



Project Financial Crime

Digital Identity – update on the UK market

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Introduction

This document summarises activity in the UK digital identity marketplace. It covers HMG's (UK Government) latest steps towards digital identity, HMG digital identity schemes and identity standards in the UK.

Digital identification is defined as the use of digital technology for undertaking identity verification checks (i.e. what the market currently does) and digital identity is defined as a persistent, reusable digital identity scheme.

Trust frameworks

In November 2020 HMG released an early draft of its proposed trust framework for digital identity in the UK. A public draft will be available in the first quarter of 2021.

In July 2020 OIX published its comprehensive Guide to Trust Frameworks and Interoperability.

<https://openidentityexchange.org/guide-trust-frameworks-interoperability>

Identity and Attributes Exchange (IAX)

HMG recently announced IAX as a future trust framework or accreditation scheme for engaging with HMG for digital identity. It appears that the intention is for IAX to be adopted by the public sector to facilitate the procurement of compliant identity services to support HMG departments.

In the near term it will help to digitise IDV with government bodies.

Government Digital Service (GDS) has started to issue draft documents for their proposed Identity and Attributes Exchange (IAX). At the present time the level of detail is limited, with more information to be issued over the coming months.

The initial three documents are:

- An explanation of IAX as a trust framework - "The Identity and Attributes Exchange (IAX) is a way to reuse digital identities and attributes across the public and private sector. It helps people prove their identity in an easy, secure way. Members of IAX scheme are certified against a set of government-approved standards. This means they can trust each other when they share information."
- Roles in the IAX - buyers, ID providers, attribute providers, brokers.
- What you get from being part of the IAX - sell to government, get a trust mark, create trust across providers, deliver consumers a better experience.

HMG response to digital identity Call for Evidence

In September 2020 HMG published its response to the Call for Evidence that took place in 2019. The Call for Evidence was launched to better understand the potential of digital identity to:

- Unlock the digital economy.
- Improve citizen experience and access to services.
- Safeguard privacy.
- Combat fraud in the digital space.

The new cross department Digital Identity Strategy Board has announced the principles for digital identity delivery and policy in the UK. These principles will be reviewed on an annual basis.

1. **Privacy** – Individuals will have confidence their personal data is confidential and private. Individuals should also (where possible) select what personal data is shared.
2. **Transparency** – Individuals must be able to understand by who, why and when their identity data is used.
3. **Inclusivity** – This means those who want or need a digital identity should be able to obtain one.
4. **Interoperability** – Technical standards should enable international and domestic interoperability between schemes.
5. **Proportionality** – User needs and other considerations such as privacy and security will be balanced so digital identity can be used with confidence across the economy.
6. **Good governance** – Digital identity standards will be linked to government policy and law. Any future regulation will be clear, coherent and align with the government's wider strategic approach to digital regulation.

The next steps are summarised under the following areas:

- Driving forward legislation to support digital identity.
- The use of digital identity in HMG.
- Unlocking government identity attributes to support digital identity verification.
- Achieving international interoperability of digital identity schemes.

HM Government digital identity schemes

Digital identity is very fragmented across HMG departments. There are multiple schemes either in operation or planned. This includes legacy schemes that do not meet the usual criteria expected of a digital identity but fulfil a similar role.

Identity and Attributes Exchange (IAX)

- Outlined above.

Gov.UK Verify

- The legacy HMG digital identity scheme scheduled to close by late 2021.

NHS Login

- Designed as a single identity scheme to provide access to all a patient's NHS records across multiple trusts and providers. Still nascent and in my

experience offers no additional functionality above that provided by my GP practice's existing digital provider.

EU Settlement Scheme

- A Home Office identity scheme to allow EU, EEA and Swiss citizens to register for the right to remain working and living in the UK after 30 June 2021.

DWP Confirm Your Identity

- The DWP's replacement identity service for Verify. Its introduction has been accelerated during the COVID-19 pandemic because of the failings of Verify to identify successfully sufficient individuals claiming Universal Credit in a timely manner. The initial iteration of Confirm Your Identity uses Government Gateway to bypass Verify. Verify continues to be available alongside Confirm Your Identity as a verification option.

Digital Identity Scotland

- The Scottish Government's scheme to "develop a common public sector approach to online identity assurance" is an attribute exchange, rather than a digital identity framework, for the Scottish public sector.

HM Revenue & Customs Online Services

- HMRC Online Services uses existing Government Gateway credentials. HMRC is developing a replacement for Government Gateway, although it appears it will use Government Gateway credentials.

Government Gateway

- Legacy identity platform used by HMRC and now DWP to support universal credit claims (see above).

HM Land Registry

- Land Registry has highlighted the need for secure digital checks as part of the conveyancing process. Rather than developing their own scheme they appear to want to use existing digital identity technology, in particular NFC passport chip reading combined with biometric facial image checks.

Digital Business Identity

- HM Department for Business, Energy and Industrial Strategy (BEIS) has been assessing the development of a business digital identity service, designed to improve access to HMG digital services for businesses.

Companies House

- Assessing options for digital identity, in order to verify directors and PSCs.

Document Checking Service

- Whilst not a digital identity scheme, DCS supports digital identification by allowing checks against the Passport Office database. If DCS progresses post pilot, it could evolve as an attribute component for digital identity.

Identity standards in the UK

A number of identity related standards exist in the UK.

IAX

Trust scheme outlined above.

GPG 45

How to prove and verify someone's identity

Good Practice Guide (GPG) 45 helps organisations decide how to check someone's identity digitally, over the phone, by post, by email or face to face.

<https://www.gov.uk/government/publications/identity-proofing-and-verification-of-an-individual/identity-proofing-and-verification-of-an-individual>

GPG 44

Using authenticators to protect an online service

Good Practice Guide (GPG) 44 helps organisations choose an authenticator to sign in to a service they already have access to. An authenticator will usually be one or more of the following; something the user knows, something the user has, something the user is.

<https://www.gov.uk/government/publications/authentication-credentials-for-online-government-services/giving-users-access-to-online-services>

PAS 499:2019

Code of practice for digital identification and strong customer authentication

This Publicly Available Specification covers the management of identification and strong customer authentication for regulated organisations under PSD2 and related regulations.

<https://shop.bsigroup.com/ProductDetail?pid=000000000030342524>

BS 8626

Design and operation of online user identification systems – Code of Practice

This British Standard gives recommendations and supporting guidance for the design and operation of an online user identification system (OUIS) and the corresponding user digital identity management systems.

<https://standardsdevelopment.bsigroup.com/projects/2018-01712#/section>

PAS 1296

Online age checking. Provision and use of online age check services. Code of Practice

Whilst not specifically related to digital identity, as a specification in the identity space, it is relevant. This PAS helps businesses comply with age-restricted regulation by providing recommendations that help prove an online user's age.

<https://shop.bsigroup.com/ProductDetail?pid=000000000030328409>

JMLSG revised guidance June 2020

It should be noted that the revised guidance from JMLSG now highlights the use of digital identities for the purposes of identity validation and verification.

The guidance also suggests a number of criteria that could be considered when selecting a provider for digital verification or digital identity.

The reference to *"It is accredited or certified to offer the identity verification service through a governmental or industry process that involves meeting minimum published standards"* suggests that alignment with IAX (in the absence of alternative standards) will become increasingly necessary for private sector identity verification.

Criteria for use of a provider of electronic verification of identity, digital identity or trust service

Section 5.3.52

Before using an organisation for digital identities, electronic or digital identity verification, or trust services, firms should be satisfied that information supplied by the provider is considered to be sufficiently extensive, reliable, accurate, independent of the customer, and capable of providing an appropriate level of assurance that the person claiming a particular identity is in fact that person. This judgment may be assisted by considering whether the provider meets the following criteria:

- It is a notified identity scheme under the eIDAS Regulation²⁹ ; or it is provided by means of a trust service covered by the eIDAS Regulation³⁰ ; or it provides a service as defined by eIDAS regulation or has a similar level of assurance as eIDAS notified schemes.

- It is recognised, through registration with the Information Commissioner's Office (or national equivalent for EEA/EU registered organisations), to store personal data.
- It is accredited or certified to offer the identity verification service through a governmental or industry process that involves meeting minimum published standards.
- It uses a range of multiple, positive information sources, including other activity history where appropriate, that can be called upon to link an applicant to both current and previous circumstances.
- It accesses negative information sources, such as databases relating to identity fraud and deceased persons.
- It accesses a wide range of alert data sources.
- Its published standards, or those of the scheme under which it is accredited or certified, require its verified data or information to be kept up to date, or maintained within defined periods of reverification.
- Arrangements exist whereby the identity provider's continuing compliance with the minimum published standards is assessed.
- It has transparent processes that enable the firm to know what checks were carried out, what the results of these checks were, and what they mean in terms of how much certainty they give as to the identity of the subject.
- It keeps sufficient records of information used to provide its services.

GBG

GBG offers a range of solutions that help organisations quickly validate and verify the identity and location of their customers. Our market-leading technology, data and expertise help our customers improve digital access, deliver a seamless experience and establish trust so that they can transact quickly, safely and securely with their customers online.

Headquartered in the UK and with over 1,000 team members across 16 countries, we work with 20,000 customers in over 70 countries.

To find out more about how we help our customers establish trust with their customers, visit www.gbtplc.com.