



# Privacy & Data Protection

Volume 8, Issue 6

June 2008

## ICO — new powers to fine

### Headlines:

- ICO investigates rogue automated calls, p.17
- Central database proposed for draft Bill, p.18
- J K Rowling case confirms DP action, p.19
- BERR Report released, p.20

### Inside this issue:

Editorial	2
The ICO's new power to fine – the shape of things to come?	3
The changing face of data security law — Part I	6
eDiscovery and EU privacy laws	8
Safe Harbor, Safe Hands	12
Book review	16
News & Views	17

Organisations that deliberately or recklessly commit serious breaches of the UK data protection law can now be fined by the Information Commissioner. The change comes following amendments to the Data Protection Act 1998.

The tougher sanctions are seen as the first step towards repairing the public's dwindling confidence in how their personal information is handled.

The sanctions enable the ICO to issue a 'monetary penalty notice' where there has been a serious breach of any of the Eight Data Protection Principles that is likely to lead to substantial

damage or distress.

David Smith, Deputy Information Commissioner, said, "This change in the law sends a very clear signal that data protection must be a priority and that it is completely unacceptable to be cavalier with people's personal information."

The ICO hopes that the prospect of substantial fines for deliberate or reckless breaches of the Data Protection Principles will act as a strong deterrent and help ensure that organisations take their data protection obligations more seriously.

David Smith added, "The fact that strengthening

the Data Protection Act has cross party support demonstrates the growing consensus on the importance of effective data protection."

The new power to fine is seen by many as a direct result of the series of data breaches that have occurred in the UK recently, starting with the loss of millions of citizens' data by Her Majesty's Revenue and Customs at the end of last year.

The new power to fine applies where an organisation either deliberately breaches a Data Protection Principle, or where the it knew or ought to have known that there

*(Continued on page 17)*

## Database to vet dishonest employees

Major companies including Harrods, Selfridges and Reed Managed Services have signed up to an online database of workers, that allows employers to check whether candidates have faced allegations of stealing, forgery, fraud, damaging company property or causing a loss to their employers and suppliers. The National Staff Dismissal Register is expected to go live at the end of May.

The database will be maintained by Action Against Business Crime, and will allow employers to search for potential workers by

name, address, date of birth, national insurance number and previous employer, and the online records may be kept up to five years.

Employees named on the database will have the right to change their entries if they are inaccurate, or appeal to the Information Commissioner's Office.

Critics fear that employees that have been wrongly accused of crimes may be included on the register, regardless of whether police had

enough evidence to convict them. Also on the list will be employees who resigned before they could face disciplinary proceedings at work.

Mike Schuck, chief executive of AABC said, "We are limiting access to the database to employers who can comply with the Information Commissioner's employment practices code," he says.

"We're not going to allow Mr Smith's hardware store. We're quite open about this. People will

*(Continued on page 17)*