

Management Board minutes

Monday 6 February 2017

Members and other attendees present

Paul Arnold	Interim Deputy Chief Executive Officer
Ailsa Beaton	Non-executive Director
David Cooke	Non-executive Director
Simon Entwisle	Deputy Commissioner (Operations)
Elizabeth Denham	Information Commissioner (chair)
Rob Luke	Deputy Commissioner (Policy)
Jane McCall	Non-executive Director
Nicola Wood	Non-executive Director
Steve Wood	Head of International Strategy and Intelligence
Peter Bloomfield	Senior Corporate Governance Manager (secretariat)

1. Introductions and apologies

- 1.1. Rob Luke was welcomed to this, his first, Management Board meeting at the ICO as Deputy Commissioner (Policy).

2. Declaration of interests

- 2.1. There were no declarations of interest.

3. Matters arising from the previous meeting

- 3.1. There were no changes required to the minutes of the last meeting. They were provided for information.
- 3.2. The Board considered matters arising from the last meeting; noting that the ICO's international strategy would be discussed later in the meeting and that work on the information rights strategy would commence with two

meetings for senior managers to develop a draft strategy which would then come to the Board in early March.

- 3.3. It had been planned to update the Board on the ICO's work on privacy seals, however the Senior Leadership Team had agreed that the matter would come to the next quarterly Board meeting in May. It was a new and complex area for the ICO and there was a need for further consideration of the options.

Action: Peter Bloomfield to ensure that privacy seals were on the agenda for the next quarterly Board meeting.

4. Senior Leadership Team update

- 4.1. Elizabeth Denham updated the Board on matters of importance. The implementation of the GDPR in May 2018 was the main focus for the ICO. The ICO was also focussed on the future of UK data protection legislation once the UK left the EU.
- 4.2. Internally the new organisational structure was being finalised. Rob Luke has taken up his post and interviews for the posts of Deputy Commissioner (Operations) and Deputy Chief Executive Officer would take place shortly.
- 4.3. The ICO had recently held a conference to help inform its international strategy, inviting experts to test the ICO's evolving ideas in the area. This had been successful and the feedback would be helpful. The Board also discussed the need to measure the impact of the ICO's international work.
- 4.4. Temporary London office space had just been secured pending decisions on more long term accommodation. There was enough space for six work stations with the capacity to host meetings as well. Taking the space would allow for more face to face time with parliamentarians and civil servants.
Action: Paul Arnold to pass on details as to how the NEDs could visit the new London office.
- 4.5. The Board was also updated on work in the charities sector following the issuing of civil monetary penalties to two large charities. A meeting with the charity sector, hosted by relevant regulators, including the ICO, would take place later in the month to help advise charities on their fund raising.
- 4.6. Elizabeth Denham also advised the Board on the review of the corporate governance structure and outputs such as the Corporate Plan and risk register. The aim was to align the decision making structure with the new management structure. Paul Arnold further explained that risk and

opportunity management featured heavily in the working group discussions.

- 4.7. Ailsa Beaton advised that there was a need to articulate the ICO's risk appetite as work on risk developed. Jane McCall highlighted the existence of a framework for arms length bodies on risk which might be of assistance.
- 4.8. In respect of the wider governance changes, the Non-executives identified the need to avoid silo working. It was felt that the risk of silo working was partly mitigated by the various steering groups representing interests across the ICO. But it was recognised that organisational and governance changes involved cultural as well as procedural change. Making use of the Non-executives' expertise early would not only be of benefit in risk management but also in other areas.
- 4.9. Rob Luke provided some early first impressions, highlighting among other things the strong public support for the ICO's purpose and the healthy features of staff movement between different departments within the ICO and in-house learning and development. His initial focus would be on implementing the new Policy Directorate including an enhanced focus on international engagement, technological matters and Parliamentary and Government liaison.

5. Discussion items

- 5.1. **Grants and contributions scheme.** Steve Wood updated the Board on the development of this scheme which was designed to improve the capacity in the research community to undertake information rights oriented research. The ICO would award grants towards research projects or IT solutions which would help the privacy community improve information rights practices. There would be proper governance and oversight of the expenditure and it was hoped to launch the scheme soon.
- 5.2. Nicola Wood asked if the ICO was clear that it would get value for money from the process. Steve Wood advised that there would be regular reports to both Management Board and Audit Committee and the ICO was planning for a public facing element to funded projects; ie the scheme would not just produce academic papers.
- 5.3. **Triennial Review.** The Triennial Review report had been published recently. The review had been concluded before the last general election and so facts and figures used were several years out of date. However, it gave a positive picture of the work of the ICO.

- 5.4. The main recommendations had been the suggestion, raised in the Levenson Inquiry, of moving from a single Commissioner to a Commission, and that the ICO should do more on keeping up with technological change and its impact on information rights.
- 5.5. The recommendation of a move to a Commission had been rejected by Government. It was recognised that making good use of the wide experience of Non-executive Directors was mitigation against the ICO not having a wide enough view of the world in which it operated; especially as the ICO expanded and took on greater responsibilities.
- 5.6. **Change Programme.** Paul Arnold detailed some of the work on-going as part of the Change Programme. There had been changes made to the work streams which were increasingly focusing on the provision of new guidance products and the development of new public facing services.
- 5.7. Jane McCall asked about the People Strategy, in particular about the visibility at Board level of the wider leadership ability at the ICO. Reports were more task focused and did not cover the softer skills intrinsic to good management.
- 5.8. Paul Arnold agreed that one of the main workforce planning challenges for the ICO was the need to develop and maintain management capability and competence across an ever expanding workforce. Paul drew the group's attention to the Organisational Development report which described 40% of current managers as being relatively new in post with this number likely to increase as the workforce expands. To help mitigate this risk, particular focus was being given to the support and development of management competence within the People Strategy. There was however an opportunity for the Board to feed into this work to a greater extent. Paul Arnold therefore agreed to bring a report to the next meeting with particular focus on leadership and management capability.

Action: Paul Arnold to bring a report to the next Board meeting setting out the workforce planning components of the People Strategy and the Change Programme.

6. Performance against the ICO Plan

- 6.1. The report on quarterly performance against the ICO Plan was presented. Whether or not the ICO success rate on appeals (80%) was as expected was questioned. It was thought that this rate was not a cause for concern. The figure

represented mainly freedom of information appeals which was a mature area of law; although it was also recognised that the ICO would not get it right all of the time.

- 6.2. Members raised the possibility, also raised at the last meeting, of moving towards exception reporting for Board papers. The report reflects the current ICO Plan and it was noted that the corporate plan would be a different format next year. This change would be reflected in reports coming to Management Board. And it was also noted that the previous discussion on appeals had come about from an area of work that would not have been highlighted in exception reporting.

7. Finances

- 7.1. Paul Arnold updated the Board on the current financial position. The ICO was heading for an even position following a December when income had fallen below forecast. The Finance Team was tracking income and expenditure to ensure a surplus in terms of the end of year position. This was not easy due to uncertainty in fee income. There had been discussions with government on changing how the end of year handback to the Consolidated Fund was calculated but the calculation was expected to remain as is for this financial year.
- 7.2. The drop in depreciation and amortisation in the accounts was noted. This was due to the ICO writing of assets last year as per accounting rules.
Action: Paul Arnold to send a fuller explanation of the drop in depreciation and amortisation to Ailsa Beaton.
- 7.3. Turning to next year's (2017/18) budget this had been driven by government's impact analysis for the introduction of GDPR. The new funding model would not be in place till 2018/19 but the ICO would need to scale up in advance, hence the significant increase in the salaries budget proposed for 2017/18. Discussions were ongoing with DCMS regarding the funding of this budget.
- 7.4. Linked to staff expenditure, Nicola Wood asked about the future of the ICO's Remuneration Committee. During discussion it was agreed that the committee's areas of responsibility were best absorbed within the Management Board's, especially given the importance of staffing issues and the People Strategy as the office got ready for GDPR.
- 7.5. DCMS's work continued to progress on the new funding model for 2018/19 and beyond. The ICO was still anticipating

a fee based model and were hopefully that a consultation exercise would have begun by late March or early April.

8. Issues reports

Operations

- 8.1. In terms of operational performance the main issue was the increase in inputs. The complaints department was to be split to separate data protection and freedom of information work to mitigate against the risk that backlogs develop.

Information rights

- 8.2. The Board questioned a reference to judicial review.

Action: Simon Entwisle to report back to Board members on the reference to judicial review on page 31 of the report.

Corporate Affairs

- 8.3. The ICO's effective use of social media was highlighted.

Organisational Development

- 8.4. This area was to become increasingly important in future given the expansion needed to regulate the GDPR.
- 8.5. It was suggested that the way data was aggregated in the Organisational Development report may benefit from a review to ensure as clear a picture as possible was presented.

Action: Peter Bloomfield to pass on feedback from the Board on the presentation of aggregated data in the Organisational Development report.

Business Development and IT

- 8.6. Many of the IT projects were due to deliver soon, including those in the areas of casework and electronic records management.

Customer Contact

- 8.7. It was noted that Live Chat continued to provide benefits to customers and the office.

9. Senior Management Team meetings

- 9.1. Senior Management Team had now been stood down. The Senior Leadership Team would provide for the day to day running of the office in future.

10. Audit Committee

10.1. The change in National Audit Office team responsible for the ICO was noted.

11. Any other business

11.1. There was no other business.