

Title: Introduction of new powers for bodies to disclose identified data for the purpose of improving public service delivery IA No: Lead department or agency: Cabinet Office Other departments or agencies: HMRC, CLG, DfE, DECC, DWP	Impact Assessment (IA)	
	Date:	
	Stage: Development/Options	
	Source of intervention: Domestic	
	Type of measure: Primary legislation	
Contact for enquiries: Jessica.Adkins@cabinetoffice.gov.uk		

Summary: Intervention and Options	RPC Opinion: Not Applicable
--	------------------------------------

Cost of Preferred (or more likely) Option			
Total Net Present Value	Business Net Present Value	Net cost to business per year (EANCB on 2009 prices)	In scope of One-In, Two-Out? Measure qualifies as
£m	£m	£m	Yes/No In/Out/zero net cost

What is the problem under consideration? Why is government intervention necessary?

To ensure that services are tailored to citizens' needs and that public resources are used efficiently public authorities need access to accurate data, some of which is held by other parts of the public sector. Where there is no legal gateway to share this information public authorities can't deliver this. The impact on citizens includes services delivered retroactively, instead of proactively; the most vulnerable not being offered services because the public authority doesn't know who they are; and inefficient use of tax payers money to set up resource intensive new gateways. Over the last ten years multiple specific data sharing gateways have been developed through primary legislation in response to this.

What are the policy objectives and the intended effects?

The policy objective is to improve service delivery to citizens by ensuring that public authorities have the data they need to tailor public service delivery: to offer the right service to the right person, when they need it. The policy is intended to enable this by giving public authorities a constrained ability to share data, where there is a clear benefit to citizens, and thus enable them to respond quickly and efficiently to changing social needs.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

1) Option 1 – Do nothing: The status quo would be maintained, creating a number of specific statutory gateways, where there is a need for them.
 2) Option 2 - Providing for a broad, Government-wide presumption to share data through legislating.
 3) Option 3 - Non-legislative work to change the culture around data sharing in the public sector.
 4) Option 4 (preferred option) - Introduce new legislation which enables the sharing of data between public authorities for the purposes of improving public service delivery. This approach delivers improved services in a manner which balances the protection of personal privacy and flexibility to respond to policy needs in the future. It will create consistency in data sharing across the public sector over time, ensuring that consistent and transparent safeguards are adhered to - it will be transparent both to citizens and public sector staff - and be a step towards simplifying a very complex landscape.

Will the policy be reviewed? It will be reviewed. If applicable, set review date: Month/Year					
Does implementation go beyond minimum EU requirements?				Yes / No / N/A	
Are any of these organisations in scope? If Micros not exempted set out reason in Evidence Base.		Micro No	< 20 No	Small No	Medium No
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)		Traded: N/A		Non-traded: N/A	

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible SELECT SIGNATORY: _____ Date: _____

Summary: Analysis & Evidence

Policy Option 1

Description: Do nothing

FULL ECONOMIC ASSESSMENT

Price Base Year	PV Base Year	Time Period Years	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	High: Optional	Best Estimate:

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate			

Description and scale of key monetised costs by 'main affected groups'

In line with impact assessment guidance the do nothing option has zero costs or benefits as impacts are assessed as marginal changes against the do nothing baseline.

Other key non-monetised costs by 'main affected groups'

In line with impact assessment guidance the do nothing option has zero costs or benefits as impacts are assessed as marginal changes against the do nothing baseline.

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate			

Description and scale of key monetised benefits by 'main affected groups'

In line with impact assessment guidance the do nothing option has zero costs or benefits as impacts are assessed as marginal changes against the do nothing baseline.

Other key non-monetised benefits by 'main affected groups'

In line with impact assessment guidance the do nothing option has zero costs or benefits as impacts are assessed as marginal changes against the do nothing baseline.

Key assumptions/sensitivities/risks	Discount rate	
-------------------------------------	---------------	--

BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m:	In scope of OITO?	Measure qualifies as
Costs:	Yes/No	IN/OUT/Zero net cost
Benefits:		
Net:		

Summary: Analysis & Evidence

Policy Option 2

Description: Providing for a broad, Government-wide presumption to share data through legislating

FULL ECONOMIC ASSESSMENT

Price Base Year 2015	PV Base Year 2015	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	High: Optional	Best Estimate: 0

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate	0	0	0

Description and scale of key monetised costs by 'main affected groups'

N/A

Other key non-monetised costs by 'main affected groups'

It is expected that public sector bodies affected by the legislative change will face one-off familiarisation and training costs associated with the change in legislation. Public sector bodies will also incur administrative costs associated with an increased volume of data sharing requests – this is expected to be most significant under this option as it has the broadest scope for sharing data. However, it is expected that any data sharing burden would be at least partially offset by benefits associated with policy delivery (see below).

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate	0	0	0

Description and scale of key monetised benefits by 'main affected groups'

N/A

Other key non-monetised benefits by 'main affected groups'

Public sector bodies will benefit from a decrease in the administrative costs of sharing data (i.e. staff time in researching or establishing legal data sharing gateways). The public sector and the general public will also benefit from faster and more effective policy delivery enabled through public sector bodies' ability to share data more quickly. The overall magnitude of benefits will depend on the number of future policies that make use of shared data.

Key assumptions/sensitivities/risks

The key risk of a legislative change lies in the possibility of future legal challenge with respect to the Data Protection Act or the Human Rights Act. This is most significant under this option as it enables a wide range of data sharing. Related to this, there is a risk in data loss and associated personal costs to citizens as well as reduced trust in government. A further risk is in incorrect use of data in policy-making.

Discount rate

BUSINESS ASSESSMENT (Option 2)

Direct impact on business (Equivalent Annual) £m:			In scope of OITO?	Measure qualifies as
Costs:	Benefits:	Net:	No	NA

Summary: Analysis & Evidence

Policy Option 3

Description: Non-legislative work to change the culture around data sharing in the public sector

FULL ECONOMIC ASSESSMENT

Price Base Year 2015	PV Base Year 2015	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	High: Optional	Best Estimate: 0

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate	0	0	0

Description and scale of key monetised costs by 'main affected groups'

N/A

Other key non-monetised costs by 'main affected groups'

Public sector bodies will face one-off costs related to the development and implementation of a culture change/training programme. This would involve training delivered to staff who are or could be involved in data sharing. Assuming a successful shift to increasing the level data sharing within the existing legal framework, public sector bodies will also face ongoing administrative costs associated with sharing data, but it is expected that these would be at least partially offset by benefits associated with policy delivery.

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate	0	0	0

Description and scale of key monetised benefits by 'main affected groups'

Other key non-monetised benefits by 'main affected groups'

Assuming a successful shift to increase data sharing within the existing legal framework, public sector bodies will benefit from a decrease in the administrative costs of sharing data (i.e. staff time in researching or establishing legal data sharing gateways where gateways already exist). The public sector and the general public will also benefit from faster and more effective policy delivery enabled through public sector bodies' ability to share data more quickly. The magnitude of these benefits is expected to be lower than under options 2 and 4.

Key assumptions/sensitivities/risks

Discount rate

BUSINESS ASSESSMENT (Option 3)

Direct impact on business (Equivalent Annual) £m:			In scope of OITO?	Measure qualifies as
Costs:	Benefits:	Net:	No	NA

Summary: Analysis & Evidence

Policy Option 4

Description: Introduce new permissive legislation which enables the sharing of data between public authorities for the purposes of improving public service delivery by better tailoring it to citizens.

FULL ECONOMIC ASSESSMENT

Price Base Year 2015	PV Base Year 2015	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	High: Optional	Best Estimate: 0
COSTS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)		Total Cost (Present Value)
Low	Optional		Optional		Optional
High	Optional		Optional		Optional
Best Estimate	0		0		0
Description and scale of key monetised costs by 'main affected groups'					
<p>Other key non-monetised costs by 'main affected groups'</p> <p>It is expected that public sector bodies affected by the legislative change will face one-off familiarisation and training costs associated with the change in legislation. Public sector bodies will also incur administrative costs associated with an increased volume of data sharing requests – these are expected to be lower than under option 2 as data sharing is limited to instances where data is used to improve public service delivery. Again, it is expected that any data sharing burden would be at least partially offset by benefits associated with policy delivery.</p>					
BENEFITS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)		Total Benefit (Present Value)
Low	Optional		Optional		Optional
High	Optional		Optional		Optional
Best Estimate	0		0		0
Description and scale of key monetised benefits by 'main affected groups'					
<p>Other key non-monetised benefits by 'main affected groups'</p> <p>Public sector bodies will benefit from a decrease in the administrative costs of sharing data (i.e. staff time in researching or establishing legal data sharing gateways). The public sector and the general public will also benefit from faster and more effective policy delivery enabled through public sector bodies' ability to share data more quickly. The overall magnitude of benefits will depend on the number of future policies that make use of shared data.</p>					
Key assumptions/sensitivities/risks					Discount rate
<p>The key risk of a legislative change lies in the possibility of future legal challenge with respect to the Data Protection Act or the Human Rights Act. Related to this, there is a risk in data loss and associated personal costs to citizens as well as reduced trust in government. A further risk is in incorrect use of data in policy-making.</p>					

BUSINESS ASSESSMENT (Option 4)

Direct impact on business (Equivalent Annual) £m:			In scope of OITO?	Measure qualifies as
Costs:	Benefits:	Net:	No	NA

Evidence Base (for summary sheets)

Problem under consideration

Public services are under increasing pressure to deliver more with less. To meet the demands of 21st century Britain, public authorities are integrating service delivery and carefully prioritising use of resources. Furthermore, as responsibility is increasingly devolved to local areas that will create new data sharing challenges. To meet these challenges and continue to lead the world in public service delivery, public authorities need access to accurate data, some of which is held by other parts of the public sector.

Traditional methods for sharing data, which involve establishing specific gateways for sharing specific data between specific parties through primary legislation are far too inflexible, slow and limited to keep up with the challenges of public service delivery, and to deliver the continually improving outcomes that citizens demand. The cost is borne by citizens – without access to accurate data public authorities are hindered in their ability to deliver the right service to the right citizen at the right time and public resources that could be spent on front line service delivery are used in understanding the legislative landscape and establishing an appropriate gateway.

A substantial change- underpinned by clear new primary legislation- is required to provide public authorities with a clear legal framework that will ensure they have access to the required data to efficiently deliver high quality, timely services in response to changing social needs.

Rationale for intervention

A clear data sharing power could improve outcomes for citizens by:

- a) enabling the right public service to be offered to citizens when they need it
- b) saving taxpayers' money by streamlining processes; and
- c) making the legislative landscape simpler and more transparent.

There are clear calls to increase the effectiveness and/or the efficiency of current data sharing from across the public sector and some private sector organisations. The Law Commission scoping report, *Data Sharing between Public Bodies*, describes how the law surrounding data sharing is complex, with powers to share data scattered across a very large number of statutes. They may be set out expressly or implied. The report indicated that there are problems in practice and that there are differing interpretations of the law governing the sharing of data. In addition to the complex legal landscape, other issues include a reported lack of flexibility (the difficulty in adapting to changing circumstances in a timely fashion on given legislative processes) and the time taken to create new data sharing relationships. **[DN: the formatting of this para is off – words split between lines]**

To ensure that public services are accurately targeted and delivered to those who most need them when they need them, public authorities need access to relevant and accurate data. Government needs to intervene to ensure that data can move between public authorities in a manner which enables improved outcomes for citizens, makes best use of public resources and protects personal privacy. This will lead to improvements in public service delivery through offering the right citizen the right service at the right time:

The right citizen

Those in need of the service are identified accurately and therefore the citizens most in need are offered the service, and public resources are used to the maximum benefit (an improvement in targeting of service delivery).

The right time

Those in need of the service are identified more quickly and therefore offered the service more quickly (improvement in ability of public sector to respond to changing social needs). For example

this could lead to reduced pressure on emergency services by an increased ability to deliver preventative services.

The right service

Ability to provide support holistically and ensure that individuals are offered the service most helpful to them (sustainable improvement in quality of life)

The policy objective is therefore to improve outcomes for citizens by improving public service delivery. We intend to do this by making it easier for public authorities to share data for this purpose, with legislation which balances the ability to respond in a timely manner to changing policy needs of the future with the protection of personal privacy and democratic accountability. We will ensure that principles of necessity and proportionality are understood and upheld.

The gateway will be 'purposive' (one that is constrained by the purposes for which the data will be used). New powers will be permissive. The gateway will allow public authorities listed in a schedule to share data when it will support delivery of one of the policy objectives (listed in the schedule). Any data shared under this power will need to be in line with the DPA principles (e.g. adequate, relevant and not excessive to the purpose for which they are processed).

Who the policy is meant to apply to

All public authorities. It is permissive, so it will be up to individual organisations to choose to use it.

Description of Options considered

Option 1: Do Nothing:

This option means maintaining the status quo and continuing to establish and use specific gateways for sharing data as required by existing legislation.

In line with IA guidance the 'do nothing' option has zero costs and benefits. The costs and benefits of maintaining the status quo are described below to enable easier understanding of the costs and benefits associated with proposed options for change (options 2-4).

Costs

Whilst such an option can meet an identifiable need it is a timely and resource heavy process. It does not provide public authorities a flexible and constrained solution to the problem, to enable them to respond quickly to social needs, and the resources required to establish specific gateways to share data within the public sector will continue to be used inefficiently. The main costs of this option are:

Administrative cost – public sector bodies (ongoing)

The public sector will continue to face administrative burdens associated with data sharing, especially in establishing specific gateways prior to sharing data. This process involves mainly public sector officials' time in researching the legal framework and negotiating the terms of data sharing, and involves officials in both the sharing and the recipient body. Where a new data sharing gateway needs to be established, this also requires new legislation. The precise process for sharing data or establishing a gateway will vary depending on the dataset in question. Anecdotal evidence from civil service bodies suggests that a new data sharing gateway may take up to several months to negotiate and establish. This is an ongoing cost and its total value will depend on the number and type of future data sharing requests and gateways established.

Policy delivery cost – public sector bodies and the wider public (ongoing). A further cost of the current system is associated with the impact of the time delay in negotiating a data sharing gateway. This may result in delays in launching policy interventions, and therefore delay the benefits policy interventions may bring. Where gateways are not established due to administrative cost reasons (although data sharing is within the bounds of the Data Protection Act and the Human Rights Act), this will result in failure to launch a policy, and benefits associated with the policy will not be realised at all. Policymakers may also fail to tailor policy to target cohorts appropriately and in a timely manner if data is only available with a delay. This represents a cost to the public sector in further staff time, as well as to the wider public in lost policy benefits.

Benefits:

The benefits associated with the option stem mainly from preventing data sharing where this would be outside the bounds of the Data Protection Act or the Human Rights Act, and in preventing possible data loss. Data protection issues are discussed in the risks section. Policy delivery benefits in terms of using data for effective design and targeting of policy will be realized under the status quo where data can be shared between public sector bodies. However, these benefits may often be delayed by data sharing delays or not be realized at all where a new gateway cannot be established within the time frame required, as discussed above.

The costs and benefits of this option have not been monetised at this stage. The consultation will seek to gather data from public sector bodies on the administrative costs of current data sharing arrangements (gateways) in order to assess and monetise the possible benefits of options 2-4. It is unlikely that policy delivery costs in terms of policy delays or failure to launch policy under the current framework will be monetised – these costs are specific to each policy and difficult to quantify.

Option 2:

Providing for a broad, Government-wide presumption to share data

This option operates under the principle that data is an asset for the whole of Government. To maximise the benefits, the proposal would be to allow any public authority under the scope of this legislation to share any data for any purpose, so long as it was for the benefit of the public and was within the bounds of the Data Protection Act and Human Rights Act. This option is similar to option 4 but without the constraints imposed.

Costs:

Administrative costs – familiarisation and training in public sector bodies (one-off)

This option would bring about costs to the public sector in terms of familiarisation with the new legislation. This is likely to include officials' time in reading and understanding the new legislation, disseminating the information and training staff to understand the new rules. It is likely that training costs would affect all staff with access to sensitive data across public sector bodies.

Administrative costs – data sharing in public sector bodies (ongoing)

It is likely that (compared to option 1) broad, government-wide data sharing legislation would result in an increase in the number of requests from public sector bodies for data to be shared from other public sector bodies, for a range of purposes. This would bring about administrative costs in terms of processing requests and sharing data securely. It is expected that in most cases the benefits to the public in terms of well-tailored, timely policy would outweigh such administrative costs. However, unnecessary costs may arise where data does not bring any additional benefit and is not essential for policy development.

Benefits:

Administrative benefit – public sector bodies (ongoing)

Compared to option 1, the administrative burden to public sector bodies will be reduced. Costs associated with researching existing data sharing gateways or establishing new ones (mainly staff time) will be eliminated. Public sector bodies will still need to ensure that any data sharing complies with the DPA and HRA. This is an ongoing benefit and its total value will depend on the number and type of future data sharing requests.

Policy delivery benefit – public sector bodies and the wider public (ongoing)

Faster data sharing will result in eliminating delays in policy delivery, and enabling policy to be tailored based on the latest data available. This means that policy benefits will be brought forward and can be increased by better availability of data. As the number of data sharing requests may rise (see cost section above), further benefits will stem from more policies making better use of data.

The costs and benefits of this option have not been monetised at this stage. The consultation will seek to gather data from public sector bodies and other stakeholders on the option's impact. Overall, this option is expected to be most effective in terms of reducing complexity in data sharing and the associated costs. However, potential risks include legal challenge in terms of compliance with the DPA and HRA (see risks section).

Option 3: Non-legislative work to change the culture around data sharing in the public sector.

This option recognises the issue that a number of the barriers to effective data-sharing are cultural: overly-cautious interpretation of statute, trust in how other organisations will use data, incentives to withhold the supply of data, a lack of confidence in the integrity of the data being shared and a lack of consistent standards in definitions, formats and collection methodology. All these add to the issue of Departments being reluctant to share with each other. However, a cultural solution is only applicable where there is an existing gateway. A cultural solution cannot address the legal challenges. In this case the policy objective is to address legal barriers and as a result legislation is required. However this does not preclude option 3 taking place as well.

Costs:

Programme design and implementation costs – public sector bodies (one-off)

The main cost of this option will be associated with designing a programme for changing attitudes to and knowledge about data sharing in public sector bodies, and implementing this programme. Apart from a programme delivery team, this would also involve training all staff involved in data sharing. Work is already taking place in this wider cultural field – a 'Centre of Excellence for Information Sharing' has been established to share best practice and help overcome some of the cultural drivers that prevent data being shared in local areas. This lowers the additional cost of a new programme.

Administrative costs – data sharing in public sector bodies (ongoing)

Although not on the same scale as option 2, this option could also bring about administrative costs associated with increased interest in data sharing compared to the status quo. Again, this involves the costs of processing requests and sharing data securely. It is expected that in most cases the benefits to the public in terms of well-tailored, timely policy would outweigh such administrative costs. However, unnecessary costs may arise where data does not bring any additional benefit and is not essential for policy development.

Benefits:

Administrative benefit – public sector bodies (ongoing)

Compared to option 1, the administrative burden to public sector bodies may be reduced slightly. This will be in instances where public sector bodies would have been overly cautious in sharing data and chosen to establish new gateways, or not share data at all. Some costs associated with researching existing data sharing gateways or establishing new ones (mainly staff time) may therefore be eliminated. Public sector bodies will still need to ensure that any data sharing complies with the DPA and HRA. This is an ongoing benefit and its total value will depend on the number and type of future data sharing requests.

Policy delivery benefit – public sector bodies and the wider public (ongoing)

Where more data sharing is encouraged, this will result in benefits associated with use of data in policy design and delivery, e.g. better tailoring to citizens' needs. However, while this approach aims to ensure data sharing where this is prevented by public sector staff being overly cautious, it does not result in faster data sharing as existing legal barriers would stay in place – the administrative burden in sharing data will therefore largely remain. The size of benefits under this option is therefore expected to be lower than for options 2 and 4.

The costs and benefits of this option have not been monetised at this stage. The consultation will seek to gather data from public sector bodies and other stakeholders on the option's impact.

Option 4: (preferred option) - Introduce new permissive legislation which enables the sharing of data between public authorities for the purposes of improving public service delivery by better tailoring it to citizens.

This option is similar to option 2 in terms of the nature of the legislative change, but includes restrictions on the purpose for which data should be share. The scope of this option would be controlled by a prescribed list of organisations which would only be amended following an Order by a Minister. Details of the proposed solution are:

- To create a permissive legislative vehicle that allows a specific group of organisations to share any data for the purposes of improving outcomes for citizens by better tailoring of public services;
- To ensure that this facility is constrained:
 - i. ensuring that organisations are only on the list if they can prove their need to be on it;
 - ii. creating a Code of Practice that prescribed organisations must comply with in order to be able to maintain their prescribed status, this includes the publication of privacy impact assessments and auditing by the Information Commissioner and operating data sharing arrangements in alignment with DPA and HRA principles;
 - iii. constraining the categories of information shared, in particular exempting non-relevant data classed as sensitive personal data for the DPA (race/ethnic origin, political opinions, religious beliefs or other similar beliefs, Trade Union membership, physical or mental state or condition) and “patient information” as per the NHS Act s251(10); and
 - iv. preserving the unlawful disclosure sanctions of those organisations that have them - DWP and HMRC.
 - v. Ensuring that data can only be shared for purposes in objectives identified in a schedule, which have to be in the area of social policy; have to result in an offer of a service to a citizen and cannot be detrimental to citizens.

Costs:

Administrative costs – familiarisation and training in public sector bodies (one-off)

Similar to option 2, this option would result in costs to the public sector in familiarisation with the new legislation. This is likely to include officials' time in reading and understanding the new legislation, disseminating the information and training staff to understand the new rules. It is likely that training costs would affect all staff with access to sensitive data across public sector bodies.

Administrative costs – data sharing in public sector bodies (ongoing)

Similar to option 2 (but to a lesser extent) data sharing legislation would result in an increase in the number of requests from public sector bodies for data to be shared from other public sector bodies. However, this would now be limited to data from the prescribed bodies, and only where the purpose is improving public service delivery. This would bring about administrative costs in terms of processing requests and sharing data securely. It is expected that in most cases the benefits to the public in terms of well-tailored, timely policy would outweigh such administrative costs.

Benefits:

Administrative benefit – public sector bodies (ongoing)

The administrative burden to public sector bodies will be reduced. Costs associated with researching existing data sharing gateways or establishing new ones (mainly staff time) will be eliminated. Public sector bodies will still need to ensure that any data sharing complies with the DPA and HRA. This is an ongoing benefit and its total value will depend on the number and type of future data sharing requests. The benefit is likely to be lower than under option 2 as it is a narrower data sharing framework and some instances of data sharing will still require legal gateways or other arrangements between departments.

Policy delivery benefit – public sector bodies and the wider public (ongoing)

Faster data sharing will result in eliminating delays in policy delivery, and enabling policy to be tailored based on the latest data available. This means that policy benefits will be brought forward and can be increased by better availability of data. As the number of data sharing requests may rise (see cost section above), further benefits will stem from more policies making better use of data. Because the data sharing framework will be narrower than option 2, the benefits of policy delivery are also expected to be smaller compared to that option.

The costs and benefits of this option have not been monetised at this stage. The consultation will seek to gather data from public sector bodies and other stakeholders on the option's impact. This option is preferred as it offers a targeted solution in reducing administrative burdens associated with data sharing, but limits the risk of legal challenge.

Risk and Assumptions

The proposed changes are intended to improve public sector bodies' ability to share data within the public sector with the intention to improve outcomes for citizens. The risks that these changes will bring about are common to any data sharing process, namely:

- a) Loss of data;
- b) Incorrect use of data – with biased or incorrect conclusions being drawn and policy ineffectively designed as a result;
- c) Challenge from individuals whose data has been shared.

The use of data sharing has increased substantially in recent years and it is encouraged within Government to make better use of existing information. This has meant a better understanding of the risks

associated with it. As a result, a number of measures have been developed to mitigate these risks. These mitigation measures are either required by law or considered as good practice and include among others:

- Organisations sharing data have the appropriate organisational measures in place as established by the Data Protection Act. It is good practice to:
 - design and organise security to fit the type of personal data disclosed or received and the harm that may result from a security breach
 - be clear about which staff members in the organisations involved in the sharing are responsible for ensuring information security
 - have an appropriate monitoring and auditing procedure in place
 - be ready to respond to any failure to adhere to a data sharing agreement swiftly and effectively
- Organisations sharing data have the appropriate technical measures in place as established by the Data Protection Act. It is good practice to:
 - make sure that the format of the data you share is compatible with the systems used by both organisations
 - check that the information that is shared is accurate before sharing it
 - establish ways for making sure inaccurate data is corrected by all the organisations holding it
 - agree common retention periods and deletion arrangements for the shared data
 - train staff so that they know who has the authority to share personal data, and in what circumstances this can take place.
- The various organisations involved in data sharing will each have their own responsibilities and liabilities in respect of the data they disclose or have received. It is therefore good practice:
 - for a senior, experienced person in each of the organisations involved in the sharing to take on overall responsibility for information governance, ensuring compliance with the law, and providing advice to staff faced with making decisions about data sharing
 - to have a data sharing agreement in place that includes:
 - The purpose of the sharing
 - The potential recipients or types of recipient and the circumstances in which they will have access
 - The data to be shared
 - Data quality – accuracy, relevance, usability, etc
 - Data security
 - Retention of shared data
 - Individual's rights – procedures for dealing with access requests, queries and complaints
 - Review of effectiveness/termination of the sharing agreement, and
 - Sanctions for failure to comply with the agreement or breaches by individual staff.

Overall, the appropriate mitigating measures depend on the type of information that is shared and the organisations that are sharing them. Therefore, any future policy that requires the use of data sharing should specify what mitigating measures are more appropriate to reduce risks.