



Digital Economy Bill

Factsheet – Digital Government: Research and Statistics

(clauses 56-68)

What are we going to do?

- enable the delivery of better public services through world leading research and statistics
- produce more timely and accurate national and official statistics
- cut the compliance burden on business by allowing statistics to be collected from data already held by public authorities
- create a gateway to let HMRC share general data for research and analysis.
- enable public authorities to share and link data so that research can take place in the public interest in controlled conditions

The Economic and Social Research Council said:

“New legislation that will facilitate better access to administrative de-identified data for research purposes has the potential to be of great benefit to the research community...and can place the UK at the forefront of the international scientific landscape.”

How are we going to do it?

- specify conditions for linking de-identified data in safe settings that prevent disclosure of personal data
- ensure anyone who accesses or processes data for any function under this power is subject to an accreditation process
- give the UK Statistics Authority easier secure access to data

Background

Data is the foundation of any policy. Better data allows for richer analysis to be produced from a wider range of sources leading to potential new and better insights about how people live their lives, the patterns of need and use of different services. But legislation often limits the ability of research to point the right way with adequate clarity. For example, in their recent report on school-leavers transitioning to work, the House of Lords Select Committee on Social Mobility, frustrated by the fact that data exists but could not be linked and analysed, recommended legislative reform:



“Transitions from school to work should be supported by publicly available data, compiled by the relevant government departments. This data should be made available to researchers so that they have access to earnings data, study patterns, and different demographic patterns, brought about by legislative change if necessary.”

The bill will allow de-identified data to be used for research in a way that will build our understanding and design policy interventions that are more effective in delivering social and economic benefits.

ONS - Official statistics produced by the Office for National Statistics (ONS) play a vital role in supporting the development of economic and public policy and informing public and commercial decision-makers. The current legal arrangements governing the production of statistics are however increasingly costly, cumbersome, inhibitive of methodological innovation and lag far behind those of many of the UK's international partners.

New legislation is necessary to modernise the way statistical data is collected and to ensure ONS has access to the data it needs to produce fit-for-purpose official statistics that meet the challenges of a modern administration and the evolving needs of statistical users.

The bill gives ONS a right of access to new sources of data and a right to be consulted where data owners make changes to their data or how it is collected and processed. The new sources of data available to ONS will improve the quality of existing statistics and support the development of new statistical outputs that will give greater insight into the UK's society and economy. They will also reduce existing compliance burdens on respondents including businesses, households and individuals.

HMRC - HMRC is a statutory body and is subject to a legal duty of confidentiality with respect to **all** information it holds. Unlike other government departments, HMRC is permitted to share information only if its legal framework permits it to do so.

The new legislation will create a gateway to enable HMRC to disclose general, aggregated and de-identified data to any recipient for the public benefit. Under the new powers, HMRC will be able to support research and analysis in areas that are not strictly linked to its functions, such as social and economic growth, health and education.



Key Questions and Answers

- **Why don't you use existing powers?**

The existing legal landscape is confusing and hard to interpret, and researchers are often frustrated trying to access publicly-held data. The Administrative Data Taskforce report of 2012 'Improving Access for Research and Policy' called for "primary legislation to establish a generic gateway for research and statistical purposes that enables efficient access to, and linkage between, data held in different parts of the public realm." We have worked with the research community to produce an effective legal solution to meet this need.

- **Will these powers be effective without access to health data?**

Yes, there are public service delivery problems where health is not a factor. We recognise the importance of health and care factors in many social and economic research issues. However, we recognise that health and care data is particularly sensitive and rightly needs additional protections. We will wait for the publication of National Data Guardian's review before considering next steps.

- **Will government mandate the disclosure of data for good research proposals?**

Our view is that mandating the disclosure of data would not be appropriate. Departments have different factors to consider around the use of their data and so should have the discretion to decide whether to disclose. A key problem has been either a lack of powers to share information for research, or confusion about whether powers were available due to the complex legal landscape. This power will provide a clear legal basis to share information and help unblock the flow of data. To support this presumption to share, reasons for rejecting the provision of data for research proposals will be made available for public scrutiny.

- **What are the safeguards on HMRC sharing data?**

Any data disclosed through this new legal gateway will be subject to strict tailored safeguards. Alongside the existing criminal sanction protecting against the unlawful disclosure of identifying information in s.19 Commissioners for Revenue and Customs Act 2005, HMRC will only disclose information that is relevant, necessary and proportionate to what the disclosure is intended to achieve.