The data revolution brings huge opportunities to put people back in control of their money – but also significant risks around consent, bias, exclusion and exploitation. What happens in the next few years is critical. We can either transform finance for the better, or bake in its current failings. We invite you to join us in using the power of data to build a more democratic, responsible and fair financial system.

**Background**

In 2018 the Finance Innovation Lab held three ideation events across the UK, to generate new ideas that harness the power of data in finance to help tackle our most pressing social and environmental challenges.

Using a participatory process and design thinking principles, 87 experts from finance, academia, civil society and policymaking generated 14 inspiring ideas for supporting the transition to a carbon neutral economy, tackling the poverty premium and promoting inclusive growth. More information about the ideas and participants involved in each event can be found in our briefings: Sustainable Financial Innovation, Poverty and the Data Revolution, and Inclusive Financial Innovation.

**Opportunities: data pooling and forward-looking data**

In addition to the 14 ideas, two underlying themes emerged from across all three events, each challenging fundamental assumptions about how data is used in finance and offering exciting opportunities for innovation:

1) **Data pooling.** The financial sector is characterised by information asymmetry and significant power imbalances – and the data revolution could exacerbate this, especially if people are only encouraged to access and use their personal financial information as isolated individuals.

   **How could we support people to share their data with one another and benefit from its collective power?** By sharing information, people could interpret their data more holistically (e.g. as members of families and communities, not just as individual ‘consumers’) and in context (e.g. by understanding how their finances compare to those of their peers), leading to better insights. They could club together to make cheaper bulk purchases, collectively bargain for better deals and improved behaviour from companies, and understand the interdependent nature of their financial data and wellbeing.

2) **Data to transform the future.** As long as automated decisions are made on the basis of past data alone, they will entrench the status quo and the problems that finance currently contributes to, such as economic inequality and environmental destruction.

   **How could we design automated decision-making in finance so that it contributes to building the future we want to see?** By making lending decisions on the basis of positive indicators about people’s futures, as opposed to extrapolating from problems of the past, could it be possible to break the cycle of problem debt? Through the use of algorithms and data sets that reflect the wider outcomes that people want to see from finance, could roboadvice, for example, better support the flow of capital to socially useful and sustainable activities?
Data sprint 2019

To help ensure the data revolution works for people and planet, we need to bring together experts working across financial innovation, civil society, policymaking and tech to develop these ideas, build use cases, explore key opportunities and barriers to their implementation, and identify key steps towards proof of concept. An inclusive sprint event designed around the theme of data pooling or forward-looking data would:

- Refine our understanding of the idea and validate its potential to deliver better outcomes for individuals, communities, society and the environment
- Identify the most urgent problems and most exciting opportunities that the idea could address, from problem debt to the rise of sustainable investing, as well as the barriers to application
- Build a roadmap to shape the development and implementation of the idea by multiple stakeholders across industry and policymaking, which would also be shared in a publicly available briefing
- Develop new cross-sector relationships and foster collaboration between participants who have the responsibility and power to apply insights and take actions forward.

Partner with us

We are looking for partners who share our vision for a financial system that serves people and planet to sponsor the sprint. We need support to cover the costs of our team’s time, hosting the sprint, and ensuring all relevant experts (especially from civil society and grassroots groups) have the resources to participate. Sprint partners will benefit from:

- Brand affiliation with the Lab – a world-leading voice on financial innovation that serves people and planet
- Access to our inspiring, diverse and influential community of practitioners committed to purpose-led financial innovation
- Leading-edge insights on fintech, including the option of bespoke keynote talks and ideation workshops for your organisation.

For more information or to discuss the opportunity to support a data sprint, please contact:
Marloes Nicholls, Head of Programmes
marloes@financeinovationlab.org

About the Finance Innovation Lab

The Finance Innovation Lab works for a financial system that serves people and planet – one that’s democratic, responsible and fair. We incubate the people and the ideas that can transform the financial system for the better, and we use the lessons from this work to advocate for wider change. We work with innovators creating new ways to do finance that serve people and planet, intrapreneurs seeking to change their organisations from the inside out and regulators and policy makers shaping the rules of the game.

We were co-founded in 2009 by WWF-UK and the Institute of Chartered Accountants in England and Wales. Since becoming an independent charity in 2015, we have supported 45 purpose-led innovators through Lab Fellowship, our unique incubator programme proven to transform participants’ business and leadership skills. Fellows have developed an inclusive credit referencing start-up (selected as finalist for the 2017 Fintech for All competition); a world-leading research provider that exposes the climate-related risks faced by investors; and the first of a new, UK-wide network of regional community banks. We have pioneered methods to co-design services with ‘experts by experience’ through our Financial Health Fellowship in 2017, and since the start of 2018 we have been a leading voice on the responsible use of data in finance.