

AI FAIRNESS IN UK FINANCIAL SERVICES

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Legal Briefings

We team up with UK Finance to explore practical means of keeping bias out of tech-assisted financial services

With the ongoing development and growing application of artificial intelligence (AI), analytics and automation there is increasing public and regulatory interest in ensuring that any potential risks stemming from these technologies are mitigated and managed. A key area of concern is around bias and AI fairness. This whitepaper – prepared in collaboration with industry body UK Finance – explores ideas of AI fairness and what these mean for financial services firms, with a focus on the key overlapping regulatory considerations.

Today we see growing scrutiny of the use of AI and algorithms, and greater awareness of the potential for these technologies to exacerbate some consumer risks.

Questions touching on AI ethics and fairness are becoming more mainstream. In recent years we have seen greater public consciousness of what was once an obscure academic issue. This includes the close attention paid to the use of an algorithm to determine 2020 A-levels by the Office of Qualifications and Examinations Regulation.

There is no doubt that lawmakers and regulators around the world are taking note and working to update their approaches. In the UK, policymakers at the Office for AI are working on a policy whitepaper, while the Department for Digital, Culture, Media and Sport has consulted on changes to data protection law to address AI challenges. On the regulatory front, the Digital Regulatory Cooperation Forum is considering the approach of UK regulators to algorithm-related issues and the Equality and Human Rights Commission has included AI guidance in its strategic plan for 2022-25. And, in financial services specifically, the AI Public Private Forum has produced its long-awaited report, with a discussion document from the Bank of England and Financial Conduct Authority signposted as a next step.

This is all taking place within the wider context of a greater public awareness of social justice issues. These can be complex at times, with an interaction between current practices and the legacy of historical injustices that can still be felt today.

Nonetheless, AI holds the promise to enable a leap forward in the provision of financial services, not only in efficiency improvements for firms but in real benefits for customers. The roll-out of AI into more financial sector applications has the potential to bring more personalisation of products and services for consumers, enabling greater financial inclusion and permitting more effective protection against fraud and other economic crime.

It is therefore no surprise that questions of AI fairness and bias are front of mind. It will take time for UK Plc to work through all of the complexities so consumers and society can enjoy the benefits of AI, with confidence that these potent tools are being used fairly and ethically. We hope this whitepaper will be a helpful contribution to the debate.

Download your copy [here](#).

You can also access our webinar on this topic [here](#).

RECOMMENDED READING

- [Australia's human rights recommendations for AI: implications for big tech](#)
- [Australia's AI Action Plan: A clear vision for AI in Australia, and the promise of concrete action](#)

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