

# 'Those who don't adapt will quickly be left behind'

## Opinions

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In an exclusive interview with B&C, TAB's technology director, Mark Gillis, claimed that adoption of new fintech — including open banking — is imperative to benefit both customers and staff.

This comes after the specialist finance lender [launched its new open banking interface](#) at the end of January.

According to TAB, this will enhance data privacy and security, as well as make it easier for borrowers to view and make payments, thus improving transparency.

B&C caught up with Mark to find out more about the new open banking interface, as well as discuss the adoption of fintech across the wider market.

## Why did TAB launch the open banking interface?

TAB embraces technology and innovation; we aspire to bring new technologies to our platforms and make our processes smooth and efficient. We want our customers to be able to transact quickly and safely — they will appreciate having greater control over their data. It will also allow them access to a broader range of services from different providers, leading to increased competition and better deals for consumers.

## How exactly does the platform work?

Open banking works by connecting users directly to their bank. Our borrowers can now sign in to the TAB platform and view a list of their interest payments, review the details of those payments, and then pay using authentication from their own bank to approve their payment. It's a much simpler process.

## **Who can use it?**

This is available for TAB borrowers and investors. Open banking allows us to make use of the bank account validation feature which satisfies AML/KYC requirements, meaning we can check the funds are coming from a registered source when we onboard a new investor.

## **What are the main benefits?**

The launch of open banking is consistent with TAB's values of trust and transparency. Our borrowers will have greater visibility of their interest payments and how the changes in the Bank of England base rate will affect them. It also enhances the security of their payments, as it uses their bank's own security system.

For TAB, it makes the administration behind the loan much simpler, as it removes the need to scan through bank records and match payment amounts.

It also makes the application process for investors quicker and simpler as open banking is a useful identity verification tool, as well as adding a layer of reassurance to TAB that the investor has passed the AML/KYC checks.

## **How do you plan to enhance the interface in the near future?**

We have big plans for the interface. In time, borrowers will be able to grant more detailed access to their bank accounts when applying for a loan, which will act like a credit report — thus removing the need for a credit search.

The speed of the application and increased availability of the details needed, all while keeping personal information safe, will open the door for examining and exploring patterns which can then be tested against application details.

## **Why do you think there has been little adoption of open banking in the specialist finance market?**

I think innovation in the finance sector has typically been quite poor. Older businesses, based on legacy systems, might not see the value in modernising their processes, or maybe just haven't explored what can be done. It's possible they haven't considered the benefits for themselves and have a lack of appetite to invest in something that will benefit their customers.

## **Do you think open banking will become more prevalent in the specialist finance sector?**

Absolutely — it is imperative that the market adapts to using newly available technology, as it will benefit their staff and customers. As new borrowers enter the market, they will be expecting applications to use new and innovative technology, such as open banking, as a bare minimum from financial institutions. Those who don't adapt will quickly be left behind.

*As seen in Bridging and Commercial*

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