

Digital Identity Trust Scheme for the Home Buying & Selling Sector

Problem Definition

The conveyancing transaction is based on a high level of trust between trusted third parties. The core of the transaction centers on proof of identity and ownership and currently organisations will not trust identity verification carried out by another organisation. This is causing a continuing increase in time to complete the transaction with poor consumer experience and ample opportunity for identity and subsequent property and financial fraud.

Currently the identity of a seller and buyer can be verified up to 5 times by the different relying parties, during the home sales process. Conveyancers, estate agents, mortgage intermediaries and financial services are regulated by different entities with various levels of oversight and compliance, which creates overall conflicting guidelines on identity verification.

Solution – Identity Trust Scheme

A **Digital Identity Trust Scheme** (DITS) is supported by all parties in the home buying and selling transaction. This would provide for a one-time identity verification process to be completed by sellers and buyers, from the outset of the sales process, that could be relied on by all parties.

The proposed Digital Identity Trust Scheme for conveyancing would rely on a government backed identity standard, GPG45: Identity proofing and verification of an individual (GPG45), and accreditation against that standard for Identity Providers. This would allow all organisations in the conveyancing transaction to trust in the verified identity.

What Is an Identity Trust Framework?
Addressing the Legal and Structural Challenges



The Project

- To design, develop, implement and test a digital identity trust scheme for the home buying & selling process.
- Ensure that a consumer only has to have their identity verified once and has the ability to share this with all other relying parties through the process.
- The trust scheme is to enable a 'trust' and 'reliance' agreement between relying parties, for those identity providers (IDPs) who are accredited.
- Ensure interoperability with other trust schemes e.g. finance and aligned with DCMS policy.

What is it

- Sets out the rules and governance model to enable trust between parties in digital identities.
- Meet all Regulator / Supervisor KYC due diligence requirements of sector.
- Adoption of Government Identity Assurance standard GPG 45.
- Accreditation of Identity Providers.
- Consumer protection.
- Defines Liability and Reliance.
- Security & Data Requirements.

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Operations and Working Groups

We will work with each Work Group on the following topics:

1. Identity Verification and Validation (AML legislation / GPG45 equivalence)
2. IdP Accreditation
3. Liability
4. Identity 'Certificate' / Proof of Identity
5. Scheme Governance

Participants have been broken down into working groups, based on their roles.

WG1 – HMRC / estate agents

HMRC, NAEAPropertymark, Guild of Property Professionals, NTS and estate agents,

WG2 – Legal and estate agent regulators and supervisors

CILEx Regulation, CLC, Law Society, SRA, NAEAPropertymark, Guild of Property Professions, NTS, RICSs, RPSA, HBF and Trustmark

WG3 – Financial services

AMI, BSA, CIFAS, IMLA, UKFinance, techUK and mortgage intermediaries and solutions providers.

WG4 – Identity providers (IDPs)

WG5 – relying parties including solicitors, conveyancers and estate agents.

WG6 – HBF/new home builders

being developed with support and input from DCMS, HMLR & HMRC.

- The HBS Trust Scheme will be interoperable with other schemes that meet the government framework requirements.

Project Timelines

- 2nd November 2020 to 30th April 2021
- Set up workshops with Regulators / Supervisors and representative bodies during November
- Develop the scheme rules - governance, liability, standards, accreditation
- Draft scheme to be published in the 1st quarter of 2021
- Pilot end 2nd quarter of 2021

Next Steps

1. Set up workshops with Regulators / Supervisors and representative bodies during November and December.
2. Set up workshops with Identity Providers (IDPs) during November and December.
3. First review of draft scheme rules February 2020.

Why a trust scheme?

- Government, DCMS, is developing a UK Digital ID Trust Framework.
- Government expects each sector to develop its own scheme within the framework to meet its specific requirements.
- Development of the HBS will meet government standards and is

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