HELPING LENDERS TRANSFORM THE MORTGAGE JOURNEY



THE RULES ARE BEING WRITTEN NOW. IS YOUR MORTGAGE JOURNEY READY?

DIGITAL DISRUPTION

Volume 22 | October 2026 Issue | www.novus-strategy.com

DON'T WAIT FOR 2027 TO START CHANGING THE MORTGAGE JOURNEY

For many lenders, this is the point in the year when investment priorities for 2027 are being decided. Budgets are being shaped, transformation priorities agreed and decisions made about where time, money and resource should go next. The challenge is that those decisions are being made at a point when the home buying and selling market is moving quickly, and in some cases faster than expected.

We got a good example of that at the end of September. The Government's Home Buying and Selling Reform Roadmap indicated that an announcement on estate agency regulation would come by the end of this year. It arrived on 29 September, around three months earlier than the roadmap suggested. The timing itself isn't the important part; what it tells us is. Reform is moving, and lenders can no longer afford to treat Smart Data and the wider changes happening across home buying and selling as a watching brief.

With further movement expected next year around upfront property information, lenders should be thinking now about what this means for the mortgage journey and, importantly, where there is an opportunity to start making changes before all of that arrives.

Start with the mortgage journey

Over the last year, we have talked a lot about Horizontal Digital Integration, or HDI. At its simplest, this is the shift from individual organisations digitising their own part of the process towards a home buying journey that is increasingly connected across lenders, brokers, estate agents and conveyancers. Trusted data can move between those organisations, allowing decisions to happen earlier and reducing the need to repeatedly request, check and re-key the same information.

Getting there will inevitably require some bigger changes over time, but lenders don't need to wait for the whole market to be connected before they can start benefiting. There is value sitting within the mortgage journey today, which is why I think the starting point should be to map that journey properly and understand where the friction actually sits.

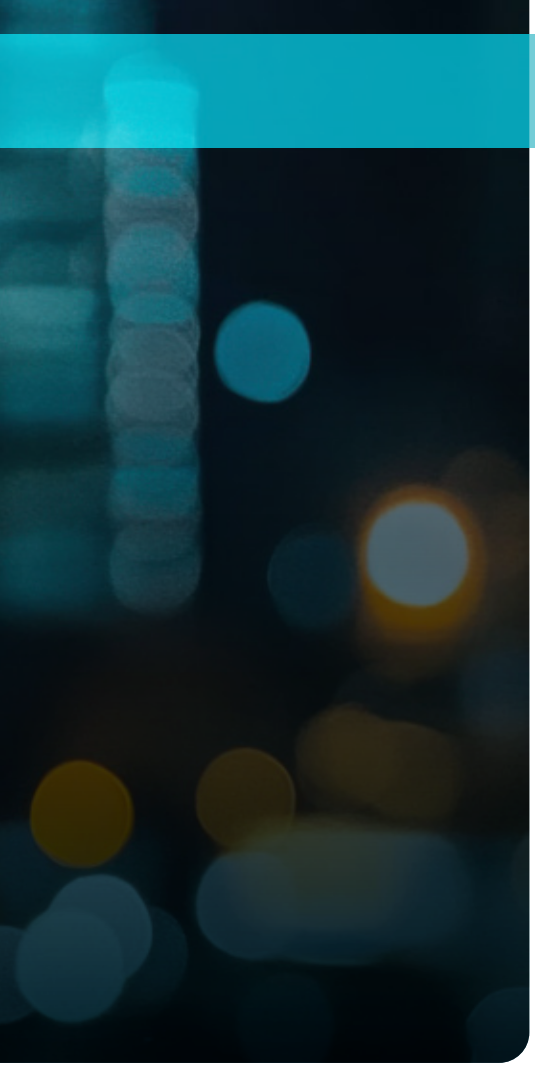
Where does information enter too late? Where is the same information requested more than once? Which decisions could happen earlier if the right data were available? Where does time disappear between offer and completion? More importantly, what is that friction actually costing in terms of customers, operational capacity and lending?



Connect with Chris

"Don't wait for the whole roadmap to be delivered before you start."

Chris Williams
Strategy & Transformation Partner,
Novus Strategy and Consulting



Answering those questions starts to expose opportunities to improve speed to offer, reduce fall-through, improve speed to completion and ultimately unlock lending capacity. Those are benefits lenders can pursue now, rather than waiting for Smart Data or wider market reform to deliver them.

At the same time, the work starts to create readiness for what is coming. Understanding where data needs to enter the journey, where decisions can move upstream and where hand-offs can be removed is also part of preparing for HDI. The work therefore has two benefits: improving the performance of the mortgage journey today while laying the foundations for the more connected journey that is emerging.

Working at two speeds

This is what we mean when we talk about lenders working at two speeds. It isn't about creating another transformation programme or running two competing agendas. It is about continuing with the bigger strategic transformation priorities while starting to improve the mortgage journey you have today.

The important thing is that the two are connected. An incremental change shouldn't simply make an existing process slightly more efficient if that process is likely to change again. Wherever possible, investment today should improve an outcome now while also moving the lender towards the journey it will need tomorrow.

Property data is a good example. Bringing trusted property information into the journey earlier could allow a lender to remove queries, reduce manual intervention or make some decisions earlier. That has the potential to create an immediate improvement in the existing journey, but it also prepares the lender for a market where more structured and trusted property information is available much earlier in the home buying process.

That, for me, is two-speed transformation in practice: creating incremental value now while building towards HDI.

What should lenders do now?

As 2027 investment plans are being finalised, I think there are three practical actions lenders can take.

First, map the mortgage journey end to end. Look beyond the technology and understand the data, decisions, processes and hand-offs throughout the journey. Identify where friction sits, where time is being lost and what that is actually costing the business.

Second, identify what can change now. Separate the improvements that genuinely require major transformation from those that can be made within the existing journey over the next six months. Prioritise the changes that can have a measurable impact on speed to offer, speed to completion, fall-through, operational capacity or lending capacity.

Third, test those investments against where the market is going. Ask whether each change simply improves today's process or whether it also makes the journey more ready for Smart Data and HDI. The strongest investments should be capable of doing both.

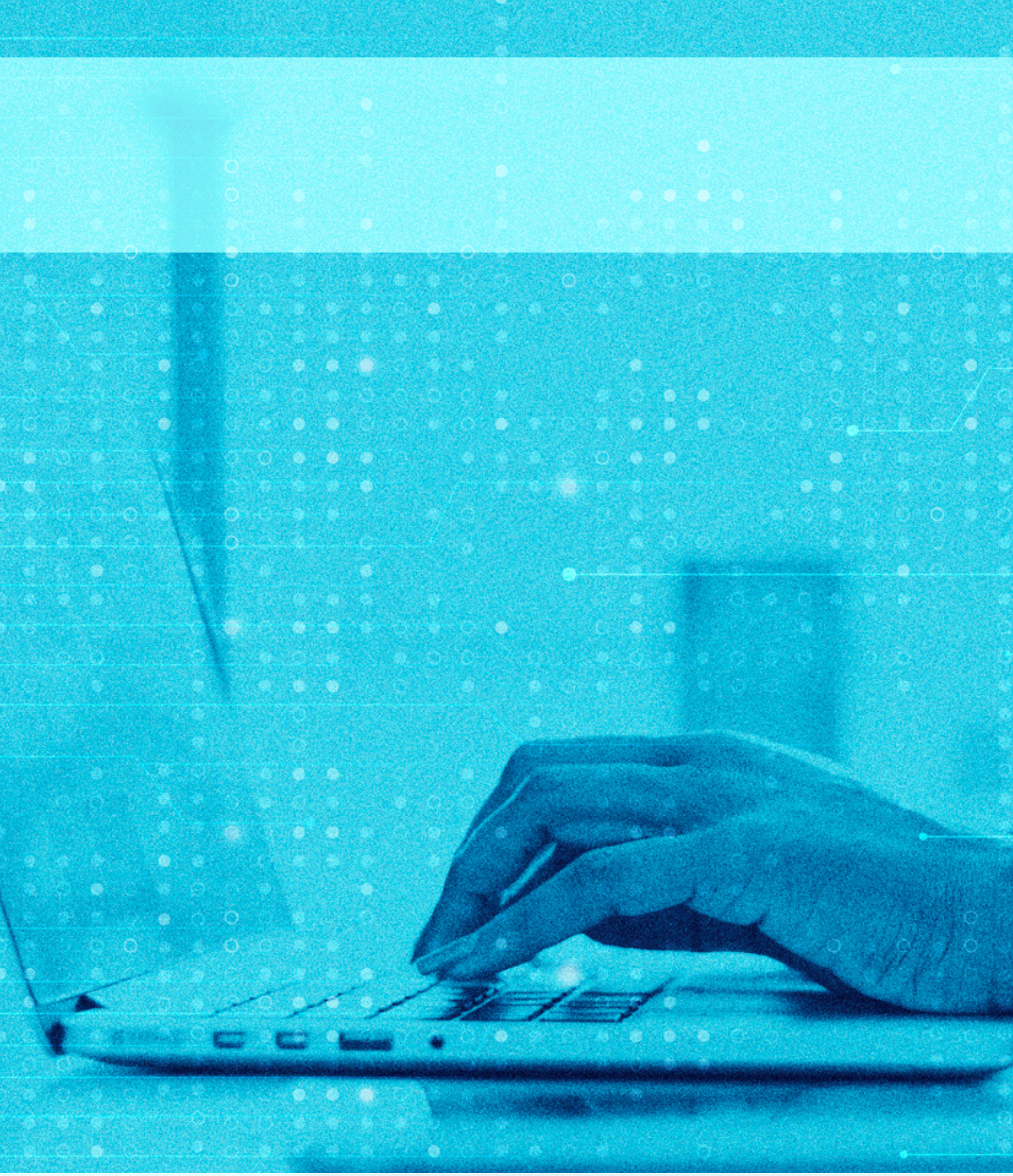
Last month, I wrote about the challenge lenders face in deciding which of the many developments happening across the market actually matter, and in what order to respond to them. I think what we have seen since adds an important next step to that argument: don't wait for the whole roadmap to be delivered before you start.

The direction of travel is becoming increasingly clear, and some changes are already arriving earlier than expected. Start with the mortgage journey you have today, understand where value is being lost and identify the changes that can improve performance now while preparing the business for what comes next.

That is exactly why we built Pathfinder. By creating a digital twin of a lender's mortgage journey, we can identify where friction and lost value sit, model the impact of potential changes and help determine what should happen now, what comes next and where the bigger transformation investment should go.

For lenders deciding where to invest in 2027, that is the opportunity I see: work at two speeds, create measurable value from the mortgage journey now and use those same changes to lay the foundations for Smart Data and HDI.

If you're working through those decisions now, come and spend a couple of hours with us in a Pathfinder workshop. We'll apply this thinking to your own mortgage journey and help identify where you can start creating value.



YOUR MORTGAGE JOURNEY HAS IMPROVED.

YOUR TIME TO COMPLETION HAS NOT.

The buyers you lend to now wait 28 days longer to exchange contracts than they did in 2019. Connells Group puts the average at 104 days in April 2026, against 76 days then. Those are Connells' own figures, reported by Estate Agent Today in May 2026.

In those years you rebuilt your application journey and moved identity checks online. Your own stretch, application to offer, has very likely got faster.

The gain stays inside your walls

Every firm in the chain has optimised its own steps. The lender, broker, estate agent, conveyancer and surveyor each run a better process than they did five years ago. The customer's clock runs across all of them, and nobody owns it.

Novus calls this the vertical trap: parts that are digitally mature combine into a journey that is slow and fragile. Data captured in one organisation cannot easily be reused in the next, so a check completed upstream is repeated downstream. Decisions get made without sight of where the transaction stands.

Your internal gains were worth having, and more remain. They cannot reach the part of the delay that sits in someone else's system.

The delay sits in the hand-offs

Your mortgage offer is one event inside that 104 day window. Most of the waiting happens in the spaces around it, where information changes hands. A valuation is re-keyed and a proof of funds is requested a second time. Then a case waits for a reply from a party whose system you cannot see.

Application to offer shows up in your management information. A case waiting on a conveyancer's reply does not.

An average also hides the spread. A figure of 104 days contains quick cases and very slow ones, and you cannot act on the slow ones until you can see them separately.

The cost shows up in the numbers you report

Speed to completion is the first casualty. Fall-through follows, because a longer wait gives a buyer's circumstances, a chain or a rate more time to change. Connells reports that 17% of sales took more than six months to reach exchange in April 2026, against 13% a year earlier.

A case that fails after valuation, underwriting and offer has used your team's time and produced no loan.

Fixing it takes a shared operating model

Horizontal Digital Integration (HDI) is the operating model that allows data, decisions and workflows to move reliably across every organisation involved in a property transaction, so the whole system works as one rather than a chain of disconnected parts. For a lender it means changing how your journey connects to everyone else's.

The order matters. Smart Data and the Data (Use and Access) Act 2025 provide the raw material. HDI makes it usable. AI then amplifies the value. Applied to data that cannot move or has not been verified, AI gives you the same delay, faster.

Baseline before you invest

Before committing money, establish where your journey creates time and fall-through risk today. Decide where the clock starts and where it stops, because a baseline that begins at application cannot see a delay that began before it. Measure the elapsed days between each pair of events, not a single overall average, so the slow cases appear on their own. Use your own data wherever it exists, and label anything modelled as modelled. Without that baseline, every improvement you propose is an opinion about where the time goes.

Pathfinder by Novus, a mortgage intelligence platform, models a lender's mortgage journey in this way, so the options can be tested before investment is committed.

Which hand-off would you look at first?



Connect with Kevin

"Applied to data that cannot move or has not been verified, AI gives you the same delay, faster."

Kevin Duncan
Product Director
at Novus Strategy

Source: Connells Group research, reported by Graham Norwood, Estate Agent Today, 11 May 2026. Third-party figures, not independently verified by Novus.

THE DATA WORK THAT PAYS BACK BEFORE THE MARKET MOVES

Lenders keep telling me they'll wait and see how smart data plays out. Other priorities come first, and nobody wants to fund infrastructure that only pays off once everyone else catches up.

Most of the work needed to receive trusted data from outside is the same work that removes rekeying and delay inside your own journey today. It pays for itself now. Being ready for the market is a side effect.

Trust gets rebuilt at every handoff

Buying a home in England and Wales takes 22 weeks on average, and around 30% of transactions fall through. The Open Property Data Association estimates that less than 1% of the data needed is available digitally (CFIT).

Underneath those numbers sits a trust problem. A lender receiving information from a broker or conveyancer can't easily tell where it came from or whether it has been changed, so it checks again. So does the next firm in the chain, and each check adds days.

Several industry efforts are now agreeing shared rules for who can share data and how the receiver knows it's genuine. CFIT's Open Property coalition is one. OPDA's data standards and HM Land Registry's digitisation work are others. The detail is still being worked out, but the direction is clear: trust will travel with the data.

That only helps a lender whose systems can take the data in and use it without someone typing it again. You control that part today.

Four moves worth making now

Use the digital routes you already have. I've seen a lender with a working API for broker submissions where only a small fraction of applications used it. The rest were typed into a portal by hand, from data already sitting in the broker's own system. Before you fund anything new, find out what you already own and why it isn't being used.

Count how often your own staff retype data. Follow one application through to offer and tally every time someone enters something the business already holds. The number is usually higher than anyone guesses, because internal systems were never joined up. External trust frameworks won't fix this one. Fixing it yourself shortens time to offer straight away, and it means data arriving from outside later flows through instead of stalling at the first internal gap.

Keep evidence as data. Most evidence still lands as a PDF. Someone reads it, keys the figures and files the document.



Store the extracted values in structured form, with a note of where each came from and how it was checked. Your audit trail improves now, and verified digital evidence will arrive in that shape later.

Record consent so you can prove it. Every smart data scheme runs on consent: what the customer agreed to share, and for how long. A tick box on a form you can't query later won't be enough to take part. Capturing consent digitally with its purpose and expiry is already good practice under data protection rules.

Questions to take to your team

Start with this one: if a verified property pack or income record arrived tomorrow, which system would receive it, and who would still check it by hand? The answer usually exposes everything else.

Then ask:

- Where do we already have an API, and how much of our volume actually uses it?



- How many times is the same data retyped between decision in principle and offer?
- Do we keep the values we extract from evidence, or just the PDF?
- Can we show what each customer consented to share, and when that consent expires?

Where this leads

A paper payslip can be edited before it's printed, so lenders ask for bank statements or ring the employer. A verifiable credential is the digital equivalent, signed by whoever issued it. Change one figure after issue and the signature check fails. You can confirm who issued it, and that it's intact, in seconds.

That proves the document. Deciding which issuers to trust is the job of the industry trust frameworks, which keep an agreed register of accredited issuers. Put the two together and the phone call to the employer goes away.

Nobody can say yet when this reaches mainstream lending, and I'd be sceptical of anyone who claims to. What it will need from a lender is already clear: systems that accept structured data, provenance on what you hold, auditable consent and no retyping once data is inside. That's the list above.

Next month I'll look at the rekeying problem itself. If so much of it could be automated, why is it still manual? Usually because the integration work cost too much to justify. AI-assisted development has changed that cost, and the sums are worth redoing.

"Every smart data scheme runs on consent: what the customer agreed to share, and for how long."

Michael Card
Technical Director
Novus Strategy & Consulting



Connect with Michael

Sources: Government-backed Open Property Coalition to Accelerate Digitisation of Homebuying, CFIT, November 2025



ESCAPING ABUSE SHOULDN'T MEAN A LIFETIME OF MORTGAGE DIFFICULTIES

Imagine finally finding the courage to leave an abusive relationship. You've spent years having your money, decisions and confidence controlled by somebody else. You've rebuilt your career, protected your children and started putting your life back together. But there's one thing you haven't been able to escape: the mortgage.

Your name is still attached to your former partner's. They stop making payments, arrears build up and your credit file suffers. You want to move forward, but financially, you're still tied to the person you've fought so hard to escape.

For many survivors, leaving the relationship doesn't end the abuse. It just takes another form, and as an industry we need to understand that.

The abuse that doesn't end when someone leaves

Economic abuse is about control. It can involve restricting access to money, preventing someone from working, forcing them into debt or deliberately damaging their financial independence. A joint mortgage can be a particularly powerful way of continuing that control.

When two people share a mortgage, both remain responsible for the

"Escaping abuse should not mean a lifetime of being financially punished for it."

Natalie Ellis BSc (Hons)
CeMAP, Managing Director,
Steel City Mortgages



Connect with Natalie

repayments, regardless of whether they're still together or who lives in the property. An abusive former partner can refuse to contribute, obstruct attempts to sell or remortgage, or deliberately let arrears build up. The survivor may be left covering payments they cannot afford, watching their credit history deteriorate or facing the possibility of losing their home.

According to research published by Surviving Economic Abuse in July 2025, an estimated 750,000 UK women experienced joint-mortgage economic abuse over a two-year period. That is hundreds of thousands of women potentially trapped by a financial product our industry deals with every day.

The people behind the credit reports

Through my work at Steel City Mortgages, I've supported survivors whose experiences have changed how I look at mortgage applications. Two cases in particular have stayed with me.

One was a mother of three who had escaped years of horrific abuse. Her former partner is now in prison. She had completed university, established an income and was doing everything she could to give her children a stable future. She wanted a home.

But her credit file contained CCJs and defaults. Although we identified a mortgage option, the adverse credit meant a higher interest rate, which made the repayments unaffordable. Technically, she could obtain a mortgage; in practice, homeownership remained out of reach.

Another survivor was a successful professional whose former partner fraudulently used her signature to take £70,000 out of their business. The business failed, mortgage payments were missed and her credit history suffered. She eventually remortgaged, but at a higher interest rate.

These are two very different women, both left with financial damage caused by abuse. A credit report tells us what happened financially, but it doesn't necessarily tell us why, and that distinction matters.

Where our mortgage processes fall short

Our industry rightly focuses on affordability, credit history and risk, and responsible lending is essential. But what happens when our processes don't recognise the circumstances behind the numbers?

An automated decision may decline someone because of defaults created through coercion. A survivor trying to remove an abusive partner from a mortgage may face consent requirements that are difficult or unsafe to navigate. Someone disclosing abuse may find themselves explaining traumatic experiences repeatedly to advisers, administrators and underwriting teams. And sometimes brokers don't know who within a lender can help.

Lenders have vulnerability policies, but are they working for the people who need them? The FCA expects firms to understand vulnerable customers' needs and deliver good outcomes, and we need to turn that expectation into practical support.

Three changes lenders could make

1. **Specialist, product-specific training**

We need proper economic abuse training for mortgage advisers, underwriters, administrators and servicing teams, not another annual tick-box exercise. Training should explain how economic abuse affects joint mortgages, transfers of equity, remortgages, arrears and credit histories. Staff need to recognise warning signs, understand safe communication and know how to respond appropriately.

2. **Clear specialist support pathways**

Every lender should have an accessible route to a trained team capable of handling economic abuse cases sensitively. Survivors shouldn't have to repeatedly disclose their experiences or be expected to contact an abusive former partner unnecessarily. Where consent is legally required, lenders should explore safe, lawful alternatives and explain the available options clearly.

3. **Greater individual consideration**

Where credit problems stem from abuse, lenders should consider manual underwriting, supporting evidence and flexibility within responsible lending requirements. That doesn't mean ignoring affordability or guaranteeing an offer. It means understanding the circumstances before making a decision.

We can help change what happens next

At Steel City Mortgages, we're proud to support IDAS, Yorkshire's largest specialist charity for people affected by domestic abuse and sexual violence. But awareness alone isn't enough. I want an industry where brokers recognise economic abuse, lenders understand its impact and survivors can access meaningful support without facing further harm. We cannot change what someone has experienced, but we can influence what happens to them next.

We help people find homes every day. Let's make sure we're not closing the door on those who most need a safe one. Escaping abuse should not mean a lifetime of being financially punished for it.

Scan to learn more about IDAS and the support they provide.

DECISION-GRADE WHAT SHARED DATA HAS TO BE BEFORE YOU CAN RELY ON IT



In June the FCA put around 80 people in a room for two days and asked what would have to be true for open finance to improve mortgage journeys. The outcomes report landed on 3 September and found that "access to more data is not, by itself, the main challenge."

The sprint participants "consistently distinguished access to information from evidence that can support a firm's decision to lend". There is data a lender can see, and data a lender can act on. The participants' name for the second kind was "decision-grade data". Most of what reaches a lender today is the first kind.

APIs move data. Evidence needs more.

Most lender integrations are bilateral. One system agrees with another to pass a named field, in an agreed format, on request. They have helped lenders improve speed to offer, and that work stands. Where the value in a field came from, who verified it, when, and who bears the loss if it is wrong travel with it only if somebody built that in. In the lender estates I have seen, nobody did.

Open banking already has the interface. It is standardised and one to many, with a directory and certificates behind it, and the data still arrives as information: the underwriter sees the salary credit and still asks for the payslip, because the feed proves money arrived, not what it was or who stands behind it. The Open Property Data Association's Property Data Trust Framework already gives each item of property data a place to carry its origin and verification. The gap is whether a lender will accept what those carry without checking again.

In Novus's own research, most providers across the transaction are specialists, deep on one capability, or integrators that connect systems and parties. Both fit the bilateral world a lender runs today. A smaller group, the orchestrators, coordinates the parties end to end so that a check done once is carried forward instead of repeated. Their rulebooks bind their members and nobody else; trust beyond the network still needs a trust framework and scheme rules.

That is the problem a lender's Horizontal Digital Integration strategy has to solve: how data, decisions and workflows move reliably across every organisation involved in a property transaction, so the whole system works as one rather than a chain of disconnected parts.

What decision-grade means in practice

Shared data, in the FCA report's words, "needs to be accurate, current, standardised and capable of being recognised as evidence". For a lender, that comes down to four questions your journey has to answer about any item of data it receives. Where did it come from? Who verified it, and against what? When? Who carries the loss if it turns out to be wrong?

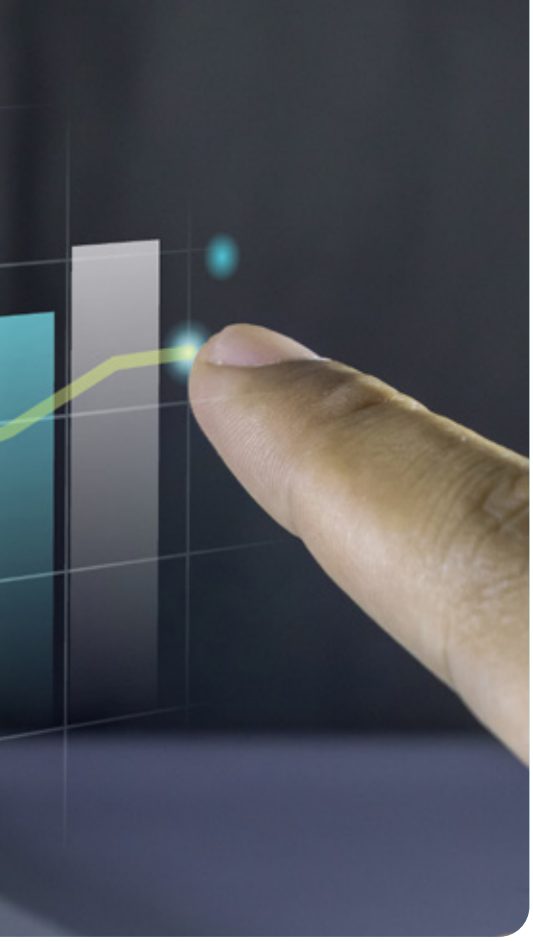
In places, your journey already answers all four. A lender releases funds on the panel conveyancer's certificate of title without redoing the title work, and lends on a valuer's report without sending a second surveyor, because a named professional carries a defined loss under standards settled years ago: the UK Finance Mortgage Lenders' Handbook, the RICS Red Book and the professional indemnity behind both. Identity, income and deposit are different. Identity is checked by the broker, by the lender at application and by the conveyancer when it takes the buyer on. Deposit evidence goes to the underwriter and source of funds to the conveyancer, on the same money. Each firm owes its own duty on the same person and the same money, and none can hand that duty on, so everybody checks. Reliance in this industry follows a handbook and an insurer, never a label that says verified.

"Reliance in this industry follows a handbook and an insurer, never a label that says verified."

Pete Gatenby
AI Practice Partner
Novus Strategy & Consulting



Connect with Pete



Who carries the loss

Liability is the question the sprint left open, and it decides whether Smart Data shortens your journey or digitises the document chase.

Accountability for the lending decision stays with the lender whatever the scheme says; MCOB and the Consumer Duty do not move. What scheme rules can settle is liability for the inputs: who you recover from when data that arrived as verified turns out to be wrong, and what you must be able to show. The Money Laundering Regulations already let a firm rely on another regulated firm's identity checks while leaving the relying firm liable, and the result is at least two identity checks on every purchase.

If recourse sits with the originator, your journey accepts the evidence and moves on. If it stays with you, reliance becomes a credit policy decision, as it already is for automated valuations and bureau data, and the scheme has to be consistent enough for credit risk to write that policy. Shared along the chain, what you can show you relied on decides your share of the loss. In every case the record of what you relied on, from whom and when, is the asset, so build it whichever way the rules fall. I expect mortgages to end up with the model open banking built for payments rather than the one it left for data: the lender answers to the customer, scheme rules settle recourse between participants, and a dispute process sits underneath.

The FCA's discussion paper on the first open finance scheme is due this year, and the government's reform roadmap commits to legislation that "establishes rules on liability and consumer protection" for property data. A lender that wants a say should be in those rooms now, at UK Finance, the BSA, the Open Property Data Association, the Open Property Coalition and the Digital Property Market Steering Group.

Where this lands in your journey

Identity. The national digital ID scheme was cancelled on 21 July; certified verification under the Digital Verification Services trust framework carries on. HM Land Registry has already gone halfway for conveyancers. Meet its digital identity standard and it will not pursue a recourse claim over the check. What is unsettled is whether lender and conveyancer will each accept the same certified check as their own evidence, and who carries the loss when it is wrong, the provider or the firm that relied on it.

Income and affordability. The FCA says income must be verified and your policy says how; HMRC and the Department for Business and Trade decide what you can get. Will a verified income record arriving through the scheme replace three months of payslips and statements, or be filed next to them?

Property and title. Upfront property information will reach your valuer and panel conveyancer first. Most lender processes have no step that reads it at application, where a short lease or an adverse search could stop a case before you pay for a valuation. Searches make the "when" question concrete: the roadmap moves them into a pack prepared before listing, lenders' own instructions treat a search as stale once it is six months old at completion, and TwentyCi has 60.8% of exchanges this year taking longer than that from instruction.

Where AI fits

The FCA's PRISM taskforce report of 7 October says open finance "could help create the technical and trust foundations that AI tools and autonomous agents need". Give an agent a PDF and it does what your case handlers do with one: reads it, checks it, asks for another. With a verified fact and its provenance attached, the checking is already done, and the lender stays answerable for what the agent does next.

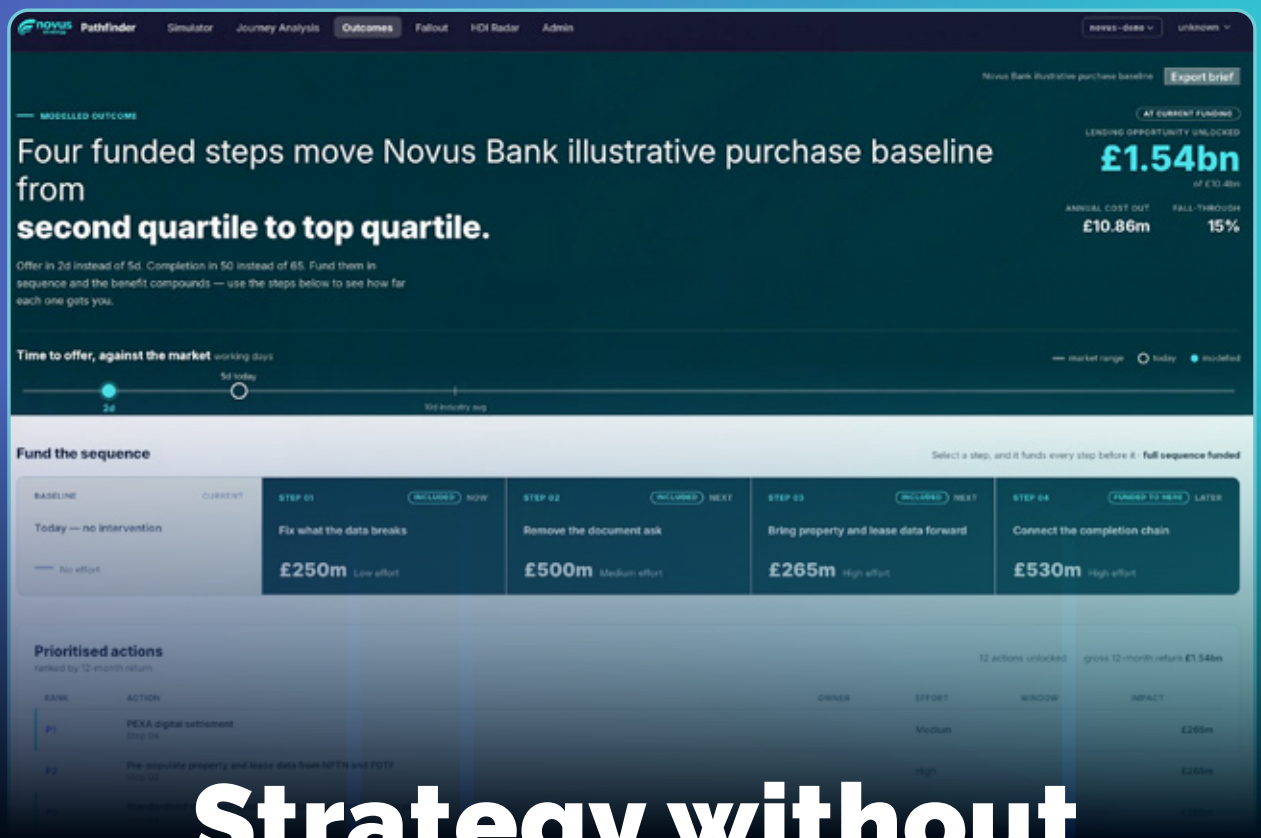
One test for your journey

Run the four questions per data item at decision in principle, underwrite, offer and release of funds, with a validity window on "when": weeks for the latest payslip under most policies, six months for a search at completion, and your own offer period. Take the result to credit risk, financial crime and whoever owns your entry in the Lenders' Handbook, because the re-check points sit in their policies.

When verified data starts arriving with its provenance attached, which step in your journey will still ask for the PDF, and is it your systems asking, or your policy?

Sources

- Financial Conduct Authority, Mortgages and open finance policy sprint: outcomes report, Smart Data Accelerator, 3 September 2026.
- Financial Conduct Authority, PRISM Taskforce outcomes report, Smart Data Accelerator, 7 October 2026.
- Financial Conduct Authority, Open finance: our vision for a smart data future, April 2026.
- MHCLG, Home Buying and Selling Reform Roadmap, 19 June 2026.
- House of Commons Library, research briefing CBP-10369, 4 September 2026.
- HM Land Registry, Practice Guide 81, Encouraging the use of digital technology in identity verification, first published March 2021.
- UK Finance, Mortgage Lenders' Handbook for England and Wales.
- The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, regulation 39.
- TwentyCi, Property & Homemover Report, Q2 2026.
- Novus Strategy, HDI Market Radar research, 2026.



Strategy without simulation is just opinion.

There are more projects than money, so only a few will go ahead. The growth target doesn't change while you choose. **Pathfinder by Novus** is a mortgage intelligence platform. See where value is trapped across the mortgage journey, test how to unlock it, and model the impact before you invest. It tests each project against the same four outcomes before anything is funded:





- Improve speed to offer
- Improve speed to completion
- Reduce fall-through
- Release lending capacity

Book Your Pathfinder Workshop

novus strategy
marketing@novus-strategy.com
novus-strategy.com