

Minutes of meeting

Centre for Finance, Innovation and Technology (CFIT) – Coalition Discovery meeting

Date: 16.08.24 | Virtual meeting

Agenda

1. Welcome

- Meeting overview
- Guiding principles on competition

2. External presentation

- a. UK digital identity and attributes trust framework
- b. Q&A

3. Open discussion

- a. Recap
- b. POC brainstorming

4. Case studies

- Call for Input: Supporting Case Studies

5. Next Steps/ AOB

- a. Terms of Reference
- b. Survey
- c. AOB

Minutes

Item 1 – Welcome & guiding principles on competition

Purpose: For information

Speaker: LI

- **Leon Ifayemi (LI)** Thanks to all for joining this third discovery session focused on fighting economic crime through enhanced verification.
- LI introduced the DSIT team, who will present on the UK Digital Identity and Attributes Trust Framework.
- LI outlined the agenda, emphasising the importance of input from all partners in shaping the proof of concept (POC).
- LI highlighted the collaborative spirit of the coalition and encouraged respectful participation from all attendees.
- LI detailed that the session's structure included open discussion and plenty of time for participant contributions. The meeting would conclude with next steps, including a review of survey responses.
- LI encouraged anyone facing difficulties with the survey or needing assistance to reach out.
- LI provided a reminder of the anti-competition principles all CFIT Coalition meetings are governed by and regarding recording of the meeting for minutes.
- LI emphasised the importance of inclusivity and encouraged participants to share their thoughts, either during the session or in follow-up communications.

Comments: None

Decision: N/A – for information only

Actions:	None
<p>Item 2a: External presentation – UK Digital Identity and Attributes Trust Framework</p> <p>Purpose: For information</p>	
<p>Speaker: EC</p>	<ul style="list-style-type: none"> • Eleanor Curry (EC) Thanks Leon. to all for joining this third discovery session focused on fighting economic crime through enhanced verification. • EC described the concept of digital identity as a way for individuals to prove something about themselves securely without physical documents. Eleanor outlined the DSIT team's focus on enabling the use of digital identities through standards, governance, and legislation, emphasising that the government is not developing a solution but setting minimum standards. • EC mentioned the ongoing work to establish statutory support for the trust framework, which has already certified over 45 providers. • EC highlighted the significance of the framework in allowing digital identity processes, such as right-to-work checks, to be conducted without physical documents, increasing convenience and efficiency. • EC emphasised the importance of reusable digital identities that can be stored and used multiple times without re-scanning physical documents. • EC discussed the ongoing development of governance to support the digital identity market, including gathering evidence and tracking market growth. • EC explained that the trust framework was developed in collaboration with industry experts, regulators, civil society, and privacy groups, with a focus on interoperability between private and public sectors.

	<ul style="list-style-type: none"> • EC mentioned the legislative efforts to establish a statutory footing for digital verification services and how the trust framework aims to ensure consistent methods of proving identity across government and private sector providers. • EC discussed how the trust framework integrates existing standards, such as Good Practice Guide 44 and 45, to provide a consistent approach to identity verification. • EC provided an example of a digital identity journey for a right-to-work check, explaining how digital processes are being used in place of manual document checks. • EC introduced the concept of reusable digital identities, allowing individuals to store and reuse their verified identities, enhancing convenience and efficiency. • EC explained the development of the trust framework and its alignment with existing standards, ensuring a consistent method of identity verification across different sectors. • EC emphasised the importance of interoperability between private and public sectors, with the trust framework facilitating communication between these two areas. • EC mentioned that the trust framework provides guidance on delegated authority, ensuring that individuals can prove their ability to act on behalf of a business entity. • EC invited feedback on potential gaps in the standards and expressed interest in hearing about ways to improve the framework.
Comments	<ul style="list-style-type: none"> • None recorded
Decision:	<ul style="list-style-type: none"> • N/A
Actions:	<ul style="list-style-type: none"> • None

Item 2b: Q&A – following the presentation

Purpose: For discussion

Speakers:
LI, EC, LZ,
AF, JD, JH

- **LI** emphasised the importance of tracking levels of authority as the key linkage between individual identities and corporate IDs. He opened the floor for questions.
- **Lu Zurawski (LZ)** asked how the UK's trust framework compares with the European eIDAS framework, particularly in terms of mandates and trust marks.
- **EC** explained that the UK takes a less mandatory approach compared to Europe, reflecting the UK's unique context of not having a national identity system. She emphasised that the UK's approach is more about encouraging and incentivising adoption rather than mandating it, though the government will monitor and support interoperability and adoption.
- **Adrian Field (AF)** suggested that defining organisational ID or corporate ID and linking it securely to individual identities could be a valuable outcome from the coalition's work. He inquired if there was a channel to feed the coalition's outputs back into the trust framework.
- **EC** expressed interest in receiving input from the coalition on this topic and encouraged **AF** and others to share their thoughts directly with her or the Trust Framework lead
- **Julie Dawson (JD)** asked **EC** to describe the broader work DSIT has been doing in building the foundations for the trust framework, particularly the outreach to other government departments and regulators like the Treasury, FCA, and Companies House.
- **EC** outlined DSIT's proactive engagement efforts, including outreach to over 600 organisations, and highlighted collaboration with teams like One Login and various regulators. She emphasised the

	<p>importance of alignment across government and regulatory bodies to avoid fragmentation and ensure interoperability.</p> <ul style="list-style-type: none"> • John Harrison (JH) raised concerns about the current trust framework’s adequacy for reusable digital identities (wallets) and sought clarification on how the framework would evolve to accommodate repeated use of identities and other attributes like qualifications or status. • EC acknowledged that wallets and reusable digital identities are areas of focus for the next version of the trust framework. She mentioned ongoing work to clarify standards for wallets and noted that this would be a long-term project, with the framework continuing to evolve based on testing and feedback. • LI thanked EC for her presentation and the Q&A session.
Comments:	<ul style="list-style-type: none"> • None
Decision:	<ul style="list-style-type: none"> • N/A
Actions:	<ul style="list-style-type: none"> • Participants encouraged to reach out to LI or DSIT with further questions or comments.

Item 3a: Open discussion

Purpose: For discussion

Speaker: LI	<p><u>Corporate ID solution refresh and introduction</u></p> <ul style="list-style-type: none"> • LI acknowledged that some participants were attending the call for the first time and decided to provide a quick refresher on the corporate ID discussions. • LI mentioned that this refresher is a routine part of each sprint and apologised for any repetition for those who had attended previous sessions. • LI provided an overview of the corporate ID framework, discussing how the team reached the current set of thoughts by engaging in
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	<p>discussions during previous sprints. He highlighted three key levels of questions that guide the corporate ID structure: existence of the entity, identification of control, and tracking behaviours to assess risks.</p> <ul style="list-style-type: none"> • LI explained how these questions help in identifying potential risks associated with the business and understanding deviations from historical behaviours as indicators of risk. • LI presented an example of the current corporate ID structure, noting that it is still evolving and not finalised. The structure includes three levels of data sets: Level 1 focuses on confirming the existence of the business and identifying key individuals; Level 2 and Level 3 offer deeper insights through data and analytics, assessing behaviours, associations, and potential risks. • LI provided examples, such as tracking directors linked to multiple companies or frequent use of a registered address by fraudulent businesses, to illustrate the types of insights these data sets aim to provide. • LI then moved on to discuss the specific data sets identified as useful for corporate ID and mentioned that a survey had been distributed to gather input on whether any points were missed or additional elements should be included. • LI encouraged participants to consider elements from the private sector that could be incorporated into the corporate ID framework, particularly at Levels 1A to C. • LI mentioned that the slides were distributed a day or two ago and hoped everyone had an opportunity to review the proposed questions and consider their perspectives before the discussion.
<p>Comments (on chat):</p>	<ul style="list-style-type: none"> • None
<p>Decision:</p>	<ul style="list-style-type: none"> • N/A
<p>Actions</p>	<ul style="list-style-type: none"> • Participants encouraged to share feedback during the discussion and offline if preferred

Item 3b: Open Discussion – Proof of Concept (POC) objectives, scope, and challenges of POC for a Corporate ID solution.

Purpose: For discussion

Speakers:
LI, JH, AF,
MD, LB, CL,
SdIT, RH,
PB, LB, GC,
and ML

- **LI** initiated the discussion by asking what the POC should explore to mitigate risks and sought thoughts from the group.
- **JH** asked for clarification on what the POC aims to prove, focusing on its thesis and deliverables.
- **LI** responded that the POC seeks to understand both macroeconomic impacts (e.g., cost savings, growth) and microeconomic impacts (e.g., cost savings for financial service providers, reduced likelihood of fraud).
- **AF** emphasised the need to define the POC's deliverables before addressing risks, questioning whether the focus should be on KYB (Know Your Business) onboarding or broader economic crime impacts.
- **Mark Devlin (MD)** highlighted the importance of clearly defining the sector and client subset for the POC to avoid overextending and ensure meaningful results.
- **Louise Beaumont (LB)** raised a concern about businesses changing their nature post-onboarding, which could increase risks despite initial KYB checks.
- **LI and Chris Lawes (CL)** discussed the need for ongoing monitoring of businesses after onboarding to detect changes that could indicate increased risk.
- **Sara de la Torre (SdIT)** and **Rob Haslingden (RH)** suggested that blockchain could be a useful technology for ensuring data transparency and tracking changes in business behaviour over time. However, **LI** noted that implementing blockchain in the POC might not be feasible due to resource constraints.
- **Paul Baker (PB)** emphasised the importance of real-time data updates and managing the dynamic nature of business information.
- **Liz Brandt (LBr)** and **JH** discussed the need for a flexible framework that can adapt to changing data sets and differentiate between back-office and front-office data types.

	<ul style="list-style-type: none"> • Glen from CRIF suggested separating credit risk data from identity risk data to maintain focus on identity verification and fraud prevention. • LB advocated for tech neutrality and ensuring that the Corporate ID solution provides enough value to businesses to justify their participation. • Matt Lockyer (ML) and LB raised questions about data storage, scalability, and the inclusion of custom data sets over time. • LI acknowledged the need to balance the POC's scope with practical constraints and invited further input on defining the POC's focus. JH mentioned the relevance of compliance data services and their potential overlap with corporate digital identities.
Comments	<ul style="list-style-type: none"> • Extensive engagement on the scope, risks, and technological aspects of the POC
Decisions	<ul style="list-style-type: none"> • No final decisions made; ongoing discussion and follow-up required
Actions	<ul style="list-style-type: none"> • CFIT Follow-up discussions on technology choices, use case prioritisation, and engaging additional stakeholders (e.g., data providers, regulators).
Item 4: Call for input – Supporting Case Studies	
Speaker: LI	<ul style="list-style-type: none"> • LI concluded the meeting by addressing the need for input on potential case studies to include in the blueprint for the Corporate ID initiative. These case studies will help demonstrate the real-world application of Corporate ID in preventing fraud. The purpose is to gather suggestions for case studies that will be featured in the final blueprint to support the coalition's findings. COVID-19 era loans were mentioned as a potential case study due to their relevance, significance, and availability of data. • LI invited all participants to contribute ideas for case studies and to participate in a scoping workshop. The final selection of case studies will be influenced by input from coalition members to ensure a comprehensive representation of views.

	<ul style="list-style-type: none"> • LI mentioned that those selected case studies will showcase how Corporate ID can be used effectively to prevent fraud in real-life scenarios. The final blueprint, supported by these case studies, will be presented to key government and regulatory stakeholders, making it crucial to prioritise impactful and relevant examples • LI emphasised the importance of selecting meaningful case studies and thanked the participants for their continued engagement. The input gathered will play a crucial role in shaping the final blueprint and influencing key stakeholders.
Comments	<ul style="list-style-type: none"> • None
Decisions	<ul style="list-style-type: none"> • A separate scoping workshop will be organised for those interested in contributing more directly to the selection process.
Actions	<ul style="list-style-type: none"> • LI encouraged Coalition members to submit their suggestions for case studies.

Item 5: Closing remarks and next steps

Speaker: LI	<ul style="list-style-type: none"> • LI mentioned that future sessions might include other significant regulatory partners, such as Companies House, to provide further insights and contributions. • LI stressed the importance of signing the ToRs to remain engaged in the coalition. Participants who have not signed by Sprint 4 may be removed from the coalition unless they communicate any delays due to legal processes. Participants were reminded to submit their signed terms of reference by the end of September. So far, 80% of the ToRs have been returned. • Participants were reminded to submit their survey responses by August 23rd. These responses will help synthesise findings and inform the upcoming proof of concept (POC) work. • Smaller workshops with financial service providers and data providers will be organised. Interested participants were encouraged to express their interest in participating. Specific mention was made of the
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	<p>importance of input from data providers, including organisations like Experian and Dun & Bradstreet.</p> <ul style="list-style-type: none"> • LI explained that the discovery phase is nearing completion, with the final Discovery Sprint scheduled for September 4th. This session will include a review of survey findings and the kick-off of the implementation phase. After the September 4th session, sprints will recur biweekly. • LI expressed his appreciation to all attendees for their participation and contributions, noting the coalition's progress and looking forward to future sessions.
Comments	<ul style="list-style-type: none"> • Several participants expressed their thanks and commended CFIT on the successful management of the session.
Decisions	<ul style="list-style-type: none"> • N/A
Actions	<ul style="list-style-type: none"> • All remaining ToRs to be submitted by Coalition partners by the end of September. • CFIT organisation of smaller online workshops for anyone interested

Attendees:

Chair/s: Leon Ifayemi (LI)

Total Attendees: 57

Organisation
CFIT
CFIT / City of London
GLEIF

Lexis Nexis Risk Solutions

Nationwide

FDATA

Open Data Consultancy

NatWest

CIFAS

Esynergy

Sage

Dun & Bradstreet

Quarter Digital

Visa

Barclays

UCDX

OBconnect

Mastercard

Yoti

DSIT

Santander

Lloyds Banking Group

CRIF

CTRL-SHFT

OneID

Cardiff University

KPMG

Trustly

PSR

Tunic Pay

Experian

OIX

