

DATA PROTECTION ACT 1998

UNDERTAKING

**Data Controller: Verity Trustees Ltd
Verity House
6 Canal Wharf
Leeds
LS11 5BQ**

I, Lynda Howe, Chair of Verity Trustees Ltd, Corporate Trustee of The Pensions Trust, Verity House, 6 Canal Wharf, Leeds, LS11 5BQ ('The Trustees') on behalf of The Trustees, hereby acknowledge the details set out below and undertake to comply with the terms of the following Undertaking:

1. Verity Trustees Ltd is the data controller, as defined in section 1(1) of the Data Protection Act 1998 ("the Act"), in respect of the processing of personal data carried out by The Trustees and is referred to in this Undertaking as the "data controller". Section 4(4) of the Act provides that, subject to section 27(1) of the Act, it is the duty of a data controller to comply with the data protection principles in relation to all personal data in respect of which it is a data controller.
2. The Information Commissioner ("the Commissioner") was provided with a report from the Trustees regarding the theft of a laptop computer from a locked server room at Northgate Arinso, the suppliers of the Trustees' computerised pensions administration system. The laptop contained details of about 110,000 individuals (name, address, date of birth, national insurance number, employer, salary, nominees [name & relationship] and for about 18,000 individuals bank account details. The Trustees have taken remedial steps including the engaging of a fraud protection service provider to protect the affected individuals and putting in place data security obligations with their suppliers
3. The data was downloaded for training purposes in breach of Northgate Arinso's policy of only using an anonymised data sample for 50 to 100 pension scheme members. It had been intended to produce such a set of data from that downloaded. The laptop to be used for training purposes would not be permitted to be taken out of Northgate's premises with any live data on it.
4. The Commissioner has considered the data controller's compliance with the provisions of the Act in the light of this matter. The relevant provision of the Act is the Seventh Data Protection Principle. This Principle is set out at Part I of Schedule 1 to the Act.

5. In view of the circumstances of this incident and the remedial steps taken by the data controller as a result, it has been agreed that, in consideration of the Commissioner not exercising his powers to serve an Enforcement Notice under section 40 of the Act, the data controller undertakes as follows:

The data controller shall, as from the date of this Undertaking and for so long as similar standards are required by the Act or other successor legislation, ensure that personal data is processed in accordance with the Seventh Data Protection Principle in Part I of Schedule 1 to the Act, and in particular that:

- (1) Portable and mobile devices including laptops and other portable media used to store and transmit personal data, the loss of which could cause damage or distress to individuals, are encrypted using encryption software which meets the current standard or equivalent;**
- (2) Adequate written contracts are in place with third parties acting as data processors that encompass data security obligations as soon as practicable and in any event by no later than six months from the date of the undertaking being given;**
- (3) Adequate measure are in place to ensure third parties meet their contractual data security obligations as soon as practicable and in any event by no later than six months from the date of the undertaking being given ;**
- (4) The data controller shall implement such other security measures it deems appropriate to ensure that personal data is protected against unauthorised and unlawful process, accidental loss, destruction, and/or damage.**

Dated.....

Signed.....

Lynda Howe
Chair
Verity Trustees Ltd

Signed.....

Mick Gorrill (Assistant Commissioner, Regulatory Action Division)
For the Information Commissioner