

Date: 15 October 2007

Our ref: CAU/JA

Mr Peter Yetzes
Associate Director – IT Audit
Audit Commission
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Dear Mr Yetzes

National Fraud Initiative – Council Tax and Electoral Register Datasets

I refer to the proposed national data matching exercise, intended to match council tax data with electoral registers as a means amongst other things of detecting fraudulently claimed single person discount. The purpose of this letter is to advise you of this Authority's concerns regarding the legality of providing the electoral register for the purposes of this exercise.

Epping Forest District Council has a strong anti-fraud culture and is committed to high legal, ethical and moral standards, and the proper accountability of public funds. In this regard the Authority recognises that the National Fraud Initiative is an important tool in combating fraud against the public sector, and has willingly participated in previous NFI exercises.

I am sure you are well aware of the national debate at the present time, regarding the legal issues surrounding the submission of Authorities' electoral registers for the purposes of NFI. The Statutory Officers of this Authority have considered the issues very carefully in the context of the Representation of the People Regulations, other statutory provisions, and the requirement to demonstrate fair data processing. They consider that there is a significant element of doubt regarding the legality of providing the Authority's electoral register for this purpose. It follows that there is a risk that the Authority, or individual employees, could be liable to allegations that they have committed a criminal offence in providing the data without the full backing of the law. It is considered unreasonable to expose the Authority or members of its staff to such risks while the current uncertainty remains.

For this reason I have regretfully to advise you that Epping Forest District Council feels unable to participate in this particular NFI matching exercise at this time. Should the legal issues become clearer in due course the Authority would of course be prepared to reconsider its position taking into account the revised assessment of risk to the Authority and its employees.

Yours sincerely

Chief Internal Auditor