



The Scottish Parliament
Pàrlamaid na h-Alba

Heather Wheeler MP
Parliamentary Secretary
Cabinet Office

By email only

Public Audit Committee
Room T3.60
The Scottish Parliament
EDINBURGH
EH99 1SP

Email:

publicaudit.committee@parliament.scot

1 April 2022

Dear Parliamentary Secretary,

Consultation on the expansion of the National Fraud Initiative Data Matching Powers and the new Code of Data Matching Practice

The Scottish Parliament's Public Audit Committee has an important role to fulfil in scrutinising Audit Scotland's biennial National Fraud Initiative (NFI) in Scotland report, which is informed by the wider counter fraud exercise undertaken across the UK Public Sector.

The Committee notes that the Cabinet Office has recently [consulted](#) on extending the NFI data matching powers to assist in the—

- prevention and detection of crime other than fraud
- apprehension and prosecution of offenders
- prevention and detection of errors and inaccuracies.
- recovery of debt owing to public bodies.

The Committee notes that there are benefits to the public sector by widening these powers. For example, it could help public sector bodies ensure citizens get access to their full benefit entitlements. It could also assist public bodies in tracing individuals with outstanding overdue debt and with no arrangement to pay in place.

The Committee understands that under Section 97 of the [Criminal Justice and Licensing Act 2010](#), Audit Scotland is already permitted to use data matching for the first two purposes listed above. The Committee recognises that for both of the first two powers in the bullet points, it is likely to be beneficial to Police Scotland to be able to use the NFI data to help locate a person's address or employment details as part of its criminal investigations. However, Audit Scotland has been unable to use the NFI for these purposes as the Cabinet Office, as data controller of the NFI, does not have the legal power to permit the NFI system and the data within it to be used for these purposes.

We understand that if the Cabinet Office's powers are extended for these purposes, Audit Scotland would be able to use the NFI system to assist in the prevention and detection of crime other than fraud and to assist in the apprehension and prosecution of offenders.

We also note that our predecessor Committee considered how the NFI could possibly assist members of the public. For example, to identify where they were entitled to benefits which they were not currently claiming. As you will be aware, this is not an area that is included as a permitted purpose for Audit Scotland's data matching in the legislation at the moment. The Committee understands that if the Cabinet Office has its powers extended, and if Audit Scotland's data matching powers were also extended for this purpose, then the NFI could also be used for this purpose.

In light of the clear benefits that would be gained through the extension of these powers, the Committee seeks an update on the current position relating to your work in this area. Should there be an intention by the Cabinet Office to extend the NFI data matching powers, the Committee seeks confirmation that Audit Scotland's data matching powers will be updated accordingly.

The Committee kindly requests a response to this correspondence by **6 May 2022**. Should this deadline present any difficulties, I would be grateful if you could make the clerks aware as soon as possible.

Yours sincerely,

Richard Leonard MSP
Convener