



**A Scotland-wide Data Linkage Framework for Statistics and Research
Experian Response, June 2012**

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About Experian

Experian is the leading global information services company, providing data and analytical tools to clients in more than 80 countries. The company helps businesses to manage credit risk, prevent fraud, target marketing offers and automate decision making. Experian also helps individuals to check their credit report and credit score, and protect against identity theft.

Experian plc is listed on the London Stock Exchange (EXPN) and is a constituent of the FTSE 100 index. Total revenue for the year ended 31 March 2011 was US\$4.2 billion. Experian employs approximately 15,000 people in 41 countries and has its corporate headquarters in Dublin, Ireland, with operational headquarters in Nottingham, UK; California, US; and São Paulo, Brazil.

For more information, visit <http://www.experianplc.com>

Experian is working with the Public Sector in Scotland and across the UK to deliver efficient and personalised public services to meet their objectives on improving outcomes and reducing inequalities. Its client list includes the Scottish Government, major government agencies, over 70% of UK local authorities, Regional Development Agencies, NHS Scotland, Police Forces and Fire & Rescue Services.

Experian's work in the public sector is both varied and far reaching. It includes:

- Reducing risk of house fires for Fire & Rescue Services in Scotland
- Identifying and reducing tax credits fraud for HMRC
- Reducing NHS Scotland costs through better patient data quality
- Identifying and reducing housing benefit fraud for DWP
- Improving collections services for the Child Support Agency
- Increasing recycling rates in through co-ordinated email campaigns
- Helping Government agencies improve fitness and health participation with more effective healthy eating and smoking cessation campaigns
- Reducing carbon emissions through effective targeting of households
- Improving the commissioning of essential services such as GP surgeries, screening centres, pharmacies, day care facilities, employment offices and library services
- Identifying and reducing Council Tax fraud for local authorities
- Helping Government identify and target resources more effectively to areas of social and financial deprivation, reducing child poverty and social exclusion
- Driving public service reform through our involvement with the Cabinet Office Innovators council
- Helping to reduce fuel poverty by improving the rate of take-up of benefits
- Experian has saved Edinburgh £1.2 million during 2007 and £1.25 million during 2008 by improving the Council's eligibility checks.

For more information, visit www.experian.co.uk/publicsector.

Background

Experian welcomes the opportunity to participate in the Scottish Government's consultation on a Scotland-wide Data Linkage Framework for Statistics and Research.

Experian is uniquely positioned to comment on this matter. For the majority of companies, data is a "by-product" of the service or product that they provide to their customers; whereas for Experian, data is the core of our business. We have a strong track record, built over more than 25 years, of managing data securely and accurately, with no compromise or breach of our data security measures in our internal processing systems and are a trusted data partner to both government and the commercial sector.

A key element of the services we provide our clients in both the commercial and public sectors is the ability to help them link their own customer data sets or to match their data to ours to gain a better understanding of their customers. Thus, the basis of what is being proposed is very familiar to us both in terms of the proposals around data governance and the practicalities of managing data-linking securely. Furthermore, we have been providing these services to the public sector in the UK for over two decades.

We are in broad agreement with the principles and are supportive of the Scottish Government's efforts to provide greater insight into the needs and behaviours of the Scottish population to enable better public service outcomes.

Our response aims to draw on our experience supporting both public and commercial organisations in implementing such guidance to outline Experian's position in relation to the data-linking framework and governance proposals set out in this paper.

Response to the consultation

1. Data linking framework for research and statistical purposes

We would welcome the creation of more detailed and up-to-date official statistics and are of the view that more accurate and up-to-date insight can only improve public service delivery, benchmarking and user experience.

We agree that there are many benefits that can be delivered from this type of approach. Experian's work for government covers both types of data linkage referenced in the consultation paper – both for the delivery of a co-ordinated service to an individual and for research and statistical purposes.

Our work also covers the linkage of government statistical or operational data to Experian's data for the purpose of improving service design, delivery and communications in an operational context. This type of approach provides a direct link from statistical analysis to an operational context, without compromising personal information. We have highlighted an example of this here (see Annex) as it provides a further example of a means by which linked statistical data can and is being used to improve public service delivery in Scotland, without compromising individual privacy. This work is enabling our public sector clients to improve their communications, design more personalised services and enable channel shift.

We would welcome clarification within the data linking framework that organisations such as our own who are a trusted partner to the public sector will have access to any anonymised linked data produced under the data linkage framework.

We also seek more explicit clarification of whether the linking to public datasets (statistical or operational) on a case-by-case basis by commercial organisations such as Experian, and providing these can demonstrate a public benefit, will be covered by the data linking framework. We are already working in a number of areas to apply anonymised statistical data in an operational context. These include working with partners in the health arena to improve and target screening for lung disease and working with the Fire Service to reduce unnecessary fire deaths. There are potentially many more applications of this data which would help the Scottish Government meet its objectives in priority areas such as health and which would help to improve the public service experience for the end user.

2. Governance arrangements

We are broadly in agreement with the guiding principles as set out and with the concept of an Analytical Privacy Advice Service and welcome greater clarification for data custodians about what can and cannot be shared. Our experience has been on occasion as your paper highlights – i.e. that a lack of guidance or understanding has led custodians to err on the side of caution when considering requests for data sharing.

However, we would also welcome more explicit clarification as to whether the privacy advice service covers only data being linked by statisticians for statistical or research purposes or whether it also covers data linking to third party data sets being carried out by commercial organisations such as Experian on behalf of public service bodies.

We would welcome the opportunity to engage further with the proposals as they develop and would be happy to offer our commercial expertise on relevant issues of data security, data linking and application as appropriate.

Questions

1. Are there any benefits of data linkage for statistical and research purposes that are not sufficiently identified here?

We concur with your description of the benefits likely to accrue from greater linkage of data for statistical and research purposes.

We also wish to highlight a further benefit that could accrue from linked statistical data were it to be made available to a wider range of commercial organisations. We can see potential to enable the application of the findings to be applied more readily in an operational context. Enabling secure access to linked statistical datasets to commercial organisations would enable further applications of the findings of the linked datasets to be applied in an operational context without compromising privacy. This would more directly bridge the gap between research, policy and operations.

For example, Experian would be interested in the opportunity to extract certain aggregated propensities at a household level from government statistical surveys or other linked data across broad household types. These propensities might include the likelihood to use a particular public service, to suffer from a health condition or to hold a view about recycling. These propensities, which would be anonymised at a household level, would add richness to our work for public sector clients by enriching our household segmentation tools to enable more accurate targeting of government communications or design or delivery of public services.

This would in turn enable greater value to be returned to the investment in government statistical surveys whilst enabling application of the findings of research in an operational context. In turn the benefits of more targeted services and greater customer insight can be reduced cost to serve, reduced wastage, more accurate targeting of messages (and therefore communication), an improved customer experience of the public service and a more personalised public service. Integrating with third party data in this way can also help to overcome limitations of government statistical data which can still exist due to sample size and frequency.

This already happens with UK statistical survey data and would be relatively straightforward to implement and crucially could be enabled almost immediately to bring benefits to public service users and the public purse.

2. Are there challenges or barriers preventing more effective and efficient data linkages for statistical and research purposes taking place that are not sufficiently described here?

We perceive no other barriers than those you have described. Of those described we suggest that there are some means available to overcome these barriers. For example, the challenge of incomplete or mismatched data could be overcome by looking to use identifiers across whole populations where they exist. Experian's unique identifiers allow linking of data across whole populations. The application of third party data to official survey data for analytical purposes could therefore help to fill some of these gaps.

We concur that data security and safety are paramount. It is the view of Experian that the general public have a right to expect that their personal data will be kept securely and accurately by both public and commercial organisations. We have over 25 years experience of managing our customer's data securely and would be happy to share with Scottish Government our expertise around data handling, data policy and managing secure data centres.

3. Are the guiding principles sufficient and appropriate?

We believe the guiding principles are sufficient and appropriate to protect the public interest in carrying out data linking.

Our understanding is that the intention is not to intervene in linking work being carried out by the commercial sector on behalf of the public sector for operational or other purposes. Experian's work in this respect is covered by and fully compliant with the Data Protection Act. Again, we seek more explicit clarification that principles apply to data linkage happening within the remit of the data linkage centre i.e. for research and statistical purposes only.

4.

a. Are the objectives for a Privacy Advisory Service set out in section 3c the right ones?

We broadly agree with the objectives set out for the privacy advisory service as they are written to oversee the linking of data for research and statistical purposes. We believe a reference service would be a valuable addition to the statistical landscape in Scotland to provide clarity to data owners about what can be shared and to provide a consistency of approach. We ask for more explicit clarification of whether the centre will cover only those data linkage projects for research and statistical purposes as set out in Section 1 of the paper or whether this will have a wider remit and advisory capacity.

b. Do you wish to be consulted on firmer proposals for a Privacy Advisory Service as and when they are developed?

Yes, Experian would like to be consulted on these proposals

5.

a. Are the functions that will be led by the National Data Linkage Centre set out in section 3d the right ones?

We welcome the focus generated by the creation of a single centre for national data linkage and are happy to engage further with the centre around issues of data linkage, secure data handling and storage drawing on our own expertise as a trusted data guardian. Again, we seek more explicit clarification here that this will not restrict the activities of commercial organisations such as Experian in data linking within Scotland.

b. Do you wish to be consulted on firmer proposals for a National Data Linkage Centre as and when they are developed?

Yes, Experian would like to be consulted on these proposals

Annex

Case Study - Natural Scotland segmentation

The Scottish Government has set ambitious targets for reducing greenhouse gas emissions from 1990 levels by 42% by 2020. Related to this there is a need to change individual behaviour areas such as use of public transport and recycling.

To support this Experian has begun to work with Story and the Scottish Government to create a segmentation framework which will bring together data from analytical sources such as SEABS, customer data e.g. external data such as Experian's Mosaic socio-demographic segmentation.

The final integrated dataset will fuse together the data from 5 Scottish Government Surveys along with Experian's universal household data to create a dataset with over 500 variables available to inform and target policy interventions at a local level around a range of 'green' behaviours including recycling and energy efficiency. The benefits of this approach to data linking come from:

- Extrapolating research data to local areas across the country. For example, by using postcodes or OAs
- Providing linkage between different datasets enabling integration of data sources relating to the needs of particular groups or locations
- Adding the descriptive and interpretive power of Mosaic to the specific nature of the third party data.

Confidentiality is a concern for those working in this field. Clearly this approach to combining the data must pay due heed to issues surrounding disclosure, data protection and Market Research Society rules. This is achieved using the following simple process:

- Experian provides the keeper of the third party data with appropriate tools and (if needed) resource to enable them to append a Mosaic code to each record of the data (usually based on a postcode match). Experian has no access to the raw data.
- The keeper drops any identifiers of individuals, households and (as much as is required) location from every record. This ensures that all records are completely anonymised, but now have a Mosaic code attached.

The combined data is then available for both parties to use, within agreed limits as appropriate.