

Minutes of meeting

Sprint 9

Date: 13.11.24 | Virtual meeting

Agenda

1. **Introductions**
2. **POC Update**
 - a. Required Datasets for a company ID from a POC perspective
 - b. Updated UX Flow based on feedback
3. **SME Focus Group Results**
4. **Open Discussion**
 - a. Thoughts & comments on the SME results?
 - b. Any final comments on the UX flow?
5. **Next Steps/ AOB**
 - a. AOB / Q&A

Minutes	
Item 1 – Introductions & guiding principles on competition	
Purpose: For information	
Speaker: LI	<ul style="list-style-type: none">• Leon Ifayemi (LI) Reminder of the anti-competition principles all CFIT Coalition meetings are governed by.• Welcomed everyone, thanked everyone for the support offered so far.• Mentioned key items for the session: <p><u>Updated User Journeys:</u></p>

	<ul style="list-style-type: none">• Introduction of a refined version of user journeys integrating feedback received.• Company ID Components: Presentation on data sets that constitute a "Company ID" from the Proof of Concept, with input from Lloyd's, Monzo, and NatWest.• SME Focus Group Findings: Overview of findings from a focus group with SMEs, gauging interest in future use of a Company ID. Emphasised diverse perspectives from industry, government, and academia. <p><u>Coalition Working Guidelines Reminder</u></p> <ul style="list-style-type: none">• Reiterated expectation for all participants to raise hands before speaking to maintain order.• Emphasised respect, collaboration, and openness to diverse perspectives.• Encouraged focus on scheduled topics, discouraging off-topic discussions• Ran through previous coalition meeting topics along with today's focus points.
Comments:	<ul style="list-style-type: none">• LI Please feel free to share your thoughts in the chat. We've set aside time during the open discussion to address any comments and questions.• Chantelle De Villiers (CDV) love these visuals - really helps bring it to life• Adam Prince (AP) Given the emergence of company/organisation ID wallets in addition to personal ID wallets, especially for organisations

	based in the EU, should the wallet approach be extended to the first stage (register the "company")?
Decision:	N/A – for information only
Actions:	None
<p>Item 2: POC Update</p> <p>Purpose: For discussion/information</p>	
<p>Speaker: RH</p>	<p><u>Company ID Datasets from a POC Perspective</u></p> <ul style="list-style-type: none"> • Rob Haslingden (RH) Welcomed participants and thanked them for joining. Outlined the focus on the minimum data set requirements for Company ID based on previous discussions with banking partners. • Presented the core data elements for Company ID as required by banks, focused on applicants and company attributes. Key data points for applicants include legal name, date of birth, address, country of residence, phone number, and email. • Company Attributes: Banks require details such as company name, registered address, trading address, and business income. Acknowledged the challenges of verifying certain details upon initial onboarding. Also included photo ID and biometric verification for directors and persons with significant control, with ongoing debate on the role of authorised signatories. • Supplementary Data Sources: CRA data and open banking information are considered potential supplementary sources for monitoring SMEs. • Discussed proposed methods for data collection and the need for a robust trust and governance framework to ensure data authenticity and compliance.

Updated UX Flow based on Feedback

- Reported positive feedback from stakeholders on the UX flow, with particular praise for the dashboard. Highlighted feedback to potentially integrate personal ID wallets for simplified data sharing.
- Demonstrated two key UX updates:
 - **Personal ID Wallet Integration:** Enables directors to link verified personal IDs to the Company ID, streamlining identity verification.
 - **Authorised Signatory Validation:** Added functionality for accountants to manage the Company ID on behalf of a company, verified through a Chartered Institute database.
- Additional Discussion Points
 - Portability of Data: Discussed allowing SMEs to transfer verified Company ID data between providers.
 - Director ID Verification: Confirmed consensus on verifying all directors, not just a subset, for risk mitigation.
 - Role of Authorised Signatories: Mixed responses from banks; SMEs prefer the option to delegate management to accountants.
- Next Steps: Continued iteration of the UX based on feedback and ongoing testing with SMEs. Plans to consult data suppliers on authentication methods to integrate into the trust and governance framework.

Questions:

- **Adam Prince (AP)** elaborated that EU companies could have a business wallet containing data from sources like LEI and Companies

	<p>House. This wallet could serve as an alternative or supplemental source for relevant company data, particularly for use by directors.</p> <ul style="list-style-type: none">• RH agreed with Adam's idea, supporting the reuse of data from existing company wallets, assuming data sources are verifiable and secure. He noted that if digital wallets for personal IDs are accepted, a similar approach should be viable for company IDs. Although the coalition's current focus is on the UK, this broader EU perspective could benefit multinational organisations.• Thushan Kumaraswamy (TK) asked if managing company ID creation included editing and deleting.• RH clarified that while the company ID itself is tamper-proof, accountants or SMEs can notify the ID provider of any updates, who then validates and documents the changes. The accountability for updates lies with the company ID provider, ensuring tamper-proof integrity.
Comments	<ul style="list-style-type: none">• TK Is it only managing the creation of the CID or does it include editing/deleting?• Penny Dunbabin (PD) Imagine that the chartered accountant or solicitor is subsequently investigated and struck off - when would this be picked up?• Adrian Field (AF) It would be good if the individual ID&V requirements specified a UK-certified ID, from the DIATF framework, there is a longer-term view to get data from CH/One Login from the initial company formation

- **John Harrison (JH)** Will the 3 banks accept digital ID signatures from an SME's ID provider as part of a resolution from the SME's board to open an account?
- **Liz Brandt (LB)** For note: The need for porting of data packages between CID providers, it is essential for the healthy market moving forward. may create investment challenges during the initial market development.
- **Mark Devlin (MD)** If we are considering using other ID wallets, how do we ensure the standard meets the "Trust Mark" which underpins Company ID that banks would rely upon for onboarding?
- **AF** If ID providers are certified for DIATF, then 'company ID' as a supplementary code of DIATF will be aligned and inherits the certification security checks etc., DIATF gov trust mark
- **Paul Wilshaw (PW)** Listing the ID providers could be problematic from an updating and change perspective. I also believe that a corporate ID or personal ID would be something that is used that often, and people will forget who their provider is. This could cause multiple ID's as people register with multiple ID providers.
- Creating an OAuth-style handover between the requester and provider may be better and reduce the complexity of choice.
- **AF** the list of providers should come from a link the the DSIT 'Digital Verification Services' register of certified ID providers - this will keep it current
- **AP** This is where the wallet approach could help. Many ID providers can be grouped by a business or individual in wallets, the OAuth and similar flows are then used to authenticate the flows. This also makes

the approach easily extensible to add other characteristics for other business/personal purposes reducing overall complexity

- **PW** you'll still find that the majority of people will tap the first option, over anything else, which is fine but may not be the provider they first created an ID with. People don't always read the copy above options.
- **AF** APIs for wallets on OSs will auto-detect if a wallet is on the device, and suggest the installed one as a default (with an option to change it) – this will reduce the burden of choice/ improve the UX
- **PW** this would be the ideal journey.

- **John Abott (JA)** Given the learnings (and many failings) of Gov.Verify presenting a logo list of ID providers, what learnings are you taking on from this. e.g. how is this list curated and presented, is it DIATF certified providers only), how will a company director know one from the other? Does it matter if one director does ID with one provider, then another director of the same company uses another? How is fraud (which is done by people) correlated across these multiple entry points

- **LB** The focus on the data package that answers to the underwriting of banks decisions as of today may miss productivity opportunities. The current underwriting requirements likely reflects the banks risk and compliance requirements, and the embedded liability model, which could be changed with the introduction of CID. We'd anticipate the shift in the liability model in the development of the CID market, and with that the shift of costs and risks. It would seem important to get under the skin of the data package requirements and what the requirement is founded on, to unpack this in light of shifting liability enabled by CID, shift in data package requirements and where / if the

	<p>regulation needs to shift or change. And in all of that the opportunity to found the productivity opportunities for the banks.</p> <ul style="list-style-type: none"> • MD I share your sentiment Liz, productivity gains and ease of onboarding for customers are some of the biggest benefits here for banks. • JH What are the current positions of (i) CH re full integration with CIDs (and thus use of director IDs proofed by a corporate ID provider); and (ii) FCA re reliance by banks on corporate ID and related signatures, and CID portability between banks AND CID providers?
Decision:	<ul style="list-style-type: none"> • N/A
Actions:	<ul style="list-style-type: none"> • none

Item 3: SME Focus Group Results

Purpose: For discussion

Speaker:	<ul style="list-style-type: none"> • RH Expressed gratitude to Sage, FSB, and Opinium, the independent research group involved in the study. • A detailed 30–page report is available, but today’s summary will provide an overview of findings relevant to the response from SMEs on the Company ID concept. • The research sought to seek SME perspectives on the Company ID, a potential solution for streamlining bank onboarding and mitigating fraud. <p><u>Key Areas of Focus:</u></p> <ul style="list-style-type: none"> • SME sentiment toward Company ID’s usability and security.
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- How SMEs interact with financial institutions, particularly concerning fraud risks.
- Evaluation of the UX for creating and using Company IDs.

Methodology

- **Sample Group:** 25 SMEs divided into smaller organisations (5–10 employees, <\$2M turnover) and medium-sized organisations (11–50 employees, <\$10M turnover).
- **Participants:** Individuals responsible for managing business bank accounts or financial relationships.
- **Focus Group Structure:** 90-minute sessions to assess Company ID's functionality and value through UX evaluation and discussions on real-life banking experiences.

Findings on Company ID's Perceived Value

Value Dependent on Data and Frequency of Use:

- Smaller SMEs anticipated infrequent use of Company ID, whereas larger SMEs saw it as more beneficial for ongoing tasks (e.g., supplier onboarding).
- Broad approval for the UX and the Company ID's potential for streamlining admin tasks.

Fraud Protection Concerns:

- SMEs questioned if the Company ID genuinely reduced fraud risks, perceiving this responsibility as a banking duty.
- Security and control over data shared with third parties were major concerns, with some SMEs worrying that centralising data in a Company ID could make them vulnerable.

Data and Transparency Requirements:

- SMEs want assurance on how their data would be used and shared, emphasising the importance of transparency and control.
- They support an approach that allows selective data sharing, tailored to specific use cases, to avoid data overload.

Potential Trust Framework

- **Preferred Custodians:** SMEs expressed trust in banks as custodians for Company ID creation and management, while some saw third-party providers (e.g., accounting software vendors) as viable alternatives.
- **Centralised Verification Tool:** SMEs support Company ID as a “one-stop-shop” for verification but demand high standards for security and governance.

Use Cases and Real-Life Pain Points

- **Illustrative Cases:** Examples include difficulties in verifying company information on social media, bank errors requiring re-verification, and account access delays due to incomplete applications.
- **Administrative Burden Relief:** SMEs see value in Company ID’s potential to simplify verification processes, especially for government compliance and supplier verification.

Considerations and Recommendations

- **Security and Liability:** Security and clear redress mechanisms are essential to gain SME trust, especially regarding third-party involvement.

	<ul style="list-style-type: none">• Data Minimisation and Customisation: Tailoring data to specific use cases and offering an option to control data sharing will address SME concerns over data overload.• Potential for Industry-Specific Usages: SMEs in certain sectors may benefit from a customised Company ID, reflecting industry-specific needs.• Educational Component: SMEs need more information and guidance on the Company ID's value and functionality.• Future Exploration: Exploring an alternative UX based on a Company ID wallet could offer SMEs more control and flexibility, potentially enhancing adoption.
Comments:	<ul style="list-style-type: none">• LB Understanding Contextual Trust will be critical in designing the service and journey. All the research we've done points towards individuals trusting companies for different contextual activities e.g. trust your doctor to advise on your health but not your bank (simple example). People trust different orgs with different data and with different activities. May seem obvious but a lot of people are looking for a simple / single answer to Trust and this doesn't serve us well in designing the service and market.• John Abbott (JA) p18 content - important to split out a) how a digital ID into the hands of that SME individual would have also solved these issues, b) what additional value-add a company ID has over a digital ID?• TK on those SMEs that could not get verified; if they couldn't get verified, then how would they get verified for a CID?• Would be useful to have a report showing exactly what data has been shared where and why.

Decision:	<ul style="list-style-type: none"> • N/A
Actions:	<ul style="list-style-type: none"> • None

Item 4: Open Discussion

Purpose: For discussion

<p>Speaker: Coalition Partners</p>	<p><u>Open Discussion Points:</u></p> <ol style="list-style-type: none"> 1. Thoughts and comments on the SME results? 2. Do we have a consensus on the UX flow, any final comments? <ul style="list-style-type: none"> • Penny Dunbabin (PD) Asked about monitoring for professionals (e.g., accountants, solicitors) who, after registration, might be investigated or struck off, and how this would be flagged in the system. • RH Confirmed this is an important issue. Mentioned reliance on public registers and suggested a need to strengthen data accuracy and contractor relationships with registry providers to notify of any status changes. Stated that any flagged individual’s identity would need re-verification. • John Harrison (JH) Asked if banks would accept digital ID signatures from SME ID providers for account opening resolutions. • Mark Devlin (MD) Said this would need further review, confirming that digital signatures are not yet accepted as physical ones are currently required. • RH Noted the importance of authenticated identities, and asked JH to clarify requirements. • JH Referred to a previous slide on bank-required data, suggesting that accepting digital signatures would significantly enhance usability, potentially supporting a broader adoption of the company ID model.
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- **MD** Acknowledged this as a potential future development but confirmed physical signatures are currently mandated, aligning with organisational mandates for checks and authorisation.
- **MD** Emphasised the importance of ensuring data integrity in Corp ID for bank reliability and questioned the role of trust and governance, particularly concerning liability and data verification.
- **RH** Agreed, outlined plans to establish a working group on the trust and governance framework. The group would work to define standards and evidence sources for data verification, with a goal to create a framework analogous to DSIT standards.
- **Francis O'Neill: (FO'N)** concerns over third-party wallet providers and the need for oversight, especially in cases involving multiple layers of data reliance (e.g., personal and company ID providers).
- **RH** Recognised the need for a standardised approach to data sharing, which could strengthen fraud prevention and data accuracy within the Company ID ecosystem.
- **F'ON** Suggested defining "professional bodies" eligible for trusted data provision, as many exist with varying standards.
- **RH** Supported a more rigorous approach, proposing an initial exclusion of accountant involvement in MVP, while potentially adding it later once standards for data authenticity are established.
- **Adrian Field (AF)** Suggested inclusion of DIATF standards in the requirements, advocating for alignment with UK government-certified ID frameworks. Queried the role of government in governing Company ID.

- **LI** Noted ongoing discussions with government departments (e.g., FCA, DITF, DBT) to align identity, AML, and economic crime prevention standards within the Company ID project.
- **RH** Agreed to integrate DIATF standards in the MVP.
- **Tina Blocksidge (TB)** Stressed the need for real-time updates on company data and clarity on data sources. Observed that some economic crime mitigation aspects from the project's outset seem to have been overlooked.
- **RH** Confirmed the intent to keep data in Company ID continually updated and notify relevant parties of changes.
- **LI** Suggested dividing the data stack into mandatory compliance parts, optional elements for bank discretion, and customisable risk parameters. This structure aims to clarify data strategies and varying engagement levels.
- **JH** Highlighted the importance of an inclusive business model that accommodates all participants. Suggested banks may eventually offer both corporate and personal wallets, potentially creating separate business models for each. Stressed collaboration with the FCA and Companies House to present a unified approach.
- **LI** Announced the formation of a Commercial Model Working Group to parallel the Trust Framework Group. Key tasks include expanding use cases for company IDs, exploring commercial models, and securing FCA advocacy. Proposed testing models in a regulatory sandbox to gauge compliance implications and future regulation for company ID solutions.

	<ul style="list-style-type: none">• JH Raised further points on personal IDs and associated business models; agreed to continue the discussion via email.
Comments (on chat):	<ul style="list-style-type: none">• AF we should keep a distinction between what is 'ID' data and what it just data about a company - and both can be stored in a wallet. For the proposed supplementary code - it seems to be defining an AML (or at least a CDD) process rather than just an ID check, so HMT/DSIT would need to agree to what extent this belongs under DSIT/OFDIA governance.• Can we call it a 'Company Digital Wallet', that contains ID & other data, rather than just a 'Company ID Wallet'• Emily Hyett (EH) Can you provide a bit more information and share the alternative company ID journey you just mentioned?• Vivienne Artz (VA) Digital signatures are legally valid in the UK, but it is the evidential value that differ and hence the appetite to accept one digital signature over another. Consider also international interoperability and acceptance which is key.• AF the DIATF itself has company ID as a concept in it (but poorly defined) - so there could be an opportunity to add more explicit company ID rules in the DIATF itself rather than needing a 'supplementary code'• LB On who will pay. Can Yoti provide some examples of who pays in other use cases e.g. right to work, does the individual pay or Sterling (the right to work agency)• JA Hi Liz, Yoti (and the wider DIDC network of digital ID apps) do not charge individuals for creating a verified reusable digital ID. We

	<p>charge the end relying party for the attributes they consume (from the individual). In the case of intermediary organisations (i.e. RTW responsible organisations) then the intermediary pays Yoti/DIDC and they may also either charge the individual or the end organisation/prospective employer commissioning the check.</p> <ul style="list-style-type: none"> • JA I do think that the objectives need to be clear on the prioritisation of problems that a company ID going to solve, over and above an individual digital ID. I think there are several arguments around what is 'prime', the company ID or the individual. This approach turns the existing norm on its head. Individuals commit fraud, Companies don't. Having the individual ID as core, and having several IDs if several directors, with attached attributes of the company (and their potential multiple companies) to each individual wallet. This would be echoed in the vast majority of the audience here being SMEs. • AF great point John - a company data wallet is useful for sharing multiple items of company data, but if it's just a director signing something with an 'authority to act' cert, an individual wallet should suffice, with the role-based credential in it • AF DIATF has a fraud-sharing concept too.
Decision:	<ul style="list-style-type: none"> • N/A
Actions	<ul style="list-style-type: none"> • LI to follow up with JH offline.
<p>Item 5: Next Steps/Closing</p>	

Speaker: LI	<ul style="list-style-type: none"> LI Closed the session, thanked attendees, and invited further feedback on UX journeys by email. Confirmed the next meeting will be held in two weeks.
Comments	<ul style="list-style-type: none"> None
Decisions	<ul style="list-style-type: none"> N/A
Actions	<ul style="list-style-type: none"> None

Attendees:

Chair/s: Leon Ifayemi (LI) & Rob Haslingden (RH)

Total Attendees: 53

Organisation
CFIT
A & O Shearman
Bank of England
CRIF
Ctrl-shft
DAON
Dun & Bradstreet
EY

FDATA
GLEIF
Home Office
HSBC
Innovate UK
Leading Point
Lexis Nexis Risk Solutions
Lloyds Banking Group
Mastercard
Moody's
Nationwide
NatWest
OBCconnect
OIX
OneID
Quarter Digital
Sage
Technology Strategy
Tunic Pay

UCDx

UK Finance

University of Cardiff

Yoti

Zally