

To: [Redacted]

From: Commission
Sent: Wed 16/08/2023 6:08:31 pm
Importance: High
Subject: Confidential - Information Item
Received: Wed 16/08/2023 6:08:28 pm

Record 1

Central Bank of Ireland - CONFIDENTIAL

All,

We have uploaded to BoardPad a briefing note for your attention.

You can find it at: [2023 Commission Reading Rooms >> 04.Non meeting documents >> August 2023](#)

If you have any queries on this, please let us know.



Internal Governance Division

Central Bank of Ireland

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Please note that I am working flexibly from home at present. If I send you an email out of standard working hours, please do not feel you need to reply outside your own working hours.



Record 2

Dear Commission Members,

The purpose of this update is to inform you of a Critical Incident that has materialised in relation to the provision of credit information to borrowers and credit providers via the Central Credit Register.

- On Thursday 3 August, a member of the public informed the Central Credit Register (CCR) Team that their credit report was showing data in excess of the 5-year legislative timeline. The CCR team contacted the third party that manages the CCR service on behalf of the Bank (CRIF) and an investigation was immediately initiated. It was identified that credit information in the form of monthly performance data for May, June and July 2018 had been stored on the CCR beyond the 60 month retention provision set out under the Credit Reporting Act 2013. This issue persisted from 01 June 2023 to 07 August 2023.
- The incident root cause was identified as a system issue. Remediation began on Friday (4 August) and was fully implemented by Monday 7 August. As the data was personal in nature, the Data Protection Commissioner (DPC) was notified, as per regulatory requirements, on Friday 4 August. A subsequent report on the status of the issue was provided to the DPC, at their request, on Tuesday, 15 August.
- The incident is being treated as high priority and is being managed by the Bank's Incident Management Team. At present we are continuing to validate with CRIF the number of data subjects impacted, and are putting in place an approach to communicate and engage with impacted individuals, relevant firms and other stakeholders. To date, no media queries have arisen.

An update was provided to the Chair of the Risk Committee on 11 August, and a further update will follow to all Commission members by the end of the week.

Regards,



To:

From: Commission
Sent: Fri 18/08/2023 10:05:56 pm
Importance: Normal
Subject: RE: Confidential - Information Item
Received: Fri 18/08/2023 10:05:52 pm

Record 3

Central Bank of Ireland - CONFIDENTIAL

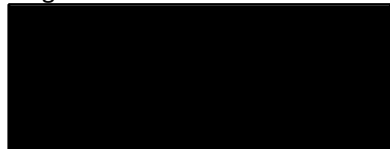
All,

We have uploaded to BoardPad a [further](#) briefing note [on the above](#) for your attention.

You can find it at: [2023 Commission Reading Rooms >> 04.Non meeting documents >> August 2023](#)

If you have any queries on this, please let us know.

Regards



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Central Bank of Ireland - CONFIDENTIAL

Good evening all,

Further to my previous correspondence earlier this week, I am writing to provide you with a more detailed update on the status of the work underway following the incident impacting data retained on the Central Credit Register. While the technical cause of the issue has now been fixed, the Incident Management Team (IMT)* is focussed on defining and implementing an effective and compliant course of action to address the impact on personal and business borrowers.

Foremost, in developing our approach, is the objective of understanding which specific subjects have been impacted, whether any harm has been caused to them, and to determine how best we can notify them of what has occurred.

To this end, investigations continued between CCR and CRIF throughout this week to validate and obtain further detail behind the numbers of data subjects and cohorts that are at risk of being impacted by the error and consequent data protection breach. In parallel, we have prioritised having the data independently verified by CRIF. This verification process has been ongoing throughout the week, and the results of this verification exercise to confirm the numbers and cohorts of data subjects impacted is due from CRIF to the Bank this evening, 18 August.

Whilst engaging with CRIF on this critical data dependency, the IMT has spent considerable time throughout the week assessing the options for actions that link to the responsibilities of the Bank, its Data Protection obligations, its duty to the interests of consumers potentially impacted upon, and the need to be open and engaged with the public in a timely manner. Given the complexity of the issue, and the external factor relating to uncertainty as to how the additional data may or may not have been used by lenders, the IMT and subsequently the [REDACTED] the [REDACTED] [REDACTED], and [REDACTED] considered these options on Thursday 17 August and the following set of actions were agreed, for the week ahead;

- Via the CCR, a sub-set of lenders (CIPs) that made credit history enquiries within the affected period – namely the 5 largest CIPs by enquiry – were telephoned today Friday 18 August to request a meeting to discuss CCR data with them on Monday and to understand how historical data may be used as part of their lending decisions.
- On Monday 21 August, a video call will be held with those five (5) CIPs to explain the specifics of the excess data of concern and to understand if the credit review process takes that additional data into account. If it does not, this may lead the Bank to identify cohorts that have not been impacted. If the lending process were to take this additional data into account, further questions would seek to determine whether it was taken into account, and whether the CIPs could check specifically if individual borrowers were impacted as a result of the additional data. If so, the Bank would make further enquires with some additional CIPs to widen the sample of information, and would seek to engage further with the CIPs in the coming weeks to provide details of the queries within scope so that the Bank could potentially narrow down the list of the specific borrowers that may have been impacted, and could then advise them accordingly. It is possible, however, that this result may not be achievable.
- On Monday afternoon, 21 August, the Bank will issue a public statement advising that a data error/breach has occurred, that this issue relates to a specified period, and it has been rectified. It will advise of further investigations taking place and that affected individuals will be contacted directly. It will also advise of contact details in the event of queries. The statement will issue on the CBI and CCR website. The media engagement plan will be finalised in advance.
- At the same time, a circular will issue to CIPs broadly as per the established CCR procedure, which will advise them of this issue and that further engagement with them will follow and

that impacted individuals will be directly contacted. Relevant representative bodies will also be advised of this CIP circular.

- An additional correspondence will be issued to those CIPs that ran queries on potentially impacted individuals – the exact content of this will depend on the information gathered from the fact finding discussions with the 5 CIPs and will indicate the extent to which the Bank will be able to make additional investigations on their behalf, or not. This correspondence will also advise that further contact is needed to validate the contact details of the cohort that may be impacted, as a data protection risk assessment of the CCR's contact details recommends that the contact information be cross checked with CIPs.
- Once contact details have been verified (expected to take at least 1-2 weeks), letters or emails will be sent to those individuals and firms that may have been impacted. This will provide additional detail of what the data error/breach may mean for them and how they may have been impacted. Again, the precise content of this correspondence in terms of next steps will be informed by our engagement with the CIPs early next week. If further investigations of the specific impact on individuals with CIPs is viable, this exercise will be undertaken and will likely take a number of weeks.
- [REDACTED] was provided with a high level outline of this plan today, Friday 18 August. In advance of issuing the public statements, the [REDACTED] will be provided with a copy of the comms for their information. The Department of Finance and CRIF will also be advised through the CCR contact channel.
- The management of this issue remains a high priority critical incident for the Bank, and there is a high likelihood of public queries, complaints and media coverage. Operational planning has been initiated to ensure the Bank is prepared for enquires from members of the public via post, email, and telephone.

Draft statements and comms, as well as the overall media plan, have been prepared and will be reviewed by [REDACTED] over the weekend. A copy of the public statement will be shared for information with Commission members in advance of its release.

Further updates on the incident will be provided in due course.

Kind regards,
[REDACTED]

*The Incident Management Team for this incident comprises representatives from the Central Credit Register, Organisational Risk Division, Legal, Communications, and Data Protection.

[REDACTED]

*Central Bank Of Ireland
PO Box 559, North Wall Quay, Dublin 1*

[REDACTED]

www.centralbank.ie

To: [REDACTED]

Record 5

From: Commission
Sent: Mon 21/08/2023 5:08:30 pm
Importance: Normal
Subject: Confidential - EMBARGOED – PUBLIC STATEMENT at 5.15pm this evening
Received: Mon 21/08/2023 5:08:28 pm

Central Bank of Ireland - CONFIDENTIAL

All,

We have uploaded to BoardPad a public statement that the Bank plans to issue at 5.15pm this evening in relation to a data breach in the Central Credit Register (CCR).

You can find it at: [2023 Commission Reading Rooms >> 04.Non meeting documents >> August 2023](#)

If you have any queries on this, please let us know.

Regards

[REDACTED]

Internal Governance Division

Central Bank of Ireland

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To: [REDACTED]
From: [REDACTED]
Sent: Mon 21/08/2023 4:54:22 pm
Importance: Normal
Subject: FW: Final CCR public statement
Received: Mon 21/08/2023 4:54:21 pm
[Final public statement on CCR 230821 1645.docx](#)

Record 7

Hi [REDACTED]

As discussed earlier – here is CBI press release that will be released shortly.

I will follow up with additional copy of the separate communication to lenders,

Just to note that our COMM Office will contact the Departments press office also

Regards
[REDACTED]

To: [REDACTED]
From: [REDACTED]
Sent: Mon 21/08/2023 5:10:57 pm
Importance: Normal
Subject: FW: Final CCR public statement
Received: Mon 21/08/2023 5:10:56 pm
[CIP CIRCULAR 13 V 8 FINAL.docx](#)

Record 8

Hi [REDACTED]

Attached is the lender communication (CIP Circular) that we will issue shortly – it also includes the press release previously shared.

Regards
[REDACTED]

CIP CIRCULAR 13/23 – CENTRAL CREDIT REGISTER – Deletion of old information

We would like to draw your attention to an error on the Central Credit Register which may have impacted some credit reports provided to you in the period 1 June to 7 August 2023.

The data error

In the normal course of events, credit information is deleted from the Central Credit Register after 60 months in line with the data retention requirements set out in the Credit Reporting Act 2013 (as amended).

On 3 August 2023 it was identified that credit information relating to May, June and July 2018 was available on the Central Credit Register database and was incorrectly included on credit reports as follows; credit reports issued in June 2023 contained information relating back to May 2018; credit reports issued in July 2023 contained information relating back to May and June 2018; and credit reports issued during the first week in August contained information relating back to May, June and July 2018 in respect of contracts that were “active” May – July 2018.

While this information was previously reported by CIPs, it should not have been retained and made available on credit reports. The excess information relating to this period was deleted on 7 August and is no longer available.

Impact on Credit Reports

This error is limited to particular contracts within the credit reports issued in the period noted above.

Credit reports produced for Credit Information Providers (CIPs) include 24 months of performance data and an historical analysis. The historical analysis is generated based on the most recent 60 months of performance data. Assuming that submission data is up to date, the historical analysis produced in August 2023 for example, reaches back to August 2018. Where contract data was not up to date, data from the impacted months (May to July 2018) may have been included in the historical analysis.

Further, for contracts closed before August 2020, up to an additional three months of performance data was included.

Current situation

While the additional historical information was previously reported by CIPs, it should not have been retained on the database or included in credit reports and therefore constitutes a data breach under data protection legislation. In accordance with the data protection legislation, we have notified the Data Protection Commission of this breach and are keeping them abreast of the issue.

The Central Bank is issuing a public statement (see below) on the issue today, and we anticipate that there will be enquiries from members of the public in relation to the matter. It is important to note that if a consumer did not apply for credit or request a copy of their report in the period referenced above, there will have been no impact arising from this technical issue.

We will liaise directly with each of the CIPs who enquired upon these CISs within the next 2 days. The Central Bank has commenced an investigation to establish a full account of the issue and intend to conduct a wider review of the Central Credit Register’s relevant processes and procedures. As part of our current investigation, we will be seeking to establish whether any borrowers were

impacted, and if so, to communicate directly with them. If you have any queries in relation to this communication please contact ccrdataprotection@centralbank.ie.

PUBLIC STATEMENT: CENTRAL CREDIT REGISTER

21 August 2023

The Central Bank of Ireland is today issuing a public statement having recently identified an archiving error that affected the retention period of certain borrower information held on the Central Credit Register. As a consequence of this error, certain borrower information was retained on the Central Credit Register for up to an additional three months, and included in credit reports, when it should not have been retained or included. This error constitutes a data breach under data protection legislation. We wish to state clearly that borrowers' data has not been compromised or accessed by any unauthorised third parties as a consequence of this error.

The Central Bank of Ireland is responsible for the operation of the Irish Central Credit Register (CCR) under the Credit Reporting Act 2013. The CCR is a database that stores personal and credit information on loans of €500 or more. The Central Bank has contracted with CRIF Ireland Ltd to operate the Central Credit Register on its behalf.

Each month, lenders submit payment performance data on borrowers to the CCR, which includes information on whether payments on credit agreements, such as loans, overdrafts, credit cards and mortgages, were made or not. This information is intended to be retained on the CCR for a maximum period of five years, after which an automated process is run to delete data older than five years.

Following an enquiry by a member of the public on 3 August 2023, the Central Bank became aware that historical payment performance data for the months of May, June and July 2018 had not been deleted as scheduled. This was due to a technical error that affected the automated deletion process of historical records in the CCR.

As a result of this error, additional, outdated information relating to these three months was available on the CCR database for inclusion in credit reports issued to borrowers and lenders in the period 1 June to 7 August 2023. While this information was accurate, the additional three months of information should not have been made available, and constitutes a data breach under data protection legislation.

The Central Bank sincerely apologises for this error and can confirm that immediate action was taken to fix it. Remediation began on 4 August and the error was fully resolved on 7 August 2023, with the database reflecting the correct five-year retention period. The CCR is now functioning normally and credit reports being provided since this date do not reflect any additional information. We have also commenced an investigation to establish a full account of the issue and intend to conduct a wider review of the CCR's relevant processes and procedures.

A key focus of our ongoing investigation is to establish whether any borrowers were impacted by this incident. The main mechanism through which borrowers could be impacted is where the CCR contained information around loan performance over the months of May, June and July 2018, which may have adversely affected decisions by lenders to extend new credit or decisions by borrowers to seek new credit. This could be the case where (i) the records pointed to repayment difficulties during the additional, outdated, three months; and (ii) lenders or borrowers had sought to access those records over the period between 1 June and 7 August 2023.

The Central Bank's investigation so far has determined that, of the approximately 476,000 total enquiries made by lenders or borrowers for information held on the CCR over the period between 1 June and 7 August 2023, the records of around 20,500 borrowers contained performance data pointing to repayment difficulties in May, June or July 2018.

It is important to note that the information held on the CCR is one of many factors that lenders use to determine whether a loan is approved or not. In addition, the fact that lenders made a request for information on the CCR does not mean that those specific pieces of information were used by lenders in their credit decisions. For example, the Central Bank's analysis so far has determined that the records of a significant proportion of the 20,500 borrowers continued to point to performance difficulties in the months following May, June and July 2018. At this stage, therefore, the Central Bank is not in a position to determine with accuracy the extent to which credit applications were adversely affected by this incident.

Our investigation into any potential impact on these borrowers is ongoing. We are engaging with lenders to advise them of the incident and to establish if the additional three months of historical credit information affected their lending decisions in any way. This will allow us to assess whether the incident has had any impact on prospective borrowers in the period, 1 June and 7 August 2023. Once we have a clearer view of the nature and extent of impacts on borrowers, the Central Bank will seek to communicate directly with those most likely to have been affected.

Borrowers can request a copy of their credit report, free of charge, on the [CCR website](#). Borrowers with loan performance issues in the impacted three-month period in 2018, and who had made a credit application over the period of 1 June to 7 August 2023 may also wish to engage with the relevant lender.

In line with our obligations under data protection legislation, the Central Bank of Ireland has notified the Data Protection Commission (DPC) of this matter. Our engagement with the DPC is continuing.

Further information on how the Central Credit Register process data can be viewed at <http://www.centralcreditregister.ie/>. Our public contacts helpline can be reached on 0818 681 681. General information on data protection rights is available at www.dataprotection.ie

We will provide further information on the status of the issue in due course.