

## **Women's Economic Empowerment Conference: TechSprint Demos**

Thursday 25<sup>th</sup> March 2021

### **Joint Bank Accounts**

**Presenter:** Bailey Kursar, Mausam Mistri and Matt Landsburgh

**Judges:** Nick Cook, Sophie Bantanidis and Jane Portas

#### **Bailey**

Hi, I'm Bailey and I'm representing team joint accounts. Joint accounts are broken, but we think we have a solution. As we all grow up, settle down and have families, lots of us need to share bills with a partner. In fact, there are 30 million Brits who currently have a joint account, but joint accounts as they exist today expose customers to unnecessary risks.

Firstly, sharing a joint account will mean that your partner's poor decisions will affect your credit score. And then if your relationship turns sour, because that money in the account is jointly owned, your partner could withdraw everything and leave you painless. They could also rack up an overdraft and you'd be jointly liable for the bill. Lastly, for the one in five UK adults who've experienced economic abuse, joint accounts can be used by abusers to control their victims and make it harder to escape.

So, this techsprint's, our team asked, can we create a safe alternative to a joint account using the open banking rails? And we think we can. So, let's look under the hood.

So, each customer starts with their own individual accounts. And when they need to set up shared expenses, they're effectively setting up a shared pseudo account, a payment initiation service layer on top, there's no need to put money in that pseudo account because it's only used during the transaction process.

And here a payee has made a transaction request to the shared pseudo account, triggering a split-second process that checks those individual account balances, pulling enough funds to settle the payments. And the benefit is that for each individual account holder, they can maintain control over their funds throughout, making it much harder for bad actors to misuse funds. Also, credit scores don't need to be linked, which is great.

I'm now going to hand over to Mausam who's going to talk through the product that we built.

#### **Mausam**

Thank you, Bailey, if we can play the demo, please.

Thank you. So, thank you. Thank you.

So, I'm introducing Cocoa, our envisioned customer experience. So here I can log into Cocoa as Anna, on my phone browser, I see my personal balance. And if I want to set up a new Cocoa account, I invite a collaborator. So here I'm filling in their

details, and this would send them an email directing them to register, create a co-account, if they don't have one.

Or if they do, they'll just receive notification of my request. I can also name this co-account something meaningful and suggest the default percentage split. And this split can be changed for different expenses. For example, we might usually go 50/50. But maybe I pay for majority of the broadband, because I need it for work. And once that's sent, I receive a confirmation and we can return to the dashboard.

And jumping forward in time a little bit - to when we have the bill setup, I can tap on each co-account to review the upcoming bills. And I can check if there's enough balance available. And if not, I can top up very easily top up using open banking. And thanks to the setup under the hood, if something were to go wrong, my personal funds remain with me safely and securely.

So back to the slides and pass back to Bailey.

### **Bailey**

Thank you so much. Great.

So yeah, very quickly, if we had more time, we would have added lots to Cocoa like splitting card payments for two people, suggesting savings on bills or adding notes and receipts to transactions.

We've had a really great time, our team of 11 really wants to thank everyone who's helped. Thank you.

And we've put our work public at [betterjointaccounts.com](https://betterjointaccounts.com) with a hope that we can inspire change across the industry. So, thank you very much. Over to judges.

### **Nick**

Fantastic. Thank you very much. I really like the branding, actually very Yeah, very appealing and the they've articulated the solution very clearly. So, thank you for that. Sophia, I know you had a question. And then I think perhaps Jane so Sofia, it.

### **Sophie**

Thank you, guys, that was an amazing presentation. Just one thing to clarify from my end, does this would this require women to open new accounts? Or would this pseudo accounts set alongside the account they already have?

### **Bailey**

That's a great question.

So, thank you to Rob Reeves, in particular, who really helped us understand a bit more about this.

Basically, the answer is we could do either in our Cocoa mockup, we've imagined that those three accounts will sit together in one bank. And this will make things like the payment process slightly easier and cheaper. And that has benefits.

But there's no reason that in the future, you couldn't have two people's individual current account at separate banks, and then this pseudo account on top that connects

them. And I can imagine a lot of benefits to that as well for couples. So, the answer is, at the moment, it looks like we could do either, it's just about customer experience.

**Nick**

Thank you, Jane.

I actually just had a quick question about whether there were any concerns around the pseudo account creating a sort of layering effect in the transactions, and whether there were any sort of money laundering or financial crime concerns that you guys considered? Or whether you don't think that's really relevant in this scenario?

**Bailey**

Yeah, it's a good question. I'm going to invite Matt to comment, if he's available.

**Matt**

Yeah, absolutely. So, I suppose in general terms, the same financial controls, and the same risks apply to this as a as a standard joint account. The difference here is that it's very clear whose money is whose. And therefore, it's much, much easier for the customer to be protected and for those funds to be ringfenced, but also for regulators or investigators to understand where money is moving from.

**Nick**

Lovely, thank you, Jane, I don't know if you can hear us or when we can hear you again. But if you'd like to attempt your question again,

**Jane**

Yes. Sorry about that? Well, again, a really good presentation.

One, one of the things for women when they become mothers, the average savings of a mother with three children in the UK is about £100. So, one of the things you said was that, that this wouldn't affect the woman's credit rating.

But sometimes when a woman gives up work, that's actually quite important to help her build a credit rating as well. So, I wondered if he'd given any thought to that?

**Bailey**

Yes, that's such a great point. So, we spoke to an expert from Experian, who told us a little bit about how this would work if we were a bank. And it would be effectively up to us to create that relationship and to determine how the credit scores might be linked.

But one of the things we did think about was that financial advice could sit as one layer in this customer experience. And particularly things around how couples might split pension contributions, while a woman is potentially at home, doing childcare. So, we thought a little bit about how that problem might play out from a few different angles.

**Jane**

Thank you.

**Nick**

Lovely, thank you very much for introducing us to Cocoa and your new approach to joint bank accounts.