

Meeting: Management Board

Date: 17 May 2021

Agenda item: 6.3

Time: 20 minutes

For decision

Presenter: Louise Byers

1. Topic

- 1.1. Annual Report 2020/21

2. Issue

- 2.1. For the Management Board to approve the draft Annual Report 2020/21.

3. Reason for report

- 3.1. The Management Board typically reviews the draft Annual Report outside of meetings. However, the external auditors requested that they be provided with a near-final version of the report during their Audit (from 10 May to 21 May). Therefore, we have expedited the timetable to bring this draft of the annual report to the Management Board meeting for approval.

4. Purpose of report

- 4.1. Management Board is asked to approve the draft Annual Report in principle, subject to any amendments from external audit and outstanding figures. The Audit Committee will then review the final version of the report on 21 June.

5. Background

- 5.1. The Commissioner is required to submit an annual report on the work of the ICO to Parliament each year. This must be laid before Parliament's recess in July each year. The report is split into three sections, covering Performance, Accountability and Financial Statements. This year, the Performance report has been primarily prepared by Dave Murphy, Acting Head of Communications. The Accountability report has been primarily prepared by Chris Braithwaite, Senior Corporate Governance Manager. The Financial

Statements have primarily been prepared by Ian Greatorex, Group Manager – Finance.

- 5.2. In addition to the Annual Report, a separate report on our work on the COVID-19 pandemic is currently being prepared. This will be published in June 2021. As such, the Annual Report does not include significant information about the ICO's response to the COVID-19 pandemic but will provide references to that report once it has been published.

6. Discussion

- 6.1. At the time of drafting, there are various parts of the Annual Report which are outstanding, just due to the timing of this meeting and the request from the external auditors that they be provided with the version of the report as at this date. We expect these areas to be completed in plenty of time to present the final version of the report to the Audit Committee on 21 June. The outstanding areas are as follows:
- Part A – Performance Report
 - The Commissioner's Foreword. The feedback from Management Board will be used to shape the foreword. The foreword is also typically where we address any emerging issues around the time of publication, including the publication of our COVID-19 report, so this will be drafted during late May/early June 2021.
 - Data from the Annual Track research, which is currently ongoing. This will be added in as appropriate to support messages throughout the report.
 - References to the separate COVID-19 report. References and links will be added once this report has been published.
 - Various small pieces of text which need finalisation or internal approval from the various experts responsible for these areas. These are flagged up through comments in the draft report.
 - Financial information – the figures provided in this section are subject to Audit.
 - Part B – Accountability Report

- Remuneration report. This data includes pay for the start of April, so cannot be gathered until the May payroll run. MyCSP also require this information to be able to provide the pensions information. This section will be updated in mid/late May with the pay information, and in early/mid June with the pensions information.
- Conclusions from the internal and external audit annual reports. These will be added into the report once received from Mazars and BDO, ahead of the June 2021 Audit Committee meeting.
- Part C – Financial Statements: all figures within this section are subject to Audit by BDO.

7. Key areas for Management Board input

- 7.1. Input is welcomed from Management Board on all areas of the report, particularly around whether the key messages of the report are clear, and whether there are any areas of work during the year which should be added to or removed from the report.
- 7.2. One of the new sections that we have added to the report this year is a Senior Independent Directors' report, in recognition that we have added this role during the year. This brings the report in line with similar organisations, which have a section for the lead Non-Executive to provide their thoughts on the work of the organisation over the last year. This is currently positioned immediately after the Information Commissioner's foreword at the start of Part A. However, some other organisations (notably DCMS) position this at the start of Part B (the Accountability Report). It would be helpful for the Board to agree where this is best positioned.
- 7.3. It will also be beneficial for the Board to specifically review the Board Effectiveness statement within the Accountability Report (this starts on Page 83 of the report) and confirm that it is happy with the content of this statement. The recent Board effectiveness review, which will be reported to Nominations Committee at the end of May, indicated that the Board was largely satisfied that it was operating effectively.

8. Equality, diversity and inclusion considerations

- 8.1. The annual report is one of the key mechanisms by which the ICO reports on its achievement of its EDI objectives. We have significantly expanded this section of the report this year to ensure

that we fully promote the good work that the ICO has done in this area, along with the scale of our ambition. The section of the annual report that focuses on EDI has been prepared in parallel with the report that was provided to Management Board earlier in the agenda. Any comments from the Board on that report will be fed into EDI section of the annual report as necessary.

9. Consultation outcomes

- 9.1. The Annual Report has been subject to wide consultation throughout the organisation, particularly at Head of Department, Director and Executive Director level. This has led to significant improvements in the quality of the report.

10. Communications considerations

- 10.1. There are no specific communications considerations to this report. When the Annual Report is laid in Parliament in July 2021, we will produce internal and external communications to draw out the key messages of the report.

11. Recommendations

- 11.1. The Board is recommended to provide any comments on the Annual Report and, subject to those comments, approve the report
- 11.2. If there are comments on areas of detail (such as typos, minor wording changes), it may be helpful for Board members to email these to corporategovernance@ico.org.uk prior to the Board meeting.

12. Next steps

- 12.1. The next steps for this work are:
 - Provide this draft, subject to any amendments proposed by Management Board, to the external auditors as part of their Audit (which runs from 10 May to 21 May).
 - Complete the remaining outstanding parts of the Annual Report, primarily relating to the remuneration tables.
 - Present the completed report to Audit Committee on 21 June, for the Committee to recommend the Commissioner sign the report.
 - Lay the report on or around 7 July.

13. Resource implications

13.1. There are no direct resource implications to this work.

14. Alignment with values

14.1. The annual report is a key part of demonstrating how we deliver each of the values of ambitious, service focused and collaboration.

15. Link to the Information Rights Strategic Plan

15.1. The Annual Report is a key document in demonstrating how we have achieved all of the goals within the IRSP.

16. Impact on Risks and Opportunity Register

16.1. The annual report demonstrates the achievements of the ICO throughout the last year, and as such helps to mitigate R85 (ICO reputation).

17. Publication considerations

17.1. This report can be published internally and externally. However, the appendix should not be published internally or externally, as it is a draft report.

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List of Annexes: Annex 1 – Draft ICO Annual Report 2020/21
(circulated under separate cover)