

## WEEKLY DATA PRIVACY ALERT 21 JULY 2014

# Law Commission Recommends Wholesale Reform of Laws on Data Sharing by Public Bodies

The Law Commission has published a report recommending that the UK government order a full-scale review of the existing law around data sharing between public bodies. The report identified that public bodies currently do not understand when they can legally share data with one another. It recommends that a full law reform project be undertaken by the Law Commission, together with its equivalent bodies in Scotland and Northern Ireland, to clarify, simplify and modernise the law in this area, balancing privacy rights with the need for efficient public services.

Law Commission Report: Data Sharing by Public Bodies, 11 July 2014

### **ICO's Annual Report Shows Record Number of Complaints**

The Information Commissioner's Office (ICO) has published its Annual Report 2013/14 which shows that it handled a record number of complaints in the last financial year. The report shows that the ICO dealt with 259,903 calls to its helpline and resolved 15,492 data protection complaints, an increase in both cases of more than 10% on the previous financial year. The report concludes by highlighting concerns around the need for future sustainable funding, in light of the ICO's increasing workload, the need to strengthen the ICO's powers, to allow for the audit of any and all data controllers, and the need for the Information Commissioner's relationship with Parliament to be formalised so as to guarantee the regulator's independent status.

Information Commissioner's Annual Report and Financial Statements 2013/14

### ICO's New Big Data Guidance

The ICO has indicated that it will publish guidance for businesses on data protection compliance around Big Data. Speaking at an event coinciding with the publication of the ICO's Annual Report, the ICO's Deputy Commissioner said that the application of new technology was raising more data protection issues. He said that big data raised significant privacy issues and that there would, therefore, be a big data publication from the ICO "shortly".

Information Commissioner's Annual Report and Financial Statements 2013/14

#### **Data Retention and Investigatory Powers Bill**

The Data Retention and Investigatory Powers Bill is being considered by the UK Parliament. The Bill has been introduced in response to a recent European Court ruling which invalidated the Data Retention Directive. There has been uncertainty across Europe as to whether the effect of this ruling was also to invalidate national member state legislation implementing the Directive. This Bill is intended to fill the gap in the event that the UK's implementing legislation is indeed invalid. The Bill is an emergency piece of legislation and is expected to receive Royal Assent before the Parliamentary summer recess at the end of July.

parliament.co.uk - The Data Retention and Investigatory Powers Bill 2014-15

## FCA Requires Increased Real-Time Data Sharing In High-Cost Short-Term Credit Industry

In a recent consultation paper, the Financial Conduct Authority (FCA) has encouraged the use of real-time data sharing by participants in the high-cost short-term credit industry (including payday lending). The FCA's view is that real-time data sharing leads to more accurate assessments of whether individual consumers can afford the loan they are seeking and, therefore, better lending decisions. The FCA has said that it expects to see the "vast-majority" of firms in this market participating in real-time data sharing by November of this year (being 90% of market participants) and the "vast majority" of loans being reported in real time. This will be monitored and if these standards are not met then the FCA will consider introducing specific data-sharing requirements..

Financial Conduct Authority: Proposals for a price cap on high-cost short-term credit, July 2014

#### **New Information Sharing Powers for Ofcom**

New legislation has given Ofcom the power to share information on nuisance calls with other regulatory bodies, including the ICO. The Communications Act 2003 (Disclosure of Information) Order 2014 is part of the government's wider action plan to tackle nuisance calls. Removal of the restrictions on information sharing is intended to help reduce the number of nuisance calls made. As well as the ICO, Ofcom may also share information with the FCA.

The Communications Act 2003 (Disclosure of Information) Order 2014, July 2014

For further information on any of these items, please contact Mark Gleeson, Partner (Barrister), in our London office, specialising in data protection, privacy and freedom of information.

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