

Management Board minutes

20 March 2023

Details of attendees are provided at the end of the minutes.

1. Introductions and apologies

- 1.1. Apologies for absence were received from Jane McCall.
- 1.2. The Board welcomed Ange Balakrishnan and Stephen Almond to their first Board meeting.
- 1.3. The Board also thanked Peter Hustinx for his contributions to the ICO as a Non-Executive Director, with this being the last Board meeting of his term. John Edwards confirmed that Peter would be continuing his work with the ICO as an independent member of the Regulatory Committee.

2. Declarations of interests

- 2.1. No declarations of interests were made.

3. Matters arising from the previous meeting

Minutes

- 3.1. The minutes of the previous meeting had been approved as a correct record.

Actions

- 3.2. The Board noted the update on actions from previous meetings.

4. Discussion items

4.1. Parliamentary Strategy

- 4.1.1. Amanda Williams and Oliver O'Callaghan joined the meeting to present a report setting out the Parliamentary Engagement Strategy.
- 4.1.2. The Board discussed engagement with influencers of parliamentarians, including think tanks and lobbyists. The Board also discussed an "elevator pitch" for parliamentarians to help them to understand the role of the ICO, the importance of this role, and the benefits that the ICO's work for their constituents. The Board was informed

that both aspects of this work would be informed by research about public attitudes towards data protection.

- 4.1.3. The Board also discussed the appropriate range of parliamentary engagement. The Board agreed that, in addition to working closely with government ministers, it was important and appropriate to continue to provide information to and build relationships with parliamentarians at all levels and across all parties. This would ensure that the ICO had a strong profile and level of influence across the full political spectrum, both at present and in the future. The Board noted that such activities would be conducted with strict political neutrality.

4.2. **Finance: January income and expenditure report**

- 4.2.1. Angela Donaldson attended the meeting to present a report setting out the January 2023 management accounts.
- 4.2.2. She explained that since the papers had been published the February 2023 management accounts had been finalised and as a result the projected year-end budget deficit had further reduced.
- 4.2.3. She also explained that the Department for Culture, Media and Sport (DCMS) had confirmed that they would be able to fund the current forecasted year-end budget deficit; this would still be the case with the recent move of the ICO's sponsoring arrangement from DCMS to the Department for Science, Innovation and Technology (DSIT). The Board welcomed this update.
- 4.2.4. The Board discussed the underspend on staffing costs and received assurance that this was within expectations; for future years, a more advanced vacancy run-rate profile had been developed, which would ensure more accurate budget projections. The Board asked that future reports provide more information of the breakdown of staffing information by Directorate.

ACTION: Angela Donaldson to provide the Board with further information regarding staffing by Directorate. Due date: 15/5/23

4.2.5. The Board also received information on development of the Accommodation Strategy, which was expected to be brought to the Board's May meeting.

4.3. **Annual Budget, 2023/24**

4.3.1. Angela Donaldson presented a report setting out the proposed annual budget for 2023/24.

4.3.2. The Board praised the work that had been put into the developing the budget, in particular the risk mitigations and economic scenario planning that had been completed.

4.3.3. The Board reflected on the ongoing uncertainty of whether the ICO would be permitted to access its reserves during 2023/24. The Board commented that this was vital to deliver ICO 25 and support transition to a new data protection regulation regime, should the Data Protection and Digital Information (DPDI) Bill progress through Parliament. The Board provided advice to the Commissioner on potential ways to progress a decision on access to reserves.

4.3.4. The Board discussed the potential financial mitigations set out in the report if use of reserves was not permitted, some of which the Board identified as having a significant impact on delivery of ICO 25 or DPDI transition, and the difficult prioritisation decisions that would need to be taken in this event. The Board commented that the financial impact of the identified mitigations would differ depending on when they were implemented and requested a month-by-month breakdown of the impact of each of these.

ACTION: Angela Donaldson to provide the Board with a month-by-month breakdown of the financial impact of the various mitigations identified as contingencies, if use of reserves is not permitted. Due date: 15/5/23

4.3.5. The Board discussed the work planned throughout 2023/24 to ensure all organisations required to pay the Data Protection Fee did so. The Board also discussed medium term financial sustainability in the current fee structure. The Board noted that it was currently anticipated that a new fee structure would be in place from 1 April 2024, which should provide more financial certainty.

4.3.6. The Board also discussed the work that had been delivered during 2022/23 and would be delivered during 2023/24 to deliver further efficiencies. While some efficiency benefits were currently being realised, savings from this work would primarily be realised during 2024/25 and onwards.

Decision

4.3.7. The Board approved the budget as set out in the report.

4.4. Risk appetite review

4.4.1. Louise Byers presented a report for the Board to perform its annual review of the risk appetite statement.

4.4.2. The Board welcomed the simplified approach, which they felt would make it easier for staff to consistently use the risk appetite to assist in decision-making, and highlighted the importance of developing case studies to demonstrate to staff how the risk appetite should be part of decision-making.

4.4.3. The Board discussed the risk appetites for legal, wellbeing, behaviour and equality, diversity and inclusion. The Board particularly emphasised the importance of making clear the distinction between the averse risk appetite in relation to compliance with external legal obligations, and the hungry risk appetite for providing regulatory certainty, which legal teams were heavily involved in. The Board commented that it was vital that regulatory teams were clear on this distinction.

4.4.4. The Board agreed with the proposed risk appetite levels, but asked for further review of the phrasing to ensure that the intended application of these risk appetites was as clear as possible and did not drive unnecessarily risk averse behaviour.

4.4.5. The Board welcomed the work in this area and noted that embedding the risk appetite into decision-making was extremely challenging for all organisations; the Board commented that the ICO appeared to be ahead of the curve in this work.

Decision

4.4.6. The Board agreed the risk appetite statement, subject to minor amendments to increase clarity.

ACTION: Louise Byers to update the risk appetite statement to reflect Management Board’s comments. Due date: 15/5/23

4.5. Management Board annual work programme

- 4.5.1. John Kavanagh presented a report setting out the annual Management Board work programme.
- 4.5.2. The Board requested further reporting during the year on delivery of the data strategy, regulation of AI, and progress with and preparation for implementation of the DPDI Bill.

Decision

- 4.5.3. The Board agreed the Management Board work programme for the next year, subject to the comments above.

ACTION: Chris Braithwaite to update the Management Board work programme to reflect the Board’s comments. Due date: 15/5/23

4.6. Regulatory Committee terms of reference

- 4.6.1. John Kavanagh presented a report setting out proposed updates to the terms of reference of the Regulatory Committee.
- 4.6.2. The Board noted the appointment of Peter Hustinx as an independent member of the Committee, following completion of his term as a Non-Executive Director.

Decision

- 4.6.3. The Board approved the updated terms of reference.

5. Performance reports

5.1. Management Board Scorecard (Q3)

- 5.1.1. Paul Arnold and Stephen Bonner presented a report setting out the Management Board scorecard to the end of Q3. They particularly highlighted the good work in the year so far to recover backlogs in Freedom of Information and Data Protection Complaints caseloads.
- 5.1.2. The Board commented that it would be useful to review the performance scorecard to ensure that it included all ICO’s work that was of high public interest. The Board cited the work on nuisance calls as an example of this.

- 5.1.3. The Board also requested that future iterations of this report highlight any specific areas where the executive would appreciate specific Board discussion.

ACTION: Louise Byers to ensure that future iterations of performance scorecard report highlight any specific areas where the executive seeks specific Board discussion. Due date: 15/5/23

5.2. **ICO 25 delivery update**

ICO 25 portfolio dashboard

- 5.2.1. Jen Green presented a report setting out the status of the ICO 25 portfolio. The Board noted the report.

Start, Stop, Continue – impact and items

- 5.2.2. Jen Green presented a report setting out the outcomes of the recent start, stop, continue exercise. The Board praised the culture that this exercise indicated, as stopping work to which time and resources had already committed was often extremely challenging and welcomed that this would be an ongoing approach.

- 5.2.3. The Board thanked the Strategic Change and Transformation Team for their excellent work on this project, along with all those who had engaged with it from across the ICO.

Deep dive: Workday Enterprise Resource Planning (ERP) implementation

- 5.2.4. Jen Green presented a report providing lessons learned to date from the ERP project. The Board commented that ERP projects were often very delayed or over budget, so delivery of this project to date was extremely encouraging.

Deep Dive: Calder PACE project

- 5.2.5. Jen Green and Stephen Bonner presented a report providing the lessons learned to date from the Calder PACE project.

- 5.2.6. The Board discussed the challenges in ensuring that staff involved in PACE projects had sufficient capacity to devote to these projects and were empowered to pause lower capacity work. The Board also discussed the potential impacts of wider-ranging PACE projects and the impact on

technical specialist resources and the importance of prioritisation and planning to mitigate this.

6. People Committee update

- 6.1. Louise Byers provided an oral update on matters considered by the People Committee at its meeting on 2 February 2023. Minutes of the meeting had been circulated to the Board.

7. Any other business

Peter Hustinx

- 7.1. On behalf of the Board, David Cooke thanked Peter Hustinx for his work on the Board. David paid tribute to Peter's depth and length of experience in data protection legislation and regulation, as well as the wisdom and humanity that Peter had displayed in all his work with the ICO.
- 7.2. The Board thanked Peter for his contributions to the Board and welcomed Peter's continued work with the ICO as an independent member of the Regulatory Committee.

Attendance

Members

Ailsa Beaton	Non-executive Director
David Cooke	Non-executive Director
Emily Keaney	Deputy Commissioner (Regulatory Policy)
Jeannette Lichner	Non-executive Director
John Edwards (Chair)	Information Commissioner
Nicola Wood	Senior Independent Director
Paul Arnold	Deputy CEO and Chief Operating Officer
Peter Hustinx	Non-executive Director
Ranil Boteju	Non-executive Director
Stephen Bonner	Deputy Commissioner (Regulatory Supervision)
Tracey Waltho	Non-executive Director

Attendees

Amanda Williams	Director of Parliamentary and Government Affairs (for item 4.1)
Ange Balakrishnan	Executive Director (Strategic Communications)
Angela Donaldson	Director of Finance (for items 4.2 and 4.3)
Claudia Berg	General Counsel
Jen Green	Executive Director (Strategic Change and Transformation)
John Kavanagh	Director of Governance Transition

Louise Byers	Director of Corporate Planning, Risk & Governance
Oliver O'Callaghan	Head of Parliamentary and Government Affairs (for item 4.1)
Rob Holtom	Executive Director (Data, Digital and Technology)
Stephen Almond	Executive Director (Regulatory Risk)
Secretariat	
Christopher Braithwaite	Corporate Governance Manager (secretariat)