



Beyond Digital Maturity in UK **Home Buying and Selling**

HOW HORIZONTAL DIGITAL INTEGRATION
UNLOCKS SMART DATA AND ECONOMIC VALUE



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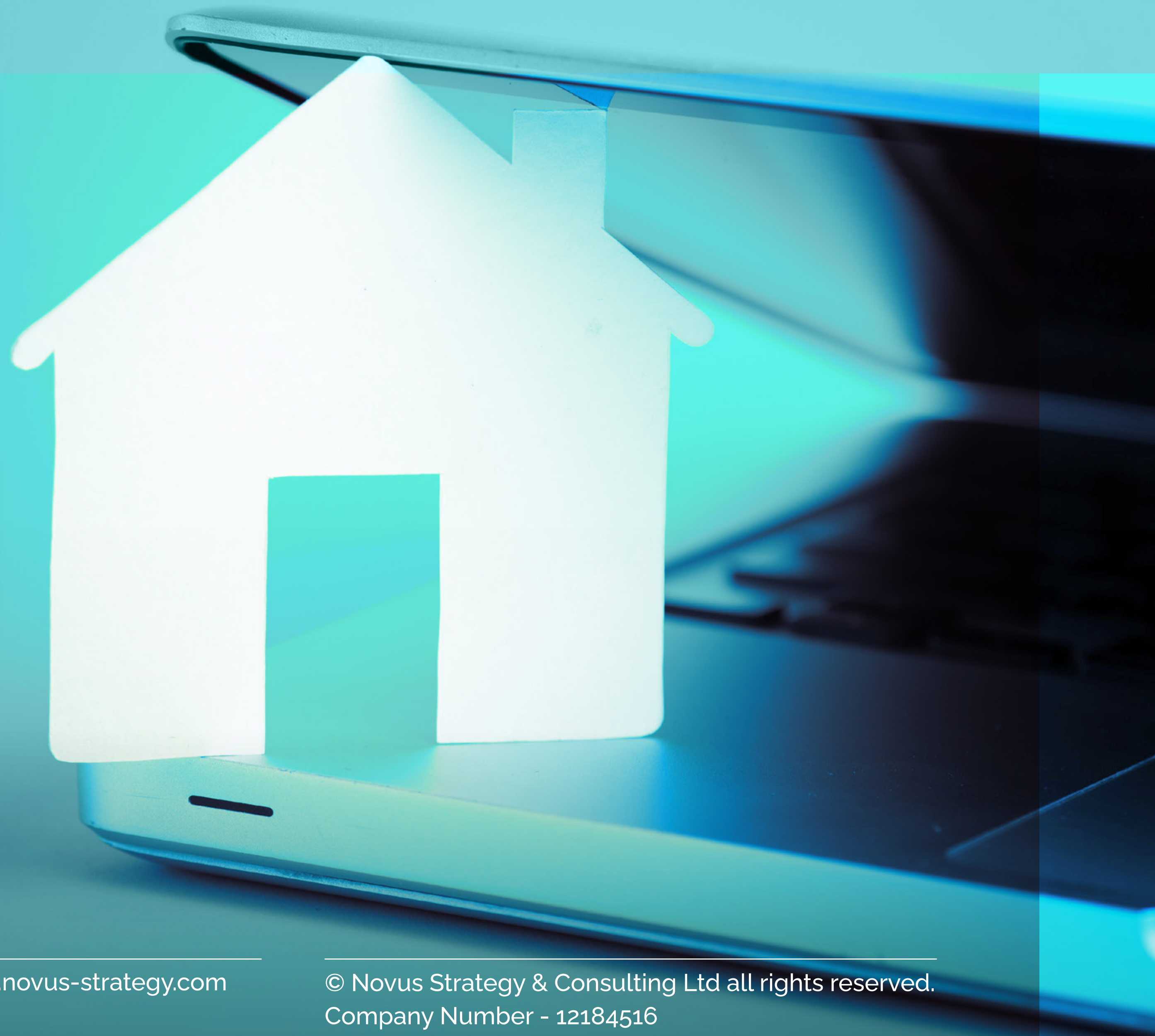


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Executive Summary

Beyond Digital Maturity in UK Home Buying and Selling: How Horizontal Digital Integration Unlocks Smart Data and Economic Value

Smart Data and Trust Frameworks are emerging concepts with the potential to significantly improve the way information is created, shared, and reused across the property ecosystem. However, without a model to operationalise them, pilots and proof-of-concepts testing their viability will struggle to translate into system-wide impact. To deliver meaningful outcomes at scale, Smart Data requires an operating model that enables coordination across the full transaction lifecycle.

The UK property and mortgage market is already digitally advanced. Over the past decade, lenders, conveyancers, estate agents, and data providers have invested heavily in digitisation, automation, and structured data capture. Core activities such as identity verification, lending decisioning, property information, compliance, and execution are now largely digital by default.

By conventional measures, the market has achieved a high level of digital maturity.

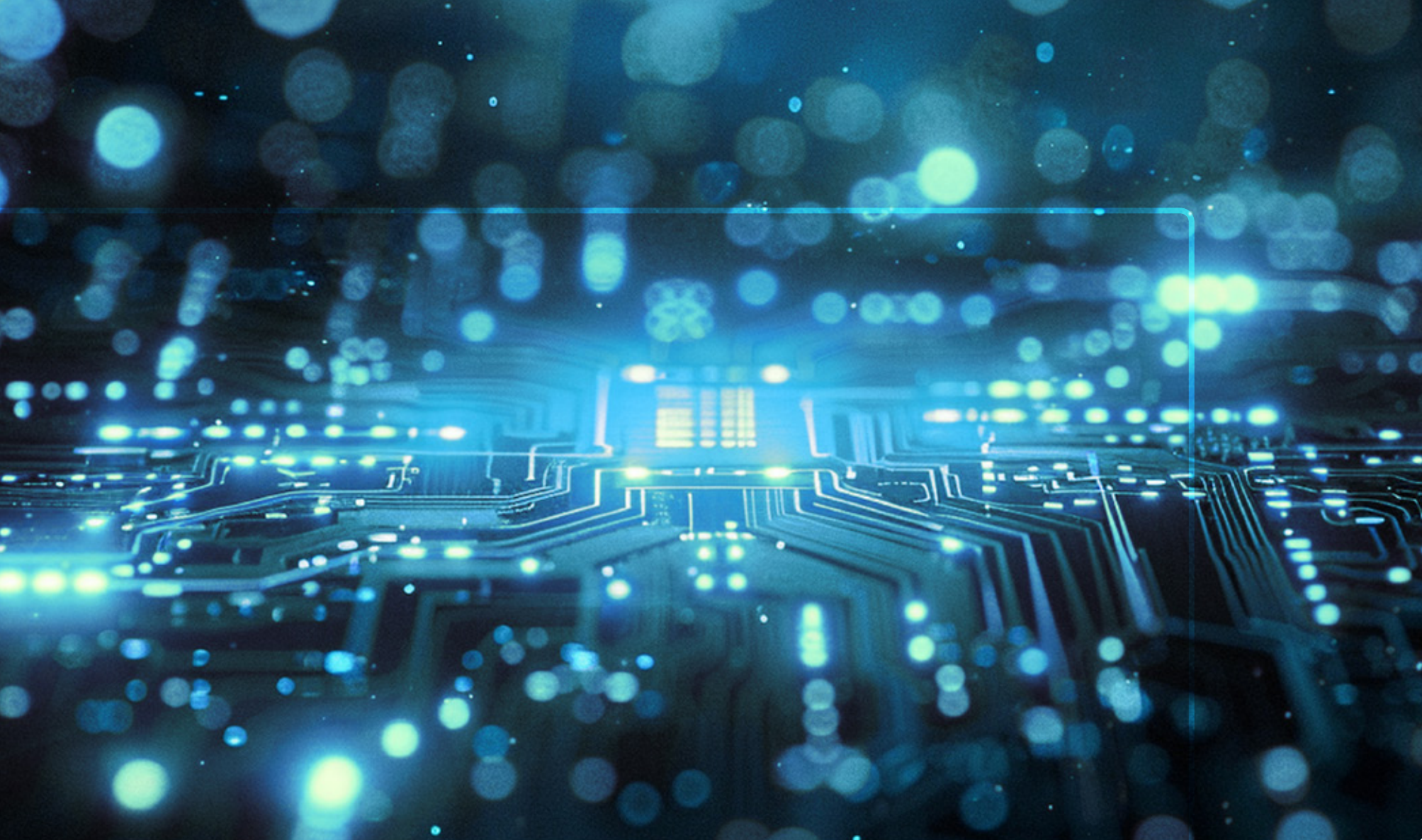
However, transaction outcomes have not improved in proportion to this investment. Buying and selling a home remains slow, uncertain, and costly. Transaction timelines regularly exceed consumer expectations, fall-through rates remain materially high, and significant economic value is lost each year through duplication, rework, and late-stage failure.

This paper argues that the limiting factor is no longer digital capability within organisations, but coordination across them.

Digital transformation in the UK property market has largely occurred vertically, within individual firms and functional silos. These investments delivered real benefits at a local level, improving efficiency, compliance, and customer experience within specific stages of the transaction. But property transactions do not occur within a single organisation. They move across multiple independent participants, each operating their own systems, incentives, and workflows.

£1.5_{Bn}

per annum
cost of
transaction
failure



Digitally mature systems, built in isolation, now operate as a fragmented transaction system. Data captured and verified in one context cannot be reliably reused in another. Decisions are often taken without visibility of upstream readiness or downstream risk. Friction emerges at every hand-off, limiting system-level performance despite continued technological progress.

This marks the natural limit of the first phase of digital transformation.

The next phase depends not on further digitisation within silos, but on enabling data, decisions, and workflows to move predictably across organisational boundaries. This shift is enabled by Smart Data: information that is verified, reusable, and trusted across the transaction lifecycle. However,

Smart Data and Trust Frameworks alone cannot deliver these outcomes. Their value depends on the existence of mechanisms that allow verified information to be reused across independently governed systems.

Horizontal Digital Integration (HDI) provides that mechanism.

HDI is an operating model that enables digitally mature, independently operated systems to function together as a coherent and predictable transaction environment. It operationalises Smart Data and Trust Frameworks by enabling verified information to move securely across institutional boundaries while retaining provenance, trust, and decision-making value.

In doing so, HDI enables the market to improve three critical outcomes that matter most to lenders and the wider ecosystem:

- **Speed to offer**, by enabling earlier access to verified borrower and property information
- **Speed to completion**, by reducing duplication and friction across transaction stages
- **Reduced fall-through**, by improving visibility of transaction readiness and risk earlier in the process

Home buying is often marred by delays and complications resulting in an acutely stressful and off-putting experience for consumers. In so doing, we can stem the flow of £1.5bn in consumer and economic costs each year. But digitisation must be universal. We must facilitate a system whereby each and every stage of the journey is using technology to drive efficiency, and that this is interconnected. A uniform approach across industry is required if we are going to fix the broken chain.

David Morris Santander UK's head of homes

Together these outcomes improve transaction predictability, reduce operational waste, and unlock significant additional lending capacity. By reducing delays and failure across the system, lenders can deploy capital more efficiently while improving customer experience and institutional margins.

Drawing on public data, regulatory developments, industry standards, and applied market analysis, this paper sets out why digital maturity alone has reached its natural limit. Smart Data and Trust Frameworks create the potential for coordination, but only when operationalised through Horizontal Digital Integration can that potential translate into measurable improvements in transaction speed, certainty, and economic value.

HDI therefore represents the next stage of evolution for the UK property and mortgage market: enabling digitally mature participants to operate as a coordinated system rather than as disconnected components.

1. Introduction. A Digitally Advanced Market with Weak Outcomes

Over the past fifteen years, the UK property and mortgage market has undergone an extensive period of digital transformation. This first phase focused on digitising the core activities involved in buying and selling a home. Digital identity and AML, automated lending decisioning, electronic signatures, digital property information, AI-assisted underwriting, and online case management portals are now embedded across the transaction lifecycle.

These changes were both necessary and effective. Digitisation within individual organisations improved task-level efficiency, strengthened compliance, and enhanced local customer experience. By conventional measures, the sector is now digitally mature.

However, the outcomes that matter most have not improved.

The average time from offer accepted to exchange remains approximately 123 to 124 days, significantly longer than consumer expectations. Failed transactions continue to impose a material economic and personal cost, with industry estimates placing the

annual impact at approximately £1.5 billion. Despite sustained investment in technology, system-level performance has stalled.

This disconnect reflects a structural limitation of the first phase of transformation.

Digital transformation across the property market has largely occurred vertically, within organisational boundaries. Each participant in the transaction chain, including estate agents, brokers, lenders, conveyancers and data providers, has invested in digitising its own tools, processes and decision-making. In isolation, these investments delivered genuine benefits.

Property transactions, however, do not take place within a single organisation. They move horizontally across multiple independent participants, each operating their own systems, incentives, and workflows.

When vertically optimised systems are joined together, friction emerges at every hand-off. Data captured digitally in one system cannot be reliably reused in the next. Verification completed

*The Secretary of State for Housing, **Matthew Pennycook**, acknowledged the home buying process in England and Wales is 'slow, costly and stressful for both consumers and professionals.'*

upstream is repeated downstream. Decisions are taken without visibility of full transaction state. Instead of a continuous flow, the process becomes a sequence of disconnected steps.

The result is a paradox: digitally mature components combined to form a fragile system.

In this context, digital maturity refers to task-level digitisation and automation within individual organisations. It does not equate to end-to-end coordination across the transaction. As a result, further investment in local digitisation delivers diminishing returns. Efficiency gains achieved within one stage are offset by friction, duplication, and delay at the boundaries between stages.

The market has therefore reached the natural limit of the first phase of digital transformation.

The constraint is no longer whether individual organisations can digitise. It is whether digitally mature participants can operate together as a coherent and predictable system.

For lenders, the consequences of this fragmentation are particularly significant. Slow and uncertain transactions extend the time required to reach mortgage offer and completion, while late-stage failures waste operational effort and reduce pipeline conversion.

Improving **speed to offer**, **speed to completion**, and **reducing fall-through rates** therefore represents one of the most important opportunities to improve performance across the mortgage ecosystem.

This marks the transition to the next phase of market evolution.

The constraint is no longer whether individual organisations can digitise. It is whether digitally mature participants can operate together as a coherent and predictable system.

2. Smart Data. The Missing Capability

The limits of vertical digitisation described in Section 1 have led the UK property market to focus increasingly on data as the next lever for improvement. In this context, Smart Data refers not simply to information that is digital, but to information that can be trusted, reused, and acted upon across multiple stages of a transaction.

Within the home buying and selling process, Smart Data enables authorised participants to securely access, share, and reuse property and transaction information with clear provenance and consent. Its purpose is to replace fragmented, document-based interactions with structured data flows that support earlier, faster, and more confident decision making.

Smart Data has four defining attributes:

- **Verified** – data is validated at source using trusted processes and evidence
- **Reusable** – once verified, data can be relied upon by multiple parties without repeated checks
- **Transferable** – data can move between systems without loss of meaning or structure
- **Decision-enabling** – data supports automation, risk assessment, and timely decisions

Digitisation alone does not guarantee these attributes. Much of the information used in property transactions is already digital, but remains static, duplicated, or repeatedly re-validated as it moves between participants. In practice, this results in manual

re-keying, inconsistent formats, unclear trust assumptions, and limited visibility across the transaction lifecycle.

Where Smart Data is emerging, it is doing so in discrete parts of the ecosystem. Digital identity and verification frameworks are improving onboarding confidence. Structured property information initiatives aim to persist data across the life of an asset. Automated affordability, valuation, and risk assessments increasingly rely on structured inputs. Energy and sustainability datasets are becoming more granular and decision-relevant.

These developments demonstrate that Smart Data is both feasible and valuable. Within individual organisations, it improves accuracy, reduces processing time, and supports more consistent decision making.

However, these benefits remain largely local.

Without the ability to move reliably across organisational boundaries, Smart Data cannot materially improve system-level outcomes. Data verified in one context is often not trusted in another. Information structured upstream is reconciled manually downstream. Identity and property checks are repeated despite no change in underlying risk.

As a result, Smart Data initiatives often deliver incremental improvements within individual organisations but fail to reduce duplication, delays, or failure across the transaction as a whole. This reveals a critical limitation.

Smart Data is a necessary capability, but it is not sufficient on its own. Its economic and operational value depends on the existence of mechanisms that allow verified information to be reused predictably across independent systems.

Without such mechanisms, Smart Data remains constrained by the same fragmentation that limited the first phase of digital transformation.

To unlock its full value, Smart Data must be operationalised across the transaction ecosystem. This requires an integration model that allows verified information to move securely between participants while retaining trust, provenance, and decision-making value.

Horizontal Digital Integration provides the framework through which this can occur. By enabling trusted data to move across organisational boundaries, it allows Smart Data to support earlier decisions, reduce duplication, and accelerate progress through the transaction lifecycle.

In doing so, Smart Data becomes capable of improving outcomes that matter most across the mortgage ecosystem, including **speed to offer**, **speed to completion**, and **reduced fall-through**.



REAL ESTATE



Property Portal



Estate Agent



Mortgage Broker



Lender



Conveyancer



HMLR

Integration is not a technology problem. It is a configuration problem.

Chris Williams Novus Strategy & Consulting

3. Fragmentation. The Real Constraint

The UK property transaction process operates as a chain of independently managed stages rather than as a single coordinated system. Each participant interacts primarily with its immediate neighbours in the process, with limited visibility beyond its own organisational boundary.

A typical transaction journey involves multiple hand-offs between property portals, estate agents, mortgage brokers, lenders, conveyancers, and data providers. At each transition, information must be re-entered, reconciled, or re-verified. Decisions are made based on partial views of transaction state, and progress depends on sequential completion rather than parallel coordination.

This structure is not accidental. It reflects the way digital transformation has occurred historically, with systems designed to optimise specific roles or tasks rather than to support end-to-end flow. As a result, fragmentation persists even where individual participants are digitally mature.

Fragmentation in Practice

For consumers, fragmentation manifests as repeated requests for the same information, inconsistent updates, and prolonged uncertainty. For professionals, it results in duplicated effort, manual workarounds, and late-stage problem resolution. For institutions, it creates operational waste, delayed capital deployment, and elevated risk.

Evidence from industry research highlights the scale of the issue:

- Communication breakdowns between stakeholders are consistently cited as a primary source of frustration.
- Consumers are frequently asked to provide the same information multiple times during a single transaction.
- Transaction timelines routinely extend far beyond initial expectations.
- Fall-through rates remain materially high, despite widespread digitisation.

Consumer research into the home buying process highlights several persistent challenges. Communication between stakeholders is frequently cited as one of the most difficult aspects of the transaction process, while many buyers report needing to repeatedly chase updates to understand progress.

Expectations of transaction timelines also differ significantly from reality. Many buyers anticipate that exchange of contracts will occur within one to two months after an offer is accepted, yet a large proportion report timelines extending to three to six months or longer.

In addition, a majority of buyers report being asked to provide the same documents or information multiple times during a single transaction.

These outcomes are not caused by a lack of technology. They arise because information and decisions cannot move reliably across organisational boundaries.

Home buying is a significant life event and a fundamental aspect of our financial, physical, and mental well-being. Yet, for too long, the process has been driven by paper-based and manual processes creating inefficiencies, repetitive tasks, and fragmented communication.

Maria Harris Chair of OPDA

Local Optimisation, Systemic Inefficiency

Most participants in the transaction chain have optimised their own processes. Estate agents have digitised upfront information and lead qualification. Lenders have invested heavily in automated decisioning, risk analytics, and digital execution. Conveyancers have implemented case management systems, digital searches, and electronic signatures.

Individually, these investments improve performance. Collectively, they do not.

Without shared visibility or coordination, local optimisation amplifies systemic inefficiency. Problems that originate early in the transaction remain hidden until late stages, where they are most expensive to resolve. Verification completed upstream is repeated downstream. Decisions are taken without awareness of downstream readiness or upstream risk.

This pattern explains why advanced tools operating in isolation fail to reduce transaction failure or duration. The constraint is structural rather than technical.

Fragmentation as the Primary Economic Constraint

Fragmentation also has material economic consequences. High fall-through rates represent direct consumer loss and professional rework. Prolonged transaction timelines immobilise capital for extended periods, reducing liquidity and distorting resource allocation.

From an economic perspective, fragmentation represents a persistent leakage of value. Even modest reductions in duplication, delay, or late-stage failure would release significant capacity back into the system, improving productivity without increasing transaction volumes or regulatory burden.

This is why fragmentation, rather than further digitisation, now represents the primary barrier to progress.

Addressing it requires mechanisms that allow independent participants to coordinate, share trusted information, and make decisions with system-level context. Without such mechanisms, improvements will remain incremental and local, regardless of continued investment in technology.

4. Data Standardisation. Turning Data Into Infrastructure

Reducing fragmentation in the UK property transaction ecosystem requires more than additional digitisation. It requires shared standards that allow information to move reliably across organisational boundaries. Without standardisation, data remains confined within individual systems, limiting reuse, increasing duplication, and constraining the impact of even the most advanced technologies.

Importantly, the UK market has already made meaningful progress in establishing these foundations. A growing number of initiatives now treat property and transaction data not as isolated operational assets, but as shared infrastructure capable of supporting reuse, interoperability, and trust across the ecosystem.



Evidence of Standardisation in the UK Market

Several developments demonstrate a clear direction of travel toward standardised, reusable data.

- Structured property data schemas are increasingly being defined to enable upfront property information, transaction milestones, and valuation-related data to be captured in consistent formats.
- Persistent property identifiers such as the **Unique Property Reference Number (UPRN)** are increasingly used as the anchor for linking property datasets across multiple systems and institutions.
- **Digital identity and verification standards** are emerging that define certification, provenance, and consent frameworks, enabling identity information to be reused rather than repeatedly reverified.

- **Qualified Electronic Signatures (QES)** are now recognised for property transactions, enabling legally valid digital execution and reducing reliance on paper-based documentation.
- **Payments and settlement standards**, including the transition to **ISO 20022 messaging**, introduce structured transaction data that improves traceability, transparency, and fraud prevention.
- **Energy and sustainability datasets**, including improved EPC methodologies, are becoming more granular and increasingly relevant to lending and policy decision making.

Taken together, these developments reflect a consistent shift toward shared definitions, persistent identifiers, and trust-based data exchange.

Why Standards Matter

Standards define the structure, meaning, and trust characteristics of data. They allow information created in one system to be interpreted and reused in another without manual transformation or repeated validation.

In practical terms, standardisation:

- Reduces duplication and manual reconciliation
- Enables earlier identification of risk
- Supports automation and decision making
- Improves consistency across hand-offs

These effects directly address many of the drivers of delay and failure observed in fragmented transaction processes.

Standards Alone Are Not Sufficient

While essential, standardisation does not resolve fragmentation on its own. Shared definitions enable interoperability, but they do not guarantee it. Standards describe what data should look like, but not how independent systems should coordinate around it in real time.

Without an operating model that allows standardised data to move predictably across organisational boundaries, the benefits of standardisation remain partial. Data may be structured and trusted yet still constrained within local workflows.

This explains why digitally mature tools built on common standards can coexist without delivering system-level improvement. Standardisation creates the conditions for coordination, but not the coordination itself.

From Data to Outcomes

The relationship between digital maturity, standards, and outcomes follows a clear progression. Digitisation enables structured data. Standards allow that data to be trusted and understood across systems. Interoperability allows data to

move and be reused. Economic and consumer outcomes emerge only when all three are present.

The UK market has made substantial progress in digitisation and standardisation. The remaining challenge is to operationalise these foundations across the full transaction lifecycle.

Horizontal Digital Integration provides the framework through which this can occur. By enabling verified data to move securely across organisational boundaries, it allows standardised information to be reused earlier in the transaction lifecycle, accelerating progress and reducing duplication.

In doing so, it supports improvements in **speed to offer**, **speed to completion**, and **reduced fall-through**, translating data infrastructure into measurable outcomes for lenders and the wider ecosystem.



5. Horizontal Digital Integration (HDI)

Defining Horizontal Digital Integration

Horizontal Digital Integration refers to a market-level integration framework that enables data, decisions, and workflows to move securely and predictably across organisational boundaries within a transaction ecosystem.

While earlier phases of transformation focused on digitising tools and processes within individual organisations, Horizontal Digital Integration addresses a different challenge. It defines how digitally mature, independently operated systems function together as a coherent whole.

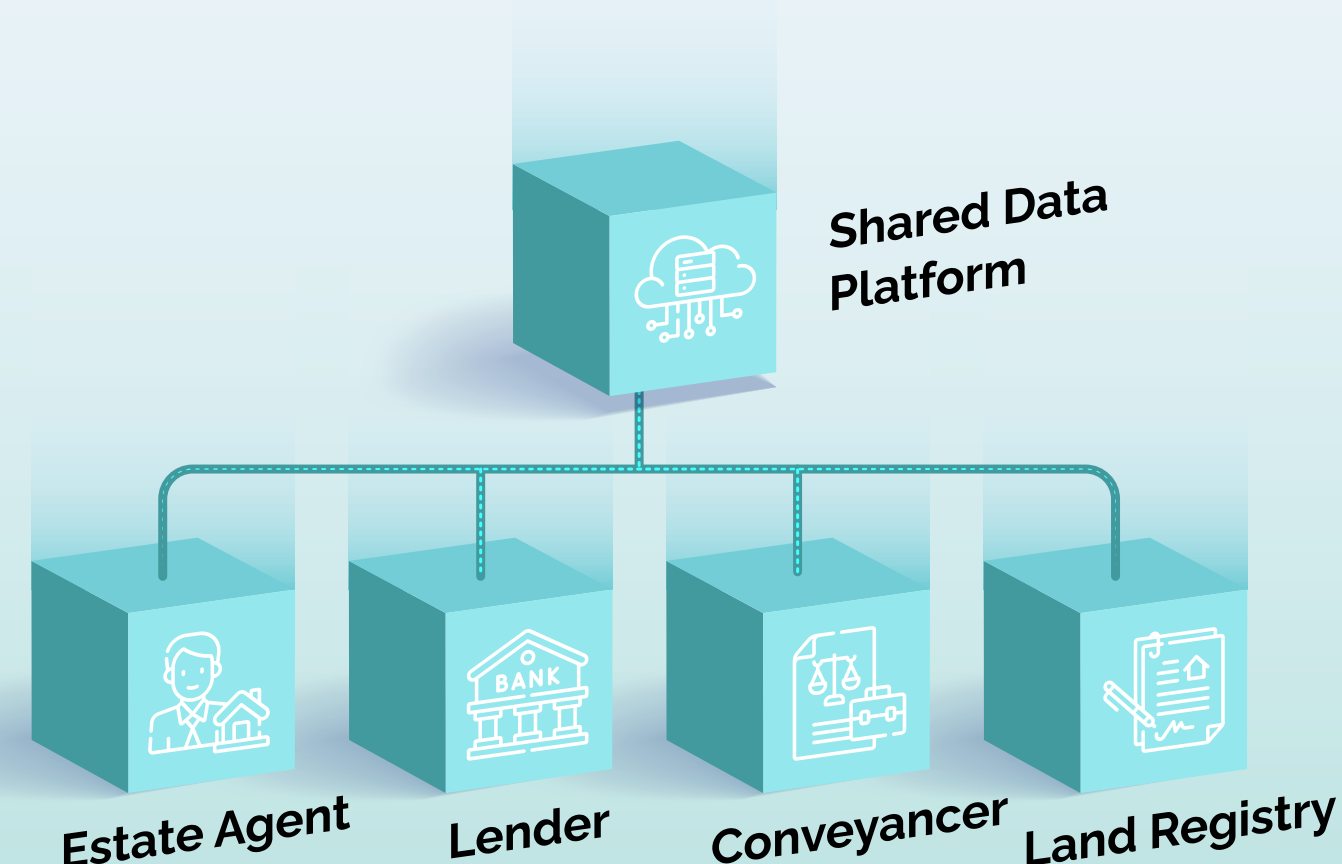
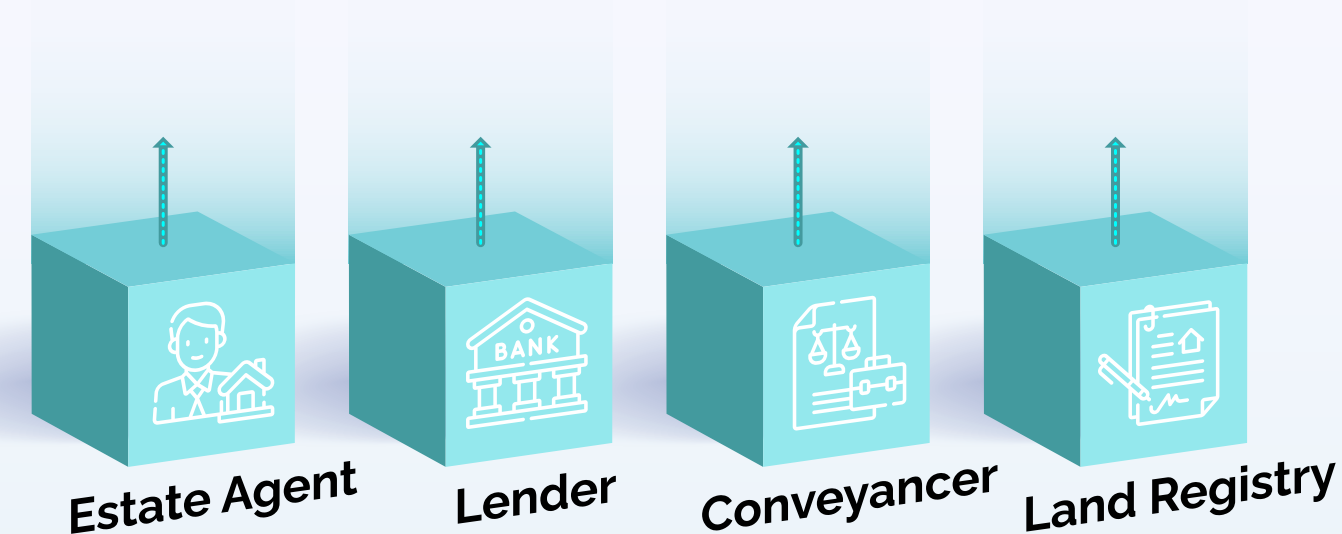
Horizontal Digital Integration is not a product, a platform, or a single integration initiative. It does not require consolidation, shared vendors, or centralised control. Instead, it provides the structural conditions through which diverse systems can interoperate reliably while remaining independently governed.

At its core, Horizontal Digital Integration enables:

- Reuse of verified information across multiple decision points
- Predictable hand-offs between independent participants
- End-to-end visibility of transaction state and progress
- Coordination without loss of organisational autonomy

It operates horizontally across the transaction ecosystem rather than vertically within individual firms.

Vertical vs Horizontal Digital Transformation



Horizontal Digital Integration and Smart Data

Smart Data provides the raw capability required for coordination. Horizontal Digital Integration provides the structure that allows that capability to generate outcomes.

In the absence of integration, Smart Data remains confined to local workflows. Verification achieved in one system cannot be reused in another. Context and provenance degrade at each organisational boundary. Automation and advanced analytics remain limited to internal optimisation.

Horizontal Digital Integration resolves this by enabling Smart Data and trust frameworks to operate across institutional boundaries. Verified information can move securely between participants while retaining provenance, trust, and decision-making value.

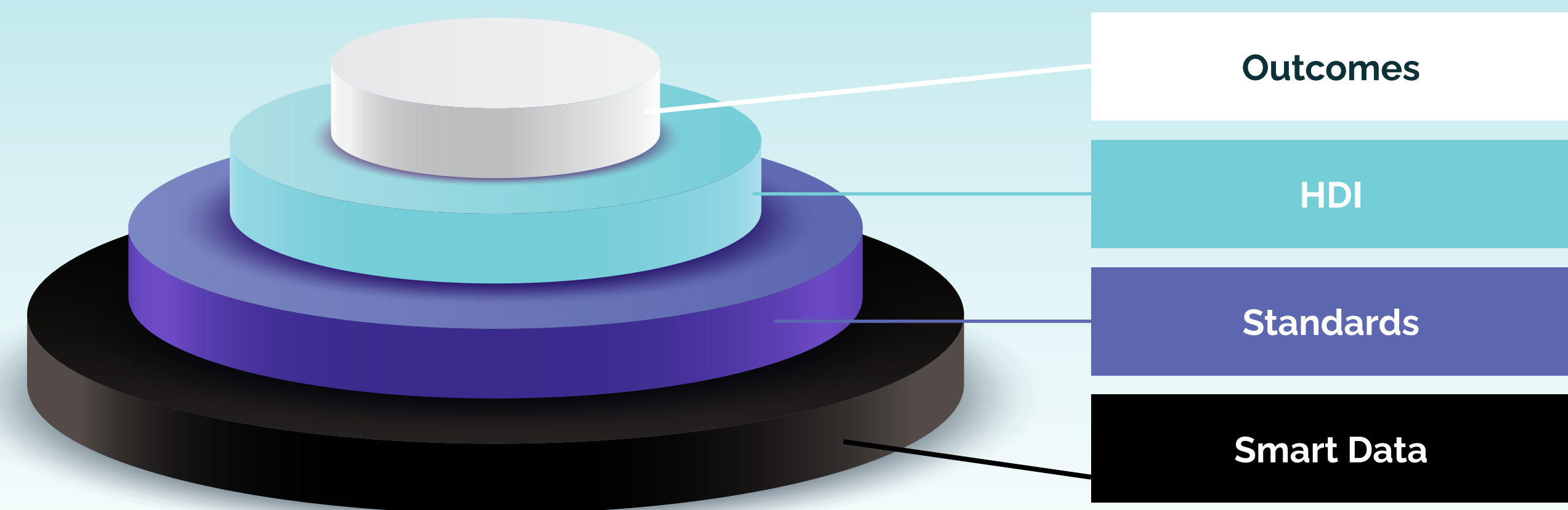
In this sense:

Smart Data provides the capability.

Horizontal Digital Integration operationalises that capability across the ecosystem.

This allows verified information to be reused earlier in the transaction lifecycle, enabling decisions to be taken with greater confidence and less duplication.

HDI Operationalises for Organisations Outcomes



Outcomes for the Mortgage Ecosystem

For lenders and the wider home buying ecosystem, the value of Horizontal Digital Integration is most clearly expressed through three measurable outcomes.

Speed to Offer

Earlier access to verified borrower and property information enables lenders to assess applications more quickly and with greater confidence. By reducing the need for repeated verification and manual reconciliation, HDI allows lending decisions to be taken earlier in the process.

Speed to Completion

By enabling trusted information to move seamlessly across participants, HDI reduces duplication across transaction stages. Conveyancers, lenders, brokers, and agents can progress cases with greater confidence that upstream information is accurate and complete.



Reduced Fall-Through

Greater visibility of transaction readiness allows risks and issues to be identified earlier. Problems that would otherwise emerge late in the process can be resolved earlier, reducing the likelihood of transactions collapsing close to completion.

Together these improvements increase transaction predictability, reduce wasted effort across the system, and improve conversion of mortgage pipelines.

For lenders, this translates into improved operational efficiency, stronger pipeline conversion, and faster capital deployment.

Distinguishing Horizontal Digital Integration from Existing Approaches

Horizontal Digital Integration is often conflated with other forms of connectivity. It is distinct in both intent and effect.

Application programming interfaces enable point-to-point data exchange but do not create system-wide coordination.

Platforms centralise activity but often reintroduce vertical control rather than horizontal alignment.

Ecosystems describe participation but not the operating model that governs interaction.

Horizontal Digital Integration differs in that it defines how independent actors remain autonomous while still operating as part of a predictable system.

Horizontal Digital Integration as Market Evolution

Horizontal Digital Integration should be understood as a stage of market evolution rather than a competitive or vendor strategy.

As digital maturity increases, the primary constraint shifts from capability to coordination. The question facing the market is no longer whether participants can digitise, but whether their digital capabilities can be aligned across organisational boundaries.

Horizontal Digital Integration enables markets to move from local optimisation to system-level optimisation.

It allows the market to shift from fragmented processes toward coordinated transactions that progress more quickly and with greater certainty.



Why Horizontal Digital Integration Matters Now

The timing of Horizontal Digital Integration is not incidental.

Digital tools are widely deployed. Data volumes are increasing. Regulatory focus has shifted toward data reuse, transparency, and trust. Consumer expectations increasingly centre on outcomes rather than activity.

Without an integration framework, further investment in technology risks diminishing returns.

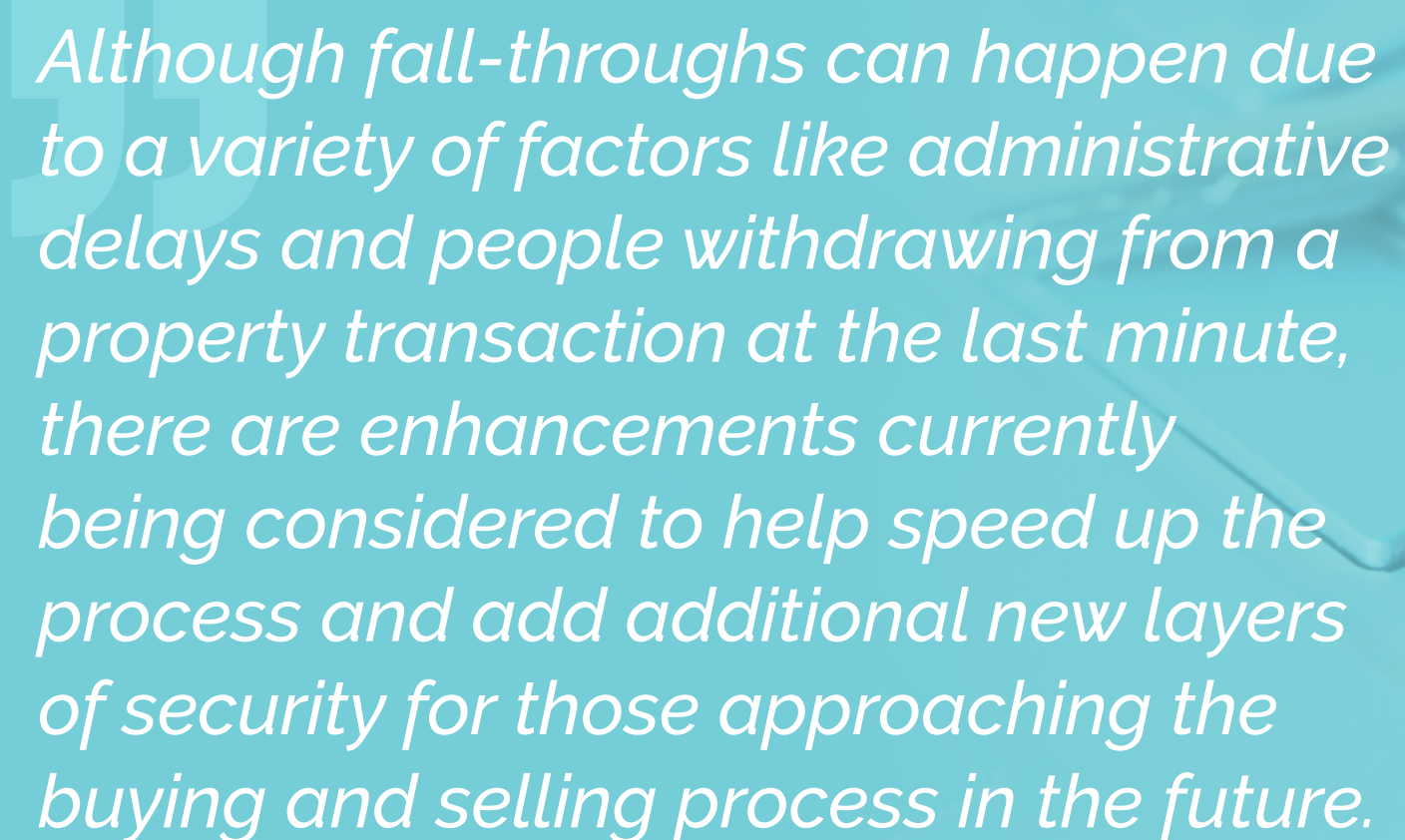
Horizontal Digital Integration provides a way to convert existing digital maturity and emerging data standards into measurable improvements in transaction performance.

By enabling trusted information to move across the transaction lifecycle, HDI supports faster decisions, reduced duplication, and more reliable outcomes.

In practical terms, this means improving the three outcomes that matter most across the mortgage ecosystem:

- **Speed to offer**
- **Speed to completion**
- **Reduced fall-through**

6. Economic Impact. Why This Matters Beyond Home Buying & Selling



Although fall-throughs can happen due to a variety of factors like administrative delays and people withdrawing from a property transaction at the last minute, there are enhancements currently being considered to help speed up the process and add additional new layers of security for those approaching the buying and selling process in the future.

Nathan Emerson CEO at Propertymark

The UK housing market plays a central role in the national economy. Residential property transactions support lending activity, construction, legal services, surveying, insurance, and a wide range of associated industries. As a result, inefficiencies in the transaction process have economic consequences that extend well beyond the home buying journey itself.

When transactions take longer than necessary or fail late in the process, the costs are not limited to consumer frustration. Delays slow capital deployment, increase operational overhead across multiple industries, and reduce overall market liquidity.

Improving transaction flow therefore has both microeconomic and macroeconomic implications.

Market Data Snapshot

The scale of the UK housing and mortgage market highlights the economic significance of improving transaction outcomes.

1.0–1.2 million

residential property transactions occur annually in the UK.

£200 billion+

in total gross mortgage lending is issued each year.

25–30% of agreed

property sales fall through before completion.

£1.5 billion

is the estimated annual cost to consumers from failed transactions.

4 months

is the average time from offer accepted to exchange.

These figures illustrate the magnitude of the opportunity. Even modest improvements in transaction speed and completion rates could unlock substantial economic value.

The Economic Cost of Fragmentation

Fragmented processes generate inefficiencies across multiple stages of the transaction lifecycle.

Repeated verification processes require professionals to re-check information that has already been validated elsewhere. Limited visibility of transaction progress delays decision making. Issues that could be resolved early often remain hidden until late stages, where they become more costly and disruptive to address.

When transactions collapse late in the process, the wasted effort is multiplied across estate agents, brokers, lenders, conveyancers, and surveyors. Resources that could otherwise support new transactions are instead consumed by rework and recovery.

This systemic inefficiency constrains the productive capacity of the housing market.

How Horizontal Digital Integration Unlocks Value

Horizontal Digital Integration improves economic outcomes by addressing the structural causes of delay and failure.

By enabling verified information to move across organisational boundaries with clear provenance and trust, HDI reduces duplication and allows earlier coordination between participants.

The benefits of this coordination are most clearly expressed through three outcomes.

Speed to Offer

Earlier access to verified borrower and property information allows lenders to make decisions more quickly and with greater confidence. Reducing time to mortgage offer accelerates the start of the transaction process and improves certainty for buyers and sellers.

Speed to Completion

By allowing trusted information to move predictably across the transaction chain, HDI reduces the delays caused by repeated verification, missing information, and manual reconciliation. This shortens the time required for transactions to progress from offer to exchange.

Reduced Fall-Through

Greater visibility of transaction readiness allows issues to be identified and resolved earlier. Problems that would otherwise cause transactions to collapse late in the process can be addressed upstream, improving overall completion rates.

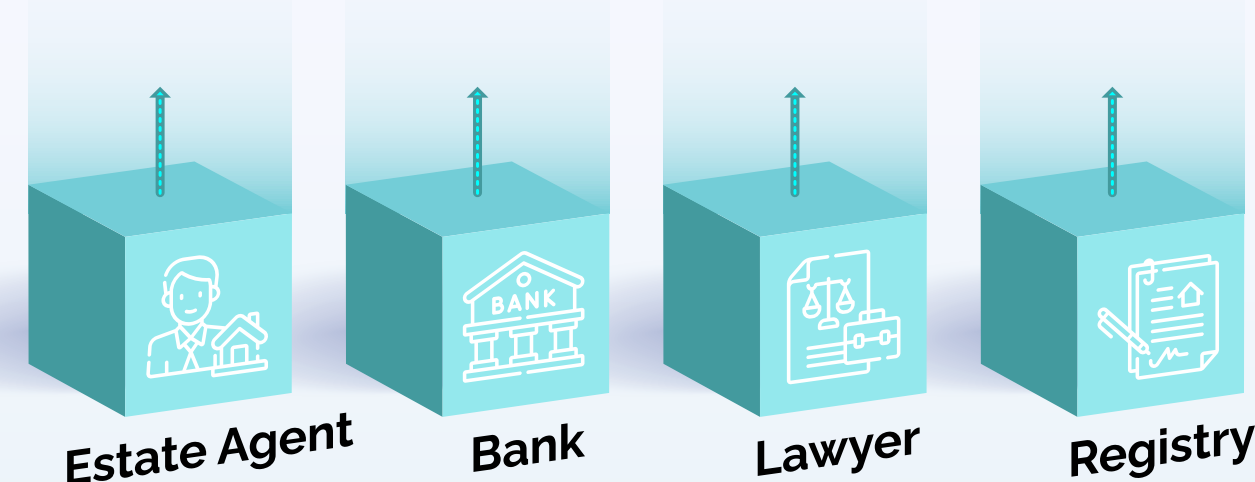
Together these improvements increase transaction throughput and reduce wasted effort across the system.



The current fall-through rate of 30% simply must be reduced. Consumers need certainty much earlier in the process that their sale or purchase will complete, something which the CLC has been working with the HBSC and DPMSG to deliver.

Stephen Ward
director of strategy and external relations at the Council for Licensed Conveyancers

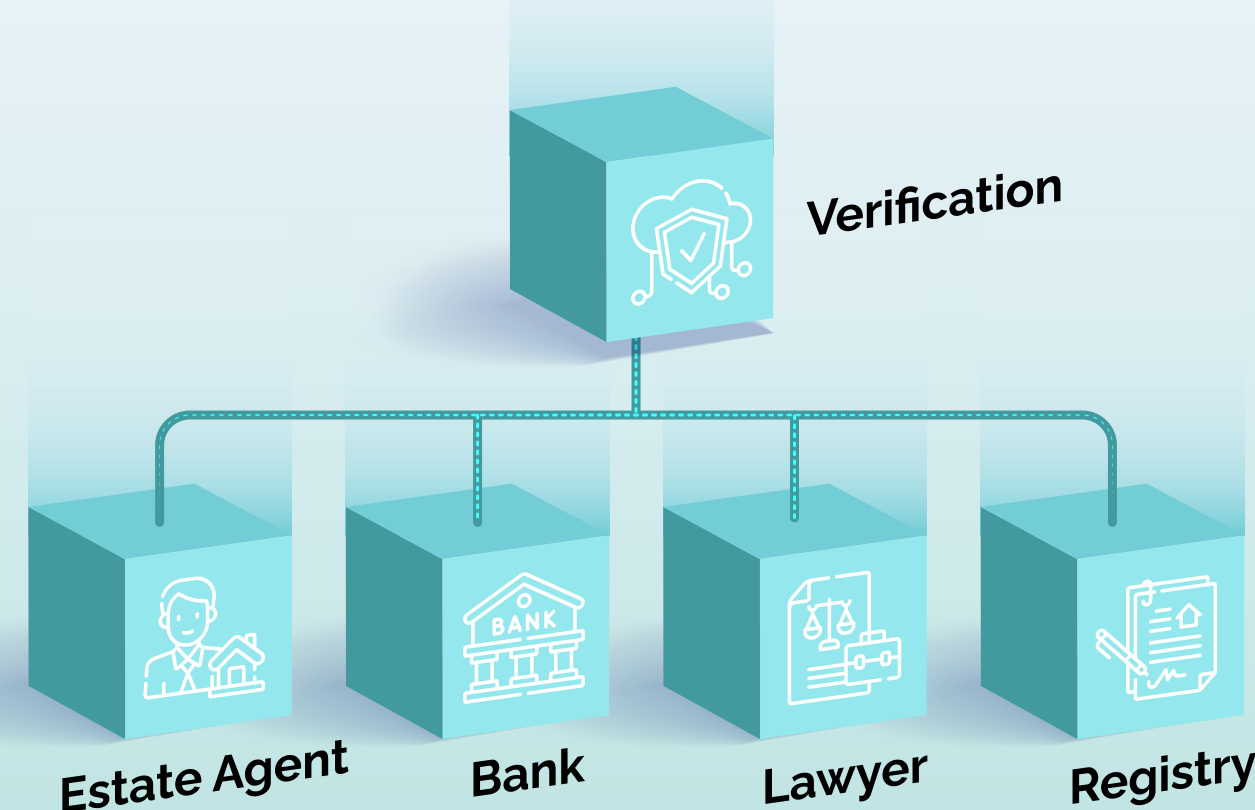
FRAGMENTED TRANSACTION



FAILED

- × Duplicate checks
- × Slow and delayed
- × Risk of late-stage failure

INTEGRATED TRANSACTION



COMPLETED

- ✓ Single verification
- ✓ Faster and parallel
- ✓ Higher success rate

Unlocking Additional Lending Capacity

For lenders, the economic implications are particularly significant.

Slow transaction timelines delay the deployment of mortgage capital, while fall-throughs reduce pipeline conversion and create operational inefficiencies. Staff resources, underwriting capacity, and operational infrastructure are consumed processing transactions that ultimately do not complete.

Improving **speed to offer**, **speed to completion**, and **reducing fall-through rates** increases the efficiency with which lenders convert approved applications into completed loans.

This improvement has the potential to unlock substantial additional lending capacity. By increasing transaction throughput and reducing wasted operational effort, lenders can support greater lending volumes without proportionally increasing operational cost.

At market scale, even modest improvements in completion rates or transaction duration translate into billions of pounds of additional lending activity and improved economic productivity.

7. Conclusion. The Next Stage of Market Evolution

The UK property and mortgage market has reached a pivotal stage in its digital evolution. Over the past decade, significant investment in technology has transformed how organisations capture data, manage workflows, and support decision making. Many of the core activities involved in buying and selling a home are now digitally enabled.

However, digital maturity within individual organisations has not translated into corresponding improvements in transaction outcomes. Timelines remain extended, fall-through rates remain high, and consumers continue to experience uncertainty and repeated requests for information.

This gap reflects the structural limits of the first phase of digital transformation.

Digitisation within organisations improves local efficiency, but property transactions occur across multiple independent

participants. Without mechanisms to coordinate data, decisions, and workflows across those participants, system-level performance remains constrained.

Smart Data and Trust Frameworks represent an important step forward. By enabling verified information to be shared with clear provenance and consent, they create the potential for greater coordination across the transaction lifecycle.

Yet Smart Data alone does not resolve fragmentation.

Its full value is realised only when verified information can move predictably across organisational boundaries and be reused by multiple participants with confidence.

Horizontal Digital Integration provides the framework through which this can occur.

By enabling digitally mature systems to operate as a coordinated environment, HDI operationalises Smart Data and Trust Frameworks across the transaction ecosystem. Verified information can move securely between participants, allowing decisions to be taken earlier and duplication to be reduced.

This coordination enables improvements in the outcomes that matter most to lenders and the wider market:

- **Speed to offer**
- **Speed to completion**
- **Reduced fall-through**

Improving these outcomes increases transaction predictability, reduces operational waste, and strengthens the efficiency of mortgage capital deployment.

For lenders, faster and more reliable transactions improve pipeline conversion and operational productivity. For consumers, they reduce uncertainty and improve confidence in the home buying process. For the wider economy, they support greater liquidity and productivity within the housing market.

The UK property market has already achieved significant digital maturity. The next phase of progress will not come from further digitisation within individual organisations, but from enabling those organisations to operate as part of a coordinated system.



Horizontal Digital Integration represents that next phase.

By converting Smart Data and data standards into operational coordination, it enables the property transaction process to move from fragmented activity toward predictable flow, unlocking measurable improvements in transaction performance and economic value.

Methodology and Evidence Base

This paper is grounded in a structured synthesis of publicly available data, regulatory developments, industry standards, and applied market observation across the UK property, mortgage, and conveyancing ecosystem. Its purpose is not to present new primary research, but to integrate existing evidence into a coherent analytical framework that explains observed market outcomes and informs future policy and market design.

The methodology reflects the nature of the problem under examination. Inefficiency in the UK property transaction process is not attributable to a single actor, technology, or regulatory gap. Instead, it emerges from the interaction between multiple independently governed participants operating within a fragmented system.

As such, the analysis focuses on **system-level behaviour** rather than the performance of individual organisations.

Analytical Approach

The paper adopts a system-level analytical approach, examining how transaction outcomes arise from coordination, or lack of coordination, between digitally mature participants across the transaction lifecycle.

This approach combines four complementary methods:

- **Descriptive analysis** of transaction performance indicators, including timelines, fall-through rates, duplication points, and delay drivers.
- **Structural analysis** of data flows, decision points, and organisational hand-offs across the property transaction lifecycle.
- **Comparative analysis** of local optimisation versus end-to-end outcomes to identify where value degrades as transactions move between participants.
- **Policy alignment analysis**, mapping observed market constraints against current and emerging regulatory and policy frameworks.

Together, these methods are intended to identify **persistent structural coordination failures** rather than transient operational inefficiencies.

Evidence Sources

The analysis draws on four primary categories of evidence, all of which are referenced in the annexes.

Public and Industry Data

The paper references published statistics, reports, and consultations from government departments, regulators, industry bodies, and market participants. These sources provide quantitative evidence on transaction timelines, failure rates, market volumes, and the broader economic impact of inefficiencies within the property transaction process.

Regulatory and Policy Developments

Recent and emerging policy frameworks relevant to data reuse, digital identity, and transaction reform are used to assess regulatory intent and direction. These include home buying and selling reform consultations, Smart Data legislation, and developments relating to digital identity and trust frameworks.

Industry Standards and Infrastructure Developments

The paper incorporates analysis of established and emerging standards relevant to the property and mortgage ecosystem, including property data schemas, digital identity standards, trust frameworks, execution standards, and payment messaging standards.

These developments are considered as **enabling infrastructure**, providing the technical foundations required for data reuse, interoperability, and improved transaction coordination.

Applied Market Observation

In addition to publicly available evidence, the analysis draws on observed structural patterns across the property and mortgage ecosystem. These observations reflect engagement across lenders, brokers, conveyancers, estate agents, technology providers, and market infrastructure participants.

Across these environments, a consistent pattern emerges. Organisations have invested significantly in digitising internal tools, workflows, and decision-making processes. However, these digitally mature systems frequently operate in isolation from one another, with limited coordination across organisational boundaries.

This pattern helps explain why significant investment in technology has improved local efficiency without delivering corresponding improvements in system-level outcomes such as transaction speed, certainty, and completion rates.

Horizontal Digital Integration is therefore used in this paper to describe the **operating model through which digitally mature participants coordinate data, decisions, and workflows across organisational boundaries**, enabling the property transaction ecosystem to function as a more predictable and integrated system.

Scope and Limitations

This paper does not attempt to evaluate individual vendors, platforms, or implementation approaches. Nor does it seek to prescribe specific technical architectures or regulatory interventions.

Its contribution lies in articulating a **system-level framework** that explains why existing digital capability has not yet translated into improved transaction outcomes, and what structural conditions are required to enable progress.

The analysis is intended to support policymakers, regulators, and industry leaders in understanding the coordination challenge facing the market, and in evaluating future reforms through an **outcomes-focused lens**.

Annexes

- Time to exchange edges higher
- A hard conveyancing process, 'acutely stressful' failed transactions, financial and emotional costs: Santander's home buying report
- RLBA welcomes new members as property logbook registrations grow
- Key UK property market data revealed in Propertymark 2025 review
- OPDA Report - The Future of Homebuying
- Claire Van der Zant & Mat Hahn on The Future of Estate Agency: HDI and Digital Readiness
- Delays plague homebuying process: OPDA study
- DPMSG report finds 'significant inefficiencies' in property transaction process
- Estate agents must be held to same high standards as conveyancers – regulator
- Light at the end of the tunnel for 'alarming' rates of requisitions
- Home buying and selling reform
- Breaking Down Vertical Fragmentation: Why the Future Lies in Horizontal Digital Integration (HDI)
- Mortgage Market Forecasts
- UK monthly property transactions commentary
- Lloyds Banking Group commits another £1 billion to help people onto housing ladder
- HSBC adds energy-efficiency cashback and adjusts rates
- 0% interest Green Additional Borrowing mortgage
- Government-backed Open Property Coalition to Accelerate Digitisation of Homebuying

Policy Briefing

Beyond Digital Maturity: Why Coordination Now Determines Outcomes in UK Home Buying and Selling

Despite significant investment in digitisation across the UK property market, transaction outcomes remain slow, uncertain, and costly. This briefing explains why coordination between digitally mature participants, rather than further digitisation alone, now determines whether reforms around Smart Data and data standards translate into real improvements in speed, certainty, and economic productivity.

Purpose

This briefing summarises the core findings of Novus Strategy & Consulting's research into the structural causes of inefficiency in the UK home buying and selling process, and sets out why Horizontal Digital Integration (HDI) represents the next necessary stage of market evolution.

It is intended for policymakers, regulators, and industry leaders involved in housing, data policy, financial services, and digital reform.

Key Finding

The UK home buying and selling market is digitally mature, but system outcomes remain poor.

Over the past decade, significant investment has been made in digitisation across lending, conveyancing, estate agency, identity verification, payments, and property data. These investments have improved local efficiency and compliance within individual organisations.

However, transaction timelines remain long, fall-through rates remain high, and consumers and institutions continue to experience uncertainty, duplication, and waste.

The evidence indicates that the primary constraint is no longer digital capability, but coordination across independently governed participants.

Improving **speed to offer**, **speed to completion**, and **reducing fall-through rates** has therefore become one of the most important opportunities for improving outcomes across the mortgage and property ecosystem.



The Structural Problem

Digital transformation in the property market has largely occurred vertically, within organisational silos. Each participant has optimised its own systems, processes, and decision making.

Property transactions, however, operate horizontally across multiple parties.

As a result:

- Data verified in one context cannot be reliably reused in another
- Decisions are made without full visibility of transaction readiness
- Problems surface late, when they are most costly to resolve
- Capital is immobilised for extended periods
- Duplication and rework persist despite widespread digitisation

This fragmentation limits the impact of further technology investment and creates diminishing returns from additional local optimisation.

Why Smart Data and Standards are Not Enough on Their Own

Smart Data initiatives and data standardisation efforts have made important progress. Verified, structured, and reusable data is increasingly feasible, supported by regulatory reform, trust frameworks, and industry collaboration.

However, Smart Data improves outcomes within organisations, not across the system, unless it can move predictably between participants.

Standards define what data looks like. They do not determine how independent systems coordinate around it.

Without an integration framework, Smart Data remains locally valuable but systemically constrained.

Horizontal Digital Integration provides the mechanism through which Smart Data and trust frameworks can be operationalised across the full transaction lifecycle.

Horizontal Digital Integration Explained

Horizontal Digital Integration is a market level integration framework that enables data, decisions, and workflows to move securely and predictably across organisational boundaries, while allowing participants to remain independently governed.

HDI is not a platform, vendor solution, or consolidation strategy. It does not require common technology adoption or centralised control.

Instead, it defines the structural conditions required for:

- Reuse of verified information across the transaction lifecycle
- Predictable hand-offs between independent participants
- End-to-end visibility of transaction state
- Earlier identification of risk and transaction readiness

By enabling coordination across the ecosystem, HDI converts existing digital maturity and data standards into measurable system outcomes.

In particular, it enables improvements in:

- **Speed to offer**
- **Speed to completion**
- **Reduced fall-through**

Economic and Policy Relevance

Inefficient property transactions represent a structural drag on the UK economy. High fall-through rates and prolonged timelines immobilise capital, increase operational waste, and undermine consumer confidence.

Even modest improvements in coordination would:

- Reduce transaction failure and rework
- Improve capital deployment by lenders
- Lower operational and systemic risk
- Increase productivity without additional subsidy or regulation

From a policy perspective, HDI complements existing reform agendas around Smart Data, digital identity, transparency, and market efficiency. It provides the missing operational layer that allows these initiatives to deliver outcomes at scale.



Policy Implications

Future reform efforts should focus not only on digitisation and data standards, but on the integration mechanisms that allow data to flow, be trusted, and be reused across organisational boundaries.

Key considerations include:

- Supporting interoperability and reuse across the full transaction lifecycle
- Aligning incentives around outcomes rather than activity
- Treating transaction coordination as economic infrastructure
- Evaluating reforms through their impact on certainty, failure rates, and capital flow

Horizontal Digital Integration offers a framework for doing this without mandating consolidation, prescribing vendors, or increasing regulatory burden.

Conclusion

The UK home buying and selling market has already made the major investments required to digitise its core activities. The remaining challenge is not technological capability, but how that capability is aligned across a complex, multi-party system.

Horizontal Digital Integration provides a framework for addressing this challenge. By focusing on coordination rather than further digitisation, it offers a practical path to improving transaction certainty, reducing waste, and increasing economic efficiency.

For policymakers and regulators, the opportunity now is to ensure that existing reforms around Smart Data, digital identity, and data standards are supported by integration mechanisms that allow them to operate across the full transaction lifecycle.

Doing so would enable the UK property market to move from digitally enabled processes to a genuinely integrated system, delivering better outcomes for consumers, institutions, and the wider economy.

Phase 1 Internal Journey Reconfiguration

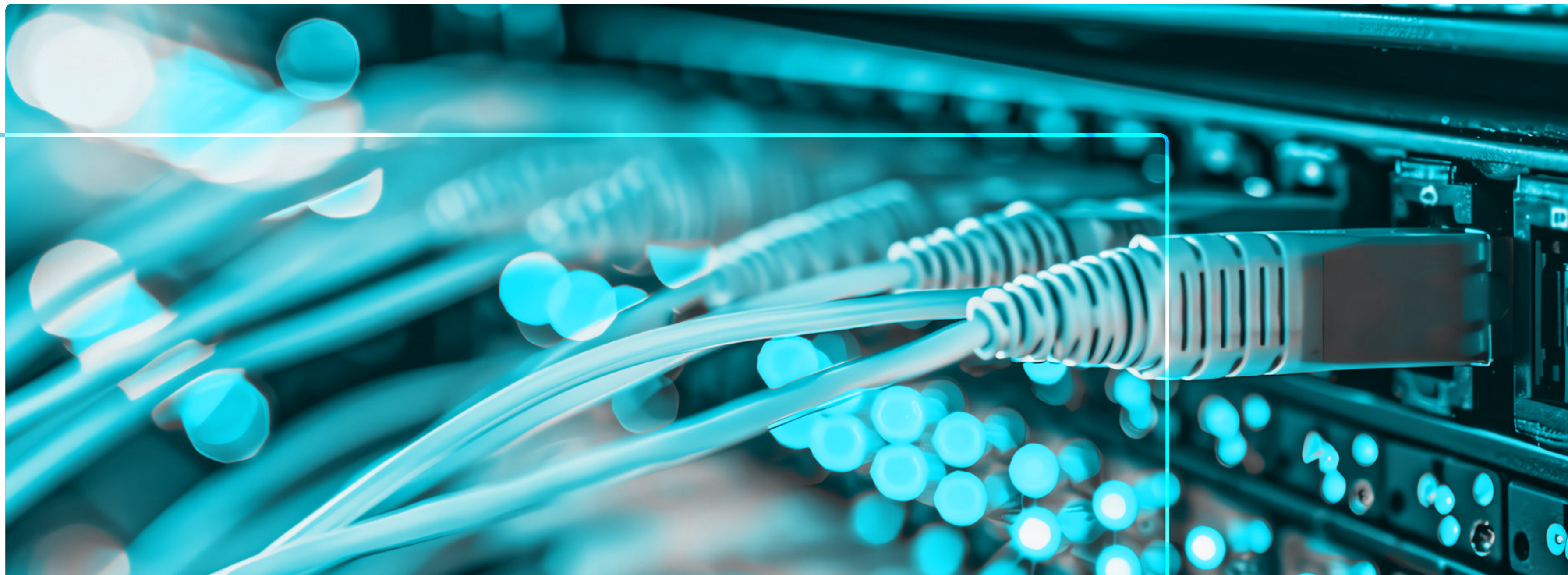
The starting point is the lender's own mortgage journey. Most lenders have optimised individual stages but have limited visibility of how the end-to-end journey actually performs across teams, systems, and hand-offs. Friction that originates in one part of the process often surfaces as delay, rework, or failure in another.

Before engaging with the external ecosystem, lenders need to map the full internal journey, identify where time, cost, and fall-through risk are created, and model the impact of reconfiguration on outcomes. This diagnostic step converts assumptions into evidence and establishes a baseline against which all subsequent improvements can be measured.

Phase 2 Trusted Data Reuse

Significant value sits in information that is already captured and verified but cannot be reliably reused across stages. Identity checks completed at onboarding are repeated downstream. Income and affordability data gathered by brokers is re-collected by lenders. Property information assembled by estate agents does not flow into conveyancing or underwriting workflows.

Identifying where verified data can be accepted rather than re-validated - and where emerging standards such as digital identity frameworks and open banking make this operationally feasible - unlocks early improvements without requiring ecosystem-wide coordination.



Phase 3 Hand-off Redesign

The points where a transaction moves between participants are where the greatest friction accumulates. Hand-offs between broker and lender, lender and conveyancer, conveyancer and Land Registry are each points where data is typically re-keyed, reformatted, or lost.

Redesigning these boundaries - so that information moves with provenance and trust rather than being reconstructed at each stage - is where HDI generates its most material impact. This requires deliberate engagement with ecosystem partners and shared agreement on data formats, consent models, and workflow triggers.

Phase 4 External Ecosystem Scaling

Once internal reconfiguration and initial hand-off improvements are in place, lenders can extend integration across the broader transaction ecosystem. This includes enabling property data from estate agents to flow into underwriting, valuation data to arrive digitally before a surveyor visits the property, and conveyancing milestones to update in real time rather than through manual status chasing.

At this stage, HDI moves from a lender-level operating model improvement to a market-level coordination capability. The benefits compound as more participants adopt shared standards and interoperable workflows.

Measuring What Matters

Each phase should be measured against the outcomes that HDI is designed to improve. Five indicators provide a practical performance framework for lenders pursuing this mobilisation model:

- Speed to offer - time from application to mortgage offer issued
- Speed to completion - time from offer accepted to legal completion
- Fall-through rate - proportion of agreed transactions that fail before completion
- Capital velocity - time between mortgage approval and funds deployment
- Operational cost per completed transaction - total resource consumed per transaction that reaches completion, capturing the hidden cost of rework and failure

These are not theoretical metrics. They are measurable today within most lender organisations, and they provide the evidence base for investment decisions at each phase.

Tools such as Pathfinder by Novus enable lenders to model these metrics against their own journey data, quantify the impact of friction at each stage, and simulate how HDI-led reconfiguration would improve outcomes before transformation investment is committed.



Theory to Execution: The Lender Mobilisation Model

The preceding sections set out why Horizontal Digital Integration represents the next phase of market evolution. This section addresses the practical question: how does a lender begin?

HDI is not achieved through a single programme or a wholesale technology overhaul. It is mobilised through a structured sequence that begins with what a lender already controls, extends into trusted data reuse across the transaction chain, and scales progressively into the wider ecosystem.

The following mobilisation model describes that sequence.

About Novus Strategy & Consulting

Novus is a strategic consultancy dedicated exclusively to the UK property and home buying market. We work with mortgage lenders, building societies, and ecosystem participants to move from fragmented digitisation to connected, end-to-end performance.

Our focus is on the outcomes that matter: reducing transaction friction, accelerating completion, and unlocking the capital trapped in slow and uncertain transaction chains. We combine deep ecosystem expertise across lenders, brokers, conveyancers, and property infrastructure with Horizontal Digital Integration (HDI), the operating model for designing connected mortgage journeys across organisations.

Pathfinder by Novus is the mortgage industry's first journey intelligence platform. It maps the end-to-end lending journey across internal operations and external ecosystem actors,

identifies where friction, duplication, and fall-through risk are created, and enables lenders to simulate the impact of reconfiguration before committing to transformation investment.

We are practitioners, not just advisers. Every engagement produces a tangible, evidence-based view of how a lender's mortgage journey performs today and what it would take to improve the outcomes that drive growth.

To discuss how HDI applies to your organisation, or to arrange a Pathfinder demonstration, contact us at hello@novus-strategy.com.

