Executive Summary

This paper explores how Artificial Intelligence (AI) is being adopted across UK financial services, and why deploying AI in an assured, scalable way is essential for the sector. AI is emerging as a strategic necessity, driven by economic uncertainty, evolving regulatory expectations, rising financial crime risks, fragmented data systems, and persistent gaps in organisational capability. Boards and executives must find the right balance between innovation and the need for trust, compliance, and operational resilience.

The Current State of the Financial Services Sector

Recent industry surveys, regulatory statements, and practical case evidence show that AI capabilities are spreading quickly. However, this rapid growth is also widening the gap in understanding between those who build AI systems and those responsible for oversight. If left unaddressed, this knowledge asymmetry can slow the detection of risks and harms.

Introducing Assured AI and Human-Centred AI Adoption

To respond, the paper introduces an "Assured AI" approach and highlights the importance of a Human-Centred AI Adoption methodology. These frameworks aim to raise the overall level of AI proficiency and governance within organisations. The recommended actions include developing role-based fluency so that everyone, from board members to frontline staff, understands their responsibilities; embedding human-in-the-loop controls to ensure oversight at critical decision points; and sequencing behaviour change to support safe, auditable scaling of AI. The paper argues that real value, through efficiency gains, stronger risk controls, better regulatory alignment, and more personalised customer experiences, depends on making assurance a core part of AI deployment. This means standardising controls, automating monitoring, and producing evidence that can withstand audit scrutiny.

Recommended Approach

To achieve these goals, the paper proposes an Assured AI approach built around three pillars: role-based fluency (ensuring all roles understand their part in AI governance), portable evidence (maintaining documentation and metrics that persist across teams and over time), and cross-departmental checkpoints (structured collaboration at key decision gates between engineering, risk, compliance, audit, and business owners). These elements are designed to support safe and effective AI adoption throughout the organisation.

Technology Considerations

While the approach is technology-agnostic, the paper notes that enterprise platforms such as Microsoft Fabric and Microsoft Copilot can help unify data, embed governance, and operate AI within controlled environments that meet the expectations of the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA). The paper acknowledges that evidence standards and organisational maturity will continue to evolve, but the direction for the sector is clear.

Institutions that close knowledge gaps, provide documented proof of outcomes, and embed assurance into their delivery processes will be best positioned to deploy AI rapidly while maintaining customer

trust, regulatory compliance, and resilient service. The paper concludes with practical actions for boards and executives and sets out the evidence standards they should expect to see.

Institutions that close knowledge gaps, prove outcomes with documented proof, and hard-wire assurance into delivery will have the competitive edge to deploy AI at pace while maintaining customer trust, regulatory compliance, and resilient service.

About BCN

BCN is a leading UK technology partner delivering Microsoft-driven digital transformation. Specialising in cloud, cybersecurity, data and AI services, we help organisations innovate securely and scale effectively. Drawing on years of hands-on experience, BCN supports organisations with everything from modernising data platforms to enhance operational resilience and implementing cutting-edge AI solutions.

We empower businesses with intelligent solutions that optimise operations, enhance resilience, and drive growth through trusted expertise, proven implementation and human-centric innovation.

Our approach is rooted in practical, evidence-led methodologies, combining industry research, regulatory insight, and practitioner experience to deliver effective, compliant, and human-centred AI adoption.

By focusing on assurance, governance, and the real-world challenges faced by clients, BCN helps organisations bridge knowledge gaps, embed lasting controls, and achieve sustainable, scalable outcomes, driven by people and powered by technology.

Approach

This paper takes a practical, evidence-led view of AI in UK financial services. It combines industry research, structural analysis of the UK financial system, and practitioner insight into how AI is actually being built, governed and adopted. It rests on four strands: sector and regulatory evidence, a historical and structural reading of AI in UK financial services, the development of the Assured AI and human-centred adoption lenses, and BCN's implementation experience across different sectors.

Industry research and regulatory review

The analysis is anchored in recent industry studies, supervisory publications and policy materials on AI, data and model risk. These include surveys of AI adoption and perceived risks, thematic reviews, speeches and discussion papers from UK authorities, supplemented by international comparators where they clarify the UK position. Particular focus is given to how regulators articulate outcomes such as consumer protection, safety and soundness, operational resilience and financial-crime prevention, and how these expectations translate into demands for explainability, data quality, model governance and accountability. Market analyses, trade body reports and practitioner commentaries are used as directional signals of where deployment is most advanced, where it remains experimental and where firms perceive the greatest constraints.

Assured AI and human-centred adoption

Within this context, the Assured AI framework and the human-centred adoption lens are developed as conceptual models. They are derived from regulatory expectations, good practice and recurring failure modes in data, analytics and AI programmes. In practice, this means they reflect the issues regulators most often challenge, and the patterns that repeatedly cause programmes to stall, under-deliver or create avoidable risk.   Assured AI confirms that controls and safeguards are embedded at every step, from data through models and systems into business processes and outcomes, with an emphasis on evidence that can withstand audit and supervisory scrutiny over time. The human-centred adoption methodology focuses on how AI reshapes roles, decision rights and workplace dynamics, and on the knowledge asymmetry (the gap in understanding and language between specialists and non-specialists) between those who build AI systems and those who must use, challenge or oversee them.

Practitioner insight and BCN experience

Finally, the paper draws on BCN's extensive experience supporting UK institutions with data platform modernisation, model development and validation, analytics, operational resilience and early-stage experimentation with generative AI. Insights from specialists in data architecture, model risk, operational resilience, financial crime and human-centred change are used to test the realism of the analysis: how fragmentation plays out in daily operations; where governance fails to engage effectively with AI; how frontline staff experience new tools; and what differentiates pilots that scale from those that slow down.

About the Authors

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Ban Hasan is an AI and Data Innovation Consultant specialising in the safe and strategic adoption of AI. With an academic background spanning Business Management and Accounting, an MSc in Global Supply Chain Management, and an MSc in Organisational Psychology, Ban brings a unique combination of commercial, operational and human-centred insight to AI transformation. Her career has included roles in auditing, FMCG supply chain and ERP consultancy, before moving into AI, where she focuses on bridging the gap between technical innovation and executive decision-making. Ban's work centres on AI strategy, readiness assessment and human-centred adoption programmes, helping organisations translate emerging technologies into practical roadmaps, resilient operating models and evidence-based governance.

Fraser Dear
Head of AI and Data Innovation

Fraser Dear is Head of AI and Data Innovation at BCN, with extensive experience driving transformative technology strategies across sectors. Fraser holds a PhD in Laser Physics and began his career in highly regulated and advanced engineering environments before moving into industrial laser and manufacturing roles. Over the years, Fraser has focused on making complex system integration straightforward, developing service models for high-value systems, and leading data-driven operational transformation. Today, he leads initiatives spanning Microsoft Power Platform, Fabric and artificial intelligence, applying advanced AI capabilities to enhance operational efficiency, customer engagement and strategic decision-making. Passionate about ethical AI and practical adoption, he combines deep technical insight with commercial acumen to help organisations achieve long term, scalable success.

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