

# APPG – Digital Identity

## Agenda

- Introductions
- Glynis Frew CEO of Hunters Group Plc – estate and lettings agent
- Stuart Young MD of Etive – identity & data company
- Stephen Ward Director of Strategy, CLC – conveyancing regulator



## Lettings Current Process

- 4.5million now in the rental sector and Average tenure 10 months (Gov.co.uk)
- **Landlord** ID checked along with proof of ownership
- **Tenants** ID needs to be checked before move in and move in by Agent or Landlord then again by Reference Company
- **Guarantors** ID checked and financial background. Agent/Reference Company.



## Sellers and Buyers Can Expect 4 ID Checks

- 1.2 million transactions annually
- **Sellers** ID checked first on instruction.
- **Buyers** ID needs to be checked on offer
- Checked again by Conveyancer, Mortgage Intermediary & Mortgage Lender



## Where Is ID Stored?

- Approximately 3.5 million transactions annually; Involving approximately 6.4m people.
- **Number of ID's** approximately **13.7** million annually and kept for 7 years.
- **Storage** Online or Mobile Phone photos or Paper copies
- Checked again by Solicitor or Conveyancer; Checked again by Lender



**Covid-19 has changed nothing but accelerated everything!**

..... Enter Digital ID

# What's the Problem?

## Consumer Challenge

- Have to provide proof of identity up to 5 times

## Sector Challenge

- Transaction is based on a high level of trust between third parties
- Transaction centres on proof of identity
- Currently organisations will not trust identity verification carried out by another

## Desired Outcome

- Introduction of a standards based digital identity assurance process
- Customer only has to prove who they are once, and be able to share this with relying parties

# Consumer & Sector Cost

## Economic Cost

- MHCLG – 1.2m transactions pa, 300,000 fail
- Costs seller £2,700
- Costs the market £400m
- Average time to sell – 114 days (Post Office)
- 2 weeks longer than in 2019
- Delays affect 41% of buyers & 42% sellers (MHCLG)
- Negative economic impacts on conveyancers, estate agents & finance sector
- Increased digitisation of services creates more customer friction

# Digital Identity Trust Scheme

## Project Objectives

- Enable the consumer to get their identity verified once
- Improve consumer protection
- Increase the standard of identity across the sector
- Increase barriers to property and mortgage fraud
- Reduce failed transactions

## Identity Standards

- Aligned to DCMS/Government policy for identity
- Aligned to HMLR and their 'safe harbour'
- Accreditation scheme for IDPs – trust and reliance

# Working Together



# Home Buying and Selling



It's all about the data - starting with identity

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# The regulator's view



- More reliable, reusable ID
  - Helps tackle money laundering and fraud
  - Frees professionals to focus on the important stuff
  - Improves consumer protection
  - Speeds up transactions, reducing fall-throughs and saving cost
  - Better protection of personal data

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How  
Parliamentarians  
can help

- 1. Digital ID is the cornerstone for transforming home buying and selling – ensure there are no legal obstacles to its adoption**
- 2. The Digital ID framework can be self-funding, but needs seed funding to be established – make sure it gets this**
- 3. Look for opportunities to encourage take up of Digital ID through permission legislation/regulations – there are benefits to citizens and businesses**