

EURIM Personal Identity Forum Data Sharing

28th October 2004

Credit Application

Consumer

Applies for credit
& gives consent

**Credit
Grantor**



Consent

- For the credit provider to access the individual's credit data
- To record a search and allow others to subsequently see the search
- If credit is granted / accepted to allow the credit provider to provide a monthly update on the conduct of the account

Data Requests Validated

Consumer

**Credit
Grantor**

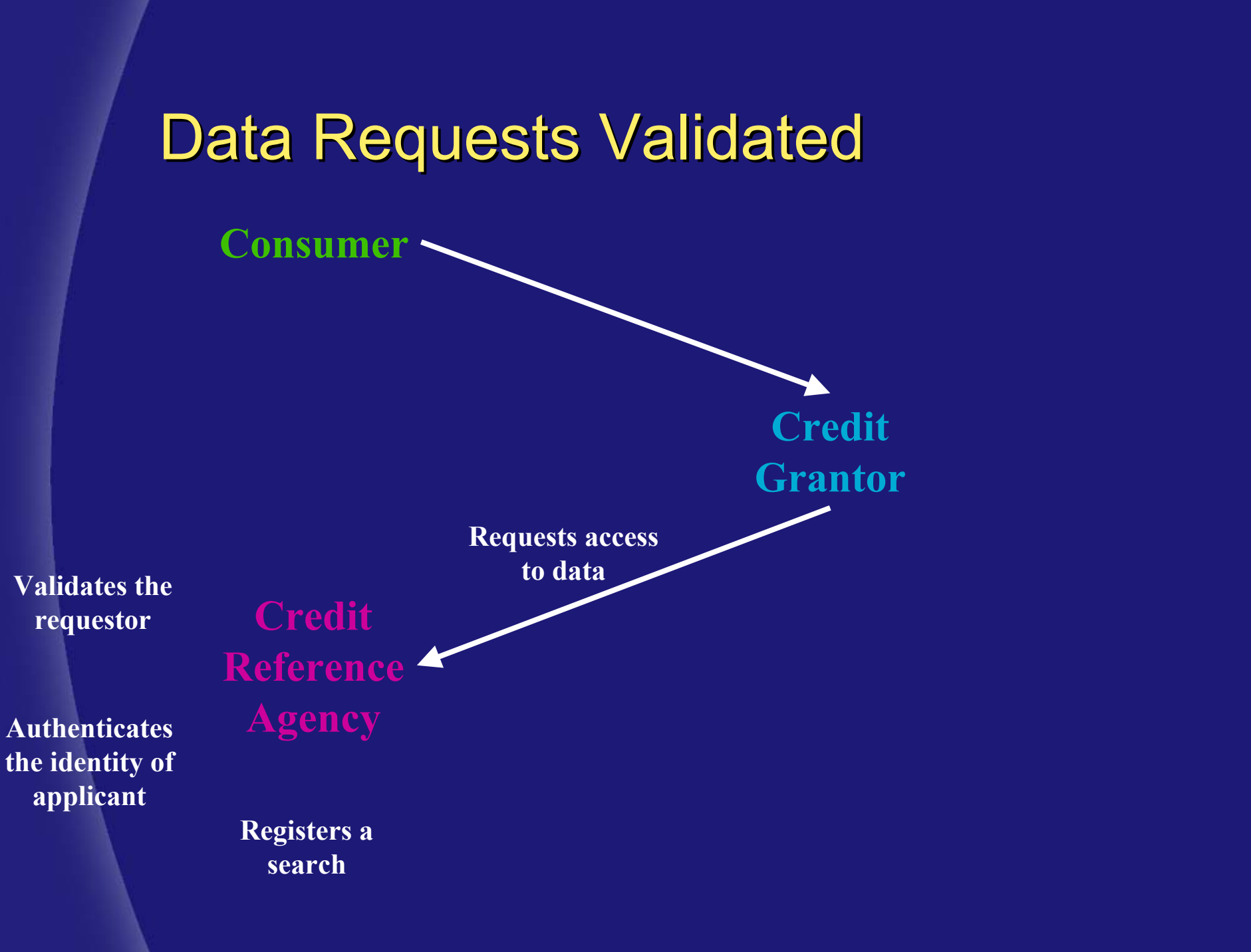
Requests access
to data

**Credit
Reference
Agency**

Validates the
requestor

Authenticates
the identity of
applicant

Registers a
search



Consumer Notified

Consumer

Experian
SMS message
confirming
enquiry



**Credit
Reference
Agency**

Registers a
search

**Credit
Grantor**

Consumer Notified

Consumer

Experian
SMS message
confirming
enquiry



**Credit
Reference
Agency**

**Credit
Grantor**

Registers a search ← Subsequent access to
previous searches

**Other
Credit
Grantors**



Data Processed

Consumer

Credit offered
or declined

**Credit
Grantor**

Application
processed &
terms of business
offered

Data returned

Type of
transaction
checked

**Credit
Reference**

Agency

Level of data access
rights checked

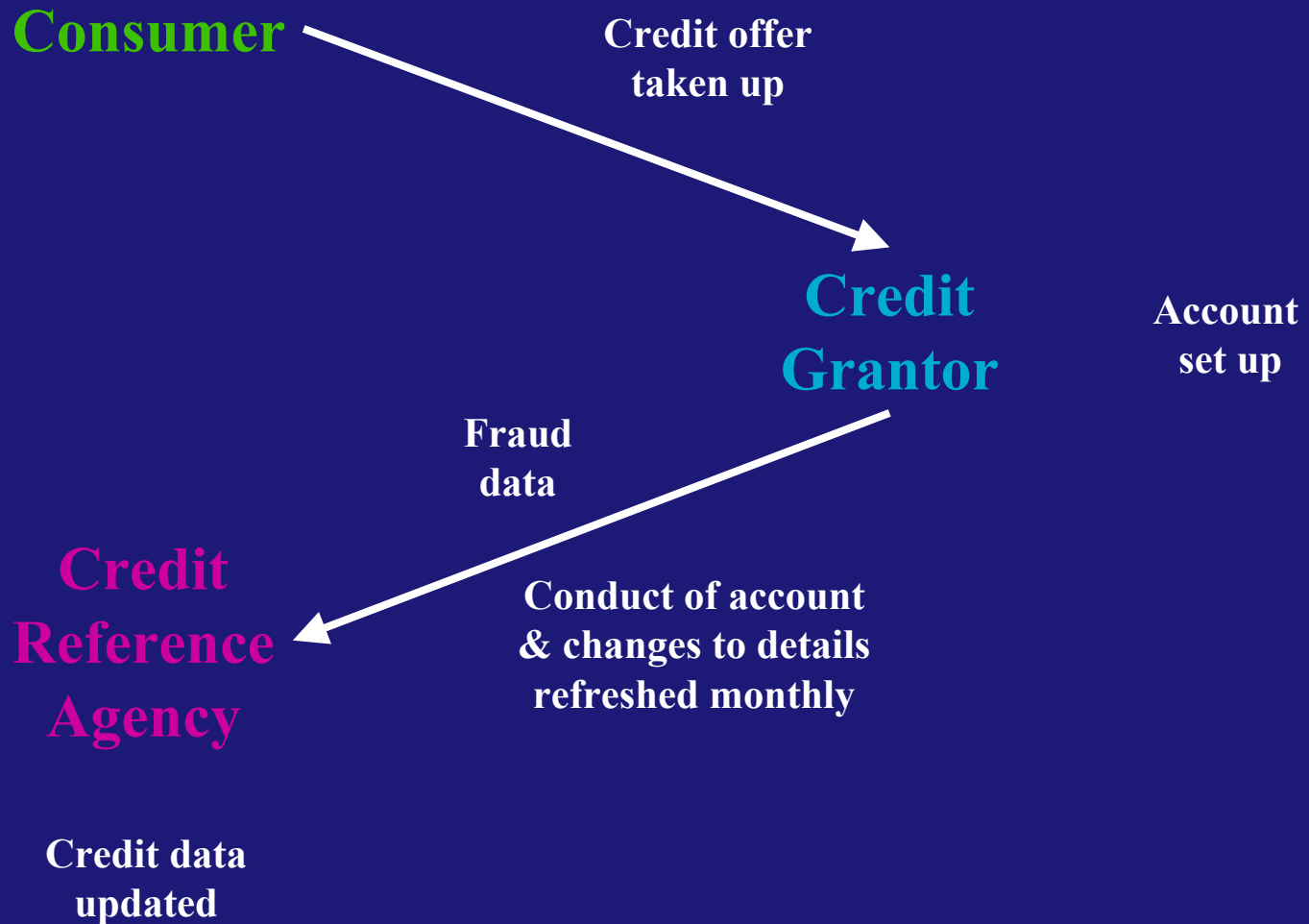
Appropriate data
assembled

Reciprocity & Compliance

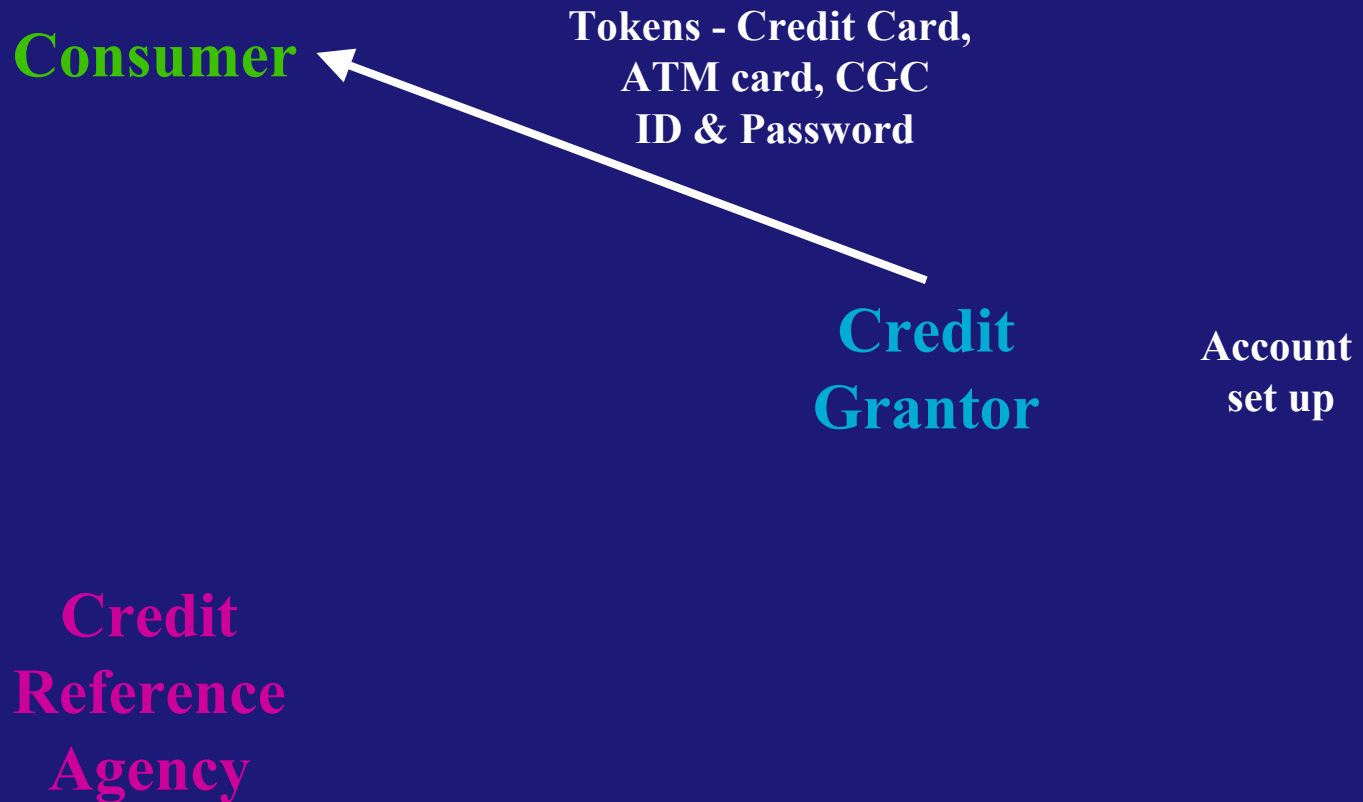
- “Only get out what you put in”
- Default level
- ‘Bank’ level
- Full data

- Data can only be used for pre-defined purposes
 - ◆ Authentication - no financials

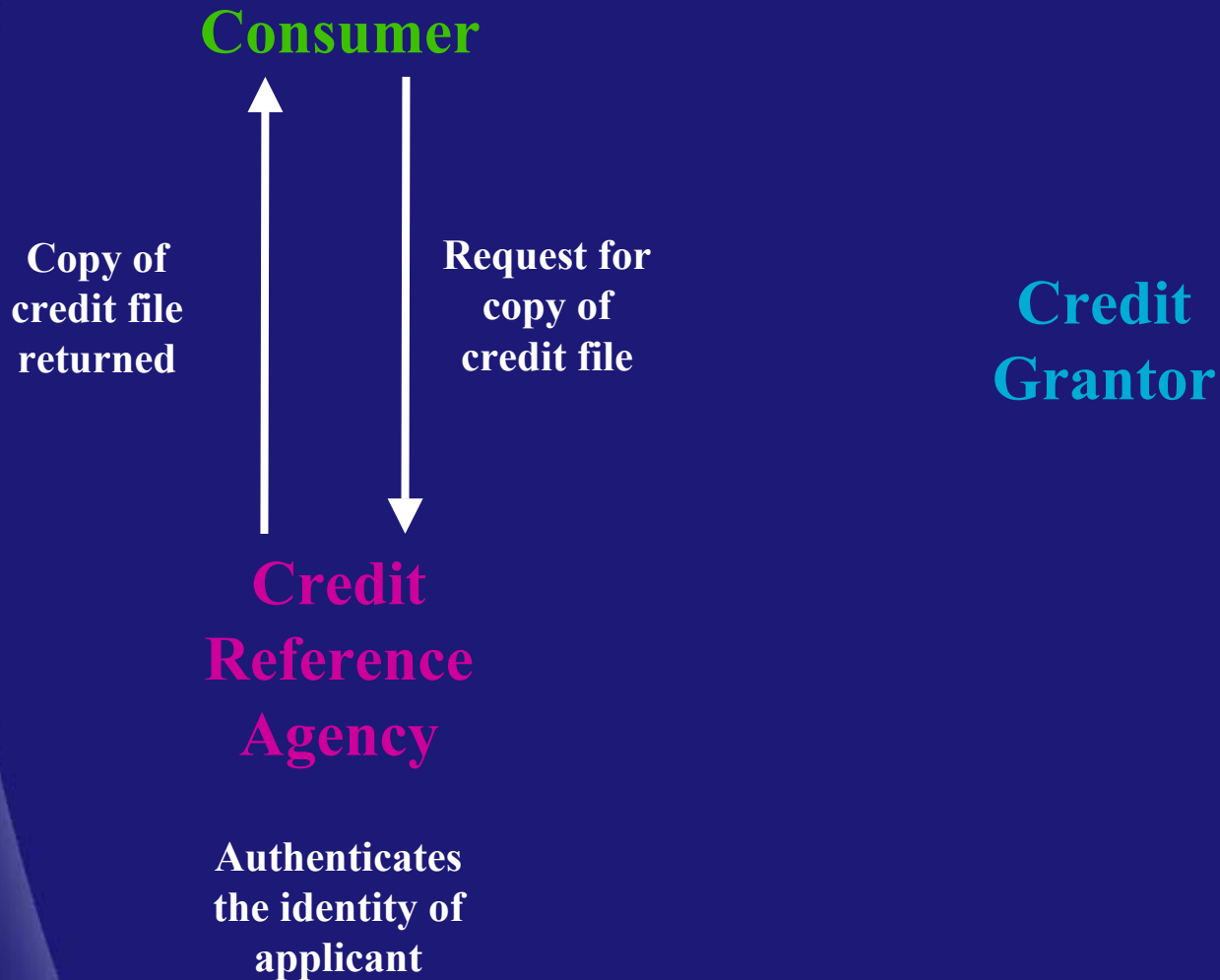
Account Set Up



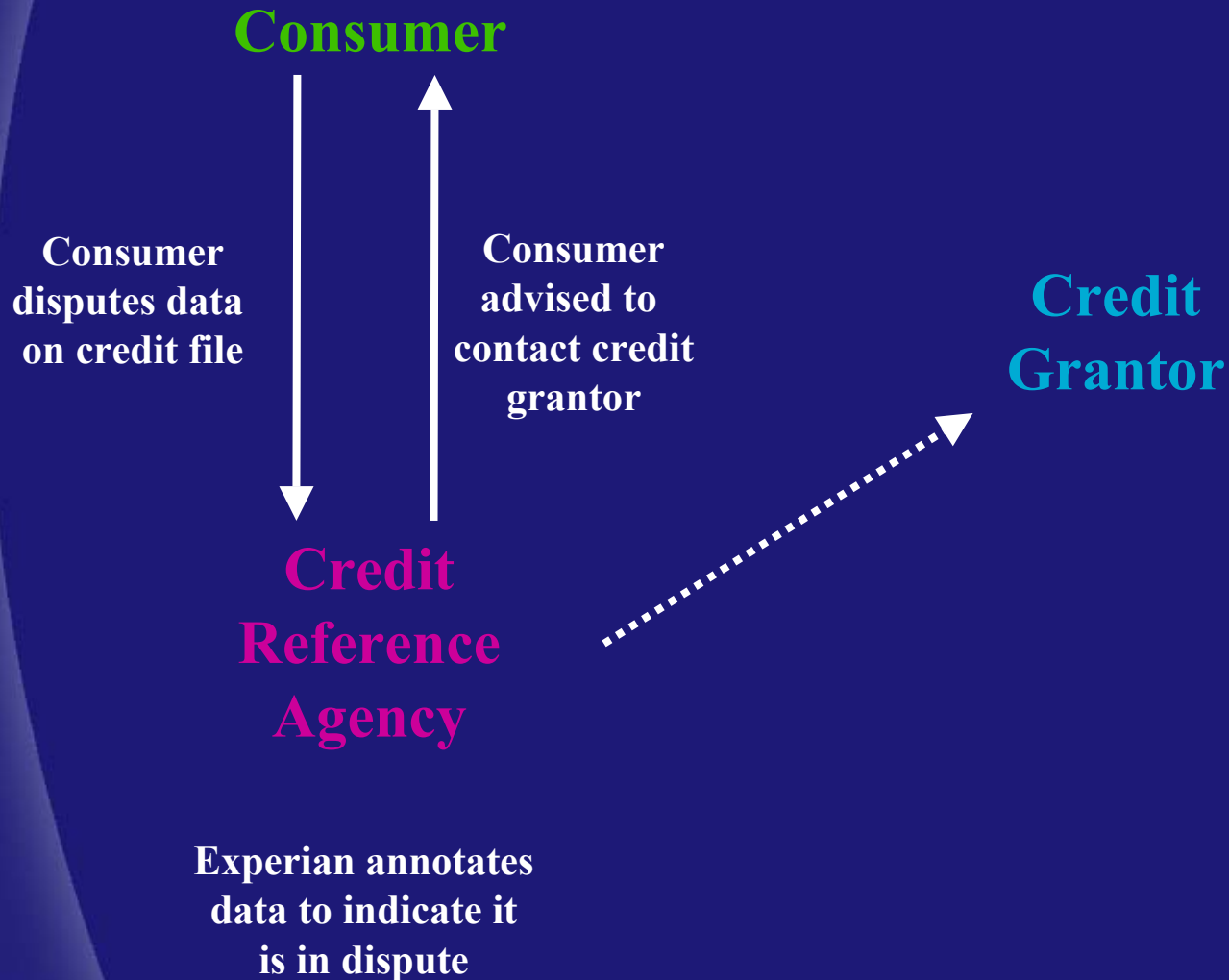
Facilities Issued



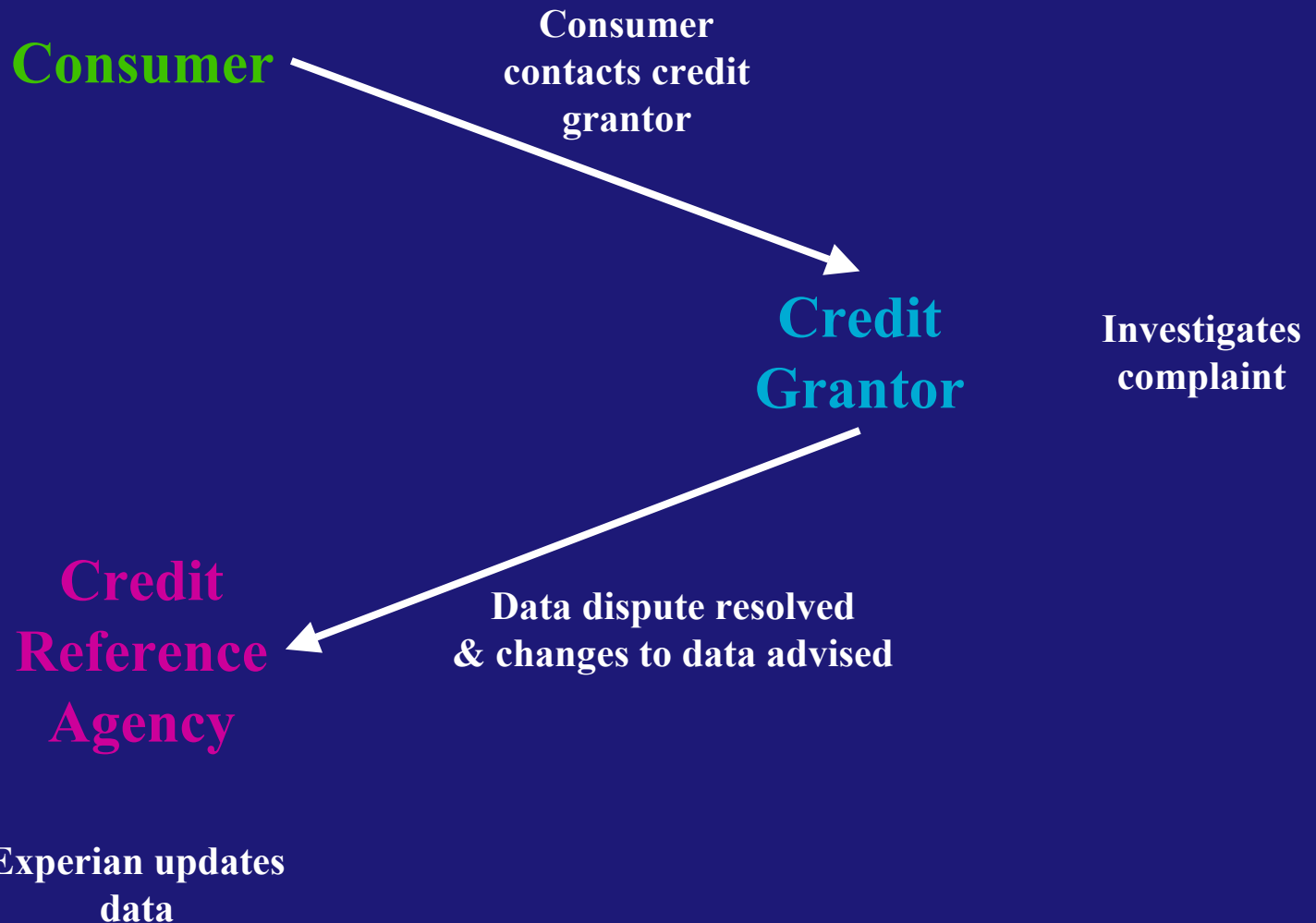
Credit File Request



Dispute resolution



Dispute resolution



Summary

- Access to data is based upon consent
- Consumer authenticated using electronic data
- Organisation requesting data is validated
- Organisation's level of data access determined
- Consumer notified of the search on their credit data
- Data assembled and returned to the organisation
- Data updated frequently by the data providers
- Consumer has access rights to their data
- Disputed data 'suspended' pending correction

Controlling Factors

- OIC
- FSA
- Standing Committee On Reciprocity
- DPA
- Consumer Credit Act
- Proceeds of Crime Act
- Representation of the People Act

Historic Issues - Financial Services

- Disparate products (and data)
- Fear (of losing market lead etc.)
- Data quality of source data
- Data Protection
 - ◆ consent going forward
 - ◆ retrospective consent
- Emerging new uses of the data
- Ability to target the individual accurately
- Vision of member (protective / progressive)

Drivers - Financial Services

- Reduce fraud & credit risk losses
- Drive for efficiencies
- Adding to a pot of data already created
- Ease of access through existing channels
- Economies of scale - bigger / more accessible pot
- No risk to the contributors
 - ◆ contributing the data
 - ◆ developing the mechanism
 - ◆ on-going operation

Drivers - Financial Services

- Consistency within the shared data
- Increased data quality - accuracy / timeliness
- Targeting the right people re: eligibility
- Improvements to customer service
 - ◆ time & cost to process applications
 - ◆ elapsed time
- Need to proactively identify people at risk
 - ◆ over commitment

The Solution

- Membership
- Governance - Principles of Reciprocity
- Quality Standards
- Third Party Data (TPD) Agreements
- Schedules
- Infrastructure
- Legislation - CCA, ROPA, DPA
- Codes of conduct - DMA, FLA
- Close interaction with regulators - ICO, DTI

The Solution

- Outsourced to a third party
- Commercial contracts
- No charges to members supplying data
- Charges for use of data
- Auditable unique reference no. for each enquiry

The Solution

- Scalable solution - volumes, response times, data types
- Central point of expertise & 'even-handedness'
- Eligibility
 - ◆ access to data
 - ◆ levels of data vs. level of membership
 - ◆ level of data linked to type of transaction
- Delivery channels
- Additional data pots e.g. Electoral Roll

The Solution

- Add in 'own' or partner ring-fenced data
- Added intelligence - interpretation of the data
- Added value - e.g. credit scoring
- Consumer Help Service infrastructure
 - ◆ handling 1.2 million requests per year
 - ◆ subject access within tighter SLAs
 - ◆ deflects access requests away from member

Drivers - Government

- Public Demand
- Efficiency Review 2004 - Gershon
- Consequences of not moving forward - Bichard
- Expectations rising re: service provision
- Mobility, remoteness, data assets - increasing
- Individuals more aware of ID fraud
- Individuals want their ID to be protected
- Need to proactively identify individuals' needs
- Changing attitudes - "ID fraud is ok"

Differences

- DWP has 'pay on demand' ethos
 - ◆ people in need
 - ◆ no time to review before payment
- Constrained by embedded policies, procedures & rules
- Freedom of Information Act hits public sector harder - need to provide subject access
- More scope to give themselves legislative power e.g. SSFA
- Motivation?