



BANK OF ENGLAND

News release

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FinTech Accelerator – results of latest round of Proofs of Concept

Today the Bank is publishing summaries of the third round of Proofs of Concept (POCs) completed by its FinTech Accelerator.

The FinTech Accelerator was set up a year ago to deploy innovative technologies on issues relevant to the Bank's mission and operations. Working in partnership with FinTech firms the Bank is seeking to develop new approaches, build its understanding of these new technologies and support development of the sector.

The latest PoCs covered four important areas of the Bank's work: analysing large-scale supervisory data sets; executing high-value payments across currencies and borders; identifying and applying cross-cutting legal themes from regulatory enforcement actions; and measuring performance on the Bank's internal projects portfolio.

Further details on each project can be found in the individual write-ups, but in summary:

- We worked with [Mindbridge Ai](#), a machine learning and artificial intelligence firm, to explore the analytical value of using artificial intelligence tools to detect anomalies in supervisory data sets. Using a sample set of anonymised reporting data, we found Mindbridge's user interface to be intuitive, allowing the user to explore a time series of each variable, whilst comparing the results to industry averages. This PoC enabled our internal team of data scientists to compare and contrast their own findings and the underlying algorithms being used, providing a complementary layer to the Bank's work.
- In our PoC with [Ripple](#), we looked into how distributed ledger technology (DLT) could be used to model the synchronised movement of two different currencies across two different ledgers, as part of the Bank's wider research into the future of high-value payments. Although the Bank has already concluded that DLT is not sufficiently mature to support the core RTGS system, the learnings from this exercise with Ripple have reinforced the Bank's intention to ensure its new RTGS system is

compatible with DLT usage in the private sector, and has highlighted areas where we would like to conduct more exploratory work.

- We worked with [Enforcd](#), giving a group of staff from our Regulatory Action Division (RAD) access to a cloud-based database of regulatory enforcement actions with supporting commentary and trend analysis. Having easy access to relevant published regulatory enforcement decisions can be an important input to financial firms' overall compliance programmes. This PoC demonstrated how technology could potentially facilitate compliance and the development of best practice in some key areas of regulation.
- Lastly we ran a proof of concept with [Experimentus](#), using their ORB tool, to analyse historic Bank of England projects and visualise how they had performed against a range of standard key performance indicators (KPIs). This PoC allowed us to explore whether our existing test data were sufficient to carry out effective KPI reporting, and where further data collection might be needed.

Commenting on these latest POCs, Andrew Hauser, Executive Director for Banking, Payments and Financial Resilience, said:

“We have learnt a great deal through these latest Proofs of Concept, both in terms of what FinTech can do, but in also in terms of how it can help us work, think and communicate differently. The breadth of topics covered by these projects, and the Accelerator programme as a whole, shows how much central banks potentially have to gain from continued engagement with the sector in delivering their mission of monetary and financial stability.”

The Accelerator invited applications for its fourth round of PoCs in April 2017 and expects to announce the successful firms shortly.

To find out more about the work of the FinTech Accelerator, please see our dedicated [pages](#).

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