

Fair processing Notice

Introduction

The Cabinet Office conducts data matching exercises to assist in the prevention and detection of fraud. This is one of the ways in which the Minister for the Cabinet Office takes responsibility within government for public sector efficiency and reform. The Minister for the Cabinet Office is also the Chair of the [Fraud, Error and Debt Taskforce](#), the strategic decision-making body for all fraud and error, debt and grant efficiency initiatives across government.

Data matching involves comparing sets of data, such as the payroll or benefits records of a body, against other records held by the same or another body to see how far they match. The data is usually personal information. The data matching allows potentially fraudulent claims and payments to be identified. Where a match is found it may indicate that there is an inconsistency that requires further investigation. No assumption can be made as to whether there is fraud, error or other explanation until an investigation is carried out.

The processing of data by the Cabinet Office in a data matching exercise is carried out with statutory authority under its powers in Part 6 of the Local Audit and Accountability Act 2014. It does not require the consent of the individuals concerned under the Data Protection Act 1998.

All bodies participating in the Cabinet Office's data matching exercises receive a report of matches that they should investigate, so as to detect instances of fraud, over- or under-payments and other errors, to take remedial action and update their records accordingly.

2. Legal basis

From 1 April 2015 the National Fraud Initiative will be conducted using the data matching powers bestowed on the Minister for the Cabinet Office by Part 6 of the Local Audit and Accountability Act 2014 (LAAA). Previous exercises were conducted by the Audit Commission under Part IIA of the Audit Commission Act 1998.

Under the LAAA powers:

1. A relevant minister (meaning a Secretary of State or the Minister for the Cabinet Office) may carry out data matching exercises or arrange for them to be conducted for the purpose of assisting in the prevention and detection of fraud.
2. A relevant minister may require certain persons to provide data for data matching exercises. Currently these are a relevant authority (as defined in section 2 of LAAA); a best value authority (as defined in section 1 of the Local Government Act 1999) which is not a relevant authority; and an NHS foundation trust.
3. Other bodies and persons may participate in its data matching exercises on a voluntary basis where the relevant minister considers it appropriate. Where

they do so, the statute states that there is no breach of confidentiality and generally removes any other restrictions in providing the data to the relevant minister.

4. The requirements of the Data Protection Act 1998, however, continue to apply.
5. A relevant minister may disclose data provided for data matching and the results of data matching exercises where this assists in the prevention and detection of fraud, including disclosure to bodies that have provided the data and to auditors that they appoint.
6. A relevant minister may disclose both data provided for data matching and the results of data matching to the Auditor General for Wales, the Comptroller and Auditor General for Northern Ireland, the Auditor General for Scotland, the Accounts Commission for Scotland and Audit Scotland, for the purposes of assisting in preventing and detecting fraud or in connection with audit functions of those bodies.
7. Wrongful disclosure of data obtained for the purposes of data matching by any person is an offence and liable on summary conviction to a fine not exceeding level 5 on the standard scale.
8. A relevant minister may prescribe a scale or scales of fees in respect of data matching.
9. A relevant minister must prepare and publish a Code of Practice. All bodies conducting or participating in its data matching exercises, including the relevant minister himself, must have regard to the Code.
10. A relevant minister may report publicly on his data matching activities in a manner the relevant minister considers appropriate for bringing it to the attention of those members of the public who may be interested.

3. Bodies required to provide or which volunteer data for matching

Currently, the Cabinet Office requires the following bodies to provide data:

- district and county councils
- London and metropolitan boroughs
- unitary authorities
- police authorities
- fire and rescue authorities
- pension authorities
- NHS Trusts and strategic health authorities
- Foundation Trusts
- Clinical Commissioning Groups
- passenger transport authorities
- passenger transport executives
- waste authorities
- Greater London Authority and its functional bodies

In addition, the following bodies provide data to the Cabinet Office for matching on a voluntary basis:

- private sector pension schemes (various)
- Home Office

- Metropolitan Police – Operation Amberhill
- special health authorities
- foundation trusts
- housing associations
- probation authorities
- national park authorities
- central government pensions schemes
- Insurance Fraud Bureau
- central government departments
- other private organisations/companies

4. The data that is matched and the reasons for matching it

For information describing which datasets are matched by the Cabinet Office please refer to the Cabinet Office's guidance available on this website. The document [NFI match types per participating body](#) summarises the various match types for each particular type of participating organisation.

5. Code of data matching practice

Data matching by the Cabinet Office is subject to a [code of practice](#).

6. Fair processing notice examples

NFI participants must tell individuals that their data will be processed. You can view [guidance and examples of fair processing notices](#).

7. Further information

View more information about the [Cabinet Office data matching exercises](#). You can also read [national reports on the NFI](#) published before 1 April 2015 by the Audit Commission.

Alternatively you can write to:

Head of NFI
Red zone, 4th floor,
1 Horse Guards Road
London, SW1 2HQ

Email: nfiqueries@cabinetoffice.gov.uk