

A Breach of Confidence

A report by the Parliamentary Ombudsman on an investigation of a complaint about HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions

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Foreword

I am laying this report before Parliament, under section 10(4) of the *Parliamentary Commissioner Act 1967*, to share the learning from my investigation of Ms M'sⁱ complaint.

Ms M's story shows how easily, and justifiably, a person's confidence in government agencies can be lost. It took an investigation by the Ombudsman for the different government agencies involved to accept their responsibilities, put things right for Ms M, and agree that cross-cutting issues would be addressed. I involved the Cabinet Office in the provision of systemic remedy in order to ensure that there is wider learning across government departments.

Ms M complained that, without her knowledge, her personal details were changed in error on one government agency's computer system and her personal details were then changed across a network of government computer systems that linked the records of HM Revenue & Customs, the Child Support Agencyⁱⁱ and the Department for Work and Pensions. As a consequence of the original mistake, her personal financial information was then sent to her former partner, and her child support entitlement was reassessed and reduced without her participation or knowledge. To compound matters, when Ms M discovered the error and queried how it had happened, none of these public bodies could tell her. Instead of taking responsibility for what had happened, they passed her from one organisation to another. Far from attempting to sort things out and provide Ms M with an assurance that her personal data was secure, each of these bodies denied responsibility for making the mistake.

Ms M understandably found this experience extremely distressing. She was compelled to spend a good deal of time and money ensuring her records were correct, and she still lives with the fear of a recurrence.

This report sets out what was discovered during the investigation of Ms M's complaint and explains how, I think, the initial error in Ms M's data occurred, something which none of the public bodies involved was able to establish. As a result of my investigation, I found maladministration and public service failure by HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions. I found that these three public bodies were jointly responsible for the injustice experienced by Ms M but I saw no sense in trying to apportion the responsibility for putting things right. Therefore, I recommended that HM Revenue & Customs should take the lead in implementing the recommendations to remedy the injustice to Ms M to ensure that she was not further inconvenienced or distressed by a repeat of the disparate approach previously taken by the public bodies.

My recommendations to remedy the injustice to Ms M included: an apology; a compensation payment of £2,000; confirming to Ms M when a check of Ms M's information on every database owned by HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions was completed; and exploring jointly a solution to Ms M's concerns about the need to remember passwords.

ⁱ The names of complainants are not used in my published reports to protect their anonymity.

ⁱⁱ The Child Support Agency was an executive agency of the Department for Work and Pensions until October 2008 when it became one of the services provided by the Child Maintenance and Enforcement Commission.

In order to address the wider, cross-cutting issues identified as a result of my investigation, I recommended that HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions, in discussion with the Cabinet Office, agree a customer-focused protocol to deal with complaints that cross organisational boundaries and arise from the sharing of information between them, and which accords with the practices advocated by the Information Commissioner.ⁱⁱⁱ I recommended that HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions explain to Ms M, to her Member of Parliament and to me how they intend to take forward this work, and provide a timescale for implementation.

In order to ensure that there is wider learning across other government departments with networked computer systems, I recommended that the Cabinet Office takes steps to ensure that lessons are learnt from Ms M's experience and from my investigation and that appropriate guidance is disseminated to all government departments. I recommended that the Cabinet Office provides an update on progress to Ms M, to her Member of Parliament and to me.

My recommendations were accepted in full by the Permanent Secretary of HM Revenue & Customs, on behalf of HM Revenue & Customs, the Child Support Commissioner, on behalf of the Child Support Agency, the Permanent Secretary of the Department for Work and Pensions and the Secretary to the Cabinet and the Head of the Home Civil Service.

As I say in the conclusion, I hope that my report will go some way towards giving Ms M the peace of mind she seeks that her experience will not be repeated. Of course, the real test of that will be in how well the public bodies involved learn lessons from Ms M's experience and use them to put things right for the future. These lessons are not only about information sharing between government departments and agencies. In line with my *Principles of Good Administration*, public bodies need to learn to get their public administration right, to be customer focused, be open and accountable and to work together to put things right when mistakes happen. Unless all this happens, public bodies run the risk of making other people feel the way Ms M told me she feels: that she will never be able to trust a government agency again.



Ann Abraham
Parliamentary and Health Service Ombudsman
January 2011

ⁱⁱⁱ In the Information Commissioner's documents *Sharing Personal Information: Our Approach and Framework code of practice for sharing personal information*, available at www.ico.gov.uk.

Summary

The complaint

Ms M complained that her address details, which were held by a number of different government agencies (which included HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions), were incorrectly changed by an unidentified government agency. Ms M further complained that this error was duplicated across the other government agencies that held her address and was not corrected across these agencies when she told HM Revenue & Customs' Tax Credit Office (an organisation with which she had dealings with at the time) about the error. None of the bodies involved had been able to explain satisfactorily what had gone wrong and none had, therefore, resolved her complaint.

Procedural background

The *Data Protection Act 1998* regulates how personal information should be processed, including how data is obtained, held, used and disclosed. It requires data controllers (such as the bodies involved in this case) to process personal information in accordance with eight data protection principles. The data protection principles most relevant to the circumstances of Ms M's case say that bodies should: process an individual's data fairly and lawfully; obtain it only for a specific and lawful purpose and only process (that is disclose) it further in a way that is compatible with that purpose; ensure that the data processed is accurate, and, where necessary, kept up to date; and ensure that the information is protected by appropriate security measures to prevent it being compromised. Individual public bodies are responsible for managing the security of the information each of them holds.

Government departments and agencies have databases and bespoke computer systems designed to support their business needs. Some of these computer systems have databases in common and some have internal and external links between them. These links exist to enable data relevant to all linked-in bodies to be kept up to date when an individual's personal details are changed on any one system.

What we investigated

We investigated the handling of Ms M's personal data by HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions from December 2006, when it was incorrectly amended. We also investigated the various bodies' efforts to correct the error, remedy the consequences, and explain to Ms M how the error had occurred.

What our investigation found

We found it likely that Ms M's address had been incorrectly changed to Mr A's new address as a result of an inputting error by the Tax Credit Office in December 2006. We saw evidence to suggest that the Tax Credit Office had received correspondence on 7 December 2006 advising them that Mr A had moved to a new address in another town. We believe that the officer responsible for amending Mr A's tax credits record mistakenly changed Ms M's address to Mr A's new address. That change to Ms M's address would then have been picked up by other HM Revenue & Customs computer systems and passed on to the other bodies involved via the linked-in computer network; in turn updating the Child

Support Agency's and the Department for Work and Pensions' systems with the incorrect address for Ms M.

We found that none of the bodies involved accepted responsibility for what happened to Ms M until the Parliamentary Ombudsman became involved. They did not accept responsibility for the presence of the erroneous data; they did not demonstrate a willingness to investigate matters further; and they appear to have been unable to rectify the problem they had created. We found that once an inputting error had been made, an individual's personal data could be changed across the network of computer systems used by the bodies involved without the individual's knowledge or consent; and the network of computer systems could not then always locate the source of any errors made. The lack of provision for users to identify retrospectively and rectify human errors which occur from time to time, as in this case, caused the Ombudsman concern. As did the failure by the bodies involved to find out for Ms M what had happened or explain to her why things had gone wrong when there was still an opportunity to do so. The failure by HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions to work together to investigate and resolve Ms M's complaint fell so far short of the *Ombudsman's Principles* that it amounted to maladministration and a failure of public service.

We found further shortcomings in HM Revenue & Customs' handling of Ms M's case. The Tax Credit Office failed to keep, or make a proper note of, the paper document received by them on 7 December 2006, which we think caused the incorrect change to Ms M's address, denying her the explanation and reassurances she was seeking about her data. We also found that the Tax Credit Office sent two documents intended for Ms M, which contained personal information, to Mr A, and never

subsequently apologised to her for doing so. We found that when Ms M told the Tax Credit Office of the problem with her address, they took no action to correct her details. As a consequence, the various linked-in systems were not corrected and the Child Support Agency sent a notice of the reassessment of Ms M's child support maintenance to the wrong address. Furthermore, when Ms M complained to HM Revenue & Customs, her local Enquiry Centre was unhelpful, and the Tax Credit Office delayed responding to her complaint. This poor customer service amounted to maladministration.

We found the National Insurance Contributions Office had given Ms M incorrect information when she first approached them about her difficulties, and looked at her records for the wrong period when Ms M's MP asked them to investigate Ms M's complaint further. By the time we became involved, the audit trail of Ms M's records was no longer available due to the National Insurance Contribution Office's record retention policy, and their records showed no history of the incorrect changes to Ms M's address because the data had been removed without any record or explanation. The National Insurance Contributions Office's handling of Ms M's complaint, therefore, also amounted to maladministration.

The decision

We upheld Ms M's complaint. We were satisfied that the individual and collective failings of HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions, when handling Ms M's personal information, amounted to both maladministration and a failure of public service, and that as a consequence, Ms M suffered injustice.

Recommendations for remedy

To remedy the injustice for Ms M, we recommended that the Permanent Secretary of HM Revenue & Customs apologises on behalf of all of the bodies involved for:

- the collective failure to investigate Ms M's complaint properly;
- the failure to adopt a co-ordinated approach to resolving Ms M's complaint;
- the failure to provide an appropriate explanation and remedy for their mistakes; and
- the impact of all of that maladministration on Ms M.

We also recommended that HM Revenue & Customs pay Ms M £2,000 in recognition of the injustice flowing from the maladministration identified, and that they check their databases to ensure that Ms M's address is correctly recorded and there is no link between Ms M and Mr A. We also recommended that HM Revenue & Customs liaise with the Child Support Agency and the Department for Work and Pensions to ensure that they too check every database they own to ensure that Ms M's address is correctly recorded and there is no link on their systems between her and Mr A.

To address the wider, cross-cutting issues identified, we recommended that HM Revenue & Customs, together with the Child Support Agency and the Department for Work and Pensions, and in discussion with the Cabinet Office, agree a protocol to deal with complaints of this kind, which cross organisational boundaries and arise from the sharing of information between them. Also, that HM Revenue & Customs, the Child

Support Agency and the Department for Work and Pensions explain to Ms M, her Member of Parliament, and the Ombudsman how they intend to take forward this recommendation, and provide a timescale for implementation. To ensure there is wider learning across government departments with similar networked systems, we recommended that the Cabinet Office takes steps to ensure that lessons are learnt from our investigation and that appropriate guidance is disseminated to all government departments. Our recommendations were agreed in full.

Report by the Parliamentary Ombudsman on the results of an investigation of a complaint about HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions, made by Ms M and referred by Ms Kerry McCarthy MP

Section 1: Introduction

The complaint

- 1 Ms M complained that her address details, which were held by a number of different government agencies, were incorrectly changed by an unidentified government agency. (Those agencies included various parts of HM Revenue & Customs; the Child Support Agency¹ and the Department for Work and Pensions.) Ms M further complained that this error was duplicated across the other government agencies which held her address and was not corrected across these agencies when HM Revenue & Customs' Tax Credit Office were informed of the error. None of the government agencies involved had been able to explain satisfactorily what went wrong and none had, therefore, resolved her complaint.
- 2 Ms M said that, as a result of these problems, she was not made aware of an assessment and change to her child support payments by the Child Support Agency. She was also concerned that her ex-partner had had access to her personal data. This caused her worry and stress and she was concerned that her data may be used fraudulently.

- 3 Ms M wanted to know what went wrong and, by understanding this, hoped to be reassured that matters had been put right, and that the same mistakes would not happen again.

My decision

- 4 For reasons I go on to explain, I have **upheld** Ms M's complaints about HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions. I have found evidence of maladministration by those agencies which amounted to a failure of public service and which resulted in injustice to Ms M.

The Parliamentary Ombudsman's jurisdiction and role

- 5 The *Parliamentary Commissioner Act 1967* provides that my role is to investigate action taken by or on behalf of bodies within jurisdiction in the exercise of their administrative functions. Complaints are referred to me by a Member of the House of Commons on behalf of a member of the

¹ The Child Support Agency were an executive agency of the Department for Work and Pensions until October 2008 when they became one of the services provided by the Child Maintenance and Enforcement Commission. For ease of reference, I refer to them as the Child Support Agency throughout this report.

public who claims to have sustained injustice in consequence of maladministration in connection with the actions taken.

- 6 My approach when conducting an investigation is to consider whether there is evidence to show that maladministration has occurred that has led to an injustice that has yet to be remedied. If there is an unremedied injustice, I will recommend that the public body in question provides the complainant with an appropriate remedy (in line with my Principles for Remedy). These recommendations may take a number of forms such as asking the body to issue an apology, or to consider making an award for any financial loss, inconvenience or worry caused. I may also make recommendations that the body in question reviews its practices to ensure that similar failings do not occur.

Section 2: The basis for determination of the complaint

- 7 In simple terms, when determining complaints that injustice has been sustained as a result of maladministration, I begin by comparing what actually happened with what should have happened.
- 8 So, in addition to establishing the facts that are relevant to the complaint, I also need to establish a clear understanding of the standards, both of general application and which are specific to circumstances of the case, which applied at the time the events complained about occurred, and which governed the exercise of the administrative functions of those bodies whose actions are the subject of the complaint. I call this establishing the overall standard.
- 9 The overall standard has two components: the general standard, which is derived from general principles of good administration and, where applicable of public law; and the specific standards, which are derived from the legal, policy and administrative framework relevant to the events in question.
- 10 Having established the overall standard, I then assess the facts of the case in accordance with the standard. Specifically, I assess whether or not an act or omission on the part of the body complained about constitutes a departure from the applicable standard. If so, I then assess whether, in all the circumstances, that act or omission falls so far short of the applicable standard as to constitute maladministration.

The general standard – the *Ombudsman’s Principles*

- 11 Since this Office was established, we have developed and applied certain general principles of good administration in determining complaints. In February 2009 I republished my *Principles of Good Administration, Principles of Good Complaint Handling* and *Principles for Remedy*.² These are broad statements of what I consider public bodies should do to deliver good administration and customer service, and how to respond when things go wrong. The same six key Principles apply to each of the three documents. These six Principles are:
 - Getting it right
 - Being customer focused
 - Being open and accountable
 - Acting fairly and proportionately
 - Putting things right, and
 - Seeking continuous improvement.
- 12 The Principles of Good Administration most relevant to this case are:
 - ‘*Getting it right*’ – public bodies must comply with the law and have regard to the rights of those concerned; and their decision making should have regard for the relevant legislation and take account of all relevant considerations.
 - ‘*Being customer focused*’ – public bodies should treat people with sensitivity, bearing in mind their individual needs, and respond flexibly to the circumstances of the case.

² The *Ombudsman’s Principles* is available at www.ombudsman.org.uk.

Where appropriate they should deal with customers in a co-ordinated way with other providers to ensure their needs are met.

- *'Being open and accountable'* – public bodies should handle and process information properly and appropriately in line with the law; respect the privacy of personal information; and take responsibility for the actions of their staff.
- *'Putting things right'* – public bodies should acknowledge their mistakes, explain what went wrong and put things right quickly and effectively.

13 I also take account of the Principles for Remedy when I consider the remedies already provided by public bodies, and in coming to a view of what an appropriate remedy should be in each case. My Principles for Remedy explain that, where maladministration has led to an injustice, public bodies should try to offer a remedy that returns the complainant to the position they would have been in if the maladministration had not occurred. Where that is not possible, the remedy should compensate the complainant appropriately. The Principles for Remedy relevant in this case are:

- *'Acting fairly and proportionately'* – public bodies should take account of the individual circumstances of a case and provide an appropriate remedy for the injustice or hardship sustained.

- *'Putting things right'* – public bodies should consider fully and seriously all forms of remedy such as an apology; remedial action, which may include revising procedures to prevent the same thing happening again; training; financial compensation; or a combination of these.

I have taken the Principles for Remedy into account in my consideration of Ms M's complaint.

The specific standard – legal, policy and administrative background

14 Bodies across the public sector collect, use and store a wide range of personal information, such as income, date of birth and health records. Legislation allows HM Revenue & Customs (which includes Customer Operations,³ the Tax Credit Office and the National Insurance Contributions Office), the Child Support Agency and the Department for Work and Pensions (which includes Jobcentre Plus), to transfer data between them.⁴ (Annex A lists the relevant legislation in Ms M's case.) While each of these agencies is authorised to share data, they must also comply with the provisions of the *Data Protection Act 1998* and the *Human Rights Act 1998*. These two Acts set out the legal basis for the handling of personal information and the right to individual privacy, respectively.

³ Customer Operations is responsible for processing income tax records.

⁴ Known as 'statutory gateways'.

Data protection principles

¹⁵ The *Data Protection Act 1998*⁵ regulates how personal information relating to individuals should be processed, including how data is obtained, held, used and disclosed. It requires data controllers (such as the agencies which Ms M has complained about) to process personal information in accordance with eight data protection principles.⁶ The data protection principles most relevant to the circumstances of Ms M's case say that data controllers should:

- process an individual's data fairly and lawfully;⁷
- obtain data only for a specific and lawful purpose and only process (that is, disclose) it further in a way that is compatible with that purpose;⁸
- ensure that the data processed is accurate, and where necessary, kept up to date; and
- ensure that the information is protected by appropriate security measures to prevent it being accidentally or deliberately compromised.

Government policy and the use of information

¹⁶ While the *Data Protection Act 1998* and the *Human Rights Act 1998* provide the legal framework to assure citizens that their information will be protected and used only for legitimate purposes, individual public bodies are responsible for managing the security of the information it holds. Government departments and their agencies exercise that responsibility within several frameworks: the law, as detailed above (paragraphs 14 and 15); corporate governance and accountability requirements set down by HM Treasury; the Civil Service Management Code; and the National Information Assurance Strategy framework developed by the Cabinet Office. I have set out more detail about the National Information Assurance Strategy in Annex B of this report.

Computer systems and data sharing between government departments

¹⁷ There are a number of government departments and agencies which have databases and bespoke computer systems designed to support their business needs. Some of these computer systems have databases in common and some have internal and external links between them. These links exist to enable data relevant to all linked-in bodies to be kept up to date when an individual's personal details are changed

⁵ The *Data Protection Act 1998* defines data as information which (a) is being processed by means of equipment operating automatically in response to instructions given for that purpose, (b) is recorded with the intention that it should be processed by means of such equipment, (c) is recorded as part of a relevant filing system, or (d) forms part of an accessible health, educational or public record.

⁶ Set out in Schedule 1 of the *Data Protection Act 1998*.

⁷ That is, at least one of the conditions of Schedule 2 of the *Data Protection Act 1998* is met, and, in the case of sensitive personal data, at least one of the conditions in Schedule 3 of the *Data Protection Act 1998* is also met when processing the data.

⁸ A change of address would generally be seen to be a lawful purpose for sharing information.

on any one system. The computer systems relevant to Ms M's complaint are HM Revenue & Customs' Citizens Identity Database, the National Insurance Recording System and the National Tax Credit System; and the Department for Work and Pensions' Customer Information System and Departmental Central Index. I have described those systems in a little more detail at Annex C and I have set out a diagram illustrating the links between them at Annex D.

Tax credits

¹⁸ Tax credits are payments from the Government for individuals who work and are on a low or moderate income, to improve their standard of living. Tax credits are administered by HM Revenue & Customs' Tax Credit Office. Where an applicant is part of a couple, the couple must make a joint claim. Where an applicant ceases to be part of a couple, as in Ms M's case, they must tell the Tax Credit Office about their change of circumstances. The entitlement to tax credits arising from their joint claim then ends and if either of the ex-partners wishes to continue to receive tax credits, they must make a fresh claim as a single person.

¹⁹ Entitlement to tax credits is assessed and awarded at the start of each tax year⁹ based on the amount of household income an applicant expects to receive. The tax credits award is finalised at the end of the tax year, once details of the applicant's actual household income for the year are known. The Tax Credit Office establishes this by sending every applicant an

annual declaration and renewal pack after the tax year has ended. This pack contains details of, among other things, the applicant's National Insurance number; date of birth; employment status; the amount of tax credits paid to them during the previous tax year; and income details for the previous tax year (as initially provided by the applicant).

²⁰ The Tax Credit Office has a two-stage process for considering complaints.¹⁰ The first step is to contact the Tax Credits complaints manager by calling the Tax Credits helpline; by writing in; or by visiting any HM Revenue & Customs' Enquiry Centre. On receipt of a complaint, the Tax Credit Office will tell the complainant the name of the person who will be dealing with their complaint, try to resolve it, and give a response as quickly as possible. Where a complainant remains unhappy, they can ask the Tax Credit Office to look at the complaint again. A senior officer will then consider the complaint afresh and give a final decision. The Tax Credit Office aims to reply to correspondence, including complaints, within 15 days. Should a complainant be unhappy with the Tax Credit Office's final response, they can, if they wish, ask the Adjudicator¹¹ to look into their complaint.

⁹ A tax year begins on 6 April and ends on 5 April the following year.

¹⁰ *Complaints and putting things right (C/FS)* April 2007.

¹¹ The Adjudicator impartially investigates and helps resolve complaints from individuals where HM Revenue & Customs have been unable to resolve a complaint to the taxpayer's satisfaction.

The Information Commissioner's Office

²¹ The Information Commissioner's role is to promote public access to official information and protect personal information. The Information Commissioner promotes good practice and provides information and advice to organisations, including government departments; resolves complaints from individuals; and enforces the law against those who ignore or refuse to accept their obligations. The Information Commissioner has a duty¹² to assess compliance with the *Data Protection Act 1998* at the request of someone directly affected by the processing of information held about them. However, where the Information Commissioner receives such a request and the organisation has already acted to correct the matter complained about, as in Ms M's case, the Information Commissioner will generally decline to take any further action.

¹² Under section 42 of the *Data Protection Act 1998*.

Section 3:

The events leading to Ms M's complaint to the Ombudsman

The joint claim for tax credits

22 Ms M and her ex-partner (whom I shall refer to as Mr A) were jointly claiming tax credits until they separated. Ms M remained in the property they had shared, and Mr A moved to another town. On 7 January 2006 Ms M told the Tax Credit Office that on 2 January 2006 she had parted from Mr A. The Tax Credit Office sent Ms M a new application pack for her to make her own claim, which Ms M completed and returned promptly. Ms M and the Tax Credit Office corresponded about her claim without incident. On 6 September 2006 Ms M telephoned the Tax Credit Office. She told them she had moved house and gave them her new address.

Ms M's data is changed

23 According to the Tax Credit Office's computer records, on 7 December 2006 a department within HM Revenue & Customs received a 'paper' document relating to Ms M and Mr A's joint tax credits claim, which was still open on the National Tax Credit System (Annex C). (This was because the final entitlement notice for the joint claim had not been sent out.) The nature of the document the Tax Credit Office received is now unclear; they have been unable to trace it or to establish whether it was sent directly to HM Revenue & Customs or passed to them by another government body. However, we do know that the Tax Credit Office then wrongly changed Ms M's address on their computer system to the address to which Mr A had moved, in another town. There is no record to indicate why Ms M's address was changed, or by whom, but Ms M has never lived at this address. Then, on 15 December 2006, they changed Mr A's address details to his new address.

24 At some point between 14 and 19 December 2006 the Child Support Agency's computer records were amended to show that Ms M was resident at Mr A's address in another town.

25 On 10 January 2007 the Tax Credit Office put the following note on their computer system relating to Ms M and Mr A's joint claim: 'NU05 – COC [change of circumstances] *address previously updated, HHBD [household breakdown], W/L [work list] item deleted TSCD/LPOOL/TEAM 5/AB*'. (The Tax Credit Office say this meant that they had received information which meant that they should amend an address on Ms M and Mr A's joint claim.) When the person tasked with this job checked the system, they found that the change had already been made. There are no records now available to show who had made the change or why.

Ms M's data is disclosed to Mr A

26 On 12 February 2007 the Tax Credit Office sent final award notices relating to Ms M and Mr A's joint tax credits claim for the 2005-06 tax year, confirming how much money had been due to them as a couple. Both Mr A's final award notice and the final award notice intended for Ms M were sent to Mr A at his new address. The Tax Credit Office also sent Ms M's renewal pack for her single claim to Mr A's address.

27 Having received Ms M's final award notice, on 16 February 2007 Mr A telephoned the Tax Credit Office to tell them that she did not live, and had never lived, at his new address. Mr A returned the final award notice intended for Ms M to the Tax Credit Office, who recorded that he had done so and that he had given no

forwarding address for Ms M. It is not clear whether Mr A had opened Ms M's letter.

Ms M contacts the Tax Credit Office

- 28 On 13 June 2007 Ms M telephoned the Tax Credit Office querying the whereabouts of her tax credit renewal form. Ms M says that the Tax Credit Office told her they had '*slightly the wrong address*' for her but did not go into detail. Ms M assumed the error was something small and thought nothing more of it. The Tax Credit Office's computer record for 13 June 2007 shows that Ms M's address had been changed, with no record of when or by whom, and without Ms M's knowledge. The Tax Credit Office reissued the final award notice for Ms M's joint claim and her annual declaration and renewal form for her single claim. Unfortunately, any correction the Tax Credit Office may have made to Ms M's address as a result of her call does not appear to have taken effect. The Tax Credit Office sent Ms M's annual declaration (for her claim as a single person) to Mr A's new address the same day.
- 29 A week later, on 20 June 2007, Ms M telephoned the Tax Credit Office to renew her tax credit claim over the telephone. Ms M continued to correspond with the Tax Credit Office about her claim without any further issues with her address. (It is not clear when the Tax Credit Office corrected Ms M's address. The Tax Credit Office say they have checked every award notice sent to Ms M from this point onwards and have confirmed that nothing further was sent to Mr A's address.)

Ms M's child support unexpectedly decreases

- 30 On 20 July 2007 the Child Support Agency completed a review of Ms M's child support maintenance entitlement. On 23 July 2007 the Child Support Agency sent Ms M notice of her new entitlement (which had decreased). Ms M did not receive that notice because the Child Support Agency sent it to Mr A's address, as this was the address held for her on the Child Support Agency's computer system.

Ms M learns of the error in her data

- 31 On 11 October 2007 Ms M telephoned the Child Support Agency because she noticed that her child support payments had been reduced. Ms M told us that the Child Support Agency, when going through routine security questions with her, told her that they held a different address for her (that is, Mr A's address). She said that she asked the Child Support Agency where they had got this address from and they told her that, on 15 December 2006, the Tax Credit Office had amended all of HM Revenue & Customs' records, which were linked to the Child Support Agency's computer system. She says that the Child Support Agency explained that they had sent notice of the changed assessment to the address held on their system. They also explained that she had missed the opportunity to comment on the change in her child support assessment. (The Child Support Agency's records show only that Ms M told them there was a shortfall in her payments.)

Ms M complains to the Tax Credit Office

- 32 The same day, 11 October 2007, Ms M called the Tax Credit Office's helpline asking to meet them to discuss why they had changed her address without her knowledge or permission. The Tax Credit Office set up an appointment with the HM Revenue & Customs' Enquiry Centre for the following week.
- 33 On 15 October 2007 Ms M made a second call to the Child Support Agency about the problem with her address. The Child Support Agency have noted that they told Ms M that her address had been changed by their central computer system, in December 2006, to Mr A's address and that Ms M told them that she had an appointment with the Tax Credit Office about this.
- 34 Ms M told us that when she arrived for her appointment with her local HM Revenue & Customs' Enquiry Centre, staff told her '*this is an income tax office, and we don't deal with tax credits*'. The officer dealing with her suggested she telephoned the Tax Credit Office and handed her a telephone so that she could speak to the Tax Credit Office. Ms M told us that she found the person she initially spoke to at the local HM Revenue & Customs' Enquiry Centre very unhelpful and she ended up speaking to a manager. The manager had made some notes and promised to forward her complaint to the Tax Credit Office, from which she could expect to receive a reply in two weeks.

- 35 According to HM Revenue & Customs' note of Ms M's visit to the local Enquiry Centre, they told Ms M they were unable to say when, or by whom, the details of her address had been changed. They noted Ms M was concerned that Mr A might have been involved in some way, and advised her that they could not give her information about him for reasons of confidentiality. They also noted that Ms M wanted them to investigate what had happened, as she intended to involve the police unless it was clear that the Tax Credit Office had made a mistake. Finally, HM Revenue & Customs noted that they had asked the Tax Credit Office to contact Ms M and had given her information about their complaints process. On 29 October 2007 the Tax Credit Office wrote to Ms M acknowledging receipt of the complaint she had made at the local Enquiry Centre.

Ms M tries to establish what information has been disclosed

- 36 Meanwhile, on 27 October 2007, Ms M telephoned the Child Support Agency and asked them to provide copies of all the letters they had sent to her since her address had been amended to that of Mr A. On 4 November 2007 she asked the Tax Credit Office to provide copies of her previous two annual declarations and renewal forms because she wanted to know what information had been sent to Mr A. Ms M told us that she did not receive any of those documents from the Tax Credit Office.
- 37 Ms M called the Tax Credit Office on 7 November 2007. They noted that she had not yet received their acknowledgement of her complaint and that she was very concerned about the change to her address, which had also affected her records with the Child Support

Agency and the Department for Work and Pensions.¹³ The Tax Credit Office helpline asked their complaints section to call Ms M back. The following week Ms M called the Tax Credit Office again and, on 26 November 2007, she called them to complain that she had still not received a response to her complaint.

- 38 On 28 November 2007 Ms M called the Child Support Agency expressing her concern that someone might be using her personal details. The Child Support Agency explained that the Departmental Central Index (paragraph 17) had updated her address, and said that they would look into it. Meanwhile, the Child Support Agency suggested that they set up a password on her account for increased security.

The Tax Credit Office's initial response to Ms M's complaint

- 39 According to the Tax Credit Office's records, on 28 November 2007 they called Ms M confirming that they had held an incorrect address for her and that they had sent the final award notice for her joint claim, her annual declaration and the renewal pack for her single claim to Mr A's address. The Tax Credit Office told Ms M that Mr A had told them about their error in February 2007. They suggested that it was, therefore, unlikely that Mr A was responsible for the change to her address and that it was probably the Tax Credit Office's error. The Tax Credit Office explained the complaints process to Ms M and offered her a compensation payment (amount unspecified) before closing the complaint. The Tax Credit Office did not send Ms M the promised payment.

- 40 Ms M's recollection of this call is different. She recalled that the officer told her that everything she was telling him was impossible, and that there was no link between the Child Support Agency's and the Tax Credit Office's computers. She said that only after she had insisted that he look more carefully at her file, had he realised that there had been a serious breach of the *Data Protection Act 1998* (paragraph 15) and apologised. The officer told her about the call Mr A had made on 16 February 2007 but said that the Tax Credit Office's records had not been updated as a result of that call. He also told her that her address details had not been corrected after her call to them in June 2007. She said that the officer had offered a compensation payment but she had told him this was not good enough and she needed to know what had happened so that she could understand how serious the problem was.

Ms M pursues her complaint with the Tax Credit Office

- 41 Ms M wrote to the Tax Credit Office on 7 December 2007 and complained about their failure to answer her complaint. She said that she had repeatedly called the Tax Credit Office, which had only resulted in unkept promises. She said that the officer she had spoken to on 28 November 2007 had initially been dismissive. Ms M enclosed a chronology of events, and said that the issue had caused, and continued to cause, her a great deal of worry. She asked if the mistake was due to an administrative error or if some action by Mr A might be responsible. (She said that the '*Serious Fraud Squad*' had investigated Mr A in the past.) She asked why

¹³ It is not clear why there is a reference to the Department for Work and Pensions in the Tax Credit Office's notes of this call as Ms M does not appear to have been aware of any link with the Department for Work and Pensions at this stage.

her records were still connected with Mr A's when she had done everything she could to sever their ties. Ms M said that she was worried about what her information might be used for. She said she did not know what information other government departments had disclosed to Mr A. Ms M asked the Tax Credit Office a number of questions, including why the Tax Credit Office had failed to correct her details after they realised that her address was wrong; whether Mr A was claiming benefit; why she was not receiving everything the Tax Credit Office sent out to her; why she had received such a poor service from the Tax Credit Office; and what they intended to do to resolve the situation. Ms M said the matter would be much easier to deal with if she could talk to someone about it.

- 42 Ms M followed up her letter by calling the Tax Credit Office on 13 December 2007, asking them to deal with her complaint urgently. An officer from the Tax Credit Office called Ms M the following week¹⁴ and explained that the Tax Credit Office had received the incorrect update to her address from the Department for Work and Pensions' computer system.¹⁵ The Department for Work and Pensions' computer system showed that the National Insurance Contributions Office's computer system¹⁶ had updated it with the wrong address. The officer apologised, but said that the Tax Credit Office had not changed her address and had no control over what had happened. The officer told Ms M that her details on their computer system and the Department for Work and Pensions' system were now correct. Ms M said that she had not yet received the redress promised by the Tax Credit Office and asked for a written reply.

Ms M seeks assurance that her records are correct

- 43 Ms M called her local Jobcentre Plus office on 20 December 2007 to discuss her situation. Jobcentre Plus made an appointment for her the following day. At that appointment, Jobcentre Plus took the details of Ms M's complaint and, later that same day, telephoned her to say that a member of their security team was handling her complaint. Ms M sent a follow-up email to the Department for Work and Pensions' security team, at their request.

The Tax Credit Office's second response to Ms M's complaint

- 44 The Tax Credit Office's customer service manager wrote to Ms M on 19 February 2008. She said that she was sorry that Ms M was dissatisfied with the Tax Credit Office's previous response to her complaint and for the inconvenience the administrative error had caused her. The customer service manager went on to tell Ms M:

'Your address was incorrectly amended due to the incorrect recording of data within another department. At times government departments have shared basic customer data like changes in name and address through our computer systems and we can only assume that this is how the change was notified to tax credits as we have not manually made that change to your details.'

¹⁴ On 20 December 2007.

¹⁵ Departmental Central Index (Annex C).

¹⁶ National Insurance Recording System (Annex C).

The customer service manager also said that *‘there is no evidence to show that there has been any breach of confidentiality’* and they were *‘satisfied that only disclosures allowed by law have been made’*. The customer service manager said she could see from the records that the £50 they had promised (on 28 November 2007) had not been sent but Ms M should receive it within 21 days. The customer service manager apologised to Ms M for any upset this had caused and told her that if she remained unhappy, she could complain to the Adjudicator.

Ms M seeks a final assurance that all her records are correct

⁴⁵ Ms M telephoned the National Insurance Contributions Office on 21 February 2008 and explained the problems she had been experiencing. Ms M told us that she recalls the National Insurance Contributions Office saying that they could see nothing wrong with their records and they believed the Tax Credit Office was to blame. She says they told her that, as the Tax Credit Office had sent her a letter and taken control of the complaint, they should handle it. (The National Insurance Contributions Office do not have a record of this call. However, their records show that Ms M’s address was updated on their National Insurance Recording System on that day by *‘call centre – DN/NI ENQ:81110391’*. There is no indication as to the nature of the update or whether it was simply verification that they held the correct address for her. Ms M’s live address¹⁷ remained correct and unchanged after these updates.)

Ms M seeks help from her Member of Parliament

⁴⁶ Ms M contacted her Member of Parliament on 22 February 2008. (She had not then received the Tax Credit Office’s letter of 19 February 2008.) She told her Member of Parliament that the Tax Credit Office, the Child Support Agency, the Department for Work and Pensions and the National Insurance Contributions Office had all blamed each other and her concerns remained unresolved. On 26 February 2008 Ms M forwarded a copy of the Tax Credit Office’s letter of 19 February 2008 to her Member of Parliament. She said she was not satisfied with it and she disputed the Tax Credit Office’s claim that they had not breached confidentiality. Ms M explained that the Tax Credit Office had sent a tax credits renewal pack (paragraph 19) to her ex-partner, Mr A, which would have contained her bank and salary details. Ms M said that she felt humiliated that Mr A had been given that information.

⁴⁷ Ms M’s Member of Parliament wrote to the director of the Tax Credit Office, Ms M’s local HM Revenue & Customs office, Ms M’s local Jobcentre Plus, the Child Support Agency, and the National Insurance Contributions Office outlining the problems Ms M had experienced.

¹⁷ Ms M’s address in use at the time of these events.

The agencies' responses to Ms M's Member of Parliament – the blame game

HM Revenue & Customs

- 48 The Tax Credit Office responded to Ms M's Member of Parliament saying that Ms M's joint claim with Mr A had ended and no further information would, therefore, be sent to him about it. The Tax Credit Office said that they had made every effort to change information on their computer system once they had been informed of a change of circumstances. They said they could only apologise for the errors. They confirmed that they had corrected Ms M's address, but said they could not give Ms M any information about Mr A. The Tax Credit Office apologised for any upset to Ms M and said that, if she wished to take her complaint further, she could take her concerns to the Adjudicator.
- 49 HM Revenue & Customs' Customer Operations (that is, income tax) complaints team wrote to Ms M's Member of Parliament as well. They said that the problems appeared to relate to Ms M's tax credits claim and noted that although their Taxpayer Business System had been updated with incorrect data, there was no sign that this change had been initiated by any communication with the Customer Operations part of HM Revenue & Customs.
- 50 The Customer Operations complaints team said that the Taxpayer Business System record, once updated, made changes to both the Customer Operations and Tax Credit Office records.
- They said that between 15 December 2006 and 18 October 2007, the only amendment to Ms M's income tax records had been to her tax code (a new coding notice was sent to her employer). They confirmed that they had not sent any of Ms M's tax information to Mr A's address. The Customer Operations complaints team said that they would arrange for Ms M to be given a security password to use whenever she contacted them in the future. They apologised for what had happened and said that as the matter appeared to stem from the Tax Credit Office, they had referred her complaint to the Tax Credit Office for them to investigate.
- 51 Meanwhile, Ms M had made a subject access request¹⁸ under the *Data Protection Act 1998*, asking the Tax Credit Office for details of the information they had sent to Mr A's address. (I have seen no evidence that the Tax Credit Office responded to this request.)
- 52 HM Revenue & Customs' National Insurance Contributions Office replied to Ms M's Member of Parliament. They said that they had checked their computer system (the National Insurance Recording System) and had found no trace that Mr A's address had ever been inserted into Ms M's National Insurance account. They said that, as they had not sent any correspondence to Ms M, they were unable to help resolve the problem. However, I have seen that, a week after sending that reply, the National Insurance Contributions Office noted that although their own computer system did not hold incorrect data, other HM Revenue & Customs' systems, and other linked systems, did have an incorrect address for Ms M.¹⁹ They decided that, as Ms M's

¹⁸ Section 7 of the *Data Protection Act 1998* entitles an individual to request a copy of the personal information that is held about him or her from a data controller. These are known as subject access requests.

¹⁹ HM Revenue & Customs' Taxpayer Business System and National Tax Credit System and the Department for Work and Pensions' Customer Information System (Annex C).

National Insurance account reflected her correct address, they need take no further action. They did not tell the Member of Parliament what they had found.

53 On 17 July 2008 one of the Member of Parliament's staff called the National Insurance Contributions Office. They explained that they had spoken to the Child Support Agency, who had told them that the incorrect address had gone onto the Customer Information System on 19 December 2006 and was shown as input by '*NIRS technical support 9999*'. They asked the National Insurance Contributions Office to investigate. The National Insurance Contributions Office explained that the National Insurance Recording System and Customer Information System transmit data to one another and, when they had previously looked into the matter, they had found that the erroneous address had not been on the National Insurance Recording System. The following day the National Insurance Contributions Office telephoned Ms M's Member of Parliament's office to say they would investigate the matter further.

54 During their investigation, the National Insurance Contributions Office found on 21 July 2008 that Ms M's address had been incorrectly changed on the National Insurance Recording System to Mr A's address on 19 December 2007, and it had been changed back to the correct address again the same day. (It is not clear why they were looking at December 2007.) The National Insurance Contributions Office tried to establish which government department had made this change. The records they obtained covered 1 December 2007 to 20 July 2008. (The National

Insurance Contributions Office have been unable to explain why they did not look for an audit trail from 1 December 2006, the month in which the incorrect change of address had first occurred.)

55 The National Insurance Contributions Office's records showed that the update to Ms M's address in December 2007 had been reported through the '*ADD system*'.²⁰ According to the National Insurance Contributions Office, that suggested that the erroneous address had been reported to their National Insurance Recording System automatically by another computer system. They also noted that a number of manual updates had been made in February 2008, which tallied with Ms M's contact on 21 February 2008 (paragraph 45). The National Insurance Contributions Office assumed that the updates included the removal of the erroneous address from the National Insurance Recording System.

56 The National Insurance Contributions Office also asked their computer system provider to investigate Ms M's complaint; but they could not establish how the incorrect address had come onto the system as too much time had passed for their provider to be able to restore the records. The National Insurance Contributions Office concluded that it was likely that the incorrect address had been reported to the National Insurance Recording System via the '*CID interface*', probably from the tax credit or child benefit systems. They said that the National Insurance Recording System was holding the correct data but the incorrect address was still reflected on the ADD system (paragraph 55). The National Insurance

²⁰The ADD system is the Department for Work and Pensions' Access to DWP Data computer database, which is linked to the Customer Information System (Annex D).

Contributions Office would, therefore, need to contact the Department for Work and Pensions' Customer Information Systems' Live Services for the incorrect data to be removed. (The National Insurance Contributions Office told us that they contacted Customer Information Systems' Live Services about this on 21 July 2008, but Customer Information Systems' Live Services told them that the incorrect address was no longer live, so they took no further action.)²¹

57 On 4 August 2008 the National Insurance Contributions Office wrote to Ms M's Member of Parliament. They said that they had carried out an in-depth investigation and found that on 19 December 2007 Ms M's address had been amended incorrectly (to Mr A's address), but it had been changed back to the correct address the same day. They said that, because the incorrect address had been removed from the computer system the same day, they could not find out how the change had happened but they '*assumed*' that an amendment had been made to another department's computer system which, in turn, had updated their system.

58 The National Insurance Contributions Office said that there was no way of establishing which government agency was responsible for the incorrect change to Ms M's address. They apologised and said that they accepted that this was very unsatisfactory, but said they had done all they could to find out what had happened. The Member wrote to Ms M, updating her on what had happened and enclosing a copy of the National Insurance Contributions Office's letter.

59 According to the National Insurance Contributions Office's records, Ms M's Member of Parliament also telephoned them about how

the wrong address had come to be on Ms M's account. In response to that further enquiry, the National Insurance Contributions Office wrote to the Member of Parliament addressing the questions she had asked. They confirmed that the Tax Credit Office did not automatically tell a customer when an amendment had been made to their account. They said that the Tax Credit Office had told them that Mr A's address had been used only in respect of Ms M's joint claim with Mr A, as explained in their letter of 12 March 2008. (This was wrong; the Tax Credit Office had sent Ms M's annual declaration and renewal for her single claim to Mr A in June 2007.) Finally, the National Insurance Contributions Office said they were unable to say for certain that the update on 19 December 2007 had been a clerical error, but it was likely. They offered an assurance that Mr A's address had been removed from Ms M's National Insurance and tax credit accounts.

Child Support Agency

60 The Child Support Agency replied to Ms M's Member of Parliament explaining briefly how the Department for Work and Pensions' Customer Information System worked. They said that the Customer Information System, which had replaced the Departmental Central Index, had amended the Child Support Agency's records on 19 December 2006, changing Ms M's address to that of Mr A. They said that the address information had been supplied to their system by the National Insurance Contributions Office. They said that, as a result, they had sent a letter meant for Ms M to Mr A's address, which meant that Mr A had received information about Ms M and her ex-husband (who was

²¹ On 20 August 2009.

not Mr A). They said that, once this error had come to light (when Ms M telephoned them on 11 October 2007), they had corrected their records immediately and this, in turn, had updated the Customer Information System. They said they had agreed an additional security measure with Ms M. The Child Support Agency said that they had contacted Ms M about that, and said that they would support any application for a late appeal, if Ms M wished to challenge the change to her child support maintenance. (Because Ms M had not received the letter intended for her, she had missed the deadline for appealing against the reduction in her child support maintenance.)

- 61 The Child Support Agency went on to say that they had no reason to doubt the information supplied to them by the Customer Information System and that the matter of redress was the responsibility of the government agency that had made the error. They said that if the government agency responsible did not resolve the matter to Ms M's satisfaction, she could take the matter to the Information Commissioner. (Ms M told us that she did approach the Information Commissioner's Office but they were unable to help because, by then, the incorrect data had been corrected.) The Child Support Agency accepted, however, that they had delayed providing Ms M with a copy of the decision reducing her child support maintenance. They apologised for this and said that they would send her £25 in recognition of that.

- 62 Ms M made a late appeal against the reduction in child support maintenance from her ex-husband. This was successful. The Child Support Agency added the additional maintenance due to her as a result of her appeal to the arrears already owed by her ex-husband.²²

Department for Work and Pensions – Jobcentre Plus

- 63 Jobcentre Plus replied to Ms M's Member of Parliament, explaining that they had checked all of Jobcentre Plus's computer system records going back to 2005, and had found no evidence that Jobcentre Plus had changed Ms M's address details. Jobcentre Plus said that HM Revenue & Customs had told them that Ms M's address had been changed '*as part of an overnight update process between two of our computer systems and as such there is no auditable record of the event having taken place*'.

Ms M approaches the Ombudsman

- 64 Ms M, on reading the explanations and assurances provided by the various agencies involved and finding them to be unsatisfactory, asked her Member of Parliament to refer the matter to the Ombudsman.

²² On 23 July 2008 Ms M's appeal was successful. As a consequence her weekly child support payments were revised from £21.42 to £32.95 (an increase of £11.53 per week) from 20 April 2007, the effective date of the maintenance review completed without her knowledge (paragraph 31).

Section 4: The investigation

- 65 In the course of our investigation we made enquiries of the Cabinet Office, as the central sponsor for information assurance across government departments, HM Revenue & Customs, the Child Support Agency, and the Department for Work and Pensions. We considered their responses together with the papers Ms M's Member of Parliament submitted with the complaint. We also examined the files of HM Revenue & Customs, the Child Support Agency, and the Department for Work and Pensions, their computer records, and their internal and external guidance on information sharing. We also considered the information and comments provided by Ms M over the telephone and in writing.
- 66 We gave the Cabinet Office, HM Revenue & Customs, the Child Support Agency, and the Department for Work and Pensions the opportunity to comment on a draft version of this report and I have taken their comments into account in coming to my final decision.
- 67 We gave Ms M the opportunity to comment on a draft version of this report and I have taken her comments into account in coming to my final decision.
- 68 I have not included in this report all of the information and comments considered in the course of the investigation but I am satisfied that nothing of significance to the complaint and my findings has been omitted.

What the investigation found

How I think the incorrect change to Ms M's address occurred

- 69 HM Revenue & Customs' Customer Operations and their National Insurance Contributions Office and the Department for Work and Pensions' Jobcentre Plus have checked their records for the period in question. They say that they have found no correspondence from Mr A that was linked to, or would have impacted on, Ms M in any way, and I have no reason to doubt that that is true.
- 70 Ms M told us that she thought it unlikely that Mr A would have told the Tax Credit Office about his change of address. She thought that the National Insurance Contributions Office was a more likely source of the 'paper' document that the Tax Credit Office had received (paragraph 23), leading to the incorrect amendment to her records. She said that seemed more likely, because the timing of the amendment tied in with Mr A starting a new job. That seemed to be a possible explanation and, in order to assess whether it was the most likely one, we asked HM Revenue & Customs and the Department for Work and Pensions some further questions about how information is shared.
- 71 HM Revenue & Customs said that the only notification they receive when someone starts a new job is either form P45 (from the previous employer) or form P46 (from the new employer). Both of those forms are submitted in hard copy and there is no reason to send either form to the Tax Credit Office. The Department for Work and Pensions said that they do not send paper documents to the Tax Credit Office when one

of their customers starts work. When they pass information to HM Revenue & Customs, they do that via their computer system or by telephone.

- 72 That suggests to me that, whilst Ms M's suggestion is entirely plausible, it is unlikely to be correct. Although the evidence is not absolutely conclusive, I think it most likely that Ms M's address was changed as a result of an inputting error by the Tax Credit Office in December 2006, rather than as a result of the National Insurance Contributions Office passing information to the Tax Credit Office.
- 73 The Tax Credit Office had a clear reason to have linked Ms M's and Mr A's details as they had very recently had a joint claim for tax credits. The Tax Credit Office have told us that, when an officer accesses their computer system to amend details on a joint tax credits claim, the system automatically brings up the screen showing the first applicant's (Applicant 1's) personal details. Therefore, if the details that need to be changed relate solely to the second applicant (Applicant 2), the officer responsible for making the amendment must deliberately access a different screen to amend the second applicant's details. Ms M was listed as Applicant 1 on the joint claim, while Mr A was listed as Applicant 2. If the paper document received by the Tax Credit Office on 7 December 2006 was notice of Mr A's new address – which seems likely – the officer responsible for amending the records may have changed Ms M's address details by mistake, rather than accessing the separate screen with Mr A's address details as Applicant 2. This would

have meant that all subsequent correspondence intended for Ms M relating to her joint tax credit claim would have been sent to Mr A.

- 74 The incorrect change to Ms M's address on her joint tax credit claim would then have been picked up by HM Revenue & Customs' computer system and passed on to the other departments²³ linked in to the computer network. That would have updated the Child Support Agency's and the Department for Work and Pensions' systems with the incorrect address for Ms M.
- 75 I cannot be sure that this is what happened but I can think of no other explanation for how the incorrect address for Ms M occurred. As far as I am aware, no other part of the wider governmental computer network had any reason to hold a computer record connecting Ms M and Mr A.

How the error in Ms M's address came into the Department for Work and Pensions' records

- 76 The Department for Work and Pensions told us that it was their Departmental Central Index, and not their Customer Information System, which incorrectly amended Ms M's address records. The Department for Work and Pensions told us that Ms M's live address on their Customer Information System has been correct since 23 August 2006, when she moved to her current address. They said

²³ HM Revenue & Customs' Citizens Identity Database system passed the incorrect address for Ms M to HM Revenue & Customs' Taxpayer Business System and the National Insurance Contributions Office's National Insurance Recording System. The National Insurance Recording System then passed the incorrect address to the Department for Work and Pensions' Departmental Central Index (the Customer Information System's predecessor), which passed it to the Child Support Agency's computer system.

that their Customer Information System has only ever shown an incorrect address for Ms M in its record of her address history. This is corroborated by the National Insurance Contributions Office's records, which indicate that on 19 December 2007 HM Revenue & Customs' Citizens Identity Database notified the Department for Work and Pensions' Customer Information System, via the National Insurance Recording System of an 'historical' update to Ms M's address. The Child Support Agency's records from the Department for Work and Pensions' Customer Information System show an entry in Ms M's record changing her address to that of Mr A with a start and end date of 19 December 2007. It is not clear from the Child Support Agency's records whether this change had any impact on Ms M's live address. The Department for Work and Pensions say that in January 2008 their Customer Information System listed the 19 December 2007 update in Ms M's address history only. There is no evidence to suggest that this update affected the live address held for Ms M by any government department.

77 The Child Support Agency's investigations into Ms M's complaint also indicated that the original incorrect address update came to them via the Department for Work and Pensions' Departmental Central Index and that the Departmental Central Index was updated by the National Insurance Recording System. Any reference the National Insurance Contributions Office made to the Department for Work and Pensions' Customer Information System in their correspondence with Ms M and her Member of Parliament in relation to the December 2006 update should have been to the Departmental Central Index.

78 As the Departmental Central Index is no longer an active system and, provided that Ms M's address details have always been and remain correct on the Customer Information System, any repeat of the problems Ms M has experienced is unlikely. If – as I believe – the incorrect address update was due to an inputting error by the Tax Credit Office on the joint claim Ms M made with Mr A, then it is unlikely there will be any repeat of this problem as the joint tax credits claim details have been corrected and the claim is now closed.

79 Our investigation has uncovered no evidence to indicate that Ms M and Mr A's records are linked on any live claim or live record on any of the computer systems managed by HM Revenue & Customs, the Child Support Agency or the Department for Work and Pensions.

How the error in Ms M's address was corrected

80 The Child Support Agency have told us that all records of the original change to an incorrect address for Ms M have been removed from their system. Their computer system screen prints show an initial start date for Ms M's current address of 23 August 2006 and an end date of 14 December 2006. There is then a gap in the record and a later start date of 11 October 2007 for the current address, which has remained on their system ever since. Therefore, it appears that the Child Support Agency amended Ms M's address as a result of her telephone call to them on 11 October 2007. This change would then have updated the Department for Work and Pensions' Departmental Central Index and their Customer Information System; and passed on the correct address for Ms M to all the other systems that held a record for her that were

linked into the Departmental Central Index and the Customer Information System. As a result, from 11 October 2007, all live details held for Ms M appear to have been correct.

Section 5: My findings of maladministration and injustice

Maladministration

The shared responsibility of HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions

- 81 None of the departments and agencies involved in this complaint accepted responsibility for what has happened to Ms M until the Ombudsman became involved. They did not accept responsibility for the presence of the erroneous data; they did not demonstrate a willingness to investigate matters further; and they appear to have been unable to rectify the problem they had created. While public bodies have improved information assurance (as a consequence of the Cabinet Office's initiatives set out at Annex B) since October 2007, when Ms M first discovered the problem, the focus of that work appears to have been largely on preventing a breach, rather than on dealing with the consequences.
- 82 My first concern is that the network of computer systems used by HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions can make changes to an individual's personal data without the individual's knowledge or consent, yet an interrogation of that same network of systems cannot now locate the source of any errors made. It seems that we will never be able to establish for certain what went wrong and why. While I recognise this may be a rare occurrence and that the original mistake was likely to have been the result of an inputting error, I am concerned that there is no provision for users to identify retrospectively and rectify those human errors which will occur from time to time. This does not sit well with the Principle of *'Being open and accountable'*.
- 83 My second concern is that, at some point during the time Ms M was pursuing her complaint, it might have been possible to find out what had happened and to explain to Ms M why things went wrong. That opportunity was missed. None of the agencies involved was willing or able to take on responsibility for investigating Ms M's complaint holistically, so the matter remained unresolved.
- 84 While HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions have computer systems that are networked and communicate with one another, the agencies themselves clearly do not. No single agency took responsibility for looking at those problems that cut across their organisational boundaries and their respective computer systems. Each agency focused on their own territory and their responsibility for the maintenance and interrogation of their own systems. Once data (incorrect or otherwise) left their system, they took no further interest. Each of the agencies blamed another for the original mistake and took the view that, as the mistake had been disseminated by *'the system'* it was not their responsibility and there was nothing they could do.
- 85 This failure by HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions to work together in order to identify what had gone wrong and to resolve Ms M's complaint falls far short of the Ombudsman's Principles of *'Being customer focused'* and *'Putting things right'*. It amounts to maladministration and public service failure.

The particular responsibilities of HM Revenue & Customs

The Tax Credit Office

- 86 The Tax Credit Office found, during the course of our investigation, that a department within HM Revenue & Customs had received a paper document on 7 December 2006 relating to Ms M and Mr A's joint claim and that this may have been linked to the change to Ms M's address. It is not clear why this came to light only after Ms M had brought her complaint to the Ombudsman, rather than when Ms M first complained to the Tax Credit Office. Nevertheless, if HM Revenue & Customs had kept that document or made a proper note of it on their computer system, that might have explained what had gone wrong and given Ms M the reassurance she sought that the problem had been rectified and would not happen again.
- 87 The Tax Credit Office sent two documents intended for Ms M to Mr A – her final award notice for her joint claim and her annual declaration and renewal pack for her single claim. These documents contained personal information about Ms M and should not have been sent to Mr A. The Tax Credit Office appear to have been confused about what they actually sent to Mr A. I can see no evidence that the Tax Credit Office have apologised or accepted responsibility for sending Ms M's personal data inappropriately to Mr A.
- 88 When Ms M made the Tax Credit Office aware that there was a problem with her address, they did not take the necessary action to correct her address details. If they had done so, this would have corrected their database and, consequently, the Child Support Agency's computer system. If the Tax Credit Office had acted sooner, the Child Support Agency would not have sent information about Ms M's child maintenance to Mr A's address.
- 89 When the Tax Credit Office arranged a meeting at Ms M's local Enquiry Centre for her to sort out her complaint, the local office initially told her they could not help her. As the Tax Credit Office had arranged the appointment for Ms M, they should have known what her complaint was about and been ready to help her. I have seen no acknowledgement or apology for this poor customer service from the Tax Credit Office or the local Enquiry Centre.
- 90 Once Ms M had given details of her complaint, it took the Tax Credit Office over a month to contact her. It is not clear why it took them so long, and it was far in excess of their commitment to her to reply within 15 days. When the Tax Credit Office did contact Ms M, they promised her compensation but failed to send it until February 2008, some three months later. They have offered no explanation for this.
- 91 Ideally, when the Tax Credit Office first learnt in February 2007 that their computer system held incorrect data about Ms M and that they had inadvertently disclosed that data to a third party, they should have rectified Ms M's records immediately. They should have told her about the problem, apologised for the error (regardless of which department was responsible for it), and assured her that they would rectify the situation without inconveniencing her further. The Tax Credit Office should then have notified all of the linked departmental systems of the error and taken steps to establish how it had occurred. That did not happen. Nor did it happen when the Child Support Agency discovered the error in October 2007.

92 The Tax Credit Office's disclosure of Ms M's personal information to Mr A, their failure to amend Ms M's address details after they became aware they were incorrect, their failure to investigate Ms M's complaint in full, and their poor complaint handling all amount to maladministration.

claim. While I appreciate that this information may have been given to them by the Tax Credit Office, it was not correct.

96 This combination of errors in the National Insurance Contributions Office's handling of Ms M's complaint amounts to maladministration.

The National Insurance Contributions Office **Injustice**

93 When the National Insurance Contributions Office first looked into Ms M's complaint they said that their National Insurance Recording System showed the correct address; this was wrong. When asked to look at the complaint again by Ms M's Member of Parliament, they looked at data for the wrong period. Had they looked at the computer records for the relevant period of time, the audit trail might have revealed the origin of the incorrect amendment. As the two-year deadline for obtaining an audit trail from the computer system has now passed, we will never know whether a more extensive search could have found the source of the problem and provided Ms M with the assurance she seeks.

97 This situation has caused Ms M stress, worry and upset. She has had to spend time making telephone calls, writing letters and visiting various government bodies to try and sort out these problems. Ms M told us that she had to take days off work to visit her Member of Parliament, her local Jobcentre Plus office and the HM Revenue & Customs' Enquiry Centre, and to make telephone calls she did not feel she could make from her place of work.

98 The Tax Credit Office's disclosure of Ms M's confidential financial information to the very person from whom she had sought to distance herself because of her doubts about his financial probity caused her a great deal of anxiety and distress. Ms M has told us she feels humiliated that Mr A knows she is in financial difficulty and that he has had the opportunity to see information about her salary and bank account.

94 It is also unclear why the National Insurance Recording System shows no history of the incorrect changes to Ms M's address. It appears that this data has been removed, but the National Insurance Contributions Office is unable to say why or by whom. I am concerned that such data can be removed without any record or explanation.

99 The local Enquiry Centre's failure to deal with Ms M properly, when she took time off work to discuss the matter with them in person, and the National Insurance Contributions Office's failure to engage fully in helping Ms M resolve her difficulty, compounded her distress and caused her to incur unnecessary costs.

95 I am further concerned that the National Insurance Contributions Office gave incorrect information to Ms M in their letter of 18 September 2008 when they said that Mr A's address was used only in respect of her joint

100 The Tax Credit Office's failure to supply Ms M with the information she had requested, their

failure to take responsibility for the fact that they had twice sent information intended for Ms M to Mr A's address, their exceptionally poor complaint handling, their failure to work with the Child Support Agency or the Department for Work and Pensions to resolve her data assurance problem, and their failure to correct Ms M's details once they knew there was a problem (which resulted in the Child Support Agency sending important correspondence to the wrong address) also caused Ms M distress.

¹⁰¹ When Ms M asked for a copy of the letter the Child Support Agency had sent to Mr A's address, the Child Support Agency took five months to send it to her. That, in turn, delayed the reassessment of her child maintenance. And the Child Support Agency's failure to approach HM Revenue & Customs or the Department for Work and Pensions about the complaint, despite their apparent awareness that the erroneous data had come from one of those organisations' systems, meant that Ms M had to take time off work to remedy the situation in private, inconveniencing her even more. While Ms M's child support payments have not been delayed by the Child Support Agency's tardiness (because her child support maintenance payments from the non-resident parent were in arrears anyway), I do not think that the Child Support Agency's £25 compensation payment was anywhere near sufficient acknowledgement of the extent of inconvenience they had caused her.

¹⁰² The Department for Work and Pensions clearly took Ms M's enquiries about the erroneous information seriously at a local level. However, their failure to accept responsibility for the information about her held on, and propagated by, their old database (which was still active during the period relevant to Ms M's case) and

their failure to take a proactive role in resolving matters alongside HM Revenue & Customs and the Child Support Agency, further contributed to Ms M's anxiety and distress, and caused her further inconvenience and expense.

¹⁰³ Ms M has suffered significant injustice in the form of expense, inconvenience and distress as a consequence of maladministration by HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions.

¹⁰⁴ Ms M is also suffering an ongoing injustice as a consequence of maladministration by HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions. Ms M told us that her ultimate objective in pursuing her complaint was to have peace of mind that the source of the problem has been found and resolved so that she can be assured the same problem will not happen again. She says that currently, these problems are always in the back of her mind. She is worried that when Mr A moves house again, her address will be changed incorrectly to his and she will experience the same difficulties all over again. Ms M is, understandably, particularly frustrated that her main objective in pursuing her complaint cannot now be met, namely to understand what went wrong and by doing so, to know that it will not happen again. Without this understanding, Ms M continues to live with the uncertainty of what might happen if Mr A moves house again.

¹⁰⁵ I have found that Ms M has suffered injustice as a consequence of maladministration and that that injustice has not been remedied. I turn now to my recommendations for remedy.

Section 6:

My recommendations for remedy

Introduction

106 As I have explained above, I have found that Ms M suffered injustice as a consequence of maladministration and that that injustice has not been remedied. I have applied my Principles for Remedy in making my recommendations for remedy, which are set out below.

107 I have also taken into account what Ms M told us she was seeking by way of remedy. Ms M said that she wanted to be compensated for the expense and inconvenience she experienced and the humiliation she has suffered through the wrongful disclosure of her private information. Ms M said that, in future, she would like the bodies complained about to write to her first if they intend to change her address details. She also said that, instead of asking her to remember security passwords, which only makes life more difficult for her, she would like to agree a single question that only she would be able to answer.

108 I believe that HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions are jointly responsible for the injustice experienced by Ms M but I see no sense in trying to apportion the responsibility for putting things right. Therefore, I am recommending that HM Revenue & Customs, the body whose actions lay at the heart of the problem, should take the lead in initiating action to avoid a repetition of the maladministration I have identified. In framing my recommendations in this way, my aim is to ensure that Ms M is not further inconvenienced or distressed by a repeat of the disparate approach taken to resolve her complaint to date.

Putting things right for Ms M

109 To recognise and remedy the injustice that has resulted from the maladministration I have identified, I recommend that within four weeks of the issue of this report:

- The Permanent Secretary of HM Revenue & Customs apologises on behalf of all of the bodies involved:
 - for the collective failure to investigate Ms M's complaint properly;
 - for the failure to adopt a co-ordinated approach to resolving Ms M's complaint;
 - for the failure to provide an appropriate explanation and remedy for their mistakes; and
 - for the impact of all of that maladministration on Ms M.
- HM Revenue & Customs pay Ms M £2,000 in recognition of all the injustice flowing from the maladministration identified in this report.
- HM Revenue & Customs check every database they own to ensure that Ms M's address is now correctly recorded and that there is no link on any of their systems between Ms M and Mr A.
- HM Revenue & Customs liaise with the Child Support Agency and the Department for Work and Pensions to ensure that they too check every database they own to ensure that Ms M's address is now correctly recorded and that there is no link on any of their systems between her and Mr A.

- HM Revenue & Customs write to Ms M on behalf of all the bodies to confirm when the actions I have recommended at (3) and (4) above have been taken.
- HM Revenue & Customs co-ordinate action amongst the bodies involved to explore how they might implement Ms M's suggestion that she be asked a memorable question for security, rather than having to remember various passwords; and take responsibility for writing to Ms M confirming the solution agreed by all parties.

Putting things right for the future

HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions

¹¹⁰ In order to address the wider, cross-cutting issues identified as a result of this investigation, I recommend that within three months of the date of the issue of this report:

- HM Revenue & Customs, together with the Child Support Agency and the Department for Work and Pensions and in discussion with the Cabinet Office, agree a customer focused protocol to deal with complaints of this kind, that is, those which cross organisational boundaries and arise from the sharing of information between them, which accords with the practices advocated by the Information Commissioner.²⁴
- HM Revenue & Customs, the Child Support Agency and the Department for Work and

Pensions explain to Ms M, to her Member of Parliament and to the Ombudsman how they intend to take forward the above recommendation and provide a timescale for implementation.

Across government departments

¹¹¹ In order to ensure that there is wider learning across other government departments with similar networked systems, I recommend that within six months of the date of issue of this report:

- The Cabinet Office takes steps to ensure that lessons are learnt from Ms M's experience and from this investigation and that appropriate guidance is disseminated to all government departments.
- The Cabinet Office provides an update on progress to Ms M, to her Member of Parliament and to the Ombudsman.

Comments from the bodies complained about in response to my draft report

HM Revenue & Customs

¹¹² In response to a draft of this report, the Permanent Secretary for Tax wrote to say that HM Revenue & Customs were sorry for the distress their error had caused Ms M.

¹¹³ The Permanent Secretary confirmed that HM Revenue & Customs accept all my recommendations for remedy.

²⁴In the Information Commissioner's documents *Sharing Personal Information: Our Approach and Framework Code of Practice for sharing personal information*, available at www.ico.gov.uk.

114 The Permanent Secretary did explain, however, that it might not be practical to ask Ms M a single memorable question for security purposes, because such a change of procedure would have to apply to all HM Revenue & Customs' customers. He said that HM Revenue & Customs would consider the idea and would write to Ms M once they have done so.

Child Support Agency/Child Maintenance and Enforcement Commission

115 In response to a draft of this report, the Child Support Commissioner wrote to say that he fully accepted that the Child Support Agency had not demonstrated a willingness to investigate the erroneous data input. The Child Support Commissioner said that he was sorry for the obvious distress the matter had caused Ms M and for the impact of sending her financial information to her ex-partner.

116 The Child Support Commissioner said that he was unable to explain why it had taken the Child Support Agency five months to respond to Ms M's request for copies of any correspondence intended for her which the Agency had sent to her ex-partner's address; and said that he wished to apologise to Ms M for that oversight.

117 The Child Support Commissioner said that he would take a personal interest in the progress of the issues identified in my report and would ensure that the Child Maintenance and Enforcement Commission contributed fully to the resolution of the issues highlighted.

Department for Work and Pensions

118 In response to a draft of this report, the Permanent Secretary of the Department for Work and Pensions wrote to say that both he and the Chief Executive of Jobcentre Plus had great sympathy for Ms M regarding the impact of the error on her, however it arose, and fully recognised that all of the bodies she contacted should have responded more effectively. They wished to offer Ms M their personal apologies for all of the upset and distress which these events had clearly caused her.

119 The Permanent Secretary added that both he and the Chief Executive of Jobcentre Plus would take a personal interest in Ms M's case to ensure that her complaint was resolved and that the Department for Work and Pensions learnt from it.

Comments from the Secretary to the Cabinet and the Head of the Home Civil Service in response to my draft report

120 In response to a draft of this report, the Secretary of the Cabinet and the Head of the Home Civil Service wrote to say that he welcomed my report and agreed with me that it raised serious questions about how information assurance procedures had been followed in Ms M's case. He confirmed that the Cabinet Office would take steps to ensure that lessons were learnt from Ms M's experience and this investigation, and that appropriate guidance was disseminated to government departments.

121 The Secretary of the Cabinet and the Head of the Home Civil Service told me that the Ministry of Justice was consulting widely with other government departments on a data sharing

protocol, the aim of which was to help those departments that share personal data by setting out the issues that need to be considered before data sharing can take place. He told me that the Cabinet Office had discussed with the Ministry of Justice the need for the protocol to direct departments to consider how their own complaints procedures will operate before starting to share data.

- ¹²² The Secretary of the Cabinet and the Head of the Home Civil Service said that the Cabinet Office would also work with government departments to ensure that appropriate and more detailed guidance is produced on complaints procedures in relation to data sharing, which would be endorsed and disseminated to government departments via the Cabinet Office's Information Assurance Delivery Group.

Ms M's final comments

- ¹²³ In her response to a draft of this report, Ms M said that trying to sort this problem out had made her very distressed and had impacted on her family life. She felt she could not move on from her separation from Mr A as the address mix-up provided a constant reminder of a very unfortunate episode in her life. Ms M said she was particularly concerned because she took a lot of trouble trying to separate her and Mr A's affairs when they split up so that her credit rating was not adversely affected by his debts. She is still concerned that there may be some link between her and Mr A's affairs within a government department, which may cause her problems again in the future.
- ¹²⁴ Having read the draft report, Ms M commented that she was shocked, to say the least, that agencies she had trusted appeared to have lied to her Member of Parliament, made excuses, and delayed the investigation until such time as an audit trail was no longer available. Ms M said that this left her in a situation where she would never know why the error had happened, she would never have peace of mind that it would not happen again and she would never trust a government agency again. Ms M said that she found all of this '*quite disturbing*' and '*sad*'.

Section 7: Conclusion

- ¹²⁵ I have upheld Ms M's complaint about HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions. I found that their individual and collective failings when handling her personal information amounted to both maladministration and a failure of public service and that as a consequence Ms M suffered, and continues to suffer, injustice.
- ¹²⁶ HM Revenue & Customs, the Child Support Agency, the Department for Work and Pensions and the Cabinet Office have agreed to all my recommendations and the Secretary of the Cabinet and the Head of the Home Civil Service has assured me that the lessons learnt from Ms M's experience will be captured and shared across government.
- ¹²⁷ Ms M has had a difficult and distressing experience and I am not surprised that she says she will never feel able to trust a government agency again. It is true that she will never know for sure how the error happened – but I do think that my investigation has been able to give her a very likely explanation. I can say with confidence that my investigation has uncovered no evidence to indicate that Ms M's and Mr A's records are linked on any live claim or live record on any of the computer systems managed by HM Revenue & Customs, the Child Support Agency or the Department for Work and Pensions. I hope, therefore, that my report will go some way towards giving Ms M the peace of mind she seeks that her experience will not be repeated. Of course, the real test of that will be in how well the public bodies involved learn lessons from Ms M's experience and use them to put things right for the future.

Ann Abraham



Parliamentary and Health Service Ombudsman
January 2011

Annex A:

Legislation enabling data sharing between HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions

HM Revenue & Customs

Schedule 5, paragraph 4 and 5 of the *Tax Credits Act 2002*.

Part VII of the *Social Security Administration Act 1992* as amended in Schedule 6 of the *Social Security (Transfer of Functions) Act 1999*.

Section 3 of the *Social Security Act 1998* (as amended by Schedule 10, paragraph 2 of the *Pensions Act 2004*).

Paragraph 2, Schedule 6 of the *Child Maintenance and Other Payments Act 2008*.

Section 3 of the *Social Security Act 1998* (as amended by Schedule 10 paragraph 2 of the *Pensions Act 2004*).

Child Support Agency

Schedule 2 of the *Child Support Act 1991*.

Regulation 4 of the *Child Support Information Regulations 2008* (SI 2008/2551). Section 3 of the *Social Security Act 1998*.

Sections 121E, 121F and 122 of the *Social Security Administration Act 1992* (sections 121E and 121F were amended by the *Child Maintenance and Other Payments Act* to reflect the transfer of functions).

Schedule 5 of the *Child Maintenance and Other Payments Act 2008*.

Schedule 6 paragraph 2 of the *Child Maintenance and Other Payments Act 2008*.

Department for Work and Pensions

Section 59 and Schedule 56(6) of the *Tax Credits Act 2002*.

Section 121F of the *Social Security Administration Act 1992*.

Section 3 of the *Social Security Act 1998*.

Section 44 and Schedule 6 of the *Child Maintenance and Other Payments Act 2008*.

Paragraph 3, Schedule 6 of the *Child Maintenance and Other Payments Act 2008*.

Annex B:

The Government's strategy for information assurance

- 1 In 2003 the Cabinet Office prepared a *National Information Assurance Strategy*²⁵ framework document for heads of government departments and public bodies, to help them understand the risks associated with information and communications technology.
 - 2 In 2004 the Cabinet Office published *Protecting our information systems*.²⁶ The document set out the Government's approach to dealing with the risks relating to information and communications technology systems for those with security responsibilities within central Government. The key message was that trust and confidence in public sector information systems were essential to ensure the uptake of online public services. With that in mind, it recommended the appointment of Senior Information Risk Owners (SIROs) at board level in all government departments. The SIRO was to be responsible for ensuring information system risk was managed appropriately; the development of good risk management systems and procedures; and the awareness of information security issues to protect the delivery of public services.
 - 3 In September 2006 the government published its *Information sharing vision statement*.²⁷ The statement said that the government recognised that the more it shared information, the more important it was that people were confident their personal data was kept safe and secure.
- The government acknowledged that a lot of information was already being shared and that the sharing might grow.
- 4 In June 2007 the government updated the original *National Information Assurance Strategy*.²⁸ The document broadened the government's original approach to focus on three main objectives. To achieve the first of the objectives, it said that '*Clear board-level ownership and accountability for information risks will be required*' and '*Where information is shared, a single point of risk ownership will be identified*'.
 - 5 In June 2008 the Cabinet Office published *Data Handling Procedures in Government: Final Report*.²⁹ The review into cross-government data handling procedures put in place measures to improve the way in which government departments manage and handle personal data. Among those measures were that all government departments would:
 - deliver a basic level of training to all data users to be completed on appointment and annually;
 - ensure that every information system had a Senior Responsible Owner (SRO)³⁰ with responsibility for managing the associated risks;

²⁵ Information assurance is defined for the purposes of this report as '*the confidence that information systems will protect the information they handle and will function as they need to, when they need to, under the control of a legitimate user*'.

²⁶ This document was the public-facing version of the Government's 2003 *National Information Assurance Strategy*.

²⁷ www.foi.gov.uk/sharing/information-sharing.pdf.

²⁸ Cabinet Office publication, *A National Information Assurance Strategy*.

²⁹ www.cabinetoffice.gov.uk/ogcio/isa/publications/data_handling.aspx.

³⁰ The Senior Responsible Owners for HM Revenue & Customs, the Child Support Agency and the Department for Work and Pensions, are currently: Phil Pavitt, Chief Information Officer; Simon McKinnon, Information and Technology Director; Terry Moran, Chief Executive, Pensions, Disability and Carers Service respectively.

- report to the Cabinet Office each financial year a summary of protected personal data-related incidents formally reported to the Information Commissioner;
 - report to the Cabinet Office each financial year a summary of centrally recorded protected personal data-related incidents not formally reported to the Information Commissioner;
 - report to the Cabinet Office each financial year a summary statement of actions to manage information risk; and
 - issue an Information Charter³¹ setting out the standards that people can expect when a department holds personal information, how an individual can access their personal data, and what an individual can do if they do not think that standards are being met.
- 6 In June 2008 the Cabinet Office also published details of an independent review of government information assurance.³² The report identified actions which would help the government deliver its vision of joined-up government and data sharing (Annex B, paragraph 3). In essence, the review found that information assurance within departments was progressing, but new thinking and new mechanisms needed to be put in place. Of relevance to the issues raised by Ms M's case are the recommendations that government should:
- create a vision for information assurance laying out for citizens and stakeholders what
- it considers are acceptable parameters for the sharing, management, and protection of information held and managed by government departments;
- create clear rules on security across government and define minimum standards;
 - enable independent monitoring for compliance; and
 - measure security to a defined standard by mandating the reporting of incidents to an independent organisation responsible for capturing incidents and ensuring investigations are concluded and lessons are learnt.
- 7 In July 2008 Richard Thomas, the then Information Commissioner, and Dr Mark Walport, the Director of the Wellcome Trust, presented the government with their recommendations on the use of personal information in the public and private sectors in the *Data Sharing Review Report*.³³ The report made 14 recommendations. It concluded that all organisations sharing significant amounts of data should: clarify their corporate governance arrangements; publicise their privacy policies; ensure their privacy policies included details of why an organisation held personal information, how it would be used, who would be able to access it, who it would be shared with, and how long it would be kept; and review and enhance the training given to staff on how to handle personal information.

³¹ HM Revenue & Customs introduced an Information Charter in November 2009, the Child Support Agency had already introduced an Information Charter in 2005 and the Department for Work and Pensions introduced an Information Charter in December 2008.

³² The *Coleman Report* commissioned by the Cabinet Office, June 2008.

³³ In October 2007 the government commissioned them to conduct a review.

8 In January 2010 the Cabinet Office issued the government's first annual report on protecting information within government departments.³⁴ The report outlined the progress made by government departments to manage information risk since 2008. It confirmed that the mandatory measures put in place at that time (Annex B, paragraph 5) had been achieved across government departments and said:

'Should a loss or compromise of information occur, departments are now required to have a process to ensure that it can be dealt with as speedily and efficiently as possible. These processes focus on reducing any risk to those involved, minimising any impacts, swiftly learning lessons and implementing change where necessary.'

9 On 8 October 2010 the Information Commissioner's Office launched a consultation on a new statutory code of practice on the sharing of personal data. The consultation runs for 12 weeks, ending on 5 January 2011. The draft code sets out a model of good practice for public, private and third sector organisations, and covers routine data sharing, as well as one-off instances where a decision is made to release data to a third party. The code covers a number of areas including:

- what factors an organisation must take into account when coming to a decision about whether to share personal data;
- the point at which individuals should be told about their data being shared;

- the security and staff training measures that must be put in place;
- the rights of the individual to access their personal data;
- and when it is not acceptable to share personal data.

³⁴ *Protecting Information in Government* January 2010 is available at www.cabinetoffice.gov.uk/media/328380/protecting-information.pdf.

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Annex C: The computer systems

HM Revenue & Customs' Citizens Identity Database

This system shares data across HM Revenue & Customs. It passes on any updates relevant to other government departments to the National Insurance Contributions Office's computer system for onward transfer to the Department for Work and Pensions' Customer Information System or Departmental Central Index (Annex D). A chronological record of Citizens Identity Database activities enables the reconstruction and examination of any changes made to an individual's data for up to 90 days after a change has taken place. This is known as obtaining an audit trail. It is for each individual business system within HM Revenue & Customs (that is, the Tax Credit Office, Customer Operations or the National Insurance Contributions Office) to obtain an audit trail when one is needed.

HM Revenue & Customs' National Insurance Recording System

This computer system is owned and managed by the National Insurance Contributions Office. It receives updates from other HM Revenue & Customs systems via the Citizens Identity Database system. It acts as an interface between HM Revenue & Customs and the Department for Work and Pensions, transferring data between HM Revenue & Customs and other government departments. It is possible to carry out and obtain the results of an audit trail going back two years on this system. An amendment made directly on to the National Insurance Recording System by a National Insurance Recording System user would be traceable through the audit trail. However, where the National Insurance Recording System has been updated via the Citizens Identity Database system, it may not be possible to identify who made the amendment even with an audit trail. All historical data is normally stored on the National Insurance

Recording System; although it can be deleted, it is not the National Insurance Contributions Office's normal practice to do so.

HM Revenue & Customs' National Tax Credit System

The National Tax Credit system is linked to all other HM Revenue & Customs systems internally via the Citizens Identity Database. Any data transferred from the National Tax Credit to the Citizens Identity Database, which may be relevant to other government departments, is passed on via the Citizens Identity Database to the National Insurance Recording System and then on to the Customer Information System (and previously the Departmental Central Index).

The Department for Work and Pensions' computer systems

Prior to 2005, the Department for Work and Pensions had two key customer information systems: the Personal Details Computer System and the Departmental Central Index. The Department for Work and Pensions replaced these two systems with the Customer Information System between March 2005 and October 2008 with the final migration of data between late 2007 and early 2008. This meant that the previous Departmental Central Index and the replacement Customer Information System systems were running concurrently for some time. The Customer Information System database holds over 90 million records of everyone with a National Insurance number. It is now the primary source of personal details within the Department for Work and Pensions.

Annex D: The network of computer systems

