

HMRC's proposal for wider sharing of anonymised data: some additional information

What is proposed

HMRC currently allows approved academic researchers to access HMRC data in a secure, isolated and strictly controlled environment (the 'HMRC Datalab'). As explained in the [consultation document](#) we published last summer, our current confidentiality rules mean that the data can be made available only for projects that will benefit HMRC directly. We would like to be able to make this data available for projects that will generate public benefit wider than HMRC's own functions, while operating the same rigorous controls and safeguards as at present.

HMRC would not generate any additional revenue from widening access to our data

The data could be made available in the Datalab free of charge (as currently). However, HMRC wants to keep open the option of charging in future to cover the cost of processing and providing data, which is the basis on which HMRC currently shares data with other government departments. No decision has yet been made about whether we would seek to cover the cost of processing and providing anonymised data in the Datalab.

HMRC will prevent identities being disclosed accidentally

HMRC's Datalab has been in operation for 3 years without any accidental disclosure of identities. This is because of the rigorous safeguards we have in place. These include:

- anonymisation to standards consistent with the Information Commissioner's Office Anonymisation Code of Practice before data is placed in the Datalab, including removal of all direct identifiers such as name, address and telephone number and encryption of publicly available identifiers such as tax reference numbers;
- a rigorous accreditation process for anyone wanting access to anonymised data in the Datalab;
- a secure, isolated and controlled environment (e.g. no data can be removed from the Datalab; researchers cannot take mobile phones into the Datalab);
- examination of any research reports before publication in case any changes are needed to make sure that identities will not be disclosed accidentally; and
- those accessing data subject to the same confidentiality provisions as HMRC's own staff, including a criminal penalty to protect against unlawful disclosure of any information that could be linked to a named person.

Implementation of the proposal

This proposal is being taken forward as part of the Cabinet Office's open policy making process on data sharing. This process will ensure that civil society and privacy interest groups have a full opportunity to shape the development of proposals. Further details are available at www.datasharing.org.uk/.

Access to anonymised data in the Datalab

To date, access has been provided only to approved academics, other government departments and not for profit groups such as the Institute for Fiscal Studies (IFS).

The question of who should be allowed access to anonymised data held by government is being looked at by the Cabinet Office as part of an open policy making process that is considering data sharing across Government. What is clear is that access would be granted only for projects that would create public benefit. Current Cabinet Office thinking is that they would not wish to rule out on principle the possibility that access could be granted to a private company, if it was held that the project in question would create significant public benefit. However, this is an area where they are particularly keen to receive feedback from those interested in this area.

Whether HMRC should allow individuals to opt out of having anonymised data that has been produced from their personal data shared using the Datalab

Given the very rigorous safeguards we employ in our Datalab to protect against disclosing identities through sharing anonymised data (safeguards that we have operated successfully for three years), our current thinking is that an opt out should not be a necessary precaution.

However, we recognise that this is an area of public interest and concern generally, which is why the position on opt outs will be developed as part of the continuing open policy making process.