supports broader policy goals. Permissioned access to purchasing data could enable personalised nudges towards healthier diets, more sustainable consumption and reduced food waste. Instead of blunt interventions, the government could empower consumers through trusted, privacy-respecting, data-driven services.

Next Steps for an Open Retail Loyalty Scheme

To progress the concept of Open Retail Loyalty, a call for evidence is necessary.

Action: The Department for Business and Trade should proceed with a call for evidence on the merits of introducing a Smart Data scheme in the retail sector, focused on loyalty schemes.

Open Transport

Startup Case Study: Open Transport Dashboard

Open Transport is a customer intelligence platform addressing a fundamental gap in the mobility sector: every journey generates data, yet none of it connects in a way that genuinely helps people or the organisations that serve them. Founded by Gregor Johnston, Marcus Mayers and Hayden Sutherland, Open Transport has developed a free-use Open API Specification standardising customer account data sharing across operators and modes.

Open Transport's dashboard links transport accounts, financial data and CO2 information through open standards to provide a consolidated view that has never previously existed. This could serve both passengers and operators. Passengers receive unified visibility of their multi-modal journeys, carbon footprint analysis and practical alternatives for greener travel, personalised by AI.

For operators, the platform can bring together journey records, validated transactions and emissions insights that conventional modelling cannot, enabling automated delay repay, better journey optimisation, and stronger planning capability, giving them the ability to see inefficiencies and opportunities that are currently hidden. However, Open Transport's ability to scale is restricted by fragmented operator data systems. Delivering real-time journey analysis and cross-modal recommendations requires standardised account data and interoperable connections, information currently locked behind lengthy bilateral agreements, and in a variety of data formats.

A Smart Data scheme for transport would mean secure, standardised access across both public and private transport providers, cutting integration time, reducing compliance costs and encouraging multimodal integrations for actions like payments. With mandated data-sharing and standardisation of that data, platforms like Open Transport could scale nationwide, reducing emissions, improving journey efficiency and supporting operators simultaneously.

What could Smart Data mean in the Transport Sector?

Open Transport could extend Smart Data principles into one of the UK’s most complex and fragmented sectors. Transport providers, from rail and bus operators to micromobility firms, ticketing platforms, and city authorities, hold rich datasets on journeys, fares, timetables, delays, occupancy, and ticket purchases. Yet these datasets rarely interoperate, leading to inconsistent experiences, opaque pricing, and inefficiencies. Even when they do, data sharing is predominantly agreed through bilateral agreements, meaning significant costs for any startup looking to enter the market. For example, if you wish to sell train tickets as a third party in the UK, or even just receive certain data such as delays, or provision of first-class seats, an agreement with each of the 28 Train Operating Companies is necessary.

A Smart Data scheme in transport would allow consumers to securely instruct operators to share relevant usage, ticketing, and payment data with accredited services. This could underpin multimodal travel, integrated fare capping, personalised journey planning, and easier access to concessions. A good place to start, however, would be trains.

With significant transport reform already on the cards, most notably through the establishment of Great British Railways through the Railway Bill currently in Parliament, as well as the potential for further transport devolution through the establishment of new Strategic Authorities in England, Smart Data could help to fulfil the Government's vision of a joined-up, seamless transport network. At the same time, easy access to data would reduce barriers to entry for startups looking to enter the market, but are currently locked out through the requirement for bespoke, bilateral data-sharing agreements.

Why is Open Transport of Benefit to a Progressive Government?

A progressive government focused on productivity, inclusion, regional growth and net-zero outcomes has strong incentives to prioritise an Open Transport scheme, focused on trains.

First, Open Transport directly improves affordability and fairness. Transport is a major household cost, particularly for lower-income workers, students, and commuters outside major cities. Smart Data-enabled services, such as integrated fare capping across operators, tools that identify cheaper travel options, or automated refunds for delays, would place consumers on a fairer footing in a system that can feel confusing and expensive, and also support accessibility of discounts and concessions. This would support both the move in the rail sector towards expanding pay-as-you-go train travel, as well as schemes such as the Bee Network in Manchester.

Second, Open Transport reduces friction and improves reliability, supporting productivity. By enabling the secure sharing of journey and ticketing data, third-party services can provide real-time multimodal routing, disruption management, and transparent alternatives when delays strike. Better information flow leads to fewer missed trains, more predictable commutes, and reduced time lost to transport failures.

Third, Open Transport supports regional connectivity and levelling-up. Many local or regional operators lack the scale to build high-quality digital services, and when they do, they can cost huge amounts of money. Even the Oyster Card, viewed at the time as a significant step forward for transport in London, required funding via a Private Finance Initiative, and a change in supplier not long after its introduction due to spiralling costs. A Smart Data scheme allows innovators to offer consistent journeys and ticketing tools across geographies, ensuring that small operators and rural areas are not left behind.

Fourth, Open Transport plays a crucial role in achieving net-zero and modal shift. Data-enabled journey planning can prioritise active travel, integrate micromobility, surface lower-carbon options, and highlight the costs of car use more transparently. Smart Data can make sustainable choices easier and more attractive without heavy-handed regulation.

Finally, the public already expects transport to feel joined-up. Research consistently shows that people value convenience and integration: a single ticket, a single cap, and a single payment method across the journey. Open Transport provides the data layer required to make that expectation a reality.

Next Steps for an Open Transport Scheme

Open Transport is an aspirational goal - but a significant amount of work would be required to identify the exact data sets, and data owners, required to make the scheme a success. Therefore, a first step would be for the Government to launch a call for evidence, focused on train ticketing.

Action: The Department for Transport should proceed with a call for evidence on the merits of introducing a Smart Data scheme in the transport sector.

Laying the Groundwork for Smart Data

Clarifying Data Rights in the Short Term

To maximise the effectiveness of Smart Data initiatives and ensure that consumers can exercise meaningful control over their personal information, it is essential that data access rights under the UK GDPR are interpreted to apply equally where individuals choose to exercise those rights *via* accredited third parties.

While the UK GDPR already provides a robust statutory basis for this, ambiguity in practice has led to inconsistent industry interpretation. We therefore recommend that the ICO issue specific guidance confirming the circumstances in which data controllers must honour data subject requests submitted through third-party intermediaries acting with valid authorisation.

Under Article 15 UK GDPR, data subjects have the right to obtain access to their personal data “from the controller,” and Article 12 requires controllers to “facilitate the exercise of data subject rights.” Nothing in the legislation restricts the mechanism by which a data subject may submit a request; indeed, Recital 59 explicitly anticipates that controllers should make rights exercisable through “electronic means” and in a manner that reduces friction for individuals. In addition, Article 80(1) allows data subjects to mandate third parties to exercise rights on their behalf, reflecting the legislator’s intention that representation is a legitimate and protected route for rights requests.

Given these provisions, it follows that a controller must recognise a properly authorised third party, whether an accredited Smart Data provider, switching service, or consumer intermediary, as a valid representative for purposes of rights of access, retrieval, and data portability. Clarification from the ICO would help ensure consistent compliance, reduce barriers to consumer empowerment, and support the development of trusted Smart Data ecosystems.

We therefore call on the ICO to issue updated guidance that:

- **Affirms that data access and portability rights may be exercised through authorised third parties, including those operating under Smart Data schemes.**
- **Clarifies the evidentiary requirements for authorisation, ensuring proportionality and avoiding unnecessary burdens that could undermine consumer choice.**
- **Confirms that controllers must provide data directly to the authorised third party when this is the data subject’s expressed preference.**

Such guidance would align regulatory expectations with the clear intent of the UK GDPR and unlock the full benefits of Smart Data for consumers, innovators, and the wider economy.

Cross-Sector Governance

With each new scheme implementation, comes a risk of repeating the same pitfalls of fragmentation that exist today, but the opportunity to truly unlock the economic opportunity of Smart Data.

A thriving Smart Data economy depends on a governance and technical infrastructure capable of supporting interoperability across the whole economy and turbocharging the economic opportunity. At the heart of this is the need for a cross-sector governance framework that coordinates standards, ensures consistency, and allows data to flow safely and seamlessly between sectors, and third party providers like startups to have a clear, transparent, and efficient way into the ecosystem.

For instance, if a startup has gone through the hoops to become a qualified third party under Open Banking, and thus can connect to some of the most sensitive data there is, it should at least have a clear, simple pathway to access other Smart Data schemes, such as Fuel Finder, ticketing or driving tests, without duplicating effort across multiple regulators.

Interoperability is not simply a technical aspiration, it is the foundation of competition, innovation and modern public services. When data can move securely between trusted actors, new markets can form, consumers are better able to switch or compare services, and public services can operate with greater efficiency.

To optimise this, there must be a central function responsible for aligning sector-specific activity, managing shared rules, and preventing duplication or conflict. This function would also maintain a central register of accredited third parties, monitor API performance across all in-scope data holders, and act as a gateway for cross-sector use cases. This is not merely a regulatory necessity; it is an essential component of any industrial strategy that aims to position the UK as a global leader in data-driven innovation. Yet no such cross-economy governance body exists today. The government should therefore establish a cross-economy governance body.

At a minimum, the call for evidence should cover:

- Standards interoperability: ensuring that different schemes talk to each other efficiently.
- A cross-sector directory of permissions: a single source of truth identifying the actors and permissions of participating firms under all of the regulated Smart Data schemes.
- Dispute resolution: a mechanism for ensuring that customers have recourse for correction, arbitration or complaint for cross-sector Smart Data use cases.

Action: The Department for Science, Innovation and Technology should consult on a cross-economy governance body, covering standards interoperability, cross-sector permissions, and dispute resolution, at minimum.

Our Smart Data Roadmap

Combined with actions from our previous report, and the new evidence set out above, Startup Coalition's Smart Data roadmap now looks like this:

Priority Schemes based on Policy Delivery	
Open Ticketing	The Government should commit to using Smart Data to underpin its ticket resale reforms.
Open Driving Tests	The Government should commit to using Smart Data to underpin its driving test reforms.

Priority Schemes based on Consumer Demand	
Open Finance	Treasury should launch a **consultation** on a proposed Open Finance Scheme that includes savings, investments, pensions and mortgages.
Open Energy	The Department for Energy Security and Net Zero should **consult** on the design of a Smart Data scheme covering household energy use.
Open Property	The Ministry of Housing, Communities and Local Government alongside DSIT should launch a **call for evidence** on the merits of a Smart Data scheme in the property sector.
Open Retail	The Department for Business and Trade should proceed with a **call for evidence** on the merits of introducing a Smart Data scheme in the retail sector.
Open Transport	The Department for Transport should proceed with a **call for evidence** on the merits of introducing a Smart Data scheme in the transport sector.

Priority Smart Data Capabilities	
Clarify Data Rights	The ICO should confirm that UK GDPR data access and portability rights apply when exercised through authorised third parties, and that controllers must recognise and facilitate such requests.
Smart Data Governance Body	The Department for Science, Innovation and Technology should **consult** on a cross-economy governance body, covering standards interoperability, cross-sector permissions, and dispute resolution, at minimum.

Conclusion

The evidence in this report shows that the UK stands on the brink of a major economic opportunity. People are already engaging in the Smart Data economy: they share data frequently, expect services to work together, and want better value, convenience and control in return. A £5bn Startup sector is building products that depend on secure, permissioned data portability. Yet the infrastructure, standards and governance needed to support a truly interoperable economy are only partially in place. The result is a system where demand is clear, innovation is ready, but the rules that would allow Smart Data to scale remain incomplete.

Smart Data offers the government a practical, pro-market way to deliver its economic and social ambitions. By enabling trusted, standardised and secure data flows, it tackles structural problems that have long held back competition, productivity and public service efficiency: siloed systems, data asymmetries, opaque pricing and persistent information gaps. The public supports it, startups are already delivering it, and industry momentum is building behind it. What is missing is coordinated action to turn the promise of Smart Data into a functioning, economy-wide reality.

The Data Use and Access Act provides the legal foundation. The next step is delivery. That requires three things: progressing priority schemes in sectors where consumer demand and market failure are both clear; using Smart Data to underpin in-train policy commitments such as ticketing and driving tests; and building the cross-economy governance and technical infrastructure that will allow data to move safely and consistently across sectors. If implemented well, Smart Data will not only unlock growth in emerging markets such as retail and transport, but also give the government a new tool to lower costs, tackle fraud, improve public services and stimulate innovation.

The UK led the world once before with Open Banking. The lesson from that success is straightforward: when the government sets clear, pro-competitive rules for data access, the market responds rapidly, investment accelerates, and consumers benefit. The same potential now exists far beyond finance. With a new Smart Data strategy approaching in 2026, the UK has a narrow but pivotal window to act. If it does, it can create an interoperable, innovative and citizen-centred data economy that strengthens competition, supports high-growth startups and delivers better outcomes across the country.

Smart Data is no longer an abstract policy idea. It is a practical, popular and economically vital opportunity, and the time to deliver it is now.

Startup Sector Modelling Methodology

We define a Smart Data startup as a firm undertaking one or multiple of the following activities:

- Aggregate disparate datasets, including public datasets and private datasets with consumer consent, either within a specific product set or between multiple types of data.
- Provide B2C digital identity services, including identity verification services such as those outlined under the Data Use and Access Act.
- Use cases that require customers to consent to share data to enable execution of the service, including through a data access or portability request under GDPR or through credential sharing (to enable screen scraping).
- Provision of regulated Open Banking services, including Account Information Service Provision and Payment Initiation Service Provision.

In addition, the firms in this dataset are UK-headquartered; have been tracked by Beauhurst in the past or are today; and have raised at least £1 in private investment.

Data is accurate up to 31st October 2025 and is limited to what is available through the Beauhurst platform. The valuation metric was taken from the “post-money valuation” within a Beauhurst fundraising event.

The value of a firm was not tracked after its “death” or “exit” date within Beauhurst. If there was a monetary value associated with the exit event, this was recorded as the final “value” in the Index. The value of a firm that “died” was recorded as the latest post-money valuation, and the latest year that the value was recorded for was the last year where the firm was tracked for at least six months (e.g. if the firm died in April 2025, then the last value would be recorded as 2024, but if it died in August 2025, then the last value would be recorded as 2025). The “death date” of a firm refers to either the date of company dissolution, if this is available, or if not, it refers to the date that Beauhurst ceased tracking the firm.