



FOR IMMEDIATE RELEASE: Monday 5th November 2018

## TO TRUST OR NOT TO TRUST?

Atom bank and Newcastle University endeavour to find the answer, with a three-year research project

*Your money in their apps: Do we trust technology to make our money safer and help us make better choices in the future?*

*FinTrust: A million pound multi-disciplinary project launched to explore trust in financial services.*

Experts in computer science, psychology, business innovation and banking are embarking on a major new project – 'FinTrust' – to understand how financial services companies can design better and more trustworthy digital banking services.

Atom bank, the UK's first bank built exclusively for smartphone and tablet, is partnering with researchers from Newcastle University to improve their understanding of digital services, where people are being asked to trust their personal information and money to banks, tech companies and other businesses.

People are becoming more reliant on digital systems and the distrust of technology continues to grow as the reliability of online information is questioned. Social media has

the potential to manipulate and people worry about the safety of their personal data. Understanding how to design credible services and build customer trust is vital to the future success of digital financial services.

Bringing together insights from social and behavioural sciences with the best of digital design and security science, the team will seek to bring the huge opportunities arising from data-driven initiatives such as Open Banking into focus, alongside the human need for trust. Focusing on the use and security of personal data, 'FinTrust' will inform some of the most important questions facing customers and banks. The project will bring these issues into a rigorous analytical framework and create a toolkit to help businesses offer better services and design appropriate interactions with their customers.

Professor Aad Van Moorsel, Professor in Cyber Security at Newcastle University and project lead, explained, "Modern-day financial services will increasingly rely on 'robo-advice', in which smart algorithms will make automated decisions about mortgages and other financial matters in seconds. But no-one knows if computers rather than humans making decisions increases the risk of bias against certain groups of people and whether this could lead to new forms of financial distress and financial exclusion.

"This innovative project will explore how consumer trust in banks and financial services can be enhanced while retaining the benefits of mobile banking that we now take for granted."

Edward Twiddy, Chief Innovation Officer at Atom bank said: "As more and more of us choose to use mobile banking and interact using bots driven by Artificial Intelligence, we need to know how to create relationships based on trust between companies and customers. There are massive benefits for customers from better use of personal data, but

realising these benefits has to be done in a secure way, without bias and ultimately in a manner that builds and maintains trust.

“Atom will use the outputs from the research to inform and improve the design of future innovative products and services. One of the first applications of the research will be in the development of our blockchain to build better mortgages, a major innovation project drawing on blockchain expertise from Newcastle University’s Computer Science department and crypto-statisticians at the Durham University’s Department of Mathematical Sciences.”

In his role as Strategic Board Advisor, Atom are also learning from will.i.am’s expertise in the tech industry and his unique perspective on the ever-changing dimensions of a digital world. will.i.am commented: “People must have the absolute right to benefit from their own data, and they must also have confidence in the companies they choose to deal with. Banks like Atom, who are designing innovative digital financial products, need to be setting the standards regarding the safeguarding and use of personal and financial data. This joint research initiative will provide a deeper understanding into how people and technology need to evolve side by side and will help set these new standards of trust.”

The FinTrust project is funded by a £1.2m grant from the Engineering and Physical Sciences Research Council, now part of UK Research and Innovation. ‘FinTrust’ is one of eleven projects being funded as part of an £11 million campaign to support research in areas that present challenges in accessing and using personal data.

Atom bank’s blockchain and crypto-statistics project is one of two Knowledge Transfer Projects that Atom is engaged in, funded by Innovate UK and managed by the Knowledge Transfer Network.

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## Note to Editors

### About Atom bank

After securing its banking license in June 2015, Atom bank launched operations in April 2016, offering market-leading Fixed Saver accounts and secured business lending for small and medium-sized enterprises ('SMEs'). From the start, Atom set out to build a customer-driven bank, designed to meet their new needs and optimised for mobile technologies.

Atom bank launched its first mobile mortgage product in December 2016 and has taken over £1.7bn of deposits and lent over £1.8bn to small businesses and homeowners.

Atom is here to change banking, creating a disruptive and digital bank, keeping costs low and passing back the value to its customers. The Atom app is at the heart of the bank, with a 24/7 support team on hand to help with any customer queries through phone, chat, email and social media, working out of their Durham HQ.

The Atom executive team are highly experienced, having built and run some of the most well respected banks in the UK. CEO Mark Mullen has 25 years' experience in the sector and was previously CEO at the multi-award winning telephone and internet bank first direct. The team are supported by a strong non-exec board, which includes Chairman, Bridget Rosewell. Bridget has an economics background, is also Chairman of the Driver Vehicle Standards Agency and on the board of Network Rail as well as a Commissioner with the National Infrastructure Commission.

### About Newcastle University

Newcastle University, UK, is a thriving international community of some 27,750 students from over 130 countries worldwide.

As a member of the Russell Group of research intensive universities in the UK, Newcastle has a world-class reputation for research excellence in the fields of medicine, science and engineering, social sciences and the humanities.

Its academics are sharply focused on responding to the major challenges facing society today. Our research and teaching are world-leading in areas as diverse as health, culture, technology and the environment.

The Research Excellence Framework 2014 (REF) placed Newcastle University 16th in the UK for Research Power and the vast majority of our research (78%) was assessed to be world-leading or internationally excellent.

Newcastle University is committed to providing our students with excellent, research-led teaching delivered by dedicated and passionate teachers. This is reaffirmed by achieving the best possible outcome - a Gold Award - in the Teaching Excellence Framework (TEF). Newcastle is placed joint top 9 in Europe for teaching excellence in the Times Higher Education Europe Teaching Rankings.