

DWG director ID focus group

Implementation options available to manage onboarding of Directors in software

Context

The ATO has pre-established patterns for applying for an identity, which aren't always available as a software service. For example, the ATO does not provide an apply for a TFN due to the associated risk of fraud. The program has determined that the apply for director ID service will not be available through software.

The MBR program is committed to working with DSPs and recognises the important role DSPs and intermediaries will play to onboard directors to director ID.

The members will explore options by focusing on the outcomes identified through the user stories.

Problem Statement

The focus group agreed the problem statement of:

- Every person who is or intends to be a director needs to register for a director ID themselves using myGovID

User Stories

Members agreed the user stories to work through are:

As agent or company secretary, how do I:

- identify who needs a director ID
- inform the person of their requirements
- help the person get a director ID
- know if a person has or hasn't got a director ID
- know that it is a valid director ID
- remind those who haven't done it

Considerations

Director ID will be a public number in the long term

- In the short term, it will be a non-public number. This is to ensure that Directors with a director ID will not be treated differently.
- A publicly searchable number may also allow personally identifiable information (eg date of birth) to be removed from the company register.

A director ID is the same number for life.

- The number will not change if they are no longer a Director
- ATO's proof of record ownership will ensure a person's identity will remain the same independent of changes in details.

Cancelled may not mean cancelled.

- A director ID may have a status of cancelled due to a range of factors – including the Director has not linked their director ID to a company within 12 months or the ATO has legitimately cancelled the director ID.
- The reason code will provide further details on the director ID status. This will be explored as part of the Companies release.

Alternate Directors will require a director ID

- This is independent of the duration they act as a Director
- In the transition period, Directors will need to attain a director ID within 28 days. Once this period has concluded, Directors will need to have a director ID before becoming a Director.

Only a very small number of Directors use software themselves – most use company secretaries or an ASIC registered agent

- Its estimated only 5% of Directors use software to report corporate compliance

Next steps

- Confirm problem statement and user stories with the broader Design Working Group
- Schedule fortnightly focus group meetings to continue to flesh out each user story