



## NATIONAL FRAUD INITIATIVE (NFI) - PROCESS PRIVACY NOTICE

### REASON FOR NOTICE

Public bodies spend billions of pounds of taxpayers' money for the benefit of the Scottish population. Public spending systems are complex and mistakes can happen. Some people also seek to exploit the systems and fraudulently obtain services and benefits to which they are not entitled.

This privacy notice describes how Scottish Water collects and processes Personal Data - meaning any information relating to an identifiable person ("Personal Data") that is processed under our legal obligations with the National Fraud Initiative (NFI).

Audit Scotland, working closely with public bodies, auditors and the Cabinet Office, undertake the NFI data sharing and matching exercises every 2 years. The NFI is run in collaboration with The Auditor General, the Accounts Commission and Audit Scotland who work together to deliver public audit in Scotland.

Data matching involves comparing computer records held by one body against other computer records held by the same or another body to see how far they match. This is usually personal information. Computerised data matching allows potentially fraudulent claims and payments to be identified but the inclusion of personal data within a data matching exercise does not mean that any specific individual is under suspicion. Where a match is found it indicates that there may be an inconsistency that requires further investigation. No assumption can be made as to whether there is fraud, error, or other explanation until an investigation is carried out. The exercise can also help bodies to ensure that their records are up to date.

The NFI exercises significantly contribute to the security and transparency of public sector finances. Public bodies' participation in the NFI helps confirm that services are provided to the correct people and to reduce fraud and error.

Further information on the NFI can be found on the Audit Scotland website - <https://www.audit-scotland.gov.uk/our-work/counter-fraud>

### WHEN WE COLLECT YOUR PERSONAL DATA

We collect Personal Data about you to facilitate payments due to suppliers, customers or others; such as interviewees, that are made through our Accounts Payable processes.

We collect Personal Data about you to facilitate the management of your employment with us and to make payments for expenses due to our employees and board members.

This data is collected during the creditor's payment or employment lifecycle.

This privacy notice will be published internally and externally in advance of any data provided to Audit Scotland for NFI and for our employees, additional notices will be provided with payslips.

### WHAT TYPES OF PERSONAL DATA WE SUBMIT

We are required to provide particular sets of data to Audit Scotland for matching for each exercise for the following Personal Data we process:

- Payments made in relation to our employees and board members expenses (Payroll); and
- Payments made to our suppliers, customers and others (Trade Creditors).



The details are set out in Audit Scotland's instructions, [National Fraud Initiative in Scotland 2024/25: Instructions for participants \(audit.scot\)](#) broadly covering the following areas;

#### Payroll

- Name, date of birth, unique identifier (e.g. passport, national insurance number, employee ID)
- Contact details, such as home address, telephone and email
- Bank details, salary and compensation records

#### Trade Creditors

- Contact details, such as name, address, email address, phone number
- Unique identifier (e.g. creditor reference)
- Bank details
- Payment history including invoice number, invoice date, amount and method of payment

The data is requested by NFI and is submitted via secure methods to their secure portal.

### WHY WE SUBMIT YOUR DATA –

Our lawful basis for providing information to Audit Scotland is Public Task.

We will only disclose personal data in accordance with data protection laws – in this case only if it is to assist in the prevention and detection of fraud or another permitted purpose, to investigate and prosecute an offence, for the purpose of disclosure to an auditor or otherwise as required by statute. We do not require data subjects to consent.

#### Audit Scotland

Audit Scotland carries out data matching under part 2A of the Public Finance and Accountability (Scotland) Act 2000. This legislation provides that Audit Scotland may carry out data matching exercises or arrange for them to be carried out on its behalf. The Cabinet Office's NFI team carries out the matching work on behalf of Audit Scotland and Audit Scotland prepare a report on the results.

#### The Cabinet Office

The Cabinet Office processes the data for NFI in Scotland on behalf of Audit Scotland and provides its secure website and NFI application for participating bodies and auditors in Scotland to use. The Cabinet Office prepares instructions for participants which are available on its website.

### WHO CAN ACCESS IT –

The information contained within the NFI system is covered by the Data Protection Act, the Code of Data Matching Practice and HM Government (HMG) Security Policy. Only authorised users are permitted to access the system and users must ensure that they use the system appropriately and in accordance with the guidance supplied to them. Any information accessed, downloaded or printed from the system must be handled in line with the Data Protection Act and the Cabinet Office Security Policy Framework (SPF).

Users and authorities must ensure that any information exported from the system is handled in line with HMG requirements for handling Personal and Protectively Marked information.

Scottish Water ensures all access to Personal Data within our systems is restricted to the appropriate people where relevant to their job.

### HOW WE PROCESS PERSONAL DATA

#### Data Requirements and Upload



- Data is provided from the Payroll and Accounts Payable systems
- All data is retrieved from the system direct using pre-built reports, saved as text files and password protected using proprietary software - WinZip.
- The password protected files are then submitted via the Data File Upload (DFU) facility to the NFI site.

### Follow-up Procedure

Audit Scotland normally makes the data match reports available, through the NFI portal, in late December. Internal Audit and Accounts Payable are responsible for reviewing the vendor and supplier payment data match reports to identify possible duplicate payments and Internal Audit will investigate any unusual transactions. The People Directorate are responsible for reviewing the payroll data match reports to identify possible anomalies e.g. gaps in disclosures under our Code of Ethical Conduct requirements.

External Auditors also review the results and report on both the matches and SW approach to the investigation to Audit Scotland. Files with personal information will only be shared with external audit via their secure portal.

### WHO WE SHARE YOUR DATA WITH –

Data is shared via the secure portal for the specific purposes of the NFI matching exercise. It is shared internally within Scottish Water to only approved individuals.

The results of data matching are subsequently shared with other participating organisations for investigation via the NFI exercise and some additional data exchanges may take place during investigations for mismatches with those organisations and Scottish Water.

Scottish Water will never disclose any of the data or matching results with any other organisation not participating within the NFI or who have been identified as part of the matching process.

### HOW LONG DO WE KEEP HOLD OF YOUR DATA –

- We aim to retain Personal Data only for as long as we need it for the purpose it was provided;
- The NFI remove all data from their portal & destroy after 3 months on the closure of the exercise.

### TRANSFERS OF PERSONAL DATA OUTSIDE OF THE EU

We aim to never share your Personal Data with any third party that is not within the EU but where we do we ensure that the agreements contain robust contractual clauses to protect the data. We do have individuals who are out with the EU who can access our systems that contain Personal Data. This access is only approved for the purposes of system maintenance and support.

We host our Personal Data within Scottish Water data centres or out with Scottish Water on other UK or EU data centres. We have robust contractual arrangements with third parties addressing data protection.

### CHANGES

From time to time, we may amend this notice to reflect changes in our business, changes in the law, or to make it easier to find, or for other reasons. We will do this by posting the amended notice on our intranet or external website. Please check to ensure you are aware of the latest version.

### YOUR RIGHTS

Individuals to whom data relates are called “data subjects” and have rights that include:

- to request from us a copy of any Personal Data we hold about you;



*Owner: Head of Corporate Data & Compliance*

*Approval: September 2024*

*Review Date: 2 years at next NFI submission*

- to fix Personal Data that is not accurate; and
- to remove Personal Data in certain circumstances, where this does not breach any legal, regulatory, safety, security or core operational requirement.

We aim to meet all data subject rights requests within a 30 day period and we will not charge you for this.

You have the right to make a formal complaint to the Information Commissioner's Office (ICO). The ICO is the UK data privacy regulator, you can find out more information on your rights on their web page <https://ico.org.uk/your-data-matters/>

#### **CONTACT US REGARDING YOUR DATA**

- Email us: – [corporatedatacompliance@scottishwater.co.uk](mailto:corporatedatacompliance@scottishwater.co.uk)
- Write to us: Head of Corporate Data & Compliance, Scottish Water, The Bridge, 6 Buchanan Gate, Stepps, GLASGOW, G33 6FB.
- If you have an informal complaint write to: Data Protection Officer, Scottish Water, The Bridge, 6 Buchanan Gate, Stepps, GLASGOW, G33 6FB or email [DPO@scottishwater.co.uk](mailto:DPO@scottishwater.co.uk)