

# Privacy & Data Protection

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- US bill to protect RFID users, p.18
- S.55 DPA custodial sentences "on ice," p.19
- Six month time limit set for retaining online search records, p. 20

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## Government data loss 'symptomatic of lax standards'

The UK Government has come in for renewed criticism over its handling of personal data, after a report by the Joint Committee on Human Rights warned that recent data loss incidents are "symptomatic of lax standards."

The report highlighted the "government's persistent failure to take data protection safeguards sufficiently seriously.'

The Committee was reporting on a series of data protection breaches by public authorities, the most serious of which was the loss of personal and banking details of 25 million people by HM Revenue and Customs

last November.

"The fundamental problem is a cultural one: there is insufficient respect for the right to respect for personal data in the public sector," the Committee said.

The Committee said that the Government failed to take data protection issues seriously enough and should put data protection principles directly into new laws rather than to always rely on the Data Protection Act.

"Bills should include specific data protection safeguards," said the Committee. "In our view, appropriate safeguards include clearly defining who

should be allowed to access information; to whom information may be disclosed; and the purposes for which information may be shared."

The Committee also said that the powers given to the data protection minister, Michael Wills, are too limited and need to be enhanced to oversee data protection legislation. The Committee were also keen that the data protection minister should have a high-profile role within Government, should champion best practices, and require lessons to be learnt where appropriate.

The Committee criticised the government for resist-(Continued on page 16)

### **HSBC** likely to be fined for loss of 370,000 customers details

HSBC has admitted that a computer disc containing 370,000 UK customers' details went missing four weeks ago, while on its way to Folkestone from the bank's life insurance office in Southampton.

The disc, which was password-protected but not encrypted, contained customers' names, dates of birth, levels of life insurance cover, policy numbers and their smoking habits.

The bank said that this sort of information was normally sent over a secure electronic channel. However, the system had not been working and the information was needed quickly, so it was sent by

HSBC is now likely to face a fine from the **Financial Services** Authority, which has already fined Norwich Union (£1.26m) and

Nationwide (£980,000) for not protecting its customers' data properly. The penalty may be increased due to the data not being encrypted – which is a requirement set out in the Information Commissioner's guidelines.

HSBC have stated that the disc "contains no address or bank account details for any customer and would therefore be of

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