

Information
Commissioner's
Annual Report and
Financial Statements
2020-21

July 2021
HC354



Information Commissioner's Annual Report and Financial Statements 2020/21

Report Presented to Parliament pursuant to Section 139(1) of the Data Protection Act 2018 and Section 49(1) of the Freedom of Information Act 2000 and Accounts Presented to Parliament pursuant to paragraph 11(4) of Schedule 12 to the Data Protection Act 2018.

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Introduction

Our annual report is split into three sections.

The first section is our **Performance report**, which reviews our work across 2020/21. The sections set out our key achievements, with case studies providing in-depth examination of some of our most impactful work.

This section concludes with statistics covering the full range of our operational performance, summary reports on our financial performance, sustainability and whistleblowing disclosures made to us, and a statement on the ICO's status as a going concern.

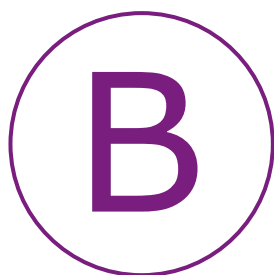
The second section is our **Accountability report**, which includes declarations regarding corporate governance, remuneration and staffing, and parliamentary accountability and audit reporting. In this section we also provide further detail about our internal structures.

The report concludes with our **Financial statements**, comprising our financial performance.



Performance report

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Information Commissioner's foreword



This Annual Report covers a period unprecedented in our history, which brought challenges to us all. The ICO was not exempt from these challenges.

In March 2020, we closed our offices, and our 800 staff worked from home. Most of our activity would be conducted this way for the entire period this report covers.

As our environment changed, so did our work. The use of data has been central to the response to COVID-19, from keeping people safe to managing the impact on society and the economy. That meant my office has been at the centre of so many of the key issues that have had a real impact on individuals, from ensuring data protection considerations were built into contact tracing solutions to emphasising the value of transparency and documentation of government decision making. A full analysis of how we responded to the challenges of COVID-19 will be covered in a separate report to parliament, which we plan to publish over the summer.

COVID-19 also prompted a transformation in the role of digital services. Our lives are now more digital than ever before: the past year has seen spikes in the use of online services to learn, stay in touch with others, keep fit and stay healthy. That impacts my office: our work is now more often complex and high profile, and increasingly overlaps with other areas of regulation.

This annual report shows how we have successfully risen to these challenges, producing what I believe is this office's most significant body of work.

Our successes are testament to the hard work and expertise of the ICO's staff, and the foundations of the modern ICO laid across the past five years.

In that time the office has almost doubled in headcount, with a focus on increasing our technical, legal, and economic expertise. We have built

partnerships with other regulators and developed our international relationships and influence. We have benefited from our commitment to equality and diversity. And we have strengthened our Management Board, to whom I am personally grateful for their continuing support and guidance.

More than all of that though, the ICO has developed a confidence in who we are. The work outlined in this report demonstrates a modern, independent ICO that has the courage to take on the complex data protection of the day, and resources and expertise to back that courage.

That confidence sets us up for future success. The National Data Strategy sets out how the UK is well placed to reap the benefits data can bring in the coming years, both to our economy and to our society. The ICO will be central to that work, encouraging innovation and ensuring that data is managed, protected, and respected to unlock its full impact. Most of all, we will continue to demonstrate that data protection is, at its core, about trust: the digital opportunity before us today will only be realised where people trust their data will be used fairly and transparently.

In my final Annual Report as Commissioner, I will conclude with a simple note of thanks. Every day I have worked at the ICO I have been impressed and inspired by the commitment and passion of the staff across our offices. It remains one of the greatest privileges of my life to work with such dedicated colleagues and I am grateful for their support.



Elizabeth Denham

22 June 2021

Senior Independent Director's Report

I am pleased to be writing this introduction at the conclusion of my first year in the new role of Senior Independent Director at the ICO.

I echo Elizabeth's comments that 2020/21 has been an extremely busy and successful year for the ICO. COVID-19 was clearly a large driver for our work. I am immensely proud of what the ICO has done this year to help to protect vulnerable people from scams, ensure that our regulatory approach took account of the new ways of working and the use of personal data in the pandemic and supported businesses to thrive in this challenging environment. Our regulatory work has been hugely important and impactful.

I would like to take this opportunity to thank everyone in the ICO who has worked to ensure that the organisation, at every level, has been able to operate effectively and efficiently during an extremely challenging year. The ICO's achievements during this year are a testament to the commitment, ambition and determination of the staff throughout the organisation, and reflects the work put in to develop the ICO across recent years.

Ensuring that the ICO is set up to enable it to continue to develop in the future has been a focus for the Board over the past year. I have been working with DCMS to continue building on the strong relationships between the ICO and our sponsor Department, including supporting the recruitment process for the next Information Commissioner.

Recognising the considerable breadth of personal statutory responsibilities of the Information Commissioner, we have also strengthened our governance infrastructure during this reporting period. In addition to the introduction of a Senior Independent Director, the Board has introduced governance infrastructure more typically found in more traditional statutory regulators, whilst respecting the ultimate authority of the role of Commissioner as a Corporation Sole. These arrangements ensure the collective Management Board can provide the highest possible level of support and challenge to the organisation.

2020/21 was the last full year of Elizabeth Denham's term as Information Commissioner. There can be no doubt that Elizabeth has transformed the ICO during her time as Commissioner and has ensured that the ICO is at the heart of discussions on data protection issues both in the UK and across the world; she has remarkable powers to communicate, lead and inspire. I, and the rest of the Board, am grateful to her for agreeing to extend her term to facilitate a smooth transition to her successor and we all wish her well in the next stage of her career.

Nicola Wood

22 June 2021

Our mission, vision, strategic goals and values

Our mission

To uphold information rights for the UK public in the digital age.

Our vision

To increase the confidence that the UK public have in organisations that process personal data and those which are responsible for making public information available.

Our strategic goals – 2016 to 2021

1. To increase the public's trust and confidence in how data is used and made available.
2. Improve standards of information rights practice through clear, inspiring and targeted engagement and influence.
3. Maintain and develop influence within the global information rights regulatory community.
4. Stay relevant, provide excellent public service and keep abreast of evolving technology.
5. Enforce the laws we help shape and oversee.
6. To be an effective and knowledgeable regulator for cyber-related privacy issues.

Our values

- Ambitious** – Working boldly, ready to test boundaries and take advantage of new opportunities; working with a sense of genuine urgency, continuously improving when striving to be the absolute best we can be.
- Collaborative** – Working towards achieving our goals, supporting one another whilst seeking and sharing information and expertise and working effectively with a range of partners to achieve our collective objectives.
- Service focused** – Working impartially and ethically to provide excellent services - continuously innovating to remain relevant to the environment we regulate.

The legislation we regulate

The **Data Protection Act 2018** (DPA 2018) and the **General Data Protection Regulation** (GDPR) both commenced in May 2018 and build on and enhance the rights of individuals relating to personal data; including the right to know what information is held about them and the right to correct information that is wrong. The legislation also obliges organisations to manage the personal information they hold in an appropriate way. The GDPR was replaced by the **UK General Data Protection Regulation** (UK GDPR) following the UK's exit from the European Union.

The **Freedom of Information Act 2000** (FOIA) gives people a general right of access to information held by most public authorities. Aimed at promoting a culture of openness and accountability across the public sector it enables a better understanding of how public authorities carry out their duties, why they make the decisions they do and how they spend public money.

The **Environmental Information Regulations 2004** (EIR) provide an additional means of access to environmental information. The EIR cover more organisations than FOIA, including some private sector bodies, and have fewer exemptions.

The **Privacy and Electronic Communications Regulations 2003** (PECR) regulate the use of electronic communications for the purpose of unsolicited marketing to individuals and organisations, including the use of cookies.

The **Network and Information Systems Regulations 2018** (NIS) are derived from the European NIS Directive, which establishes a common level of security for network and information systems. These systems play a vital role in the economy and wider society, and NIS aims to address the threats posed to them from a range of areas, most notably cyber-attacks.

The **Infrastructure for Spatial Information in the European Community Regulations 2009** (INSPIRE) give the Information Commissioner enforcement powers in relation to the pro-active provision by public authorities of geographical or location-based information.

The **Re-use of Public Sector Information Regulations 2015** (RPSI) gives the public the right to request the re-use of public sector information and details how public bodies can charge for re-use and license the information. The ICO deals with complaints about how public bodies have dealt with requests to re-use information.

The **Investigatory Powers Act 2016** (IPA) imposes duties on communications service providers when retaining communications data for third party investigatory purposes where they have been issued with a notice from the

Secretary of State. The Information Commissioner has a duty to audit the security, integrity and destruction of that retained data.

The **Electronic Identification and Trust Services for Electronic Regulations 2016** (eIDAS) sets out rules for the security and integrity of trust services including electronic signatures, seals, time stamps and website authentication certificates. The ICO has a supervisory role towards organisations providing these trust services, including being able to grant qualified status to providers and the ability to take enforcement action.

The **Enterprise Act 2002** sets various reforms to competition law and consumer law enforcement in the UK. Part 8 of the Enterprise Act deals with provisions for the enforcement of consumer protection legislation. The ICO has powers under Part 8 of the Enterprise Act as a “designated enforcer” in relation to domestic and infringements listed in Schedule 13 of the Enterprise Act. The ICO is also a “Schedule 13” enforcer which gives us additional powers in relation to infringements listed in Schedule 13 of the Act.

Introduction

A year in review

As with last year, we have set out our achievements and successes in six categories, all of which contribute to the strategic goals set out in our Information Rights Strategic Plan.

Our work is informed by our annual track, a survey of over 2,000 people that the ICO commissions each year. The research helps us to understand what people think about data protection and freedom of information, as well as giving us a greater understanding of how people look to utilise their rights.

The survey, carried out by Harris Interactive in early 2021, showed that public trust and confidence in companies and organisations storing and using their personal information remains consistent. Just under three in ten (28%) of people have high trust and confidence (compared with 27% in 2020), with a similar number stating they have low trust and confidence (29%, compared with 28% in 2020). Over three quarters of people (77%) agreed that protecting their personal information is important to them.

1. Supporting the public

Our role includes helping people understand how their data is used and protecting people's rights.

We prioritised transparency and fairness when scrutinising innovative responses to the challenges brought by COVID-19, so people could see how their rights had been respected.

2. Enabling innovation and economic growth

Data protection can support innovation, by encouraging public trust in emerging technologies.

Our guidance around artificial intelligence is helping innovators to develop new products and services that earn public trust through built-in data protection.

3. Raising global data protection standards

The ICO's international influence helps to raise data protection standards worldwide.

Our Age Appropriate Design Code will start to have a real impact on global data standards in 2021, and we have provided support to help organisations adapt their online products and services.

4. Taking regulatory action

The ICO offers consistent regulation, with clarity for business through our accessible guidance.

Our regulatory action is focused on supporting organisations to meet their legal requirements, while we reserve our proportionate enforcement only for where it is required.

5. Supporting the public sector

Successful innovation in the public sector often requires the public's trust in how their data is used, shared and kept safe.

Our Freedom of Information work is an important part of this, and our FOI Toolkit has proved successful in helping public authorities to handle requests better.

6. Delivering the ICO service experience

The ICO is committed to a service-focused approach across our work.

The impact of COVID-19

The ICO had an important role to play in supporting the country's response to COVID-19.

The pandemic showed the power of data in supporting innovative responses to the challenges society faced, notably through national exposure notification apps and contact tracing. This annual report includes details of the ICO's role in providing advice and expertise to Government and public authorities on these projects, ensuring the consideration of people's rights was built in at an early stage of their development. The report also outlines work to promote data

sharing in the pandemic response, protect vulnerable people from COVID-19-related scams and frauds, and provide privacy information to the public around COVID-19 related issues.

From the outset of the pandemic, the ICO recognised the uncertain and challenging environment the organisations we regulate found themselves in, as well as the potential impact on our own resources. In April 2020, we published the regulatory response we would take during the pandemic¹, which we then reviewed and updated in July² and September³. In this annual report, we set out how we worked with businesses, notably by offering practical support on the new data protection questions that the pandemic asked of organisations, through our coronavirus information hub, and through dedicated advice to the public sector. We also set out how we supported our staff throughout the year.

Our published regulatory response also considered the impact of the pandemic on access to information rights. We took a pragmatic approach, taking into consideration the impact the pandemic had on public authorities, while reiterating the value of transparency and good recordkeeping throughout an historically important period.

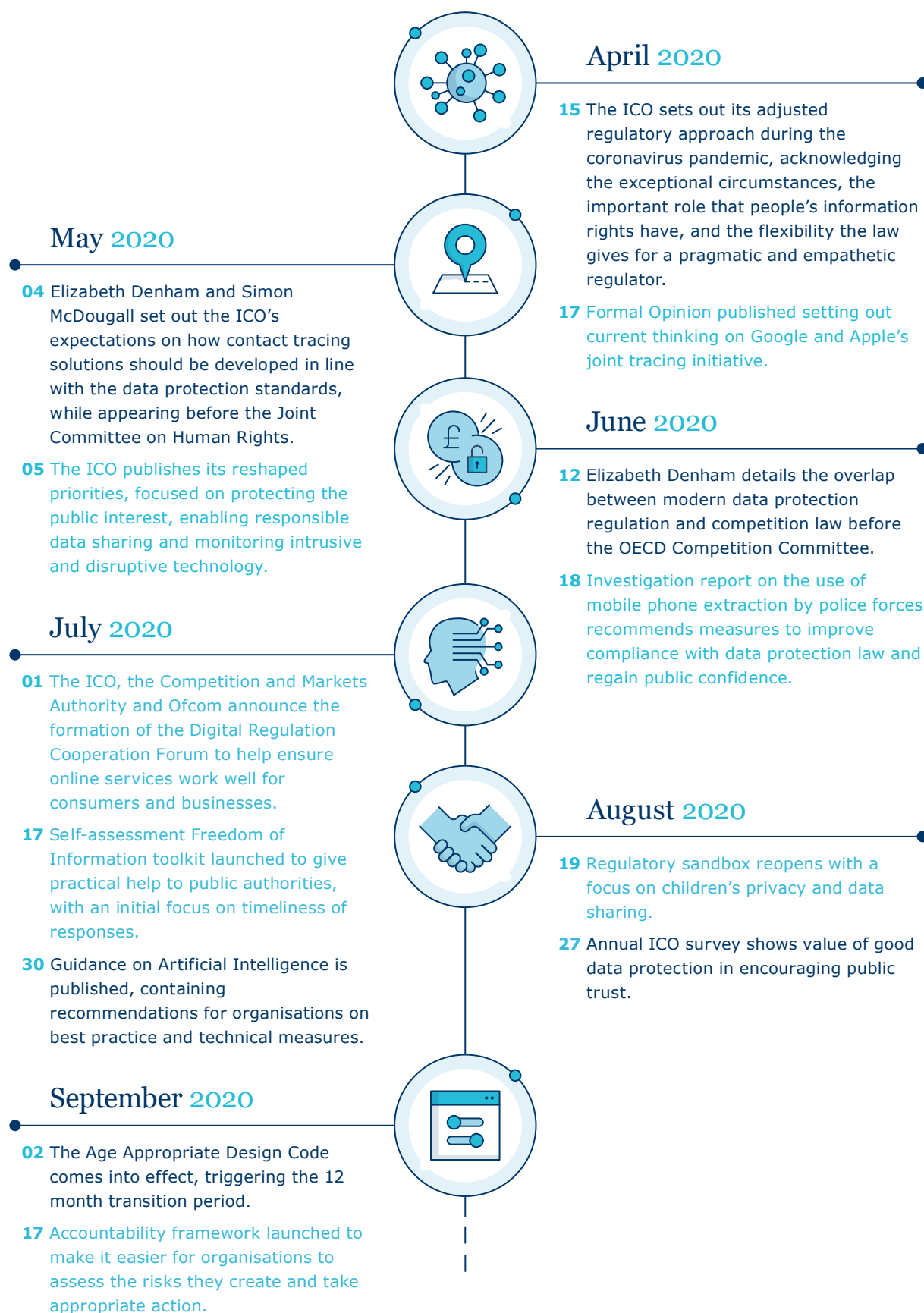
The ICO's role in the pandemic response will be outlined in more detail in a report to Parliament, due to be published before the summer. The report will include details of the lessons learned that will inform our future approach, and our regulatory perspective on how the data protection legislative framework has responded to the public policy delivery challenges arising during the pandemic.

¹ <https://ico.org.uk/about-the-ico/news-and-events/news-and-blogs/2020/04/how-we-will-regulate-during-coronavirus/>

² <https://ico.org.uk/about-the-ico/news-and-events/news-and-blogs/2020/07/information-commissioner-updates-on-the-ico-s-regulatory-approach-during-covid-19-and-beyond/>

³ <https://ico.org.uk/about-the-ico/news-and-events/news-and-blogs/2020/09/open-letter-from-uk-information-commissioner-elizabeth-denham-to-uk-organisations/>

The year in summary



18 Elizabeth Denham blog published setting out the ICO's regulatory work regarding COVID-19 apps.

24 Elizabeth Denham open letter to UK organisations published regarding the ICO's adjusted approach during COVID-19.



October 2020

06 Elizabeth Denham blog published on the conclusion of the ICO's investigation into the use of personal data in political campaigning.

13 ICO chairs Global Privacy Assembly closed session, with focus on continued modernisation of the international regulatory network.

16 British Airways fined £20m for data breach, followed two weeks later by a £18.4m fine for Marriot International Inc.

27 Enforcement action against Experian announced as report into data protection compliance in the direct marketing data broking sector is published.

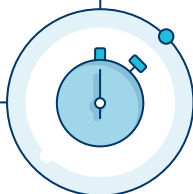
November 2020

11 Summary of the audit reports into the data protection practices of seven of the UK's political parties is published.

12 Elizabeth Denham speaks about the role of trust in innovation at the Open Data Institute's virtual summit.

12 Report into the information access request performance of police forces in England, Wales and Northern Ireland highlights areas for improvement.

13 Ticketmaster UK Limited fined £1.25m for failing to protect its customers' payment details.



December 2020

09 Data analytics toolkit to help police forces launched.

11 Memorandum of Understanding signed with Global Cyber Alliance.

17 Data sharing code of practice published, accompanied by a suite of new resources to help and encourage responsible data sharing.

21 Elizabeth Denham urges UK businesses to prepare for the end of the transition period in order to keep data flowing.

January 2021

12 ICO give evidence at the Public Services Select Committee, and two weeks later at the Digital, Culture, Media and Sport Sub committee.

22 Investigation into real time bidding and the adtech industry resumes, after a pause while activities responding to COVID-19 were prioritised.

27 Fines totalling £480,000 issued to four separate companies for making millions of nuisance calls.

28 ICO launches the final phase of the privacy innovation grants programme on Data Protection Day.



February 2021

09 The ICO supports Safer Internet Day 2021 by highlighting the importance of protecting children within the digital world.

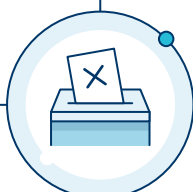
17 Data analytics toolkit launched, as part of the ICO's work to support organisations using AI.

19 ICO issues statement in response to the publication of the draft adequacy decision from the European Commission.

March 2021

03 Elizabeth Denham delivers a speech at the Oxford Internet Institute, reflecting on regulating data protection in 2021.

09 Political campaigning guidance published, to ensure consistent application of data protection standards where new digital campaigning techniques are used.



Section 1: Supporting the public

The first goal in the ICO's Information Rights Strategic Plan is increasing public trust and confidence in how data is used and made available.

Data-driven innovation and the digital economy bring so many benefits to society, but success relies on individuals trusting their personal data will be used fairly and lawfully.

The role of the regulator is central to that public trust. Despite the challenges of COVID-19 in 2020/21, the ICO resolved more than 30,000 complaints made by members of the public concerned that their data rights had not been respected.

We also played a proactive role in helping the public to make informed decisions about how personal data is used, both through our YourDataMatters social media campaign and through our media work.

Representing people's rights

New and innovative uses of people's personal data have been central to society's response to the challenges brought by COVID-19. From national COVID-19 exposure notification apps to contact tracing, people's information has been used to protect public health and minimise the disruption we all face.

The ICO has taken a pragmatic approach, supporting public health innovation and reflecting the flexibility of data protection law. We have made sure people's data is being used fairly, lawfully and transparently.

The result was that the necessary consideration of people's data protection rights was built into national exposure notification apps, with our feedback prompting changes in areas such as transparency and improved privacy information. We also influenced the data protection by design approach, that ensured data collected and shared was minimised. Our regulatory role continued beyond the launches of these apps and included an audit of the Test and Trace ecosystem in early 2021.

Our work representing people's rights also focused on the use of live facial recognition technology. Elizabeth Denham spoke to the Oxford Internet Institute about the importance of public trust in innovative data use. We also contributed our expertise as the Court of Appeal looked at the use of the technology by police forces⁴. Our input pointed to the importance of a clear legal framework in encouraging public trust and confidence in the police and their actions, and we welcomed the judgment that provided clarification in this key area.

⁴ <https://ico.org.uk/about-the-ico/news-and-events/news-and-blogs/2020/08/ico-statement-on-the-court-of-appeal-judgment/>

We have also continued our work representing people's data protection rights around political campaigning. Digital campaigning can help parties keep in touch with people more efficiently, inform voting decisions and improve engagement with hard-to-reach groups. The ICO has worked with parties and campaign groups to make clear the rules that must be followed when personal data is used, such as when profiling voters to target digital advertising. In November 2020, we published a summary of our audits of seven of the UK's political parties, and in March 2021 we published updated guidance on the use of personal data in political campaigning. We continue to enable the political parties to use data transparently and lawfully.

The ICO continues to provide independent regulatory advice to the government in relation to the UK's application for our data protection regime to be considered adequate for data transfers from EU countries. We welcomed the government's commitment to high data protection standards and continue to provide expert regulatory advice on how the UK's data protection framework works in practice, its key role in protecting individuals' information rights, and the way it can support innovative data use.

Working with Parliament

The Commissioner appeared five times before Parliamentary Committees during 2020/21. In addition, the ICO provided briefings to parliamentarians on issues such as Freedom of Information, the response to COVID-19, and data sharing.

The Commissioner discussed the privacy implications of contact tracing apps across the UK when giving evidence to the Joint Committee on Human Rights in May 2020. The appearance also shone a spotlight on the Commissioner's dual role as a regulator: providing early advice to organisations to help them address risks and realise their accountability obligations to get data protection and privacy protections 'right first time'; and supporting the public with our strong powers to address complaints and concerns after data usage has occurred.

In July 2020 and January 2021, the Commissioner and Deputy Commissioner (Regulatory Strategy) detailed the ICO's support of data sharing to the Public Services Committee. The Commissioner also welcomed feedback from the Committee on children's data and is working with others, including the Children's Commissioner, on further information in this area. Further information about the ICO's work in these areas is provided later in the report.

At the Lords Liaison Committee on AI in October 2020, the Deputy Commissioner (Executive Director – Technology and Innovation) spoke about the ICO's experience in the AI regulatory landscape. The use of personal data is intrinsic to so many examples of AI, and we outlined the support we offer to industry, notably through practical advice such as our work with the Alun Turing Institute to produce guidance for those designing AI enabled digital tools.

Finally, in a wide-ranging accountability session in January 2021 with the DCMS Committee, the Commissioner and the Deputy Chief Executive Officer and Chief Operating Officer answered questions about our investigation into the use of personal data in political campaigning, protecting children online, regulating large technology platforms, the efficacy of the Freedom of Information Act, and the ICO's journey of growth and learning whilst bringing in and administering the UK GDPR.

Protecting vulnerable people

In addition to our broader work protecting people's rights throughout the pandemic, we identified the risk of COVID-19-related scams and frauds, targeted at vulnerable people.

This was a major area of focus for the ICO from an early stage, protecting the public in a regulatory space that might typically see the overlap of data misuse and breach of the Privacy and Electronic Communication Regulations covering nuisance calls and texts.

We worked alongside Action Fraud, Trading Standards, law enforcement and other relevant agencies to protect people. Our work included educating people around the risk of these scams and offering tips on what to look out for.

We also acted against companies who used nuisance marketing calls and texts to play upon people's concerns at a time of great public uncertainty. We issued a penalty of £60,000 to a firm that sent text messages promoting a hand-sanitising product⁵, and penalties totalling £110,000 to three companies who sent unlawful marketing messages to sell face masks^{6 7 8}.

Informing the public

The ICO has provided privacy information to the public around COVID-19-related issues. This included informing people of their rights around contact tracing⁹, testing and health data sharing¹⁰. We also warned people of the risks of fraudsters looking to take advantage of the pandemic.

Age Appropriate Design Code

The Age Appropriate Design Code sets out standards that online services need to follow around children's personal data. It completed the parliamentary process in

⁵ <https://ico.org.uk/about-the-ico/news-and-events/news-and-blogs/2020/09/ico-fines-company-flouting-the-law-in-order-to-profiteer-from-the-coronavirus-pandemic/>

⁶ <https://ico.org.uk/action-weve-taken/enforcement/just-hype-ltd/>

⁷ <https://ico.org.uk/action-weve-taken/enforcement/seafish-importers-limited/>

⁸ <https://ico.org.uk/about-the-ico/news-and-events/news-and-blogs/2020/10/ico-takes-action-against-company-for-sending-spam-emails-selling-face-masks-during-pandemic/>

⁹ <https://ico.org.uk/your-data-matters/your-data-matters-blog#24september2020>

¹⁰ <https://ico.org.uk/your-data-matters/your-data-matters-blog/#23june2020>

August 2020 and came into force three weeks later. A transitional period, aimed at giving organisations time to make the necessary changes to put children's privacy at the heart of their design, ends on 2 September 2021.

The code breaks new ground as regulatory guidance focused on a 'by design approach' and is a huge step toward protecting children online. All major social media and online services used by children in the UK will need to conform to the code, giving the impact an international reach.

The ICO has provided a tailored package of support to help organisations adapt their online products and services, as well as engaging businesses internationally on the requirements, including work with the US Chamber of Commerce and Global Counsel. ICO research in early 2020 showed that three quarters of business are aware of the code.

Section 2: Enabling innovation and economic growth

Data protection law in the UK was born out of a concern that the potential of emerging computer-based innovation would be lost without people's trust.

At the ICO, we take our responsibilities to enable innovation and economic growth seriously. We take a proactive approach, working with organisations to encourage good practices that assure people their data protection rights are being respected. This year has seen continued investment and growth to support our ability to support innovation and stay ahead of technological change. We continue to be visible in the business communities we support, with the Commissioner delivering keynote addresses at events organised by the Open Data Institute, TechUK, City Week and the Centre for Information Policy Leadership.

Encouraging innovation

Enabling good practice in artificial intelligence is one of the ICO's priorities, recognising both the potential benefits the technology can bring society and the importance of public trust in how their data is used.

In July, we published guidance to help organisations mitigate the data protection risks associated with AI projects, without losing sight of the benefits such a project can deliver. That work sits alongside our guidance produced with The Alan Turing Institute to give organisations practical advice to help explain processes, services and decisions assisted by AI, and will soon be supported by a detailed AI Risk Toolkit, providing a detailed and practical approach to risk managing data protection in AI.

The theme of transparency around innovation is part of our continued regulatory sandbox. The scheme offers dedicated advice and support to organisations that are developing products and services that use personal data in innovative ways.

This year we have been able to help NHS Digital in setting up their COVID-19 vaccine trial registry, an organisation looking to use student activity data to support wellbeing, a company working to mitigate bias in biometric identity verification technology, and an analytics platform that uses pseudonymised transaction data to combat financial crime. We have also supported the international development of regulatory sandboxes, working with our equivalent bodies in Norway and France, and contributing to an OECD study on the effectiveness of sandboxes in encouraging innovation.

Our Innovation Hub provides similar expert advice to regulators and businesses with a focus on enabling organisations to build privacy by design into their innovation and development. This year marked the end of the initial project, which was funded by the BEIS Regulators' Pioneer Fund. Across 18 months, the Hub offered expertise to a wide range of projects, including assisting the Financial Conduct Authority's regulatory sandbox, advising the Medicines and Healthcare products Regulatory Agency on the use of synthetic datasets and working with the Solicitors Regulation Authority to widen the public's access to legal advice and support. In August, we were pleased to announce the ICO's commitment to retaining the Hub on a permanent basis. The Hub, in common with much of our work to encourage innovation, helps to minimise compliance costs by making it easier for organisations to access expert support, which in turn enables growth for compliant controllers.

This year we selected research projects for the third round of our grants programme, established to encourage research and privacy innovation in significant areas of data protection risk. The programme was set up to have a genuine impact on the UK information rights environment and improve public trust in how personal data is used.

We supported projects that facilitated transparency around AI, big data and machine learning, as well as on research that supports children's rights, in line with our Age Appropriate Design Code. The projects we funded looked at smart homes, adtech and biometric technologies. We also launched the selection process for the fourth phase of the programme. This will be the final round of the current programme, after which we will produce a report reviewing the scheme's success to inform the future of the project.

Working with businesses

Our advice and support focus firmly on enabling innovation to happen. We want to work alongside organisations, helping them to make changes and improvements to comply with the law to reduce mistakes and misuse of people's data.

Throughout COVID-19, we prioritised offering practical support on the new data protection questions that the pandemic asked of organisations. Our coronavirus information hub helped thousands of businesses with advice on working from

home, collecting customer details for contact tracing and testing staff for coronavirus. We also introduced a phone line specifically to help organisations adapt the way they work during the pandemic, to ensure that data protection was not seen as an unnecessary barrier to achieving what they needed to for their customers, service users and staff.

Our accountability framework is another example of the ICO working alongside organisations to improve practices. It is a practical tool designed to help organisations manage their approach to privacy, setting out a roadmap on what changes they need to make and how they can improve. We continue to develop the framework and have been pleased with the positive feedback around the practical ways it is helping organisations to embed accountability practices.

Feedback on our detailed Subject Access Request guidance was similarly positive. The practical guidance was published in October and was shaped by more than 350 responses to our consultation from organisations of all sizes and sectors. The right of access to data is a cornerstone of data protection law, and our guidance is helping organisations to handle requests effectively and efficiently.

This year we transformed our approach to advising and supporting small organisations, further developing a dedicated area of our website with the needs of small businesses, sole traders and SMEs in mind. Our data protection advice hub for small organisations has helped to reduce regulatory uncertainty for small businesses and means those in need of our help can find the answers they need more easily and is in addition to our dedicated helpline and live chat services.

For more established businesses, we are developing an advisory check-up service to identify what a business needs to do to become more efficient and effective in their data protection practices. These one-to-one sessions are already helping ensure businesses have the right tools and resources to develop and thrive – and we have used the insights gained from these sessions to update and improve our guidance for all small organisations.

Enabling economic growth

The ICO is committed to ensuring that consideration of economic impact is factored into our regulatory work, and the Regulators' Code¹¹ requires us to take account of how we might support or enable economic growth.

Over the past year, we have continued our focus on improving our analysis and understanding of the economic impact of our work. Our expanded economic analysis team has conducted impact analysis and led training for staff to better enable the use of proportionate and effective approaches to regulation.

¹¹ <https://www.gov.uk/government/publications/regulators-code>

All this work appreciates the increased role data protection rights have in the UK's economic health. Data privacy considerations are central to stimulating digital growth, regulating competition and efficient delivery of public services. With that in mind, cooperation with regulatory partners remains central to our work.

In July 2020, the ICO worked with the Competition and Markets Authority and Ofcom to establish a new forum to help ensure online services work well for consumers and businesses in the UK. The Digital Regulation Cooperation Forum strengthened existing collaboration and coordination between the three regulators, and brings together collective expertise on data, privacy, competition, communications and content regulation. The Financial Conduct Authority joined as a member in April 2021. A workplan for the Forum was published in March 2021¹², setting out an intention to increase the scope and scale of cooperation in the coming year. Such cooperation will include the ICO's continued support of the new Digital Markets Unit, overseen by the Competition and Markets Authority.

The ICO also continues to be an active member of the UK Regulators' Network. The Network's latest workplan includes a focus on enabling investment to support economic recovery, resilience and growth, with the ICO's contribution including sharing advice around enabling responsible data sharing¹³.

Section 3: Raising global data protection standards

When UK consumers download an app, or sign up to a digital service, or interact with a website, they expect a level of data protection regardless of where in the world the company providing the service is based.

That is why the ICO's work to raise data protection standards, both domestically and internationally, is so important. Increased standards improve consumer confidence in data-driven innovation, and ensure a level playing field for UK businesses competing internationally.

The Age Appropriate Design Code (discussed earlier) is a good example of action that will start to have a real impact on global data protection standards in 2021, and has also influenced international instruments, such as the OECD's revised Recommendation on Children and the Digital Environment.

¹² <https://www.gov.uk/government/publications/digital-regulation-cooperation-forum-workplan-202122>

¹³ <https://www.ukrn.org.uk/publications/ukrn-annual-report-and-multi-year-work-plan-2021/>

Supporting organisations as the UK left the EU

The ICO continued to support organisations following the UK's withdrawal from the EU in January 2020. We provided advice and guidance to businesses and the public sector throughout 2020, in preparation for the end of the transition period in December 2020, with a focus on education around the instruments businesses could use to maintain their data flows from the EU, including in the event of the UK not achieving an adequacy decision. This included detailed work around the use of Standard Contractual Clauses to transfer data from the UK to countries outside of the EEA (European Economic Area).

We welcomed the Treaty agreed by Government with the EU to allow personal data to flow freely from the EU and EEA to the UK while adequacy decisions were adopted later in 2021. We continue to update businesses on progress, as well as publishing updated advice to enable data transfers to countries outside of the EEA.

In 2021, we provided independent regulatory advice to support the Government around the UK's application for adequacy with EU data protection rules. We also welcomed the Government's commitment to ensuring a continued high level of personal data protection and high international standards.

Chairing the Global Privacy Assembly (GPA)

As the international forum for data protection and privacy authorities, the GPA had a significant role to play during the pandemic. The Assembly was the leading global voice for privacy authorities, as well as offering a platform for best practice sharing as regulators around the world faced the same data protection questions and challenges.

The ICO played a vital role in this work, with the Information Commissioner continuing to chair the Assembly, and the office providing the Secretariat.

That role extended to organising and hosting the GPA's annual conference, held digitally in October 2020 in recognition of the restrictions brought by COVID-19. More than 100 members and observers joined together to consider key data protection challenges, and to look to continued cooperation. There were important steps made towards improving the Assembly's engagement with organisations outside of the regulatory community, as well as a commitment to continue work to support regulators to maintain privacy principles through the pandemic.

The ICO's contribution to the GPA, from raising standards globally to encouraging greater cooperation around enforcement, is important work that has a real impact domestically. The exchange of views and expertise with other regulators around the unprecedented challenges of COVID-19 helped to shape and share our views on contact tracing apps and effective approaches to engagement with government in the face of the health emergency, including

around international vaccine passports. More broadly, the ICO's input helped to shape GPA resolutions on facial recognition technology and accountability in artificial intelligence, both of which impact discussions on future use of these technologies both domestically and internationally.

OECD Data Governance & Privacy Working Party

The Deputy Commissioner for Regulatory Strategy continues as Chair of the OECD Data Governance & Privacy Working Party.

The OECD's privacy guidelines represent a model for how high data protection standards can converge and promote interoperability. Over the past twelve months, the ICO has contributed to a review of the guidelines to ensure they are still relevant and focused on key data protection areas. The working party is also assisting the Committee of Digital Economy Policy with its work on the critical area of government access to personal data. This seeks to address concerns about practices that fail to preserve trust in data flows and will play a key role in setting a clearer set of international principles and building trust in data flows.

The last year has also seen considerable progress on a revised recommendation on children in the digital environment, which is expected to be formally approved in the middle of 2021. Importantly, the recommendation reinforces key principles of the ICO's Children's Code and will be a further step towards establishing it as a global standard.

Advocating for high standards

The Commissioner continues to play a prominent role in demonstrating the UK's commitment to maintaining high data protection standards, while supporting others to achieve the same.

In June 2020, the Commissioner appeared before the OECD's Competition Committee, outlining the increasing overlap between data protection work and economic regulation.

In January, the ICO supported the Council of Europe in its celebration of the 40th anniversary of Convention 108. The UK was a founding signee to the convention, which commits members to a set of baseline standards to protect citizens' rights.

The Commissioner also spoke at events with the International Committee of the Red Cross and the World Bank, where she pointed to the role that international organisations can play in driving high privacy standards around the world.

International regulatory action

Through our Global Privacy Assembly role, the ICO has led efforts to accelerate cooperation on international enforcement on live cases. This has enabled us to build our network with other global regulators where cross-border use of data

impacts UK citizens. These relationships are helping us to improve multinational companies' handling of data, reduce risks to UK citizens and build trust in the global data economy. Recent examples include a joint investigation into facial recognition company Clearview AI between the ICO and the Office of the Australian Information Commissioner, and international agreement on what privacy requirements are expected of video conferencing companies.

Section 4: Our regulatory action

The ICO is an independent and proportionate regulator. We work with organisations to make changes and improvements to comply with the law, and we know this can help them gain a competitive advantage in a thriving economy, as well as reducing mistakes and misuse of people's data. Working alongside organisations is also central to maintaining the availability of 'everyday FOI' that is such an important part of democracy.

Throughout 2020/21, we continued to review our regulatory approach, setting out in detail our clear and pragmatic approach to regulation, and pointing organisations to the support we offer.

Our formal regulatory action was focused on areas where there had been the most significant impact on individuals through poor data protection practices. Here, we operated confidently, predictably and consistently to enforce the law, guided by our Strategic Threat Assessment process, which enables us to identify where risk, impact or harm is highest and to allocate resources accordingly.

GDPR fines

In 2020/21 we issued 3 fines, totalling £39.65m.

In October 2020, we fined British Airways £20 million for failing to protect the personal and financial details of more than 400,000 of its customers. An ICO investigation found the airline was processing a significant amount of personal data without appropriate security measures in place and did not detect a cyber-attack in 2018 for more than two months.

Later the same month, we fined Marriott International Inc. £18.4 million for failing to keep millions of customers' personal data secure. An estimated 339 million guest records worldwide were affected following a cyber attack in 2014 on Starwood Hotels and Resorts Worldwide Inc. The ICO found that the company had failed to put appropriate measures in place to protect the personal data and did not detect the attack for four years.

In November 2020, we fined Ticketmaster UK Limited £1.25 million for failing to keep customers' personal data secure. The company failed to put appropriate security measures in place to prevent a cyber-attack on a chat bot installed on its online payment page. The data breach affected 9.4 million customers across

Europe, including 1.5 million in the UK. The ICO investigation found that 60,000 payment cards had been subjected to known fraud because of the breach.

As part of the regulatory process in all three cases, the ICO considered representations from the companies, and considered the impact of COVID-19 on their business before setting a final penalty.

Credit Reference Agencies

The ICO acted to prompt improvements to how credit reference agencies handle data, in line with our focus on sectors with significant impact on individuals through poor data protection practices.

Our investigation, which utilised our powers to serve assessment notices and undertake audits, focused on credit reference agencies' use of personal data around direct marketing. We found significant 'invisible' processing was taking place, likely affecting millions of adults in the UK.

Following ICO audit recommendations, Equifax and TransUnion made improvements and withdrew some products and services. An enforcement notice was issued to Experian to require changes in the way it provides privacy information to the significant percentage of the UK population who it held data on. This notice is currently subject to an appeal to the First-tier Tribunal (Information Rights) by the company.

Further work around the data broking industry's use of data continues.

Mobile phone extraction by police forces

Another area where the ICO took action to improve how people's personal data was being handled was the use of mobile phone extraction by police forces.

An ICO investigation into the use of the technique as part of criminal investigations in England and Wales found excessive amounts of personal data were often being extracted and stored without an appropriate basis in existing data protection law. The Commissioner expressed a concern that the approach risked dissuading citizens from reporting crime, and victims may be deterred from assisting police.

The ICO published a report recommending measures to be implemented to improve compliance with data protection law and regain any lost public confidence. The report was well received: the National Police Chiefs' Council subsequently withdrew digital consent forms, and government are also considering the wider recommendations within the report.

Nuisance marketing firms

The ICO has continued to act against nuisance marketing firms.

We know that nuisance calls are an invasion of people's privacy and can cause great distress and worry. Across the year, we have repeatedly taken robust action against companies who we found to be ignoring the law, issuing 35 penalties under the Privacy and Electronic Communications Regulations totalling £2.306m.

In January 2021 alone we issued four fines, to companies we found to have made a total of 2.4 million illegal calls.

Our work does not stop with fines, and where companies fail to pay, we take action that can lead to companies being wound up. We can also act against people involved in those companies: Twenty-seven directors have so far been disqualified for a total of 165.5 years following ICO enforcement action around nuisance marketing.

We are also an active part of the international UCeNet, alongside Ofcom. The network coordinates information and intelligence-sharing to combat nuisance calls and unsolicited messaging¹⁴.

Investigation into the adtech industry

The ICO continues to investigate real time bidding (RTB) in the adtech industry. Work was paused in May 2020, as we prioritised activities responding to COVID-19, and resumed in January 2021.

The complex system of real time bidding (RTB) in the adtech industry can use people's sensitive personal data to serve adverts and requires people's explicit consent, which is not happening right now. Sharing people's data with potentially hundreds of companies, without properly assessing and addressing the risk of these counterparties, also raises questions around the security and retention of this data.

Since resuming the investigation, we have conducted audits focusing on data management platforms, giving us a clearer picture of the state of the industry. We will be issuing assessment notices to specific companies in the coming months.

Since resuming the investigations, we issued the first of a series of assessment notices, with the remaining assessment notices being issued, and the associated audits conducted, over the coming months.

Data broking plays a large part in RTB and following our data broking investigation into offline direct marketing services and enforcement action for

¹⁴ https://www.ofcom.org.uk/data/assets/pdf_file/0025/216439/nuisance-calls-joint-action-plan-2021.pdf

Experian in October 2020, we are reviewing the role of data brokers in this adtech eco-system.

We are also continuing to work with the Competition and Markets Authority (CMA) in considering Google's Privacy Sandbox proposals to phase out support for third party cookies on Chrome.

Transparency regulatory action

As well as providing advice and support to both public authorities and those making Freedom of Information requests, the ICO also resolves complaints where requests have been denied. This year we dealt with 4,000 FOI complaints, and issued 1,029 Decision Notices to public authorities requiring the release of information. The ICO can also issue practice recommendations, where we consider a public authority has not met expected transparency standards. We issued four such notices in the past year, all of which prompted necessary compliance steps and positive improvement in performance around timeliness of responses, internal reviews and communication with requestors.

Section 5: Supporting the public sector

The past year has seen an acceleration in innovation within the public sector, from the growth in delivering services digitally to data-driven solutions to respond to the pandemic.

The ICO has a clear focus on supporting organisations to deliver innovation while complying with the law and maintaining public trust. Our work encouraging transparency and regulating the Freedom of Information Act is central to this.

Promoting data sharing in the public sector

As an office, we see regular examples of how sharing data between organisations can improve services, not least through the role data sharing played in supporting and protecting people during the response to COVID-19.

The ICO's advice around data sharing has had a tangible impact, notably when we were able to advise public authorities and supermarkets on how to share information to support vulnerable people shielding, or through our support of health data being shared to support fast, efficient and effective delivery of pandemic responses.

In December 2020, we published our Data Sharing Code of Practice. The code reiterated that the law can be an enabler to responsible data sharing, providing practical advice to organisations on how to carry out responsible data sharing. The code was launched alongside a suite of new resources and provides practical advice to organisations on how to carry out responsible data sharing.

The ICO will continue to provide clarity and advice on this valuable area, and to contribute to work to overcome cultural, technical and organisational barriers to

data sharing. The Commissioner has been clear that the ICO will be at the forefront of a collective effort to address the technical, organisational and cultural challenges to data sharing, particularly within the public sector. That work includes continued engagement with organisations and a focus on data sharing through our regulatory sandbox.

Supporting the public sector through COVID-19

As part of our ongoing support of organisations focused on the challenges which they faced due to COVID-19, we offered dedicated advice to the public sector. This included guidance for community groups and health and social care organisations, as well as broader advice for covering employees working from home, using their own devices, and organisations collecting customer and visitor details for contact tracing.

The ICO also has a key role to play around innovative responses to the pandemic. We want to enable progress that can help society and protect the people whose data – and trust – such projects rely on.

Department for Education audit

In October 2020, we published the outcome of a compulsory audit of the Department for Education (DfE), prompted by complaints from civil society groups. The audit found that data protection was not being prioritised and this had severely impacted the department's ability to comply with the law. As a result of the ICO's action, the DfE have made a significant number of changes including the allocation of additional resources and investment to create a single Data Protection Office which has established data protection as a core departmental function. The DfE has also reviewed the data it is processing and deleted all previously held data related to the origin of birth and nationality of school children. The ICO are continuing to monitor the DfE's progress against the remaining outstanding recommendations.

Supporting transparency

The importance of transparency around public authority decision has never felt so important, from the everyday FOI decisions that are such an important part of democracy to recordkeeping around significant pandemic decisions.

The past year has also been a period of significant challenge to many public authorities, with resources understandably focused on public health priorities, as well as the practical impact remote working brings.

The ICO has looked to be pragmatic and empathetic throughout this period, to best support transparency. We set out our regulatory approach clearly in April, with updates in July and October, and consistently offered support and advice to public authorities and those making FOI requests.

That support included the launch of an FOI toolkit, designed to help public authorities self-assess performance in responding to requests. The toolkit, which continues to be expanded and developed, prompted positive feedback, and is already helping authorities to handle requests quicker and more efficiently.

We continue to support the extension of the Freedom of Information Act to cover services outsourced by public authorities, and the Commissioner spoke with MPs at the DCMS Select Committee to again make the case for this change to the law. The ICO also worked with the National Archives, as part of an ongoing review of records management.

Responses to information access requests by police forces

Demonstrating accountability and transparency are important aspects of modern-day policing, and the ICO has worked with police forces to improve performance in this area.

In November 2020, we published a report into the performance of forces in England, Wales and Northern Ireland in responding to information access requests within statutory time limits.

The report detailed areas of good practice that forces could learn from, as well as practical recommendations to drive improvements. We also issued three police forces with practice recommendations, referenced in our previous transparency regulatory action section.

As a result of our actions we have seen demonstrable improvements in compliance from a number of constabularies and continue to engage across the sector to build on the foundations laid.

International Conference of Information Commissioners (ICIC)

The Information Commissioner continues to chair the ICIC, working with other regulators to encourage transparency and share best practice.

A focal point for the past year was access to information during the pandemic, and the ICIC published a widely read statement setting out the need for pragmatism while reiterating the value of transparency and good recordkeeping throughout an important period in history.

The ICIC also signed a commitment to strengthen global awareness of access to information through partnership with UNESCO.

Section 6: Delivering the ICO service experience

In common with organisations across the country, a key focus for the ICO this year was continuing to provide our services through the pandemic. The ICO closed its offices in March 2020 in line with national guidelines, and only a

handful of staff were able to return to our offices over the following twelve months.

Demand for our services remained high across the year.

Privacy continues to be a mainstream concern, as evidenced by the considerable number of data protection complaints received by the ICO this year. We received 36,607 new complaints during 2020/21, only a slight decrease from the 38,514 we saw in 2019/20, and more than in 2018/19.

The pandemic reduced the number of Freedom of Information complaint cases we received in the early part of the year, but we saw a gradual return to usual levels of intake as the year progressed. Overall, we received 4,853 cases, compared to 6,367 in 2020/21.

The volume of enquiries through our helpline, live chat and email remained high, though at a reduced level compared to 2019/20.

Our performance in responding to that workload, is testament to the contingency planning we had in place prior to the pandemic, the expertise of our IT and technical support and most of all, the commitment and passion of our staff.

More information on the ICO's response to COVID19 will be found in our report to Parliament, expected to be published before the summer.

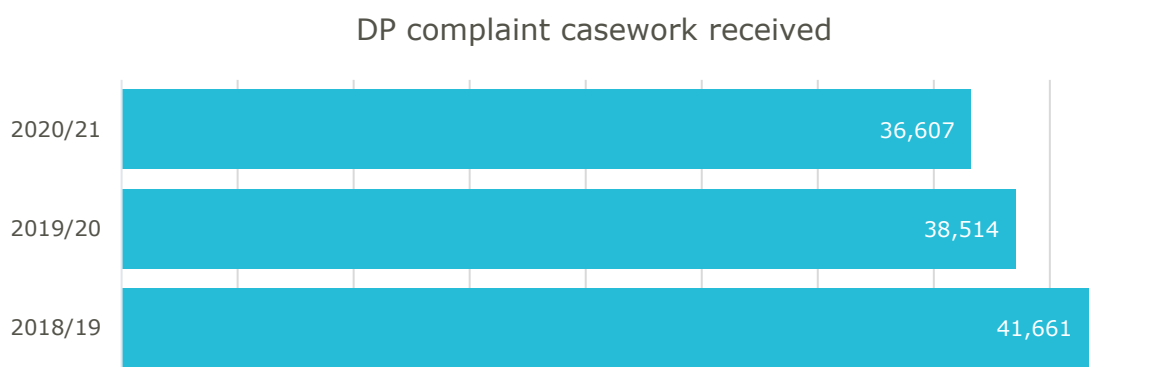
Full details of our operational performance follow in this report. Details of our focus on the wellbeing of our staff this year can be found in the 'Employee involvement and wellbeing' section, later in this report.

Annex: Operational performance

Data Protection Complaints

Over the past couple of years, we have reported on the significant increases in data protection complaints as the public became more familiar with their information rights and the implications and obligations that come with the GDPR. This year has seen the level of complaints remain static, given the issues of the pandemic and the significant disruption to the work of many data controllers. This was particularly apparent during the first national lockdown in quarter 1 of 2020/21. We expected that resources would be diverted away from work around information rights in many areas, but it soon became apparent that after an initial period of finding new ways of working, most organisations continued to deal with concerns about how personal data was being handled and shared. Those that were unhappy with the way that data controllers answered those complaints brought concerns to us, in significant numbers. We received 36,607 new complaints during 2020/21. That is only a slight decrease from the 38,514 that we saw in 2019/20.

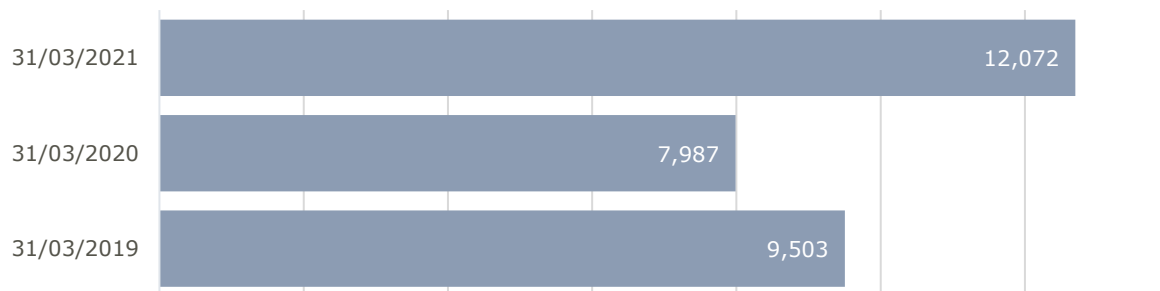
We were able to close 31,055 complaints, which is slightly less than we would have liked. In line with many organisations, we found it challenging to bring in the staff that were needed at the start of the first national lockdown and it took us a small amount of time to adapt to deliver these services with a fully remote workforce. We began the year carrying significant vacancies in our operational areas, but we have now addressed that shortfall and are well on track to exceed intake with output. That in turn will allow us to deal with cases quicker. Although we have been able to deal with around 84% of cases within six months of receipt, we expect to improve that significantly as we move into 2021/22. We have also been able to move all our casework into our new casework management system, which we also expect to provide efficiencies as we develop its functionality in the coming year.



DP complaint casework finished

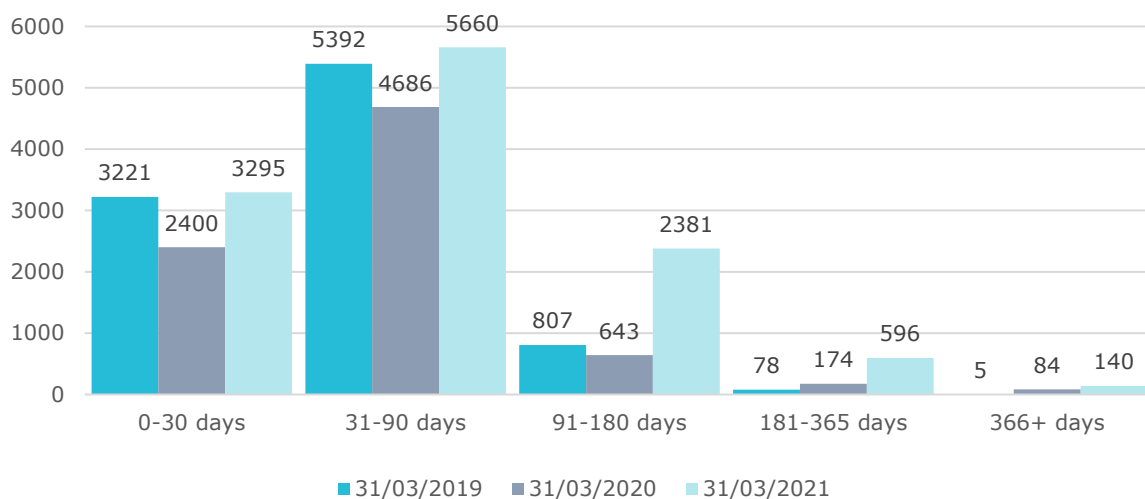


Caseload

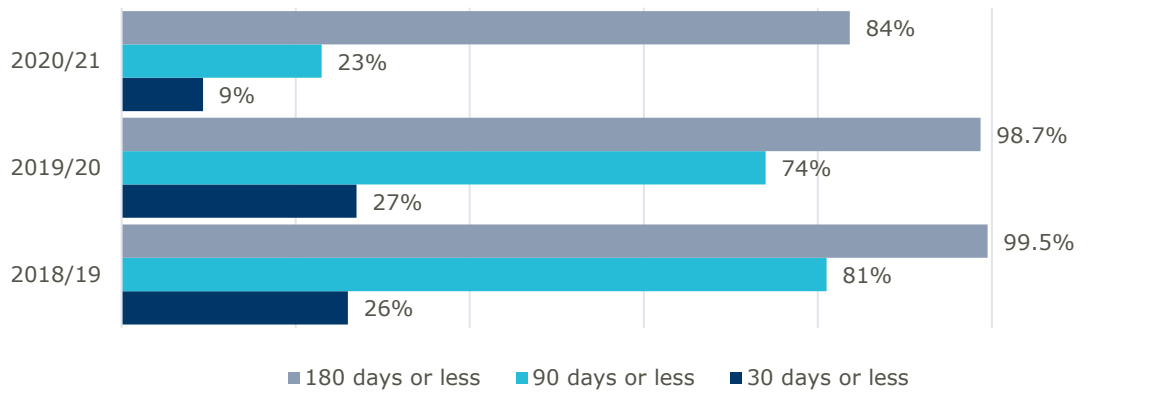


Note: In our casework system, cases can move between caseload classifications. Therefore, the figure calculated by taking the caseload as at 31 March 2020, adding cases received during 2020/21 and subtracting cases closed during 2020/21 does not add up to the caseload as at 31 March 2021.

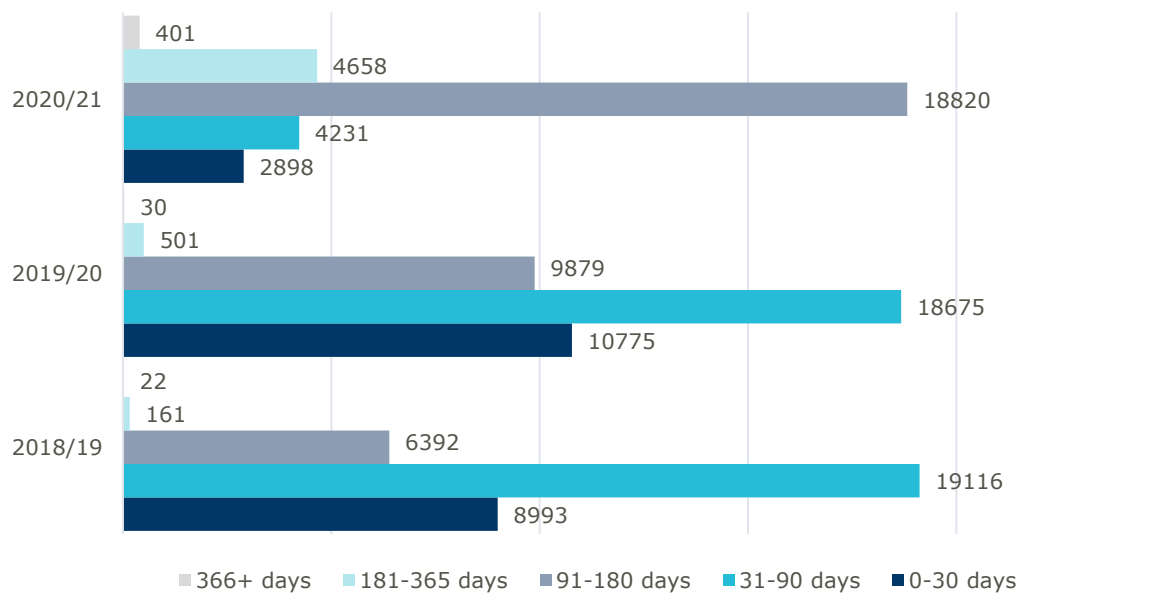
Age distribution of caseload



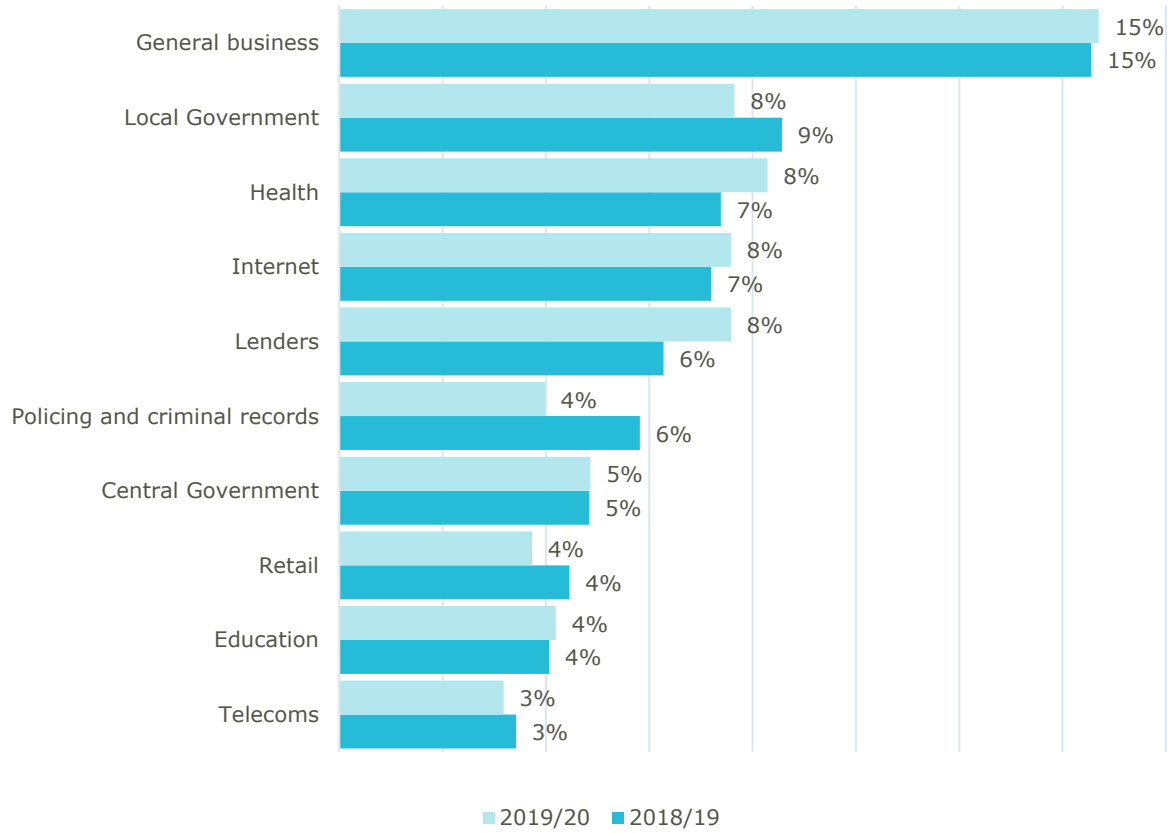
Age distribution of finished casework



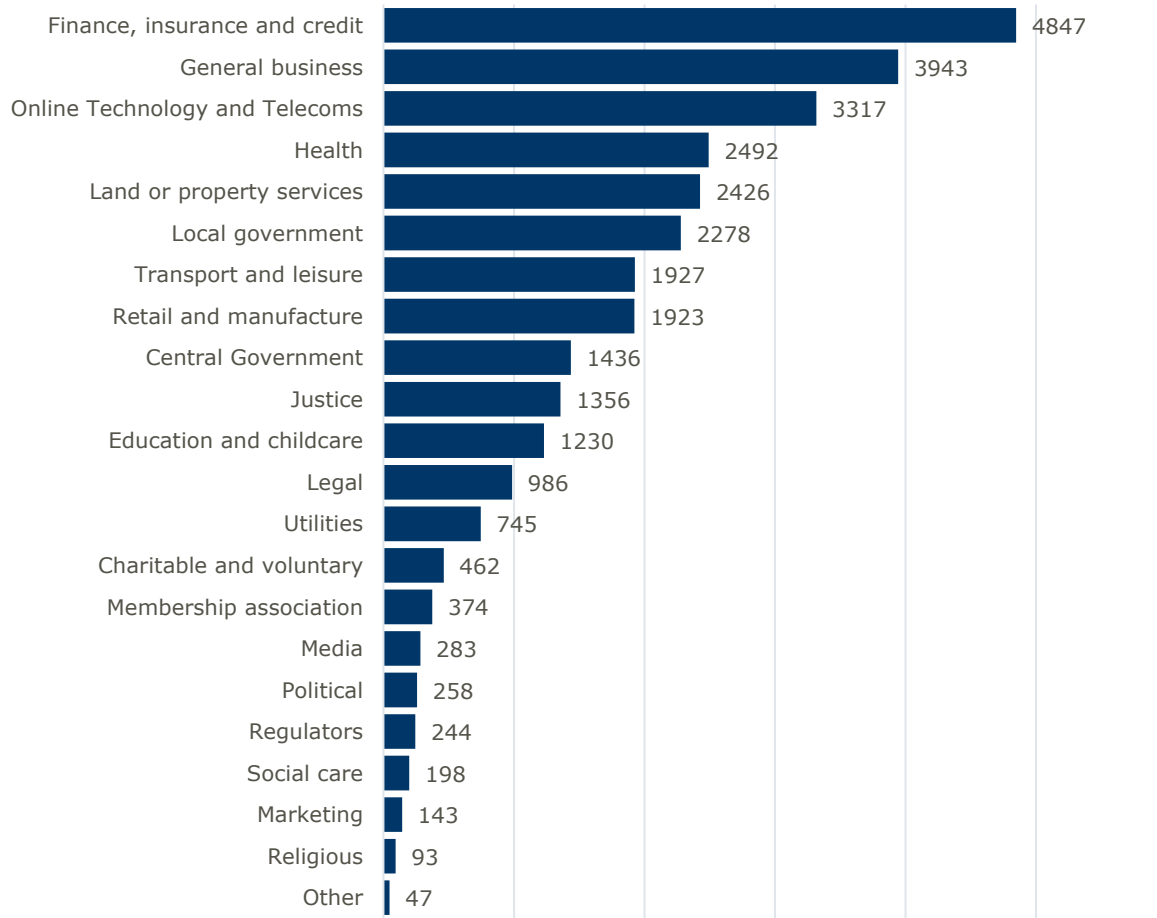
Age distribution of finished casework



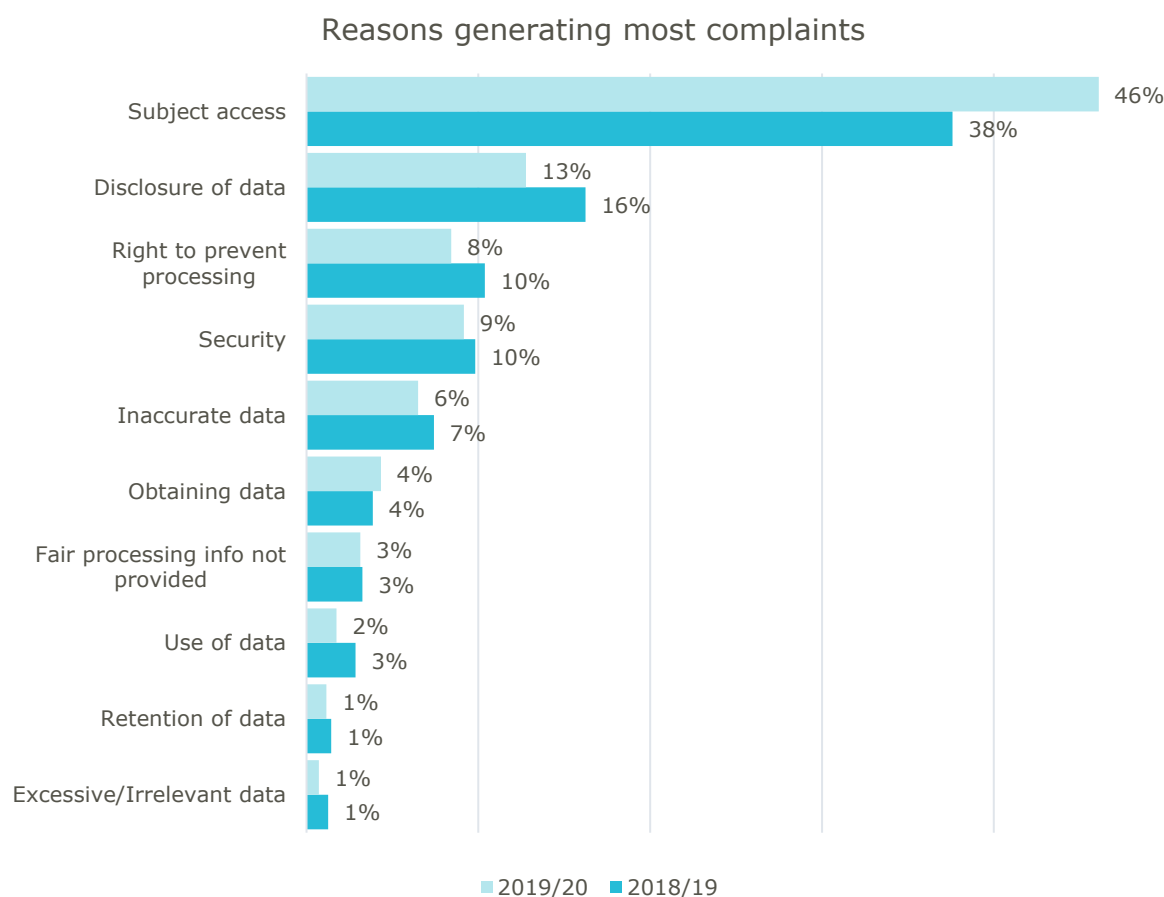
Sectors generating most complaints



Sectors generating most complaints 2020/21



■ 2020/21



Freedom of Information complaints

This year we received 4,853 Freedom of information complaint cases, compared to 6,367 in 2019/20.

The wider, national conditions surrounding the pandemic clearly suppressed the overall volume of cases received through the year, however, we have seen a gradual return to usual levels of intake as the year has progressed. The rise in the active caseload through the year reflects the migration of our casework to a new system, from which these figures are generated, and was completed in Q3. We have managed this caseload reasonably well, closing exactly 4,000 cases during the year. There has been some build-up of the caseload, which we will be working to address over the course of the 2021/22 financial year.

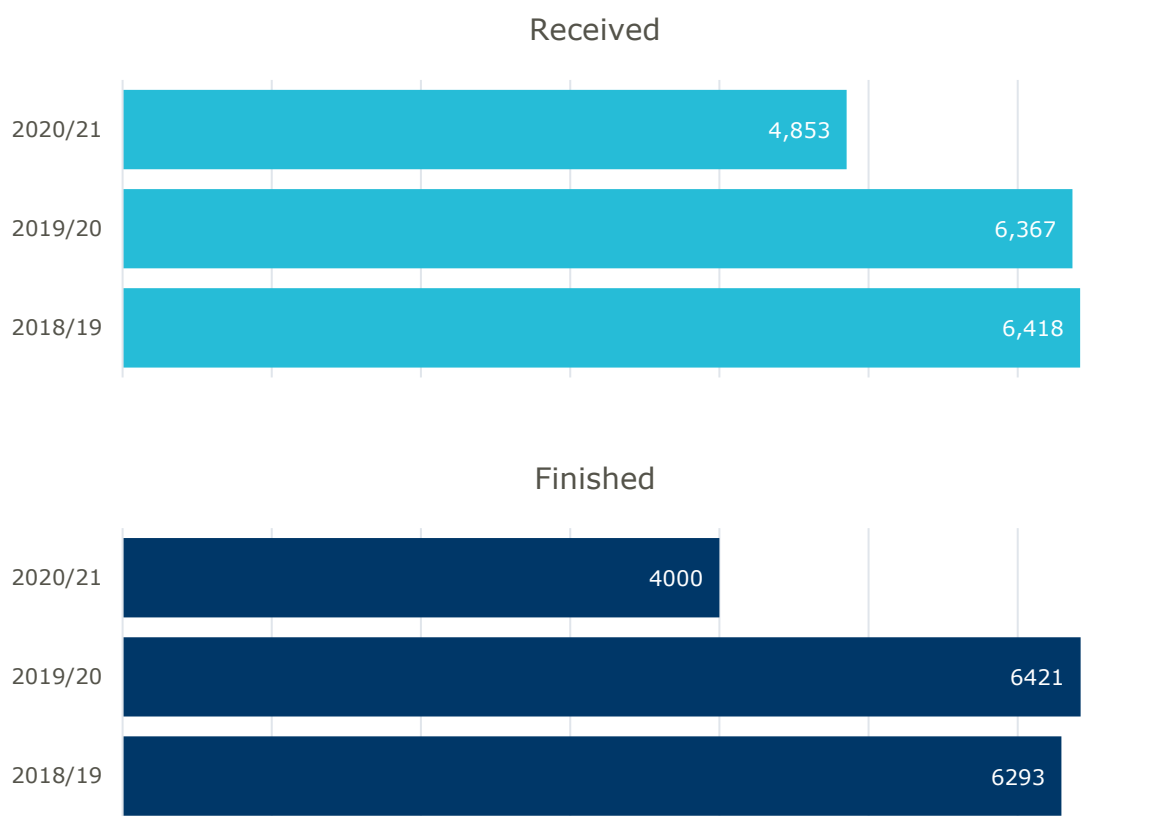
All our casework function was successfully transferred to a homeworking environment from the outset of the lockdown restrictions; however, these same arrangements have influenced the way in which some public authorities have been able to deal with our enquiries. The very nature of the information sought has meant that the lack of physical access to documents and storage facilities has impacted on the average age of our cases. There will be a focus on these matters as lockdown restrictions are lifted to be able to progress the oldest

cases as soon as possible, nonetheless, there is an obvious effect on both those cases over 12 months old as well as the age profile generally. It is anticipated that this will be rectified in the medium term.

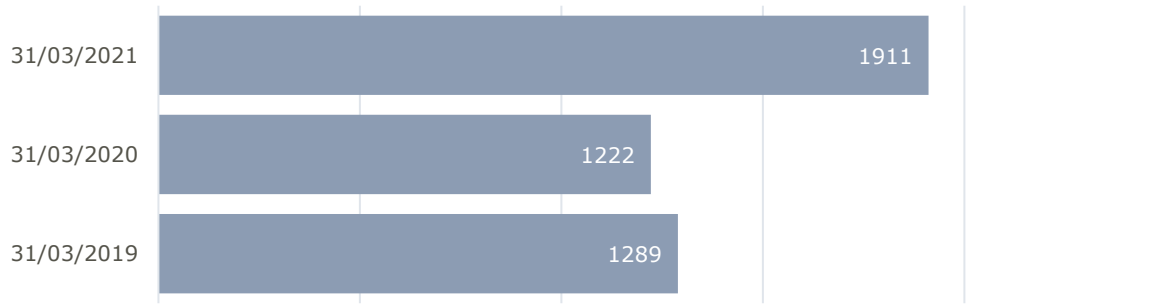
Cases awaiting further information are those that require additional documentation from the complainant before the case can be considered eligible. The figures do contribute to the Active Caseload total, as the case will be progressed should the required detail be provided, however, if no response is received after thirty days, these cases are closed.

We issued 1,062 statutory decision notices this year. Each party to a decision notice has the right to appeal the decision to the First-tier Tribunal (Information Rights). The number of decision notices being appealed has remained static at 22% in both 2019/20 (311) and 2020/2021 (236). 83% of appeals were successfully defended during 2020/21.

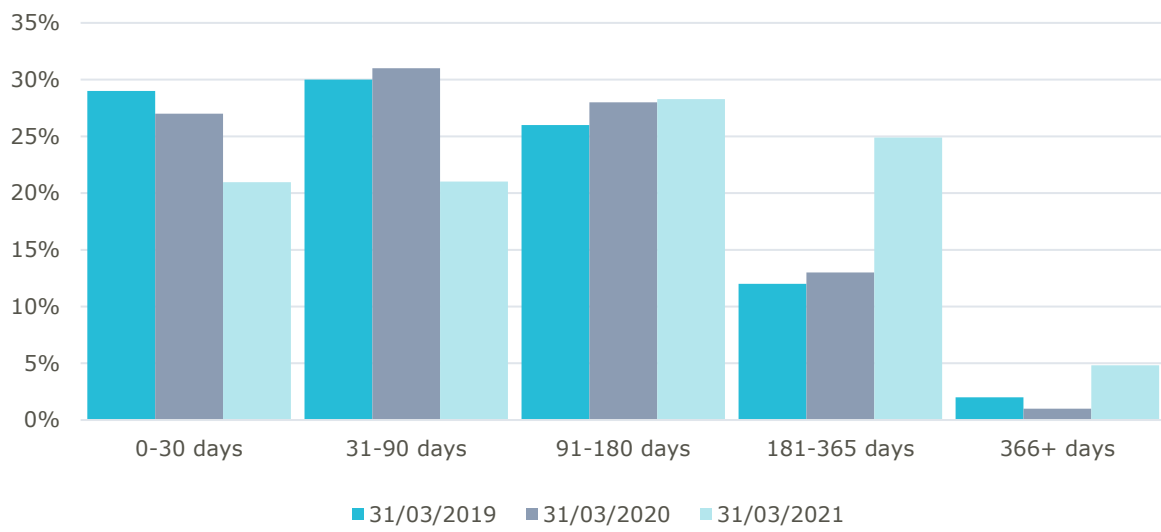
FOI complaints



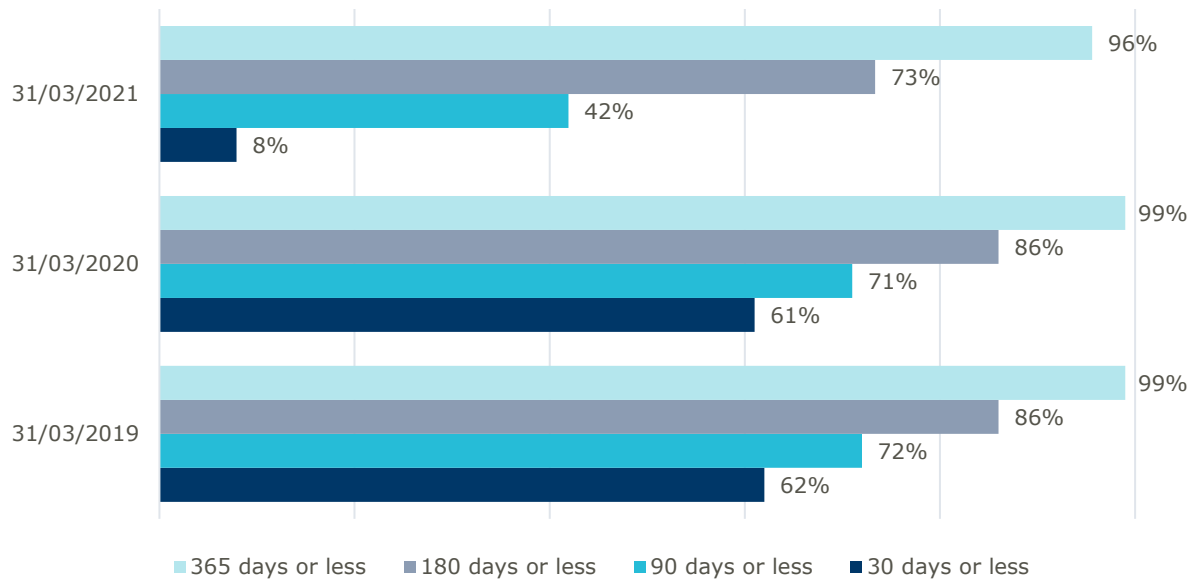
Caseload



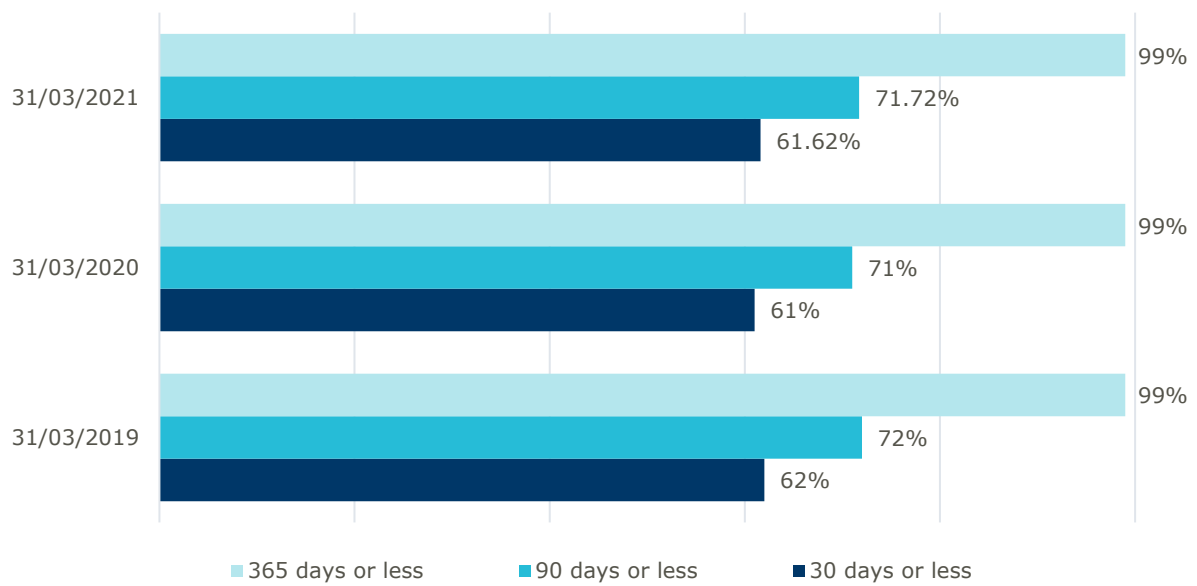
Age distribution of caseload %



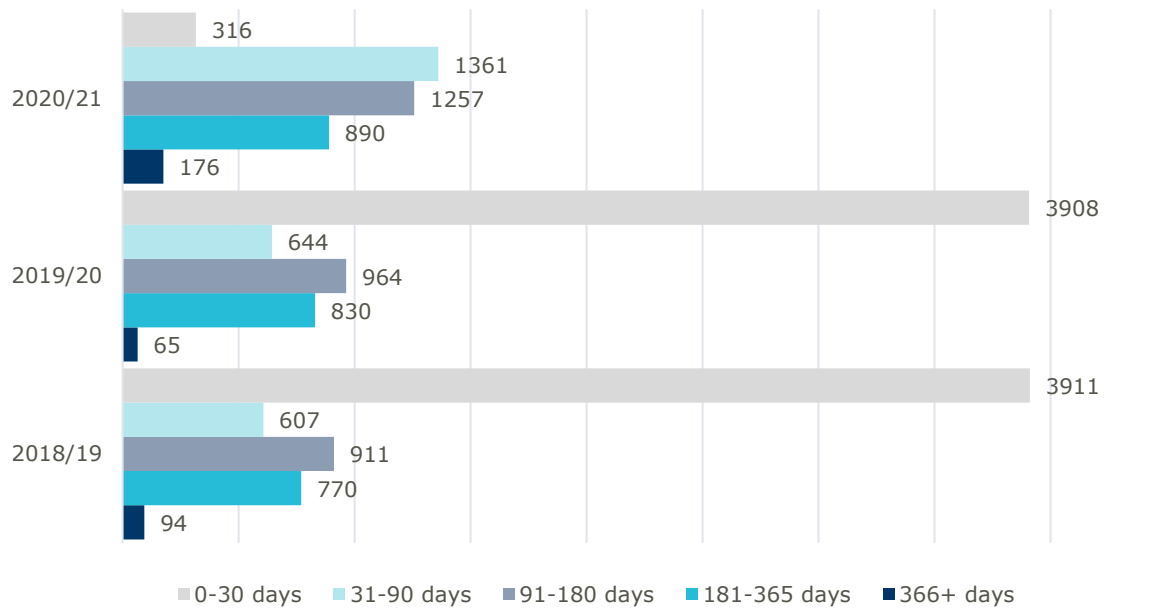
Age distribution of finished casework %



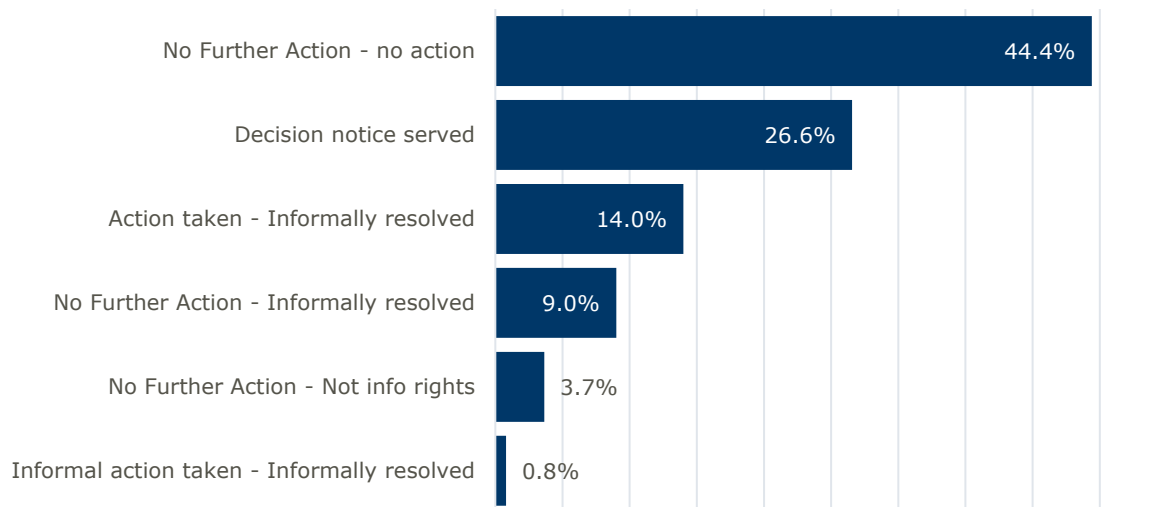
Age distribution of finished casework %



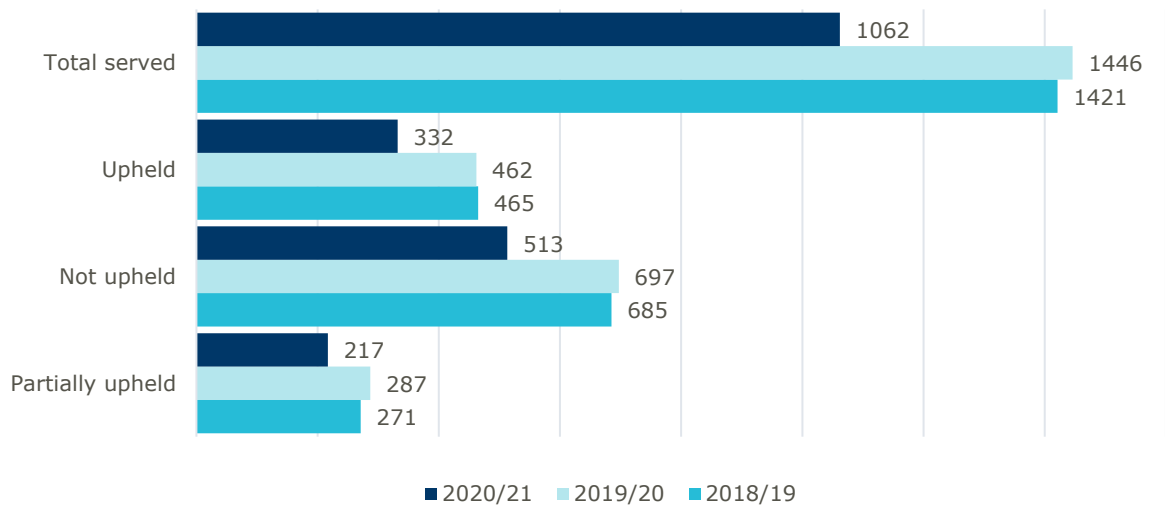
Age distribution of finished casework



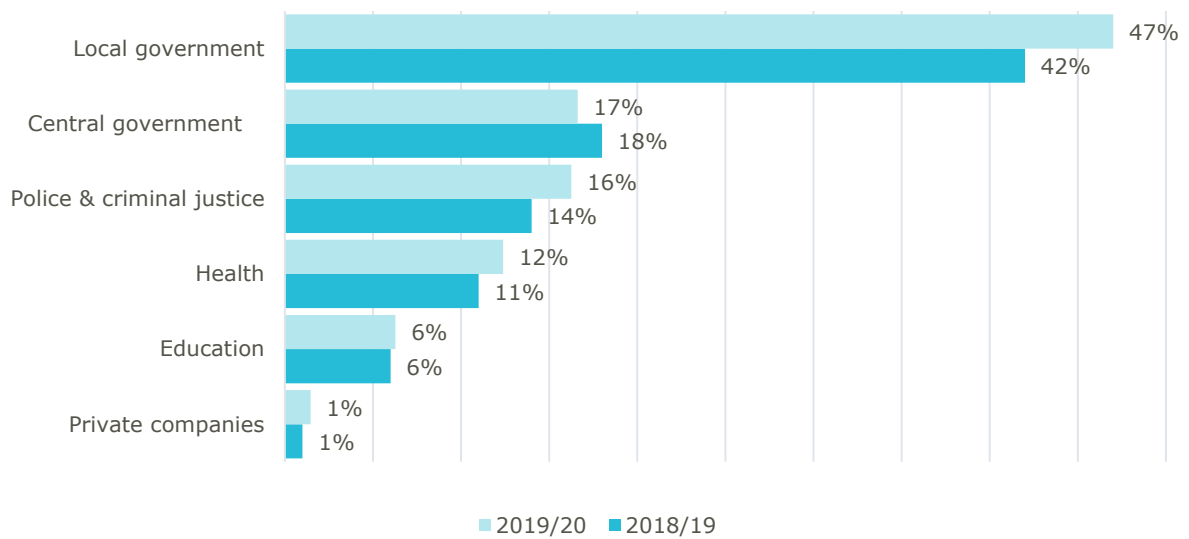
Outcomes 2020/21



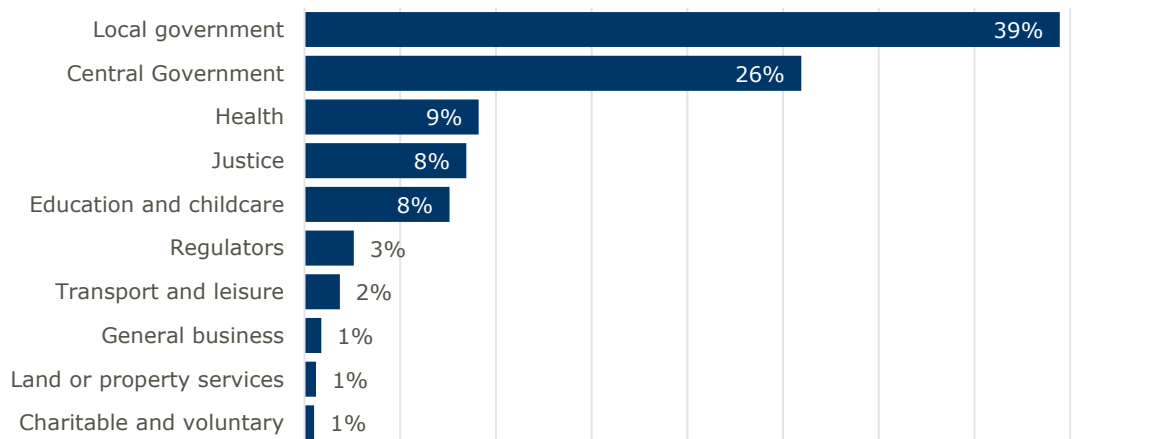
Outcome of a complaint casework where a decision notice is served



Sectors generating most complaints



Sectors generating most complaints 2020/21

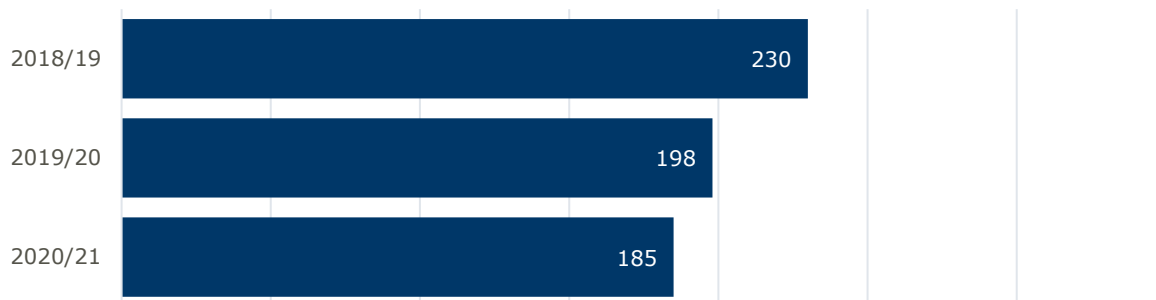


FOI appeals

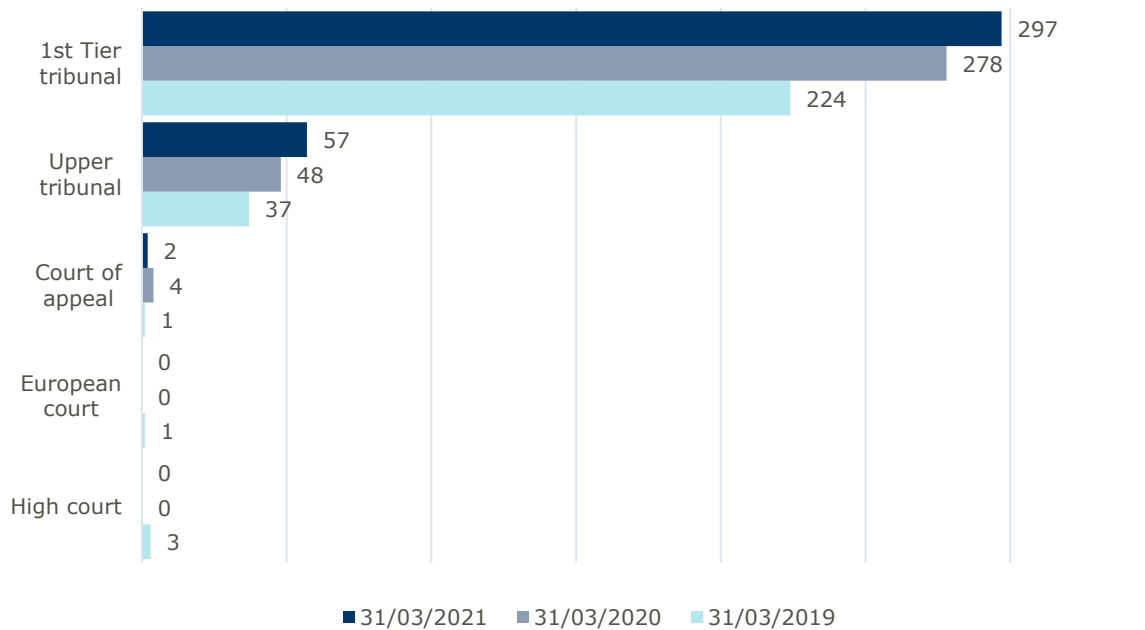
Received



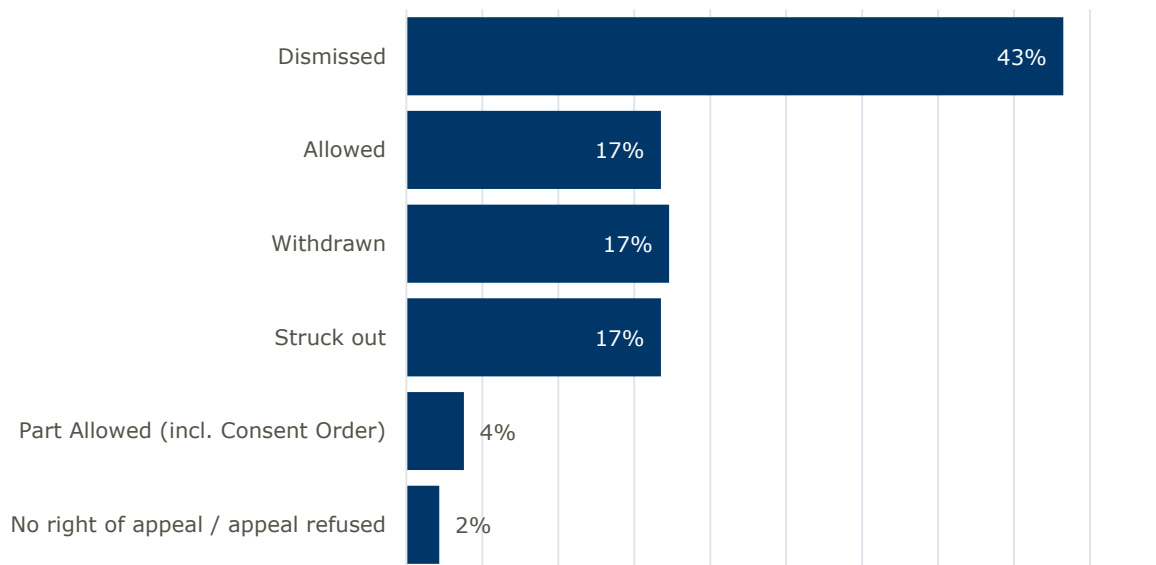
Finished



Caseload



Outcomes of appeals finished 2020/21



Advice services

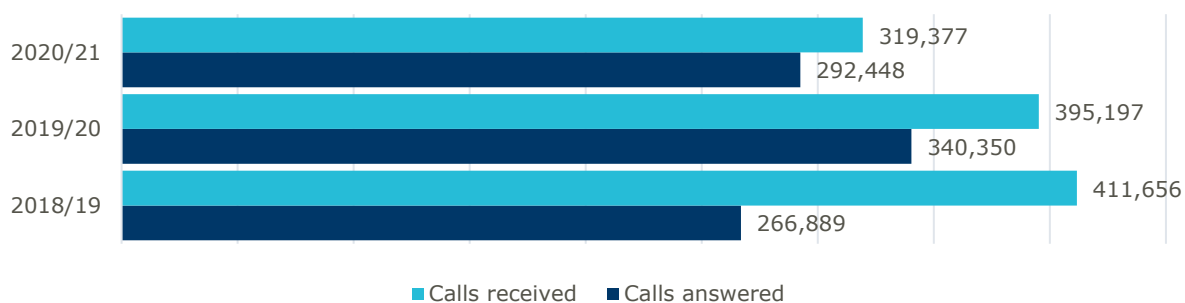
Although the pandemic influenced our live services and the colleagues who run them, we successfully operated all our services remotely throughout the various stages of social restrictions, providing advice to organisations, and help and support to the public.

As part of our COVID-19 response, we introduced a phone line specifically to help organisations adapt the way they work during the pandemic, to ensure that

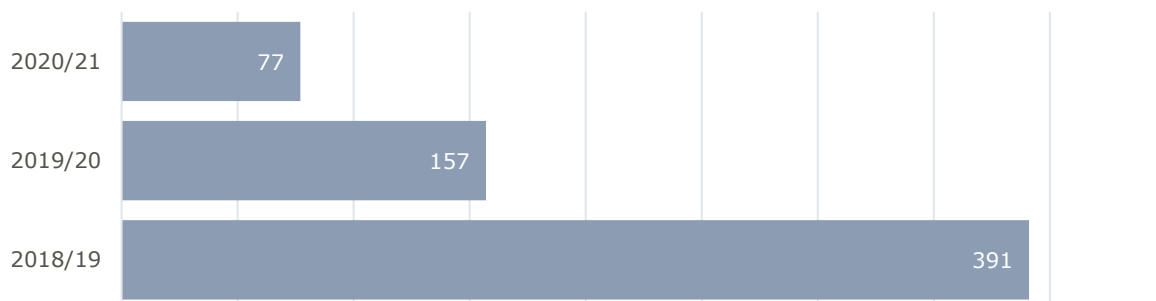
data protection was not seen as an unnecessary barrier to achieving what they needed to for their customers, service users and staff.

Whilst we saw a marked reduction in the amount of customers (organisations and members of the public) who asked us directly for information rights advice by email, phone or live chat, which we believe was related to the pandemic; we did receive 319,377 calls to our helplines and despite the challenges faced in terms of homeworking and (home-schooling for some), we answered 92% of all calls into the office, with our average speed of answer 77 seconds. We also answered over 75,000 requests for live chat and over 11,000 requests for written advice.

Calls to the helpline



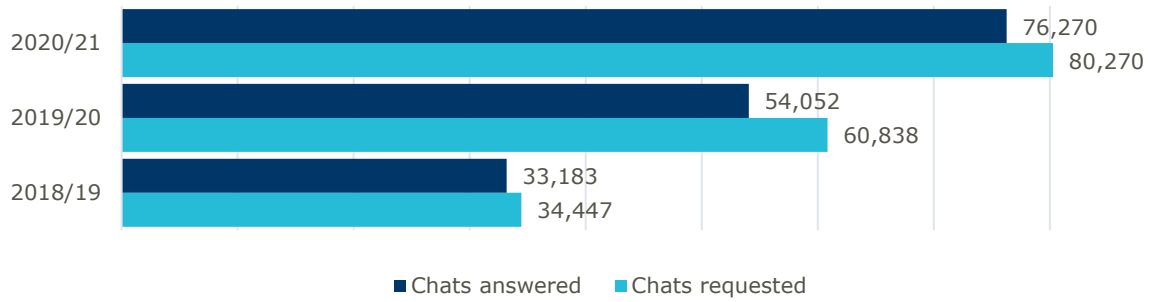
Call answer rates - Average wait time (seconds)



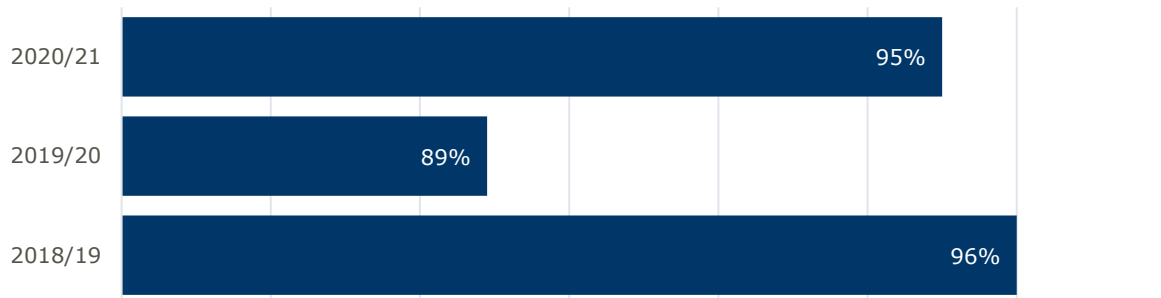
Call answer rates - Percentage answered



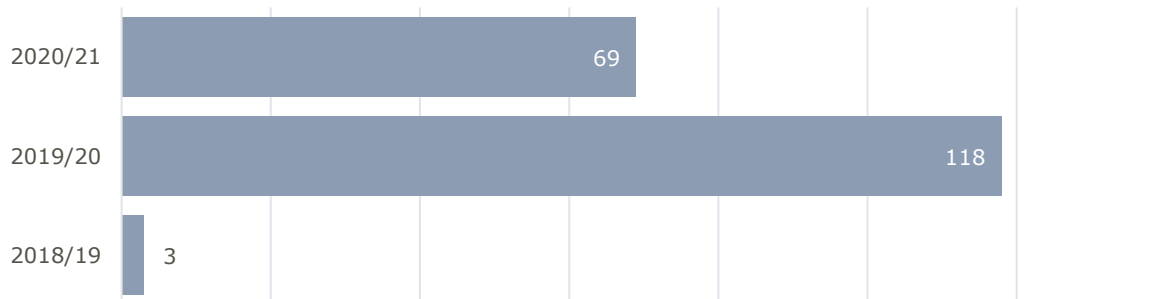
Live Chat



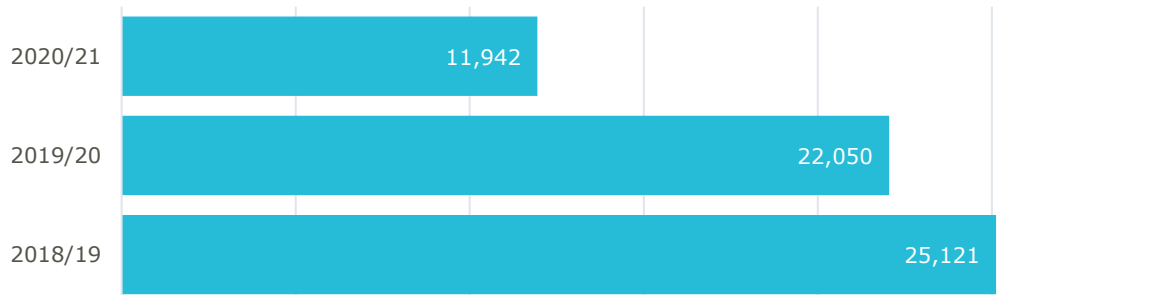
Chat answer rates - Percentage answered



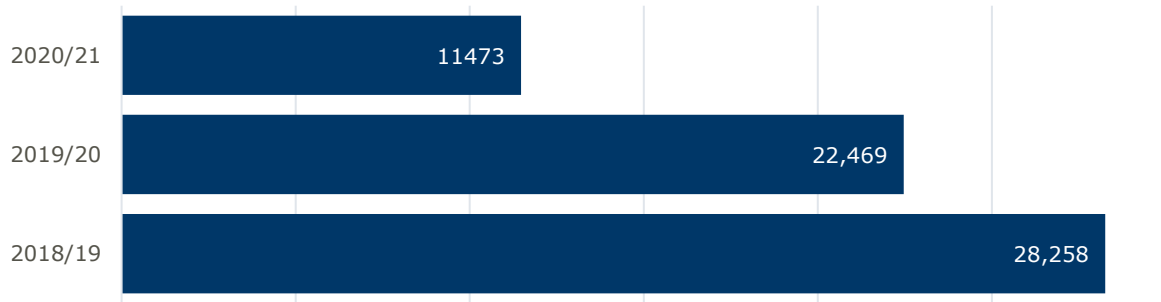
Chat answer rates - Average wait time (seconds)



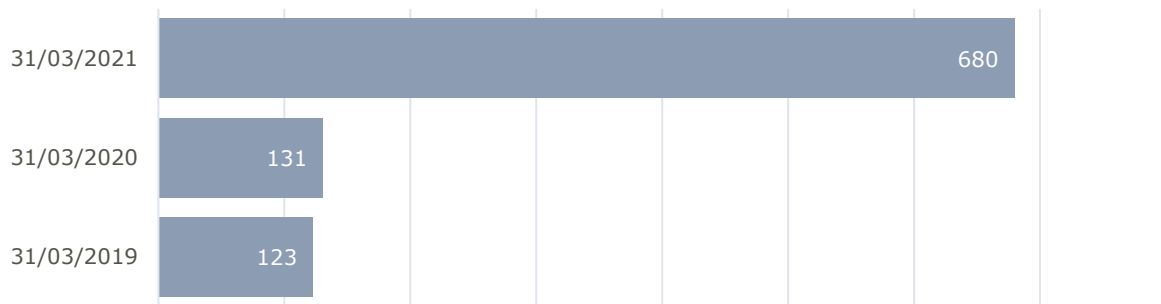
Written advice - Received



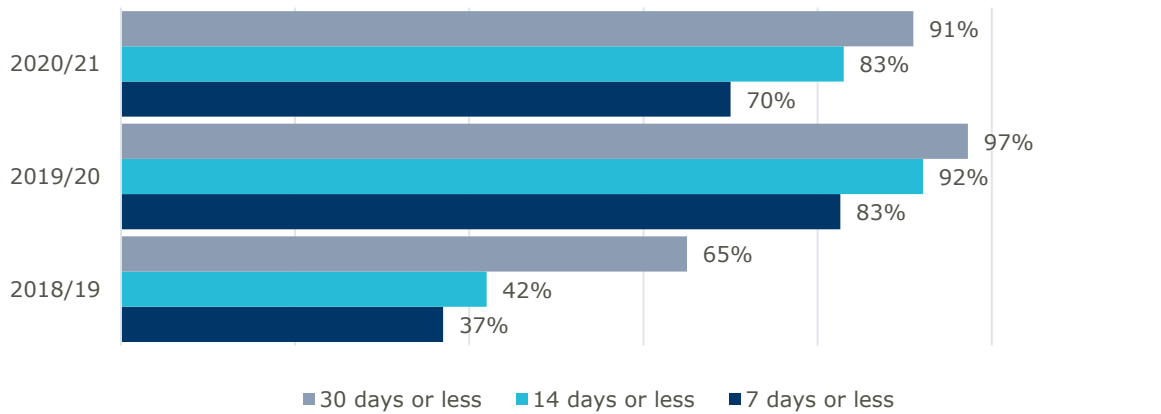
Written advice - Finished



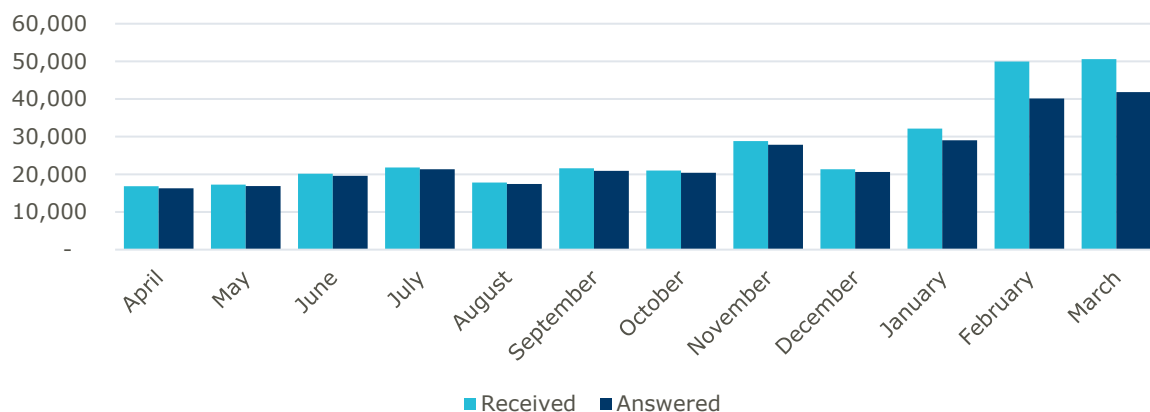
Written advice - Caseload



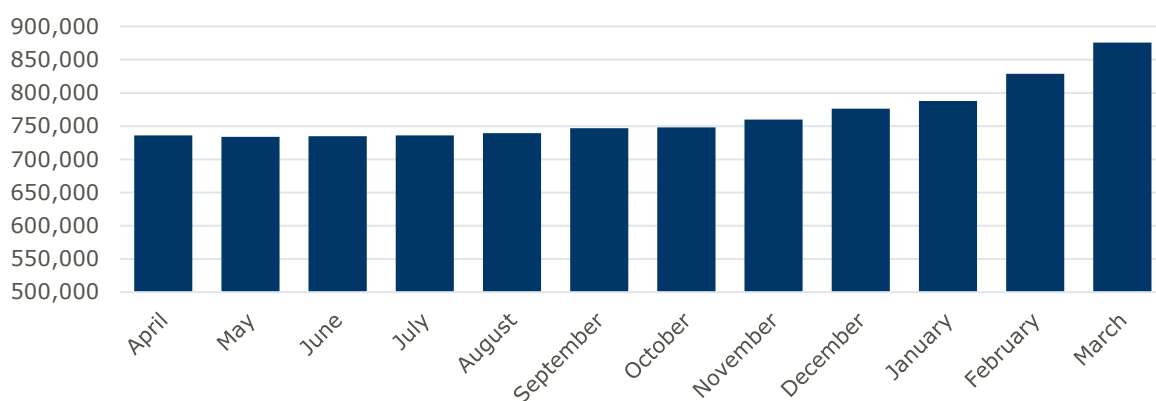
Age distribution of finished advice work



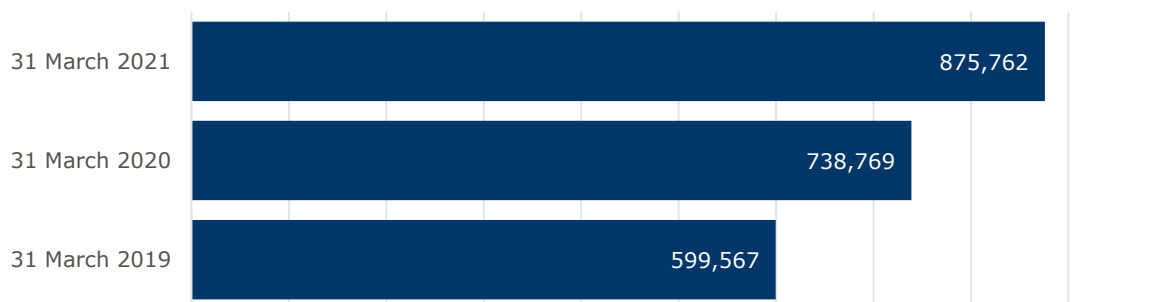
Helpline calls 2020/21



Size of Public Register 2020/21



Public Register as at year end

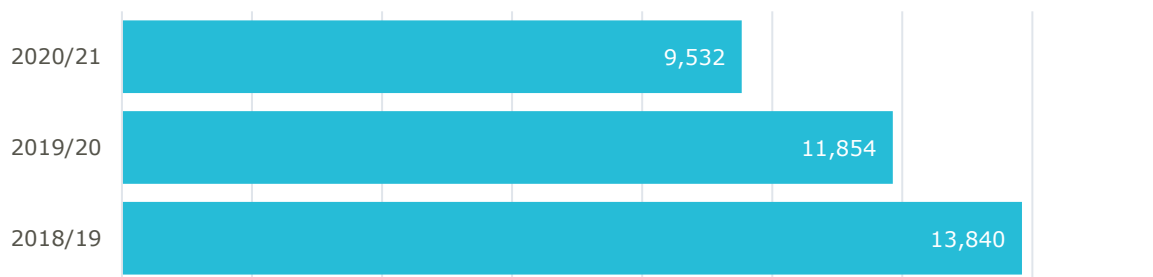


Personal data breach reports

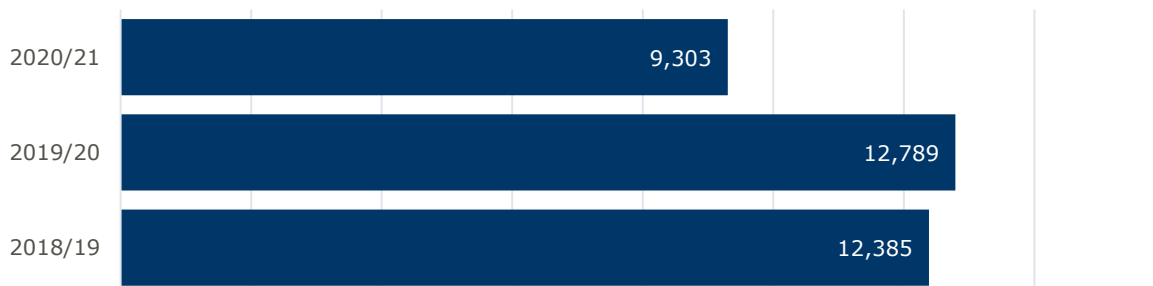
We've received fewer personal data breach reports this year due to the pandemic. There has been a continuation of a trend we've seen since the introduction of mandatory breach reporting, of PDB reports from sectors that handle large volumes of personal data. In some sectors, there is a strong correlation between the volume of reports received, the sensitivity of the data and awareness of reporting thresholds. Reporting can be higher where there are

dedicated DPOs and well-developed breach reporting processes. In most of the cases we assessed, we determined that the organisation had measures in place or was taking steps to address the breach without further action being required by the ICO. Where appropriate, we offer advice and recommendations to help the data controller to improve their information rights practices and prevent a recurrence of a similar breach.

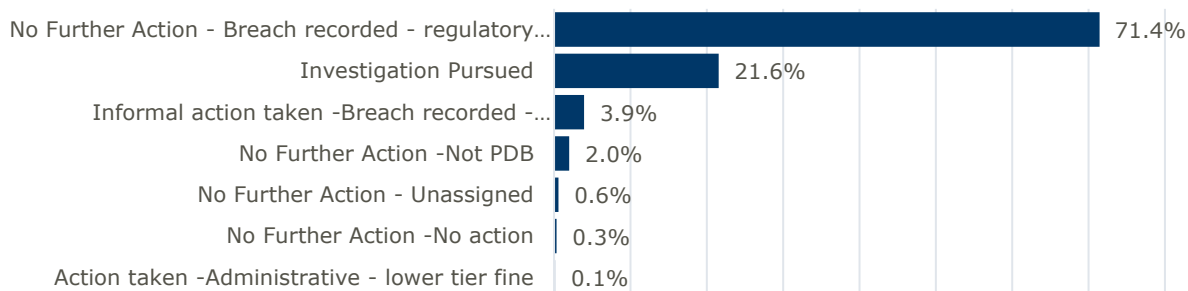
Personal Data Breaches - Received



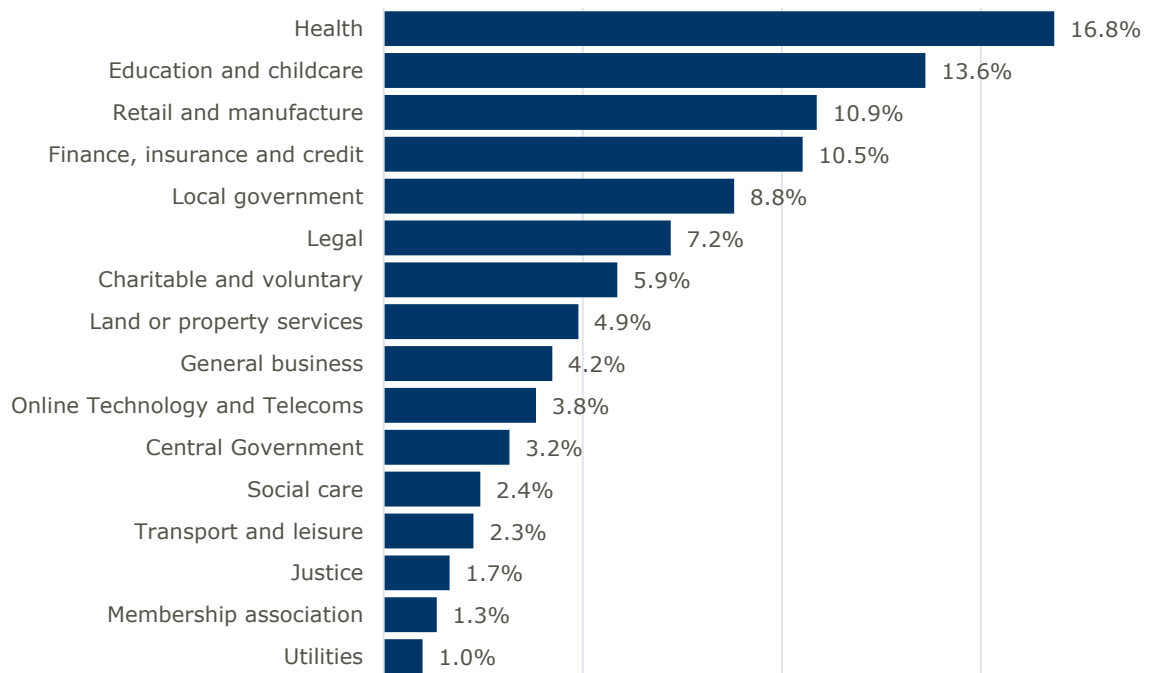
Personal Data Breaches - Finished



Personal Data Breaches - Outcomes

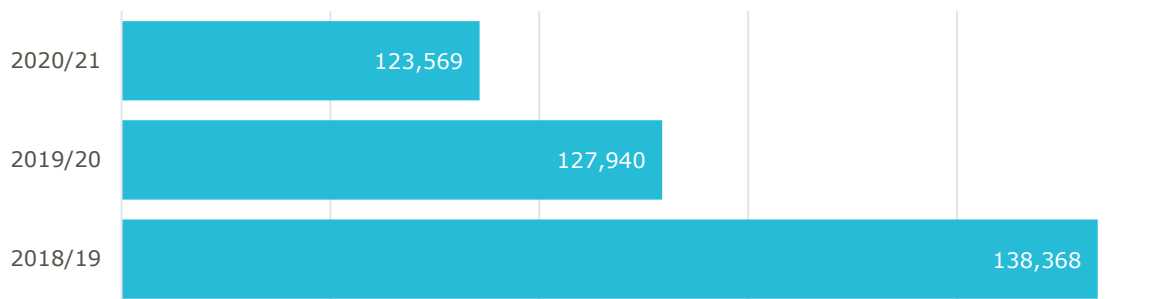


Sectors generating most PDB

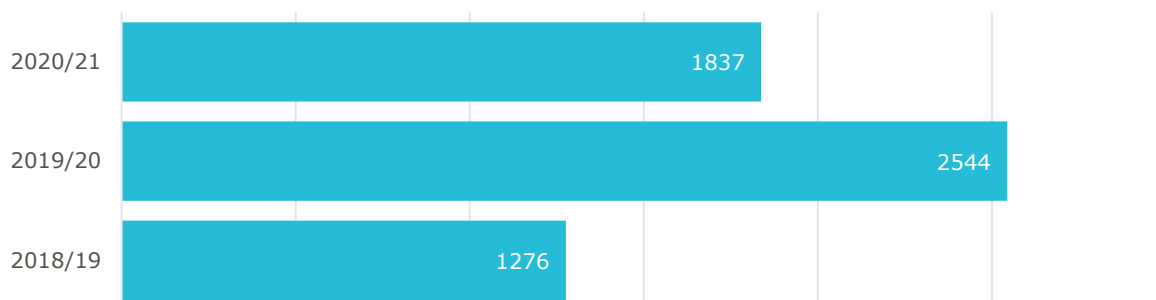


PECR concerns

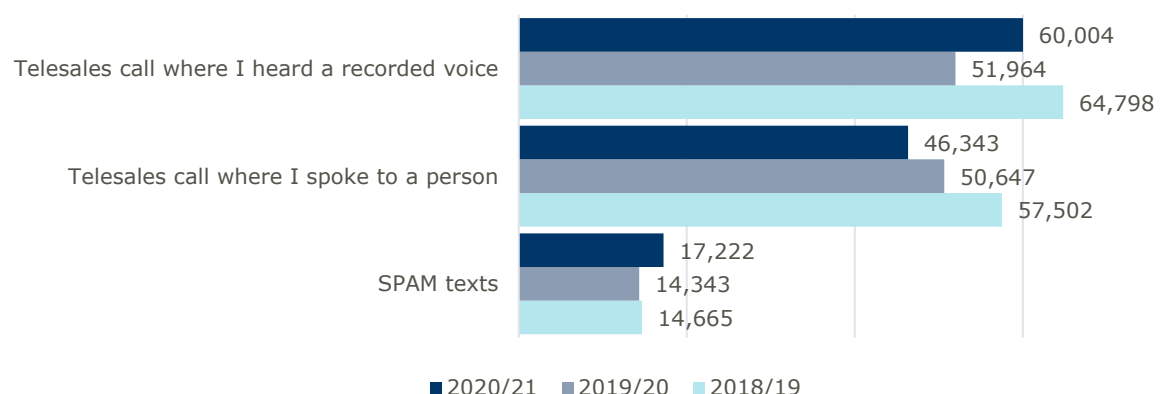
PECR Concerns - Concerns reported



PECR Concerns - Cookie concerns reported



Nature of telesales and SPAM texts reported



Information Access

There have been significant increases in information requests to the ICO over the last couple of years as the public have become more familiar with GDPR, their information access rights, and with the raised profile of the ICO. Between 2017/18 and 2020/21 there was a 39% increase in Information Access requests received by the ICO with 2,099 total requests received for 2020/21 compared to 1,509 in 2017/18. In the first quarter of 2020/21 as the pandemic struck, the requests fell slightly but since then demand has continued to rise to near previous demand levels during 2019/20 which saw 2,747 requests.

Despite the difficulties brought about as we faced our new ways of working from home and with a number of the Information Access team juggling home-schooling and other caring responsibilities during the pandemic, over the year we have completed around 85% of information access requests within required timescales. Overall, 54% of the requests we received are Freedom of Information requests and 37% are requests under the data protection legislation, with around 10% of requests being complex hybrid of legislation requests. Whilst demand for information request reviews increased through the year, only 4% of the requests we dealt with led to internal review, on par with 2019/20. Of these reviews, only 7% were fully upheld.

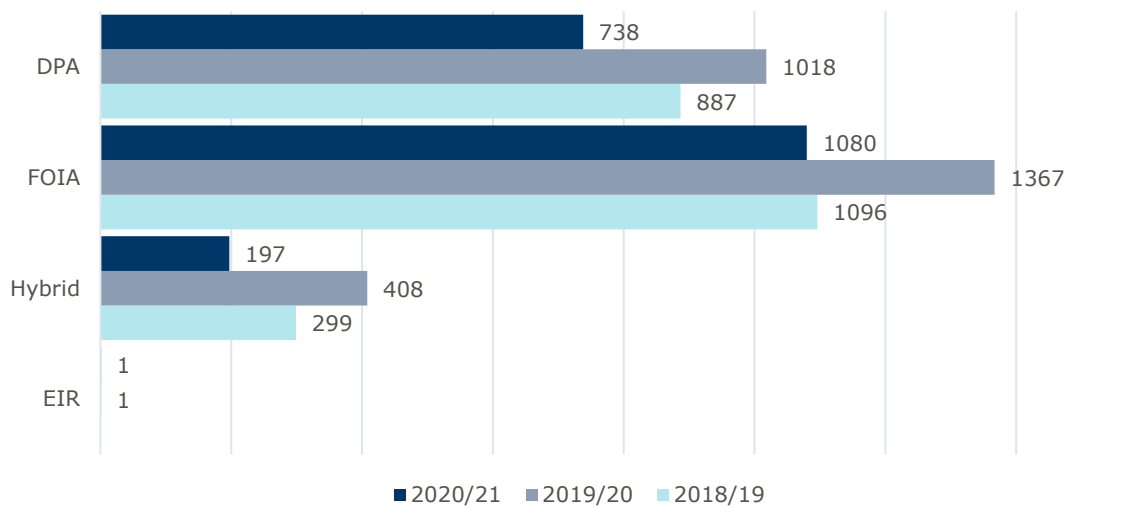
Information Access - Requests received



Information Access - Requests completed



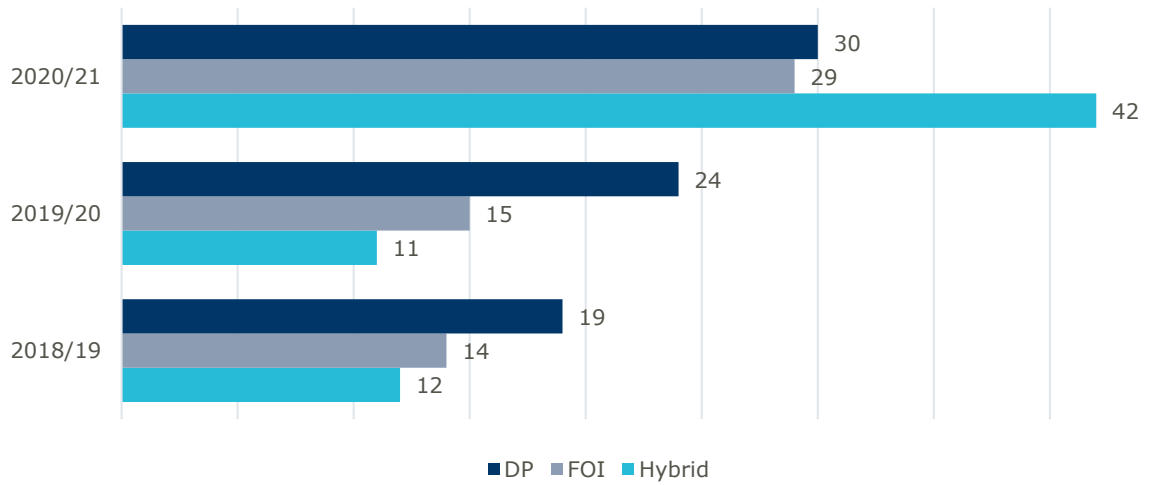
Information Access - Requests completed by legislation



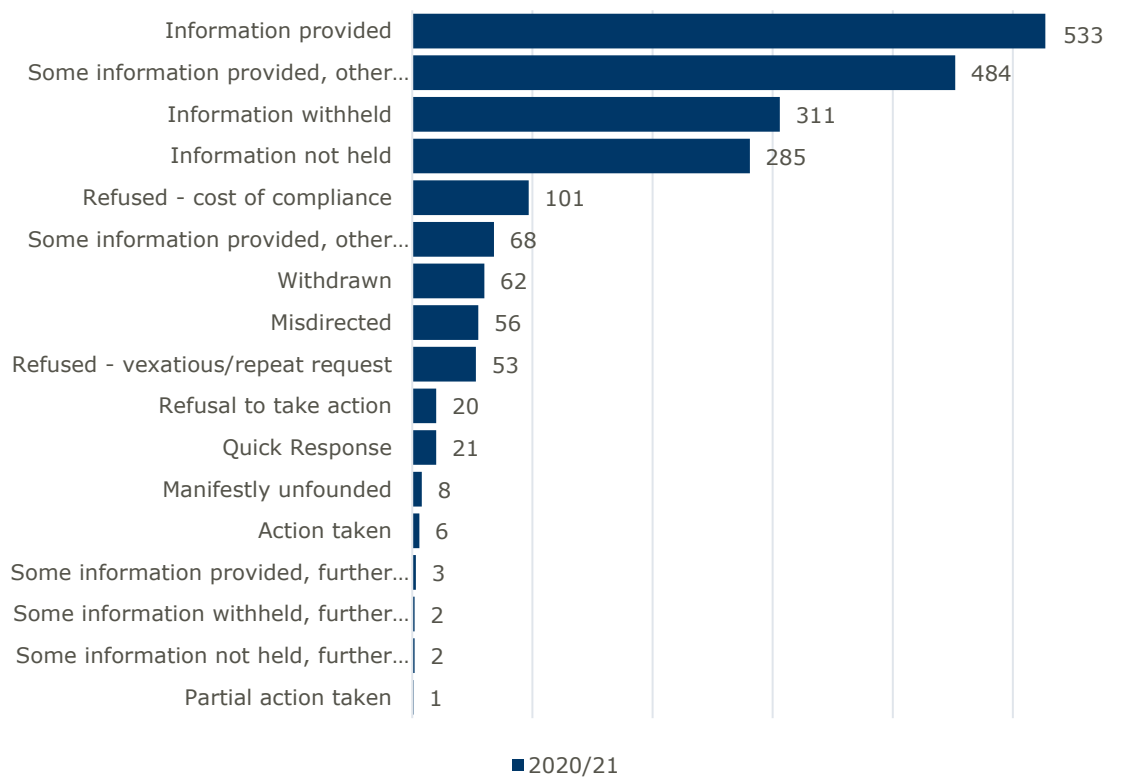
Response times - Time for compliance



Response times - Average time (days)



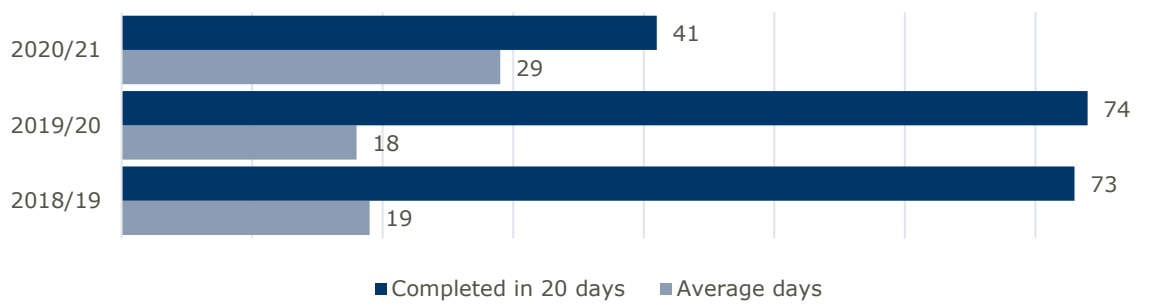
Request outcomes 2020/21



Internal reviews - Reviews completed

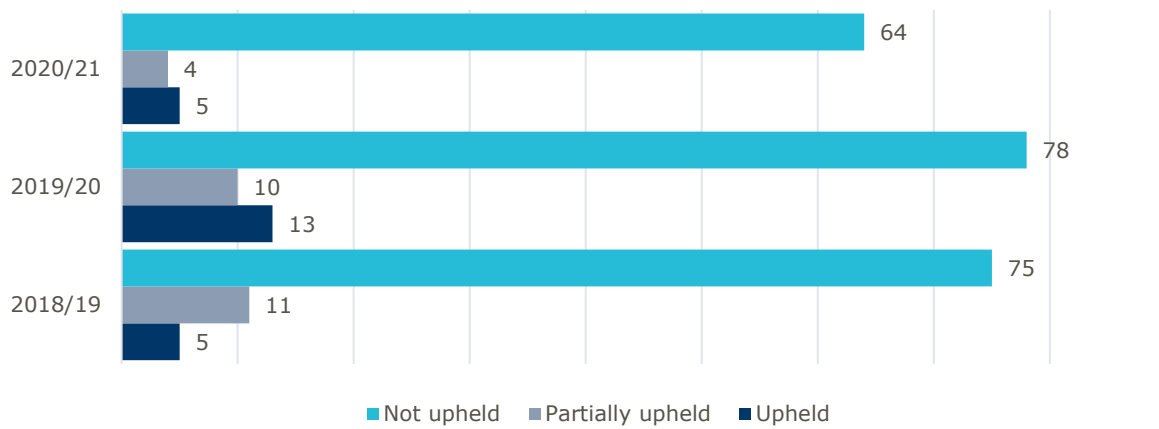


Internal reviews - Response times



■ Completed in 20 days ■ Average days

Internal reviews - Review outcomes



■ Not upheld ■ Partially upheld ■ Upheld

Financial performance summary

Grant-in-aid

Freedom of information expenditure continued to be funded by grant-in-aid. In addition, our work on Network and Information Systems (NIS), the Investigatory Powers Act (IPA) and the Electronic Identification and Trust Services Regulations (eIDAS) was funded by grant-in-aid. The total grant-in-aid available for 2020/21 was £6.2m (2019/20: £6.3m).

No grant-in-aid was carried forward in 2020/21 (2019/20: nil).

Fees

Under the DPA 2018, data protection related work continues to be financed by fees collected from data controllers. The annual fee structure is:

- £40 for charities or organisations with no more than 10 members of staff or a maximum turnover of £632,000;
- £60 for organisations with no more than 250 members of staff or a maximum turnover of £36m; and
- £2,900 for all other organisations.

A £5 discount was available for all fees which were paid by direct debit.

Fees collected in the year totalled £53.205m (2019/20: £48.712m), a 9% increase on the previous year. As of 31 March 2021, 875,762 data controllers were registered to pay the data protection fee, an increase of 136,993 (18.5%) from 31 March 2020 (738,769).

The ICO has a strategic objective to ensure that all those required to pay a data protection fee are able to do so, ensuring that the cost of funding the work of the ICO is distributed fairly and proportionately amongst those with a legal obligation to pay a fee as required by Parliament.

To achieve this, we have undertaken an ongoing programme of work to contact organisations not currently paying a data protection fee to make them aware of the requirements of the Data Protection Act. While this work was paused in the first half of 2020/21 as a result of the COVID-19 pandemic, it recommenced in late 2020, resulting in a significant increase in fees paid in the last quarter of the year.

In addition, the total comprehensive expenditure for the year was significantly lower than the prior year: £3.019m in 2020/21, compared to £5.046m in 2019/20. Due to the level of economic uncertainty of the first half of 2020/21 resulting from the pandemic, the forecast level of expenditure was reviewed and

reduced. In addition to our usual prudent approach, this year we also considered whether the impact of the COVID-19 pandemic was likely to compromise our ability to deliver our statutory responsibilities when approving new spend and projects. As a result, some areas of spend were deferred to 2021/22.

The result of the higher than anticipated fee income in the last quarter and the reduction in expenditure as set out in note 2 of the Financial Statements. We anticipate continuing to contact organisations to make them aware of the potential requirement to pay a data protection fee in 2021/22 and will be undertaking the projects which we deferred from 2020/21, to ensure the ICO continues to enhance its services for its stakeholders. We will also continue to work with DCMS to keep the level of the data protection fee under review.

Financial instruments

Details of our approach and exposure to financial risk are set out in note 9 to the financial statements.

Civil Monetary Penalties

The Information Commissioner can impose civil monetary penalties (CMPs) for serious breaches of the DPA of up to 4% of global turnover. For breaches of PECR, penalties of up to £500k can be imposed. A penalty can be reduced by 20% if it is paid within 30 days of being issued. The CMPs collected by the Information Commissioner are paid over to the Government's Consolidated Fund.

CMPs are subject to a right of appeal to the First-tier Tribunal, either against the imposition of the monetary penalty and/or the amount of the penalty specified in the CMP notice. If CMPs are subject to appeal they are not recognised until the appeal process is finalised and the CMP is upheld. The amounts recognised are regularly reviewed and subsequently adjusted in the event that a CMP is varied, cancelled, impaired or written off as irrecoverable. Amounts are written off as irrecoverable only on the receipt of legal advice.

The costs of any legal fees incurred in the imposition and recovery of the CMPs are currently fully borne by the ICO. These amounted to £155k in 2020/21 and £573k in 2019/20. The ICO has proposed that legal fees incurred in the imposition and recovery of a CMP are recovered from CMP income. This would ensure that litigation costs are not funded by fee-paying organisations and this cost recovery model is in practice at other UK regulators. If approved this will be implemented in future financial years.

During 2020/21 the ICO imposed in total £41.959m in CMPs. There is a further, £2.990m which is still under appeal and accordingly is not recognised. Within the total CMPs imposed, £20m relates to a penalty under DPA for British Airways and

£18.4m for a penalty under DPA for Marriott Hotels. Both of these CMPs have agreed payment plans, which are being paid in equal annual instalments.

At the year end the CMPs still to be collected by the ICO and subsequently paid to the consolidated fund is £28.667m. The table below provides a summary of the position in relation to CMPs.

	£m
CMPs due at year end 31 March 2020	2.456
CMPs imposed during 2020/21	41.959
Discounts due to early settlement	(0.239)
CMPs collected in 2020/21 and paid to the Government's Consolidated fund within year	(6.977)
CMPs collected in 2020/21 and due to be paid to the Government's Consolidated fund after the year end	(5.304)
CMPs written off/impaired during 2020/21	(3.742)
CMPs yet to be collected at year end	28.667
CMPs at year end on agreed payment plan	27.370

Sustainability

Overall strategy

Our carbon footprint is generated primarily from heating and lighting ICO accommodation, powering our IT infrastructure and from business travel. We make as full a use of technology as possible to reduce electricity and gas consumption; for example, by purchasing low energy use IT, fitting new more efficient boilers and installing motion detecting lights. We have also moved our electricity onto a 100% renewable tariff for the majority of our estate.

During 2020/21 Covid 19 had a significant impact on the way of working for the ICO with staff working from home for the majority of the year. There were short periods when offices were open to a small number of staff undertaking essential tasks.

We therefore made use of appropriate and effective technology to allow staff to continue to fully undertake their roles while not travelling and not being in the office. We also made full use of appropriate communication tools to ensure we could continue to engage with stakeholders through relevant channels. As a growing organisation there are always increasing demands to engage with external stakeholders both domestically and internationally. In previous years this would have led to continued business travel demands, but due to Covid 19 restrictions we have communicate electronically instead of travel for face-to-face meetings. As an organisation the ICO will take the lessons learnt during the pandemic and review the need for all future domestic and international travel and whether there are suitable alternative ways to fulfil these commitments using technology.

Performance

Throughout 2020/21 the ICO, along with all organisations within the UK, was working within the parameters laid down by Government and the necessary restrictions due to Covid 19. This meant all ICO staff worked from home apart from periods when the offices could be open for essential tasks only for a small number of individuals.

Due to travel restrictions we made use of technology to communicate with stakeholders instead of face-to-face meetings. This had a material impact on the carbon emissions associated with both domestic and international travel.

Through having our offices closed for the majority of the year we significantly reduced our CO2 emissions. This was combined with the move to an electricity tariff that uses 100% renewable electricity for the majority of the estate. We also consequently reduced the production of waste, use of water and paper.

Even though we did not fully occupy the estate we still needed to heat the buildings for the full year. As the estate was larger than previous years and unoccupied there was a greater call on gas to ensure the empty buildings were kept at an appropriate temperature.

Biodiversity action planning

The ICO is not responsible for any outside space and therefore does not have a biodiversity plan.

Sustainable procurement

We ask those tendering for contracts to provide their sustainability statements and policies as standard in most procurement exercises.

Greenhouse gas emissions

Please note: the figures in the tables below do not include any emissions or waste from employees working from home.

Total tonnes CO₂

	2017/18	2018/19	2019/20	2020/21
Scope 1 (gas)	6	36	17	44
Scope 2 (electricity)	172	160	275	29
Scope 3 (travel)	127	202	182	1
Total emissions	306*	398	474	74

*Not a direct sum due to rounding.

Tonnes CO₂ per full time equivalent staffing

	2017/18	2018/19	2019/20	2020/21
Scope 1 (gas)	0.01	0.06	0.02	0.06
Scope 2 (electricity)	0.33	0.26	0.37	0.04
Scope 3 (travel)	0.25	0.33	0.24	0.00
Total	0.59	0.66*	0.63	0.10

*Not a direct sum due to rounding.

Waste minimisation and management and finite resource consumption

Total waste, water and paper consumption

	2017/18	2018/19	2019/20	2020/21
Waste / tonnes	37	35	36	3
Water consumption / m ³	5,963	3,983	3,182	567
A4 paper / reams	4,300	4,280	4,544	200

Waste, water and paper consumption per full time equivalent staffing

	2017/18	2018/19	2019/20	2020/21
Waste / tonnes	0.07	0.06	0.05	0.004
Water consumption / m ³	11.61	6.57	4.23	0.72
A4 paper / reams	8.37	7.06	6.03	0.25

Details of ICO performance

Total travel

	2017/18	2018/19	2019/20	2020/21
Cars				
Kms	40,216	57,336	43,656	1,761
Cost £	11,023	14,699	11,506	486
Tonnes CO ₂	8	11	8	0.3

Rail

Kms	820,202	1,120,361	1,133,971	8,190
Cost £	259,483	404,552	341,668	2,612
Tonnes CO ₂	37	51	51	0.2

Flights

Number	515	1,060	734	0
Kms	523,413	889,325	781,541	0
Cost £	103,127	202,847	151,422	0
Tonnes CO ₂	82	140	123	0

Travel summary

Cost £	373,633	622,098	504,596	3097
Tonnes CO ₂	127	202	182	0.5

Travel per full time equivalent staffing

	2017/18	2018/19	2019/20	2020/21
Cars				
Kms	78.27	94.61	57.98	2.37
Cost £	21.45	24.26	15.28	0.65
Tonnes CO ₂	0.01	0.02	0.01	0.00

Rail

Kms	1,596	1,848	1,505.94	11.02
Cost £	505.03	667.58	453.74	3.52
Tonnes CO ₂	0.07	0.08	0.07	0.00

Flights

Number	1.00	1.75	0.97	0
Kms	1,018.71	1,467.53	1,037.90	0
Cost £	200.71	334.73	201.09	0
Tonnes CO ₂	0.16	0.23	0.16	0

Travel summary

Cost £	727.20	1,026.56	670.11	4.17
Tonnes CO ₂	0.25	0.33	0.24	0.00

*Not a direct sum of tables above due to rounding.

Total utilities

	2017/18	2018/19	2019/20	2020/21
Gas				
Kwh	34,514	195,575	94,989	244,507
Cost £	1,549	6,281	4,151	8,578
Tonnes CO ₂	6	36	17	44

Electricity

Kwh	343,910	319,151	551,804	413,340
Cost £	65,122	51,995	95,410	78,333
Tonnes CO ₂	172	160	275	29

Utility summary

Cost £	66,671	58,276	99,561	86,912
Tonnes CO ₂	178	196	292	73

Utilities per full time equivalent staffing

	2017/18	2018/19	2019/20	2020/21
Gas				
Kwh	67.17	322.73	126.15	329.10
Cost £	3.01	10.36	5.51	11.54
Tonnes CO ₂	0.01	0.06	0.02	0.06

Electricity

Kwh	669	527	732.81	556.31
Cost £	126.75	85.80	126.71	105.43
Tonnes CO ₂	0.33	0.26	0.37	0.04

Utility summary

Cost £	129.76	96.17	132.22	116.97
Tonnes CO ₂	0.35	0.32	0.39	0.10

Whistleblowing disclosures

The ICO is a 'prescribed person' under the Public Interest Disclosure Act 1998, meaning that whistleblowers are provided with protection when disclosing certain information to us.

The Prescribed Persons (Reports on Disclosures of Information) Regulations 2017 require prescribed persons to report annually on whistleblowing disclosures made to them.

The number of whistleblowing disclosures made to us in respect of external bodies during the period 1 April 2020 to 31 March 2021 was 309. All information provided was recorded and used to develop our overall intelligence picture, in line with our Information Rights Strategic Plan 2017-2021.

Further action was taken on 69 of these disclosures. This may result in referral to appropriate departments for further consideration, referral to external organisations (including other regulators and law enforcement) or consideration for use of our enforcement powers. After review and assessment 240 of the 309 disclosures resulted in no further action taken at that time.

During the period 1 April 2020 to 31 March 2021 further action on the 69 disclosures resulted in 82 referrals to various departments overall; 11 disclosures resulted in referrals to two departments; one disclosure resulted in referral to three departments.

The outcomes of these referrals:

- 44 disclosures were taken into consideration for the investigations.
- 13 disclosures were referred to Advice Services and the Personal Data Breach Team including providing advice to the whistleblower and where it would be more appropriate for the matter to be raised as a complaint.
- five disclosures were considered for non-payment of the data protection fee.
- three disclosures were referred to other departments for various actions.
- 16 disclosures were considered for tactical and strategic assessment.
- one disclosure was referred to an external agency.

After receipt of a concern, we will decide how to respond in line with our Regulatory Action Policy. In all cases, we will look at the information provided by whistleblowers alongside other relevant information we hold. For example, if an organisation reports a breach to us, we may use information provided by a whistleblower to focus our follow-up enquiries. More broadly, we may use information from whistleblowers to focus our liaison and policy development within a sector, using the information to identify a particular risk or concern.

Going concern

The accounts are prepared on a going concern basis as a non-trading entity continuing to provide statutory public sector services.

Grant in aid has already been included in the DCMS's estimate for 2021/22 and the DPA 2018 allows the ICO to fund data protection related work through fees paid by data controllers. The DPA 2018 is UK law and continues to be apply following the UK's exit from the EU.

There is no reason to believe that future sponsorship and parliamentary approval will not be forthcoming.

The ICO has budgeted income of £69m for the year 2021/22. Considering the impact of COVID-19 on the UK economy, we have reviewed the mechanism by which the ICO is funded and assessed what the impact on our funding might be. The budget set has considered the risks over potential fee income and has set a budget based on prudent assumptions. The ICO continues to review the budget and risks within it with DCMS. It is therefore appropriate to adopt a going concern basis for the preparation of these financial statements.



Elizabeth Denham

22 June 2021



Accountability report

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Directors' report

Directorships and other significant interests held by Board members that may conflict with their management responsibilities

Membership of the ICO's Management Board, along with further information, is detailed in the Governance statement.

A register of interests is maintained for the Information Commissioner and her Management Board. It is published on our website at ico.org.uk. Declarations of interest in any of the items considered at a particular meeting are also asked for at Management Board and Audit and Risk Committee meetings.

Employee involvement and wellbeing

Employee wellbeing has always been at the heart of the ICO's people strategy, and this has never been more important than the last year as we have faced the challenges of the COVID-19 pandemic. Our people strategy has three values: ambitious; service-focused; and collaborative.

We have actively monitored the impact of COVID-19 on our staff health and wellbeing and adjusted our approach to support staff throughout the year, creating new communications channels for information and engagement.

Our wellbeing initiatives have included workshops to support managers and staff, signposting to sources of support and a dedicated wellbeing site, flexibility where needed to support caring responsibilities has been available for all staff, providing equipment to work effectively from home and running social activities to bring people together. The results of the health and wellbeing surveys we did in June 2020 and January 2021 showed the positive impact of our approach to supporting employee involvement and wellbeing.

We have continued to work closely with the recognised trade unions as well as with our Equality, Diversity and Inclusion staff networks and the staff forum to engage with and listen to our employees. Keeping in touch with all our staff through virtual town hall events led by the Executive Team, regular email updates from the team leading our pandemic response and departmental/team meetings have been key to ensuring staff felt informed about how we were going to continue delivering services to our customers and stakeholders.

As we look forward, we're engaging with all our colleagues again to identify how our ways of working should change post the pandemic so that we can continue to be an effective regulator and employer of choice.

Equal opportunities and diversity

At the ICO we have four equality, diversity and inclusion objectives defined as follows:

- **Spreading knowledge and acting**
We will raise awareness of information rights across the community and take action to ensure that organisations fulfil their obligations. We will particularly focus on groups and sectors where knowledge gaps may cause information rights inequalities or vulnerabilities. We will ensure that our actions as a regulator do not create inequalities or unlawfully discriminate.
- **Accessible services**
Our services and information will be accessible for users and potential users of our services, and we will provide our staff with the skills and knowledge they need to provide high quality services for all. We will try to anticipate customer needs and we will take action to remove barriers to our services when possible.
- **Encouraging others**
We will use our status as a regulator, advisory body and purchaser of services to influence improvements in equality by other organisations and across society.
- **Employer**
Our workplaces and practices will be accessible, flexible, fair and inclusive. We will value the diversity, skills, backgrounds and experience of our people, enabling them to perform to their best in a welcoming and supportive environment.

These objectives aim to ensure that the ICO is an inclusive, accessible and diverse regulator, service provider and employer. This will help all members of society to have awareness of, and access to, their information rights and receive appropriate protection if their rights are infringed.

Our Equality, Diversity and Inclusion (EDI) Board oversees our efforts to provide an increasingly accessible service for our customers and workplace for our staff.

Alongside the EDI Board, we have five staff networks:

- **Women and Allies** focused on gender equality, this network aims to encourage, empower and support women in their careers at the ICO and beyond.
- **Healthy minds** focused on the importance of good mental health, this network aims to raise awareness and challenge the perceived social stigma linked to mental and emotional health issues, including stress, depression and anxiety.
- **REACH**, this abbreviation stands for Race, Ethnicity, and Cultural Heritage, with this network focused on raising awareness of issues of race, ethnicity

and cultural heritage at the ICO and in the wider community and celebrating diversity.

- **Pride** focused on supporting LGBTQ+ colleagues, raising awareness and celebrating diversity, this network aims to promote a safe, inclusive and diverse working environment that encourages respect and equality for all.
- **Network for Access and Inclusion** focused on improving the experience of disabled staff and customers at the ICO, this network promotes positive attitudes towards disabled people and raises awareness of disability equality by identifying and removing barriers to inclusion.

We provide our staff with a work environment and IT systems which help meet a range of needs; including accessible offices and IT systems, flexible and part-time working (to help work-life balance). This has resulted in all ICO staff members being provided with a new device which enables them to work from any location in a secure and agile way. This has allowed staff to work in the way which best suits them and has been particularly important in our response to the COVID-19 pandemic, as it allowed us to smoothly transition to remote working.

We aim to recruit from a range of backgrounds and take the applicant-anonymous approach when assessing candidates for employment.

The focus of the EDI Board

During 2020-21, the ICO's EDI Board has focused on five distinct workstreams:

- ICO People Policy Review
- Equality Impact Assessment Process Review
- Develop an EDI Training plan
- Improve our diversity data
- Establish an ICO Corporate Social Identity

The focus of the Board is one of scrutiny and oversight of this work, with many of the EDI Board members chairing and/or attending sub-groups and working collaboratively with colleagues from across the office to further this work.

ICO People Policy Review workstream

Over the last 12 months, members of the EDI Board and Staff Network groups have had the opportunity to comment upon a range of ICO people (staff) related corporate policies. This has helped to ensure that the policies are inclusive and considers issues which may impact upon people from different protected groups.

Equality Impact Assessment process review

The EDI Board reviewed the ICO's Equality and Impact Assessment (EQIA) process to ensure that the process, template and guidance documents were fit for purpose, met equality legislation, adhered to the Public Sector Equality Duty and mirrored best practice.

To ensure that the new EQIA process feels relevant to all ICO staff and to help emphasise the importance of measuring and assessing the impact on equality; the ICO has rebranded the EQIA process as the People Impact Assessment (PIA) process. This mirrors developing best practice approaches across both the public and private sectors.

Develop an EDI Training plan

The focus for EDI training over the last 12 months has been delivery of our existing mandatory Dignity, Diversity & Inclusion workshop (which all ICO new starters attend), as well as introduction of new courses for all staff, such as:

- Mental Health for People Managers.
- Awareness of mental health and autistic spectrum disorder
- Interviewing and selection workshops
- A long way to go for LGBTI equality
- Festival of Sleep 2021
- World mental health day
- World suicide prevention day
- Menopause for colleagues
- Menopause for managers
- Mental Health for everyone
- Mental Health for managers

Improving our diversity data

The EDI Board reviews the demographic information of the ICO's staff on a regular basis and has established ambitions for how the ICO's staffing profile will change in the next three years to March 2024.

The EDI Board did not establish specific ambitions for the age or religion/belief demographics for the ICO's staff, though we wish to ensure that our employment practices are as fair and inclusive as possible to ensure that we are able to attract and retain people from different characteristics.

It is worth noting that there has been some movement in the demographics of the organisation in the last 12 months with small increases in the percentage of ICO staff from an ethnic minority background and staff that declared they are disabled. Although there has been progress in that time, our ambitions are stretching and there is much further work to be done if we are to achieve them. The EDI Board will continue to monitor this data and seek to identify opportunities to increase the diversity of our workforce.

The ICO Corporate Social Identity

In 2020 the EDI Board commissioned a subgroup of the Board to focus on the development of a corporate framework to promote, respond and engage with

social and ethical issues, ensuring that the ICO can quickly and appropriately respond to social and ethical issues that may impact on staff, customers and stakeholders.

During this year, there has been a strong focus on the language we use across the organisation with guidance being issued on the terms 'whitelisting' and 'blacklisting'.

The corporate 'Keeping it simple' and 'Writing to influence' training has also been updated with these considerations in mind.

There has been an increased focus on EDI communications internally, with more opportunities to share the work of the networks, raising the profile of the networks and engaging people in their activities.

Personal data incidents

There have been no substantive security incidents during 2020/21.

Public sector information holders

The ICO has complied with the cost allocation and charging requirements set out in HM Treasury guidance.

Pension liabilities

Details on the treatment of pension liabilities are set out in note 3 to the financial statements.

Annual accounts and audit

The annual accounts have been prepared in a form directed by the Secretary of State with the consent of the Treasury in accordance with paragraph 11(4) of Schedule 12 to the DPA 2018.

Under paragraph 11(3) of Schedule 12 to the DPA 2018 the Comptroller and Auditor General was appointed auditor to the Information Commissioner. The cost of audit services for this year was £33k (2019/20: £31.5k). No other assurance or advisory services were provided.

So far as the Accounting Officer is aware, the Comptroller and Auditor General is aware of all relevant audit information, and the Accounting Officer has taken all the steps that she ought to have taken to make herself aware of relevant audit information and to establish that the Comptroller and Auditor General is aware of that information.

Directors' statement

The ICO's leadership team consists of the Commissioner, Executive Directors and Non-Executive Directors. Each of these persons at the time this report is approved:

- so far as they are aware there is no relevant audit information of which the auditor is unaware; and
- they have taken all the steps they ought to have taken in their role to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Statement of the Information Commissioner's responsibilities

Under paragraph 11(4) of Schedule 12 to the DPA 2018 the Secretary of State directed the Information Commissioner to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the situation of the Information Commissioner's Office at the year end and of the income and expenditure, recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Information Commissioner is required to comply with the requirements of the Government Financial Reporting Manual (FRoM) and to:

- observe the Accounts Direction issued by the Secretary of State with the approval of the Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the FRoM have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Information Commissioner's Office will continue in operation.

The Principal Accounting Officer of the Department for Culture, Media and Sport (DCMS) has designated the Information Commissioner as Accounting Officer for her Office. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances and for keeping of proper records and for safeguarding the Information Commissioner's assets, are set out in the Non-Departmental Public Bodies' Accounting Officer Memorandum, issued by the Treasury and published in Managing Public Money.

As Accounting Officer, the Information Commissioner has delegated executive responsibility to the Chief Executive for effective financial stewardship as Accountable Officer. This is a contractual responsibility and allows the Information Commissioner to have a separate, and not term-limited, accountable person charged with stewardship and probity for our use of public money.

The Accounting Officer confirms that, as far as she is aware, the entity's auditors are aware of all relevant audit information, and the Accounting Officer has taken all the steps that she ought to have taken to make herself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

The Accounting Officer confirms that the Annual report and Accounts is fair, balanced and understandable and that she takes personal responsibility for the Annual report and Accounts and the judgments required for determining that it is fair, balanced and understandable.

Governance statement

Introduction

The Information Commissioner is a corporation sole as established under the DPA 1998 and as confirmed under the DPA 2018. As required by the UK GDPR, the Information Commissioner and her Office must be completely independent of Government. The Information Commissioner is accountable to Parliament for the exercise of statutory functions and the independence of the ICO is enshrined in legislation.

Relationship with the DCMS

The DCMS is the sponsoring department for the ICO. The relationship with the department is governed by a Management Agreement. The Management Agreement for 2018-2021 was agreed in July 2018. This agreement sets out our shared responsibilities and the commitment to ensuring the independence of the Information Commissioner and the ICO. The agreement also ensures that appropriate reporting arrangements are in place to enable the DCMS to monitor the expenditure of public money allocated to the ICO.

The agreement also confirms that the ICO was granted pay flexibility up to 2020-21. This ensured that we had the flexibility to determine the levels of pay necessary for the ICO to maintain the expertise the office needs to fulfil its functions. In 2021/22, the ICO will revert to being subject to standard public sector pay policy guidelines.

Management Board

The Information Commissioner continues to be a corporation sole, accountable to Parliament. The Information Commissioner has delegated collective responsibility for the strategic leadership of the organisation to the Management Board, comprising Non-Executive and Executive Directors. The Information Commissioner is the Chair of the Management Board.

The Management Board's Terms of Reference identify five primary areas of focus for the Board: the position, culture, capability, reputation and performance of the organisation. The Board provides strategic direction to ensure the long-term objectives for the organisation are met successfully and sustainably. It operates collectively, holding the Executive to account for the day-to-day leadership and regulatory outcomes of the ICO.

The Board is based on majority decision-making principles. As the Information Commissioner is a corporation sole, she retains the right to veto a decision of the Management Board and take another course of action, where she deems

necessary, with any such decisions recorded and documented in the Governance Statement of the Annual Report. There were no such instances during 2020/21.

The Board comprises of Executive and Non-Executive Directors, with non-Executive Directors out numbering Executive Directors (there is currently one Non-Executive vacancy).

The Board has agreed to appoint a Senior Independent Director (SID), designated by the Commissioner from amongst the Non-Executive Directors. Nicola Wood was appointed to this role on 1 June 2020. The SID is responsible for chairing Board meetings in the absence of the Information Commissioner and for representing the views of the Non-Executive Directors.

Two senior Executive Directors have been designated by the Commissioner from amongst the Executive Directors. One, designated as Deputy Chief Executive and Chief Operating Officer, is responsible for the ICO's day-to-day administrative leadership and performance, including holding delegated Accounting Officer responsibilities as far as possible. Paul Arnold was appointed to this role on 9 July 2020. The other, designated as the Chief Regulatory Officer, is responsible for the ICO's regulatory decisions and outcomes. James Dipple-Johnstone was appointed to this role on 9 July 2020. These arrangements allow the Information Commissioner, in addition to overseeing the strategic direction for the organisation, to focus on the key domestic and international stakeholder relationships of greatest importance to the ICO's strategic objectives.

The Board meets a minimum of four times annually (six meetings a year are scheduled and all of these took place during 2020/21) and considers risk management and operational, financial, organisational and corporate issues. It also receives reports from the Audit and Risk Committee, Nominations Committee and Remuneration Advisory Panel.

2020/21 has clearly been a vastly different year for the ICO's Management Board, as it was for everyone. While we have been unable to meet as a Management Board in person at any point in the year, we have continued to build strong collaboration as a Board by embracing technology and have had extremely effective Board meetings. We have also taken the opportunity to have more regular informal video calls between Board members. This has ensured that the Non-Executives have remained up to date on the ICO's most important business. This has allowed the Non-Executives to be effective in their role on the ICO's Board, and continue to provide advice and constructive challenge, harnessing our experience from a wide variety of organisations for the betterment of the ICO.

In the course of 2020/21, Stephen Bonner joined the Board as Executive Director (Regulatory Futures and Innovation) on 8 February 2021.

Two further changes are due to take place to the Board during 2021/22. Elizabeth Denham's term as Information Commissioner's was originally due to end in July 2021. Following a request from the Secretary of State for DCMS, Elizabeth has agreed to extend her term as Information Commissioner to 31 October 2021, while the recruitment process for her successor is completed. Also, on 31 July 2021, Simon McDougall will leave his role as Deputy Commissioner (Executive Director – Technology and Innovation), when his contract expires.

In addition to these changes in membership of the Board, the following Executive Team members attend Board meetings.

- The General Counsel. James Moss was appointed as Acting General Counsel on 14 April 2020 and finished in this role on 18 April 2021. Claudia Berg was appointed as General Counsel and joined the Executive Team on 19 April 2021.
- The Executive Director (Strategic Change and Transformation). Jen Green was appointed to this role and joined the Executive Team on 1 February 2021.

The table below details attendance at the Management Board meetings during the year. All meetings were held remotely, due to the COVID-19 pandemic.

Dates	18 May 2020	20 Jul 2020	21 Sept 2020	16 Nov 2020	1 Feb 2021	22 Mar 2021
Elizabeth Denham	Yes	Yes	Yes	Yes	Yes	Yes
Paul Arnold	Yes	Yes	Yes	Yes	Yes	Yes
Ailsa Beaton	Yes	Yes	Yes	Yes	Yes	Yes
Stephen Bonner	-	-	-	-	-	Yes
David Cooke	Yes	Yes	Yes	Yes	Yes	Yes
James Dipple-Johnstone	Yes	Yes	Yes	Yes	Yes	Yes
Peter Hustinx	Yes	Yes	Yes	Yes	Yes	Yes
Jane McCall	Yes	Yes	Yes	Yes	Yes	Yes
Simon McDougall	Yes	Yes	Yes	Yes	Yes	Yes
Nicola Wood	Yes	Yes	Yes	Yes	Yes	Yes
Steve Wood	Yes	Yes	Yes	Yes	Yes	Yes

Audit and Risk Committee

The Audit and Risk Committee meets quarterly and provides a structured, systematic oversight of the ICO's governance, risk management, and internal

control practices. This Committee was previously known as the Audit Committee but was renamed to Audit and Risk Committee in January 2021 to make clear that the Committee has responsibility for oversight of risk management. The Committee assists the Board and management team by providing independent advice and guidance on the adequacy and effectiveness of the organisation's management practices detailed below, including any potential improvements to these practices:

- governance structure;
- risk management;
- internal control framework;
- oversight of the internal audit activity, external auditors, and other providers of assurance; and
- finance statements and public accountability reporting.

The Committee is chaired by Ailsa Beaton as a Non-Executive Director. Jane McCall is the other Non-Executive Director and Roger Barlow is the independent member.

The table below shows attendance of Audit and Risk Committee members at the meetings during the year. All meetings were held remotely due to the COVID-19 pandemic.

Dates	20 Apr 2020	22 Jun 2020	13 Nov 2020	25 Jan 2021
Ailsa Beaton	Yes	Yes	Yes	Yes
Roger Barlow	Yes	Yes	Yes	Yes
Jane McCall	Yes	Yes	Yes	Yes

Both external and internal auditors attend the Audit and Risk Committee and have pre-meetings with Committee members before each meeting.

The Audit and Risk Committee publishes its own Annual report. Each annual report, including the 2020/21 report, is available on the ICO website ([ico.org.uk](https://www.ico.org.uk)). The report states that the Committee is satisfied with the quality of internal and external audit and believes that it can take a measured and diligent view of the quality of the systems of reporting and control within the ICO.

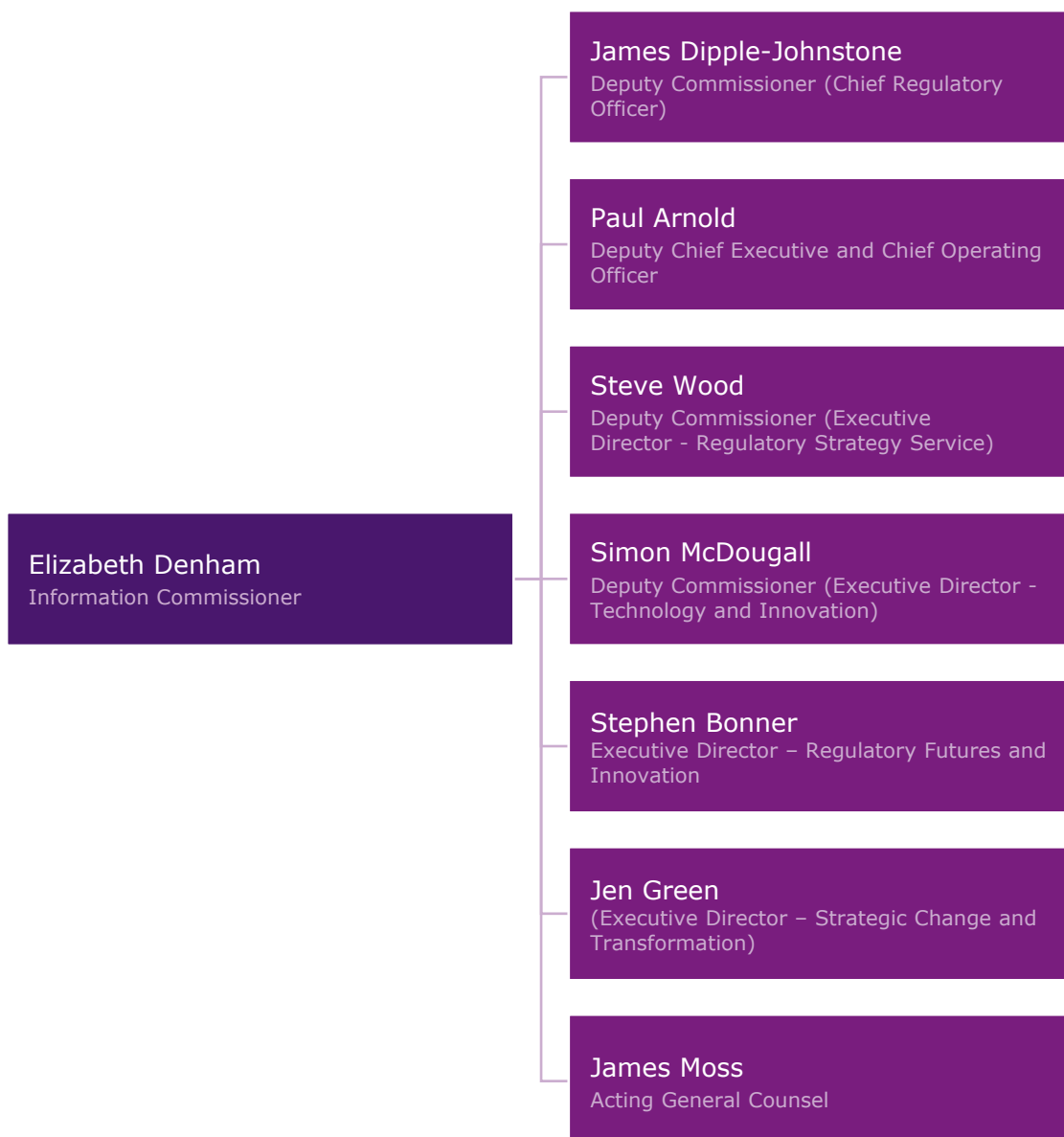
The Chair of the Audit and Risk Committee attends regular meetings of the Chairs of the Audit and Risk Committees of DCMS arms-length bodies. These meetings include discussions with senior DCMS staff and the Senior NAO staff and provide opportunities to share issues of interest.

The Audit and Risk Committee receives a quarterly report on incidents of fraud, security breaches and whistleblowing incidents as assurance that the reporting mechanisms are in place and are effective.

Executive Team

The Executive Team provides day-to-day leadership for the ICO and as such is responsible for developing and delivering against the Information Rights Strategic Plan and Capacity and Capability Plan. At the start of 2020/21, the team consisted of the Information Commissioner, Deputy Chief Executive Officer and Chief Operating Officer, Chief Regulatory Officer, Deputy Commissioner (Regulatory Strategy) and Deputy Commissioner (Executive Director – Technology and Innovation). As set out above, in early 2020/21, the Executive Team was supplemented by an acting General Counsel. The Executive Director (Strategic Change and Transformation) and Executive Director (Regulatory Futures and Innovation) joined in February 2021. The permanent General Counsel joined in April 2021. The Executive Director (Technology and Innovation) will leave the ICO in July 2021.

A structure chart is provided below to illustrate the Executive Team structure as of 31 March 2021.



The Executive Team is supported in its role by the Senior Leadership Team. This team consists of 15 directors across the organisation. This increased by one Director in 2020/21, as we appointed a new Director of Technology and Innovation in January 2021.

Board effectiveness

The Management Board has considered its compliance with the Corporate governance in central government departments: Code of good practice 2017. The ICO does not adopt all aspects of the Code, but the Board considers that there are good reasons for this given the nature of the organisation as a corporation sole. In particular:

- The Board does not have the powers and duties of a Board in which is vested the ultimate authority of the organisation. This is because the Information Commissioner is a corporation sole. However, in line with the

scale and complexity of the ICO's role and remit, the Commissioner has formally delegated responsibility through the ICO's Management Agreement with its Government sponsor department (and the Management Board Terms of Reference) for the strategic leadership of the ICO to the Management Board, of which the Information Commissioner is the Chair. The Board operates based on collective decision-making principles and a 'majority vote' in circumstances where a consensus view cannot be reached. The Commissioner, as a Corporation Sole, will always have the right to set a course of action that is contrary to the majority view of the Board. There have been no such instances in 2020/21.

- Although the ICO has a Remuneration Advisory Panel to advise the Information Commissioner on remuneration policies related to Executive Team pay, as a corporation sole, the Information Commissioner retains ultimate authority in this area.
- In respect of an operating framework, the Board operates within the overall system of corporate governance at the ICO.

The Board has reviewed the information it receives and is satisfied with its quality. The Board is also satisfied that it is, itself, operating effectively.

Issues and highlights

The ICO's corporate governance structure has considered various issues of substance during the year. These include:

- progress towards achieving the ICO's Information Rights Strategic Plan 2017-2021 and the strategies which directly support this, including the Capacity and Capability Plan;
- the ICO's response to the COVID-19 pandemic, including the ICO's prioritisation and regulatory posture, and staff wellbeing and welfare matters;
- the review of the ICO's Regulatory Action Policy;
- preparation for the UK's exit from the EU and the period after the UK's exit from the EU;
- the ICO's involvement in the Digital Regulation Cooperation Forum;
- the establishment of a Nominations Committee to be responsible for recruitment to Executive Team and Non-Executive Director roles;
- the duties of the Senior Independent Director;
- risk management policy and risk appetite;
- organisational planning matters, including budgeting, IT service delivery, and workforce strategy, during a period of continued expansion; and
- the ICO's business continuity approach;

Risk assessment

Risks and opportunities are regularly reviewed by senior managers. The Management Board and Audit and Risk Committee also consider these highest scoring risks and opportunities at each meeting. In addition, during 2020/21, the ICO strengthened its risk management framework by establishing a Risk and Governance Board, chaired by the Chief Operating Officer. This Board's role is to assist the Information Commissioner and Senior Leadership Team with the governance of the organisation and management of risk to achieving its strategic priorities and service delivery. It does this by reviewing all matters concerning the development, maintenance and implementation of the ICO's risk and governance management frameworks, including monitoring and reporting arrangements.

In October 2020 the Audit and Risk Committee conducted a full review of all the ICO's risks and opportunities. In February 2021, the Management Board approved a new risk appetite statement. The Board does this on an annual basis. All activities within Directorate business plans are linked to risks or opportunities, which has ensured that they are considered even more regularly, along with clearly identifying actions to mitigate risks or exploit opportunities.

The main new risks and opportunities identified during 2020/21 were:

- staff welfare and wellbeing because of COVID-19;
- the COVID-19 pandemic and resulting working practices;
- the future role and structure of the ICO;
- the ICO's international position following the conclusion of the UK's exit from the European Union;
- managing the ICO's reputation;

In addition, throughout 2020/21, we continued to work to mitigate the key corporate risks to achieving our six strategic goals.

Key risk area	Mitigation approach
Capacity and capability – ensuring that we have the right knowledge and skills to deliver our plans and strategies.	The ICO's Capacity and Capability Plan, focussed on ensuring the organisation is fit for the future. Monitoring capacity and demand, in relation to the impact of the COVID-19 pandemic. Reviewing processes and enhancing productivity where possible using new technologies

Key risk area	Mitigation approach
Ensuring the ICO complies with its legal and other obligations as a regulator, employer and public authority.	Three lines of defence model including the introduction of a Risk and Governance Board. Internal and external audit. Suite of internal policies covering financial, procurement, HR, corporate, information governance and security obligations. Audit and Risk Committee oversight of the ICO's internal controls framework.
Financial resilience resulting from the economic impact of the COVID-19 pandemic.	Close monitoring of budget and forecast. Cash flow modelling. Identification of efficiencies and savings
Business continuity response to a major event that impacts the ICO's infrastructure and/or resources	Business continuity plans in place. Lessons learned review undertaken regarding the immediate response to COVID-19. Ongoing review of future ways of working.

The main area of uncertainty for the future, at the time of drafting this report, is the continuing impact of the COVID-19 pandemic. This pandemic has a direct impact on the ICO's operations and priorities, as well as the resourcing and financing of the organisation. This risk will continue to be closely monitored and our financial planning will continue to consider the economic impact of the pandemic.

Sources of assurance

As Accounting Officer, the Information Commissioner has responsibility for reviewing the effectiveness of the system of internal control, including the risk management framework. This review is informed by the work of the internal auditors and senior managers who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports.

2020/21 was the third year of our contract for internal audit with Mazars, who were contracted to provide our internal audit services until June 2021. A new contract was awarded to Mazars in February 2021 to extend their internal audit services until June 2023. In their annual report, they gave an opinion that the framework of governance, risk management, and control is moderate in its overall adequacy and effectiveness ("moderate" is the second highest of the four ratings offered by Mazars, who provide annual report opinions of "substantial", "moderate", "limited" and "unsatisfactory". "Moderate" is defined as "some improvements are required to enhance the adequacy and effectiveness of the

framework of governance, risk management and control.”) Mazars stated that “On the basis of our audit work, our opinion on the framework of governance, risk management, and control is Moderate in its overall adequacy and effectiveness. Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control. We highlighted weaknesses in the area of stakeholder management where two fundamental recommendations were made. We also noted good practice in other areas, including our audits of fees and income, information governance, and investigations and enforcement, which provided substantial assurance opinions. All matters have been discussed with management, to whom we have made recommendations. All of these have been, or are in the process of being addressed, as detailed in our individual reports.”

Mazars made 29 recommendations in their audits during 2020/21. There were also five audit recommendations from audits in 2019/20 which had not been due for completion during 2019/20. At year end, Mazars reviewed progress with these 34 recommendations, and confirmed that all 25 which were due for completion during 2020/21 have been completed. Nine recommendations were not yet due for completion at the time of drafting this report.

The Information Commissioner is satisfied that a plan to address weaknesses in the system of internal control and to ensure continuous improvement of the system is in place. The Information Commissioner is also satisfied that all material risks have been identified and that those risks are being effectively managed.

Remuneration policy

Schedule 4 to the DPA 2018 states that the salary of the Information Commissioner be specified by a Resolution of the House of Commons. In March 2018 the House resolved that the salary would be £160k per annum from 1 April 2018. The salary is paid directly from the Consolidated Fund. In addition to this salary, the Information Commissioner also receives a non-consolidated, non-pensionable annual allowance of £20,000.

In January 2018 the ICO was granted pay flexibility for the pay remit years from 2018/19 to 2020/21, to enable it to review its pay and grading structure. During this period the ICO has the flexibility to determine the levels of pay necessary for it to maintain and recruit the expertise it needs to fulfil its functions as a supervisory authority. In exercising this flexibility, the assumption is that matching market medians will form the basis of the ICO's pay levels for each grade in the organisation. As a result, the ICO has been able to implement salary rates which more effectively compete with the labour markets in which we operate.

In making decisions on remuneration the Information Commissioner has regard to the following considerations:

- the UK economic climate and public finances;
- the need to recruit, retain and motivate suitably able and qualified people;
- Independently benchmarked pay data for the public sector and comparable national independent regulators;
- the funds available to the Information Commissioner; and
- Treasury pay guidance.

In matters relating to Executive Team pay, the Information Commissioner also has regard to the recommendations of the ICO's independent Remuneration Advisory Panel (established from February 2019).

During 2019/20, as part of delivering pay flexibility, a career progression framework was implemented. This framework creates a means by which the ICO can recognise and reward staff, based on sustained increases in personal competence, contribution and impact within roles, aligned to the organisation's vision and values. The framework continued in 2020/21 and has allowed us to attract and retain high calibre staff.

When the period of pay flexibility concludes (at the end of the 2020/21 pay remit year in June 2021), the ICO will revert to being subject to standard public sector pay policy guidelines issued by HM Treasury, unless otherwise negotiated. As such, rates of any annual pay reviews will be determined by the Information Commissioner in consultation with the Secretary of State and Treasury.

Staff appointments are made on merit based on fair and open competition and, unless otherwise stated, are open-ended. Individuals who are made redundant are entitled to receive compensation as set out in the Civil Service Compensation Scheme.

Non-Executive Directors are appointed for an initial term of three years, renewable by the Information Commissioner by mutual agreement.

In 2020/21 we typically expected our Non-Executive Directors to contribute 26 days per annum to their role at the ICO. This expectation increased by 10 days in 2020/21, in line with the increased role for the Management Board, which was agreed during our 2019/20 governance review. Non-Executive Directors receive an annual fee of £22,464.

In 2020/21 we also introduced a new role of Senior Independent Director. We typically expect our Senior Independent Director to contribute 30 days per annum to their role at the ICO. They receive an annual fee of £25,920.

There may also be times when, due to the workload of the Management Board, our Non-Executive Directors need to contribute significantly more time than we typically expect to their role at the ICO. In these circumstances, our Non-Executive Directors will be paid for the additional days which they contribute.

Remuneration and staff report

Salary and pension entitlements (audited)

Details of the remuneration and pension interests of the Information Commissioner and her most senior officials are provided below.

Remuneration (salary, bonuses, benefits in kind and pensions)

Officials	Salary (£'000)		Benefits in kind (-nearest £100)		Compensation schemes (£'000)		Pension benefits (£'000) (-nearest £1,000)		Total (£'000)	
	2020/ 21	2019/ 20	2020/ 21	2019/ 20	2020/ 21	2019/ 20	2020/ 21	2019/ 20	2020/ 21	2019/ 20
Elizabeth Denham Information Commissioner	180- 185 <small>note 1</small>	180- 185 <small>note 1</small>	-	-	-	-	61	61	240- 245	240- 245
Paul Arnold Deputy Chief Executive and Chief Operating Officer	120- 125	115- 120	-	-	-	-	71	75	195- 200	190- 195
Stephen Bonner Executive Director (Regulatory Futures and Innovation) <small>note 2</small>	20-25 (full year: 120- 125)	-	-	-	-	-	-	-	20-25 (full year: 120- 125)	-
James Dipple-Johnstone Deputy Commissioner (Chief Regulator Officer)	120- 125	115- 120	-	-	-	-	19.8	23 <small>note 3</small>	140- 145	135- 140
Simon McDougall Deputy Commissioner (Executive Director - Technology and Innovation)	120- 125	115- 120	200	100	-	-	48	303 <small>note 4</small>	170- 175	415- 420
Steve Wood Deputy Commissioner (Regulatory Strategy)	110- 115	105- 110	-	-	-	-	56	49	165- 170	150- 155

Officials	Salary				Pension benefits				Total (£'000)	
	(£'000)		Benefits in kind (-nearest £100)		Compensation schemes (£'000)		(£'000) (-nearest £1,000)			
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Ailsa Beaton Non-Executive Board Member	30-35	20-25	-	-	-	-	-	-	30-35	20-25
David Cooke Non-Executive Board Member	20-25	10-15	-	-	-	-	-	-	20-25	10-15
Peter Hustinx Non-Executive Board Member	20-25	10-15	-	-	-	-	-	-	20-25	10-15
Jane McCall Non-Executive Board Member	20-25	15-20	-	-	-	-	-	-	20-25	15-20
Nicola Wood Senior Independent Director	25-30	10-15	-	-	-	-	-	-	25-30	10-15

Notes:

1. This includes a non-consolidated, non-pensionable annual allowance of £20,000.
2. Appointed February 2021.
3. James Dipple-Johnstone is a member of a Partnership pension scheme. We are required to disclose Employer contributions to pensions to the nearest £100.
4. This figure includes the transfer in of another pension.

The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20 plus the real increase in any lump sum, less the contributions made by the individual. The real increases exclude increases due to inflation or any increase or decrease due to a transfer of pension rights.

Salary comprises gross salary and any other allowance to the extent that it is subject to UK taxation. There were no bonus payments to Board Members in 2020/21.

All benefits in kind relate to the ICO's contribution to the ICO's health care plan provided by BHSF.

Pension Benefits (audited)

	Accrued pension at pension age as of 31 March 2021 and related lump sum £'000	Real increase in pension and related lump sum at pension age £'000	CETV at 31 March 2021 £'000	CETV at 31 March 2020 £'000	Real increase in CETV £'000
Elizabeth Denham Information Commissioner	15-20	2.5-5	286	215	48
Paul Arnold Deputy CEO	35-40 plus a lump sum 75-80	2.5-5 plus a lump sum of 2.5-5	609	544	40
Stephen Bonner Executive Director (Regulatory Futures and Innovation)	-	-	-	-	-
James Dipple-Johnstone Deputy Commissioner (Regulatory Supervision) ¹	-	-	-	-	-
Simon McDougall Executive Director (Technology and Innovation)	20-25	2.5-5	222	183	23
Steve Wood Deputy Commissioner (Regulatory Strategy)	25-30	2.5-5	398	347	32

Notes:

1. Member of partnership pension scheme.
The Cash Equivalent Transfer Value (CETV) figures are provided by MyCSP, the ICO's Approved Pensions Administration Centre, who have assured the ICO that they have been correctly calculated following guidance provided by the Government Actuary's Department.

Partnership pensions

There is one member of staff included in the list of the Commissioner's most senior staff who has a partnership pension. Please see note 3 to the table on the previous page.

Civil Service pensions

Further details about the Civil Service pension arrangements are available at civilservicepensionscheme.org.uk.

Cash Equivalent Transfer Values (CETV)

A CETV is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. It represents the amount paid made by a pension scheme or

arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

The pension figures shown relate to the benefits that the individual has accrued because of their total membership of the pension scheme, not just their service in a capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement that the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member because of their purchasing additional pension benefits at their own cost. CETV's are worked out in accordance with The Occupational Pensions Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Pay multiples (audited)

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce. The Information Commissioner is deemed to be the highest paid director and no member of staff receives remuneration higher than the highest paid director.

The banded remuneration of the highest paid director of the ICO in the financial year 2020/21 was £180k to £185k (2019/20: £180k to £185k). This was 5.15 times (2019/20: 5.9 times) the median remuneration of the workforce, which was £34,948 (2019/20: £30,626). The median total remuneration is calculated by ranking the annual full-time equivalent salary as of 31 March 2021 for each member of staff.

Staff remuneration ranged from £22,925 to £180,000 (2019/20: £19,299 to £180,000).

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions or the CETV of pensions.

During 2020/21, as stated above, the ICO had permission to exercise pay flexibility, although it still adheres to the principle of government pay restraint policies.

Number of senior civil service staff (or equivalent) by band

The Information Commissioner, the Deputy CEO and Chief Operating Officer, the Chief Regulatory Officer, the Deputy Commissioner (Executive Director – Regulatory Strategy), the Deputy Commissioner (Executive Director – Technology and Innovation), the Executive Director (Strategic Change and Transformation), the Executive Director (Regulatory Futures and Innovation) and the five Non-Executive Directors are the only staff categorised as being at a grade equivalent to the senior civil service.

Staff composition

As of the end of 2020/21 there were 11 members of the Management Board, of whom seven were male and four were female. In total in the ICO at the end of 2020/21, 37.8% of staff were male and 62.2% female.

Sickness absence

The average number of sick days taken per person during the year was 6.0 days (2019/20: 7.2 days).

Staff turnover

The staff turnover for the ICO during 2020/21 was 3.5% (2019/20: 7.7%). Staff turnover has consistently reduced since 2017/18 (where the rate was 13.5%). This has partly been because of the ICO's continual growth throughout this period, but the pay flexibility we were granted in 2018 has enabled us to retain staff who might otherwise have left for better salaries elsewhere. The retention of experienced staff was a key driver in our business case to the Treasury. The COVID-19 pandemic is also doubtlessly a contributory factor to the very low turnover rate in 2020/21.

Staff engagement

The level of engagement in the ICO's staff surveys during 2020/21 was 84% (2019/20: 82%). Our surveys this year had a focus on staff experiences and wellbeing during the COVID-19 pandemic, which is likely to contribute to the high level of engagement.

Staff policies relating to the employment of disabled persons

The ICO's recruitment processes ensure that shortlisting managers only assess the applicant's skills, knowledge and experience for the job. All personal information is removed from applications before shortlisting.

The ICO applies the Disability Confident standard for job applicants who are disabled. It has also assisted in the continued employment of disabled people by providing a work environment that is accessible and equipment that allows people to perform effectively. Our disabled staff are given equal access to training and promotion opportunities and adjustments are made to work arrangements, work patterns and procedures to ensure that people who are, or become, disabled, are treated fairly and can continue to contribute to the ICO's aims.

Staff numbers and costs (audited)

As of 31 March 2021 the ICO had 822 permanent staff (774.4 full time equivalents).

Average number of full-time equivalents during 2020/21

	Permanently employed staff	Temporarily employed staff	2020/21 Total	2019/20 Total
Directly employed	740	3.6	743.6	706.2
Agency staff	0	43.5	43.5	20.7
Total employed	740	47.1	787.1	726.9

Staff costs

	Permanently employed staff £000	Others £000	2020/21 Total £000	2019/20 Total £000
Wages and salaries	30,232	2,049	32,281	29,008
Social security costs	3,225	-	3,225	2,942
Other pension costs	7,743	-	7,743	7,126
Sub-total	41,200	2,049	43,249	39,076

	Permanently employed staff £000	Others £000	2020/21 Total £000	2019/20 Total £000
Less recoveries in respect of outward secondments	(20)	-	20	0
Total net costs	41,180	2,049	43,229	39,076

Included in staff costs above are notional costs of £256k (2019/20: £256k) in respect of salary and pension entitlements of the Information Commissioner and the associated employers national insurance contributions (which are credited directly to the General Reserve), temporary agency staff costs of £1.503m (2019/20: £0.746m) and inward staff secondments of £546k (2019/20: £894k), as well as the amounts disclosed in the Remuneration section above.

Expenditure on consultancy

During 2020/21 there was expenditure totalling £404k on consultancy as defined in Cabinet Office spending controls guidance (2019/20: £665k).

This expenditure primarily relates to development of the Age Appropriate Design Code, human resources, communications services and stakeholder research.

Off-payroll engagements

There were no off-payroll engagements during 2020/21.

Exit packages (audited)

Redundancy and other departure costs are paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure. Where the Information Commissioner has agreed early retirements, the additional costs are met by the Information Commissioner and not by the Principal Civil Service Pension Scheme (PCSPS). Ill health retirement costs are met by the pension scheme and are not included in the table above.

There were no compulsory redundancies in 2020/21 (2019/20: none) and no other exit packages.

Ex-gratia payments made outside of the provisions of the Civil Service Compensation Scheme are agreed directly with the Treasury.

Trade union facility time

Relevant union officials	2020/21	2019/20
Number of employees who were relevant union officials during the relevant period	15	14
Full time equivalent employee number	1.30	0.49

Percentage of time spent on facility time	2020/21	2019/20
0%	0	0
1-50%	14	14
51%-99%	0	0
100%	1	0

Percentage of pay bill spent on facility time	2020/21	2019/20
Total cost of facility time	£38,883.40	£15,679.68
Total pay bill	£32,281,000	£29,006,00
Percentage	0.12%	0.05%

Paid trade union activities	2020/21	2019/20
Time spent on trade union activities as a percentage of total paid facility time hours	20%	20%

Regularity of expenditure (audited)

There is no regularity of expenditure issues.

Fees and charges (audited)

Information on fees collected from data controllers who notify their processing of personal data under the DPA is provided in the Financial Performance Summary, as part of the performance report earlier in this document. Further information on data protection fees is also set out in notes 1.5 and 2 to the financial statements.

Remote contingent liabilities (audited)

Please see note 18 to the accounts.

Long-term expenditure trends

The ICO is collecting fees under the GDPR and Data Protection (Charges and Information) Regulations 2018 - this fee structure allows the ICO to better match fee income to the cost of regulation. Fee income is budgeted to be at approximately £63m this financial year, and is budgeted to increase to approximately £68m for the 2022/23 financial year.

Grant-in-aid for our freedom of information work has remained at slightly more than £4m per annum.



Elizabeth Denham

22 June 2021

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of Information Commissioner's Office for the year ended 31 March 2021 under the Data Protection Act 2018. The financial statements comprise: The Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as interpreted by HM Treasury's Government Financial Reporting Manual.

I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion, the financial statements:

- give a true and fair view of the state of Information Commissioner's Office's affairs as at 31 March 2021 and of net expenditure for the year then ended; and
- have been properly prepared in accordance with the Data Protection Act 2018 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of Information Commissioner's Office in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded Information Commissioner's Office's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Information Commissioner's Office's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for Information Commissioner's Office is adopted in consideration of the requirements set out in International Financial Reporting Standards and interpreted by HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other information

The other information comprises information included in the annual report, but does not include the parts of the Accountability Report described in that report as having been audited, the financial statements and my auditor's certificate thereon. The Accounting Officer is responsible for the other information. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements

themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Secretary of State directions made under the Data Protection Act 2018; and
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

In the light of the knowledge and understanding of Information Commissioner's Office and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports. I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual are not made; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of the Information Commissioner's responsibilities, the Information Commissioner as Accounting Officer is responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- assessing Information Commissioner's Office's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by Information Commissioner's Office will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Data Protection Act 2018.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included the following:

- Inquiring of management, Information Commissioner's Office head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation in respect of Information Commissioner's Office policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and

- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including Information Commissioner's Office's controls relating to the Data Protection Act 2018, Managing Public Money and DCMS Management Agreement.
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, posting of unusual journals; bias in accounting estimates and significant unusual transactions.
- obtaining an understanding of the Information Commissioner's Office's framework of authority as well as other legal and regulatory frameworks that the Information Commissioner's Office operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Information Commissioner's Office. The key laws and regulations I considered in this context included the Data Protection Act 2018, Government Resources & Accounts Act 2020, Managing Public Money, Civil Service Pay remit guidance, DCMS Management Agreement and tax Legislation.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management and the Audit Committee concerning actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements

have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies

Comptroller and Auditor General 6 July 2021

National Audit Office,
157-197 Buckingham Palace Road
Victoria
London SW1W 9SP



Financial statements

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Statement of comprehensive net expenditure

for the year ended 31 March 2021

		2020/21		2019/20	
	Note	£'000	£'000	£'000	£'000
Expenditure					
Staff costs	3		43,229		39,076
Other expenditure	4	10,990		13,436	
Depreciation and other non-cash costs	4	2,205	13,195	2,241	15,677
Total expenditure			56,424		54,753
Income					
Income from activities	5a		(53,405)		(49,707)
Net Expenditure			3,019		5,046
Total comprehensive expenditure for the year ended 31 March			3,019		5,046

Note: All income and expenditure relates to continuing operations. There was no other comprehensive expenditure for the year ended 31 March 2021 (31 March 2020 Nil)

The notes on pages 112 to 133 form part of these financial statements.

Statement of financial position

as at 31 March 2021

		31 March 2021		31 March 2020	
	Note	£'000	£'000	£'000	£'000
Non-current assets					
Property, plant and equipment	6	854		1,073	
Right of use assets	7	2,502		3,968	
Intangible assets	8	673		688	
Total non-current assets			4,029		5,729
Current assets					
Trade and other receivables	10	30,565		5,390	
Cash and cash equivalents	11	16,114		6,154	
Total current assets			46,679		11,544
Total assets			50,708		17,273
Current liabilities					
Trade and other payables	12		(39,909)		(7,506)
Provisions	13		(14)		(911)
Lease liability	14		(1,374)		(1,487)
Non-current assets plus net current assets			9,411		7,369
Non-current liabilities					
Provisions	13		(859)		(859)
Lease liability	14		(1,390)		(2,759)
Assets less liabilities			7,162		3,751
Taxpayers' equity					
Revaluation reserve			-		-
General reserve		7,162		3,751	
			7,162		3,751

Note: The notes on pages 112 to 133 form part of these financial statements.



Elizabeth Denham
22 June 2021

Statement of cash flows

for the year ended 31 March 2021

	Note	2020/21 £'000	2019/20 £'000
Cash flows from operating activities			
Net expenditure		(3,019)	(5,046)
Adjustment for non-cash items	3,4, 13	3,411	3,887
Decrease/(increase) in trade and other receivables	10	1,002	(564)
Increase in trade payables	12	1,404	178
Use of provisions	13	(911)	(30)
Net cash inflow (outflow) from operating activities		1,887	(1,575)
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(239)	(543)
Proceeds on sale of property, plant & equipment		0	1
Purchase of intangible assets	8	(265)	(119)
Net cash outflow from investing activities		(504)	(661)
Cash flows from financing activities			
Right of use assets – Lease payments	14	(1,562)	(1,291)
Grant-in-aid received from the DCMS	17	6,173	6,338
Net cash inflow from financing activities		4,611	5,047
Net increase/(decrease) in cash and cash equivalents during the year before adjustment for receipts and payments to the Consolidated Fund		5,994	2,811
Receipts due to the Consolidated Fund which are outside the scope of the Information Commissioner's activities		10,945	1,899
Payments of amounts due to the Consolidated Fund		(6,979)	(1,657)
Net increase/(decrease) in cash and cash equivalents in the year after adjustment for receipts and payments to the Consolidated Fund		9,960	3,053
Cash and cash equivalents at the start of the year		6,154	3,101

Cash and cash equivalents at the end of the year	11	16,114	6,154
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Note: The notes on pages 112 to 133 form part of these financial statements.

Statement of changes in taxpayers' equity for the year ended 31 March 2021

	Note	Revaluation reserve £'000	General reserve £'000	Total reserves £'000
Balance at 31 March 2019		-	2,204	2,204
Changes in tax payers' equity 2019/20				
Grant-in-aid from the DCMS	1.3	-	6,338	6,338
Comprehensive expenditure for the year		-	(5,046)	(5,046)
Non-cash charges – Information Commissioner's salary costs	3	-	256	256
Balance at 31 March 2020		-	3,752	3,752
Changes in tax payers' equity 2020/21				
Grant-in-aid from the DCMS		-	6,173	6,173
Comprehensive expenditure for the year		-	(3,019)	(3,019)
Non-cash charges – Information Commissioner's salary costs		-	256	256
Balance at 31 March 2021		-	7,162	7,162

Note: The notes on pages 112 to 133 form part of these financial statements.

Notes to the accounts

1. Statement of accounting policies

These financial statements have been prepared on a going concern basis in accordance with the 2020/21 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged most appropriate to the particular circumstances of the Information Commissioner for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Information Commissioner are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

1.1. Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment and intangible assets at their value to the business by reference to current costs.

1.2. Disclosure of IFRS in issue but not yet effective

The Information Commissioner has reviewed and concluded that there are no IFRSs in issue and effective yet that are applicable to the ICO. IFRS17 to the accounting treatment of issuing of insurance contracts and as such has no impact on the accounts of the Information Commissioner's Office.

1.3. Grant-in-aid

Grant-in-aid is received from the DCMS to fund expenditure on freedom of information work and is credited to the General Reserve on receipt.

1.4. Cash and cash equivalents

Cash and cash equivalents recorded in the Statement of Financial Position and Statement of Cash Flows include cash-in-hand, deposits held at call with banks, other short-term highly liquid investments and bank overdrafts.

1.5. Income from activities and Consolidated Fund income

Income collected under the Data Protection Act 2018 is surrendered to the DCMS as Consolidated Fund income, unless the DCMS (with the consent of the Treasury) has directed otherwise, in which case it is treated as Income from activities. There are three main types of income collected:

Data protection notification fees

Fees are collected from annual notification fees paid by data controllers required to notify their processing of personal data under the DPA 2018. The Information Commissioner has been directed to retain the fee income collected to fund data protection work and this is recognised in the

Statement of Comprehensive Net Expenditure as income. At the end of each year, the Information Commissioner may carry forward to the following year sufficient fee income to pay year-end creditors. Any fees in excess of the limits prescribed within the Management Agreement with DCMS are paid over to the Consolidated Fund. Under IFRS 15, if an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. As fees are recognised and used in the year in which they are received, then under IFRS 15 the performance obligations are considered to have been satisfied at a point in time.

The ICO follows a five-step approach to recognising the fee income under IFRS15 this is as follows:

Step 1 Identify Contract - In line with guidance from HMT, DP Fee income will be treated as a contract with customers.

Step 2 Identify performance obligations – Based on the services that the ICO provide to both organisations (who are liable for the DP fee) and the general public, there are no specific performance obligations identifiable but rather an ongoing performance with no specific service available for one organisation over another. Services are based on (subject and caseload) priority and public risk, cases that come online through investigation channels and assurance, annual cycle of advice and guidance publication, technical advice and leadership.

Step 3 Determine transaction price – The cost of the DP fee is based on the size and complexity of an organisation and is set by the Secretary of State based on consultation with the ICO on the forecasted costs of delivering all regulatory services to both organisations and the general public.

Step 4 Allocate price to performance obligations – No specific performance obligations specific to one organisation, further than overall public body regulatory obligations, therefore there is no viable method of allocating a price to obligations (other than the fee cost in its entirety).

Step 5 Recognise revenue when performance obligations are met – This is deemed to be at the point of registration.

Civil monetary penalties

The Information Commissioner can impose civil monetary penalties for serious breaches of the DPA of up to 4% of global turnover. For breaches of PECR, penalties of up to £500k can be imposed. A penalty can be reduced by 20% if paid within 30 days of being issued. The CMPs collected by the Information Commissioner are paid over to the Government's Consolidated Fund.

The Information Commissioner can impose fines for not paying the data protection fee up to a maximum of £4,350 under the DPA 2018.

The Information Commissioner does not take action to enforce a civil monetary penalty unless and until the period specified in the notice as to when the penalty must be paid has expired and the penalty has not been paid, all relevant appeals against the monetary penalty notice and any variation of it have either been decided or withdrawn, and the period for the data controller to appeal against the monetary penalty and any variation of it has expired.

Civil monetary penalties collected by the Information Commissioner are recognised on an accruals basis when issued. They are paid over to the Consolidated Fund, net of any early payment reduction when received. Civil monetary penalties are not recognised in the Statement of Comprehensive Net Expenditure but are treated as a receivable and payable in the Statement of Financial Position. Under IFRS 15 the revenue through fines and penalties is recognised as the fine is the equivalent of a taxable event, the revenue can be measured reliably, and it is probable that the fine will be paid. If the fines are subject to appeal they are not recognised until the appeal process is finalised and the fine is confirmed as valid.

The amounts recognised are regularly reviewed and subsequently adjusted in the event that a civil monetary penalty is varied, cancelled, impaired or written off as irrecoverable. Amounts are written off as irrecoverable on the receipt of legal advice. Legal fees incurred in recovering debts are currently borne by the ICO.

IFRS 9 requires determination of an amount in respect of expected credit losses, reflecting Management's forward-looking assessment of the recoverability of debts. Under IFRS 9 expected credit losses within 12 months of balance sheet date are accounted for initially and if significant increase in credit risk then expected lifetime losses recognised as appropriate. Such an impairment value has been incorporated into the financial statements this year. The impairment value is based on those CMP cases still being investigated by the Enforcement department at year-end and where the expectation of receiving any income from these CMPs has diminished over time, but where enforcement investigations are still ongoing

Sundry receipts

The Information Commissioner has been directed to retain certain sundry receipts such as other legislative funding, grants, management charges, reimbursed travel expenses and recovered legal costs. This is recognised in the Statement of Comprehensive Net Expenditure as income.

The Information Commissioner has interpreted the Financial Reporting Manual (FRM) to mean that she is acting as a joint agent with the DCMS, and that income not directed to be retained as Income from Activities falls outside of normal operating activities and are not reported through the

Statement of Comprehensive Net Expenditure but disclosed separately within the notes to the accounts. This included receipts such as bank interest, which is paid to the Consolidated Fund.

1.6. Notional costs

The salary and pension entitlement of the Information Commissioner are paid directly from the Consolidated Fund and are included within staff costs and reversed with a corresponding credit to the General Reserve.

1.7. Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pensions Scheme.

1.8. Property, plant and equipment

Assets are classified as property, plant and equipment if they are intended for use on a continuing basis, and their original purchase cost, on an individual basis, is £2,000 or more, except for laptop and desktop computers, which are capitalised even when their individual cost is below £2,000.

Property, plant and equipment (excluding assets under construction) is valued under a depreciated historical cost basis as a proxy for current value in existing use or fair value for assets that have short useful lives or low values.

At each balance sheet date, the carrying amounts of property, plant and equipment and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the fair value of the asset is estimated in order to determine the impairment loss. Any impairment charge is recognised in the Statement of Comprehensive Net Expenditure account in the year in which it occurs.

1.9. Depreciation

Depreciation is provided on property, plant and equipment on a straight-line basis to write off the cost or valuation evenly over the asset's anticipated life. A full year's depreciation is charged in the year in which an asset is brought into service. No depreciation is charged in the year of disposal. The principal lives adopted are:

Information Technology	Between 5 and 10 years
Plant and Machinery	Between 5 and 10 years
Leasehold improvements	Over remainder of the property lease
Right of use assets	Over the remainder of the lease period

1.10. Intangible assets and amortisation

Intangible assets are stated at the lower of replacement cost and recoverable amount. Computer software licences and their associated costs are capitalised as intangible assets where expenditure of £2,000 or more is incurred. Software licences are amortised over their useful economic life which is estimated as four years or the length of the contract, whichever is the shorter term.

1.11. Leases

IFRS 16 "Leases" has been implemented from 1 April 2019; this introduces a single lessee accounting model that requires a lessee to recognise assets and liabilities for all leases (apart from the exemptions included below).

For government bodies reporting under the FReM, IFRS 16 was brought into effect on 1 April 2020 and replaced IAS 17 (Leases). DCMS elected, with HMT authority, to early adopt IFRS 16 (as adapted by the HMT's IFRS 16 leases application guidance). As part of the DCMS group, ICO therefore implemented from 1 April 2019.

In respect of lessees, IFRS 16 removes the distinction between operating and finance leases and introduces a single accounting model that requires a lessee to recognise ('right-of-use') assets and lease liabilities.

The definition of a lease has been updated under IFRS 16, there is more emphasis on being able to control of the use of asset identified in a contract. There are new requirements for variable lease payments such as RPI/CPI uplifts; and there is an accounting policy choice allowable to separate non-lease components.

Implementation and Assumptions

IAS 17 operating leases are included within our statement of financial position as a lease liability and right of use asset for the first time in 2019-20 with changes made through the general fund as a cumulative catch-up adjustment. The calculation of the lease liability and right of use assets are included below.

The option to reassess whether a contract is, or contains, a lease at the date of initial application has not been used, the group, and so ICO, has used the practical expedient detailed in IFRS 16(C3).1.

The group has expanded the definition of a lease to include arrangements with nil consideration. Peppercorn leases are examples of these, these are defined by HMT as lease payments significantly below market value. These assets are fair valued on initial recognition. On transition any differences between the discounted lease liability and the right of use asset are included through cumulative catch up. Any differences between the lease

liability and right of use asset for new leases after implementation of IFRS 16 are recorded in income on the SoCNE.

The group, and so ICO, has elected not to recognise right of use assets and lease liabilities for the following leases:

- intangible assets.
- non-lease components of contracts where applicable.
- low value assets (these are determined to be in line with capitalisation thresholds on Property, Plant and Equipment except vehicles which have been deemed to be not of low value) and
- leases with a lease term of 12 months or less.

Policy applicable from 1 April 2019

At inception of a contract, the ICO assesses whether a contract is, or contains, a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period. This includes assets for which there is no consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether:

- The contract involves the use of an identified asset.
- The group has the right to obtain substantially all of the economic benefit from the use of the asset throughout the period of use and
- The group has the right to direct the use of the asset.

The policy is applied to contracts entered into, or changed, on or after 1 April 2019.

At inception or on reassessment of a contract that contains a lease component, the group allocates the consideration in the contract to each lease component on the basis of the relative standalone prices.

The group assesses whether it is reasonably certain to exercise break options or extension options at the lease commencement date. The group reassesses this if there are significant events or changes in circumstances that were anticipated.

Right of use assets

On transition to IFRS16 the ICO recognises a right of use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease liability (present value of minimum lease payments), and subsequently at the amount less accumulated depreciation and impairment losses, and adjusted for certain re-measurements of the lease liability. Right-of-use assets are held at current

cost in accordance with HMT IFRS 16 guidance. Depreciated historic cost is used as a proxy for current value as directed by HMT guidance on IFRS 16, including for property leases, because property leases are sufficient short in term and are not expected to fluctuate significantly due to changes in market prices. Lease payments only include the direct cost of the leases and do not include other variables. Lease terms are determined based on advice from the Government Property Unit and in accordance with the business needs of the ICO.

The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis of those of property plant and equipment assets.

The group applies IAS 36 Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or where that is not readily determinable, the discount rate as provided by HM Treasury of 1.99% for leases entered into prior to 31 Dec 2019 or 1.27% after 1 Jan 2020 or 0.91% after 1 Jan 2021. The lease liability only includes the direct lease cost and excludes any service charges. The length of each lease is determined on signing the contractual terms following agreement with the landlord and after gaining permission from the Government Property Unit

The lease payment is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in the index or rate, if there is a change in the group's estimates of the amount expected to be payable under a residual value guarantee, or if the group changes its assessment of whether it will exercise a purchase, extension or termination option.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments.
- Variable lease payments that depend on an index or a rate, initially measured using the index rate as at the commencement date.
- Amounts expected to be payable under a residual value guarantee.
- The exercise price under a purchase option that the group is reasonably certain to exercise, lease payments in an optional renewal

period if the ICO is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the ICO is reasonably certain not to terminate early.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in the future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised. No lease liabilities have required to be remeasured in 2020-21 as a result of the criteria above.

When the lease liability is re-measured, a corresponding adjustment is made to the right of use asset or recorded in the SoCNE if the carrying amount of the right of use asset is zero.

ICO presents right of use assets that do not meet the definition of investment properties per IAS40 as right of use assets on the Statement of Financial Position. The lease liabilities are included within Lease liabilities within current and non-current liabilities on the Statement of Financial Position.

1.12. Provisions

Provisions are recognised when there is a present obligation as a result of a past event where it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

1.13. Value added tax

The Information Commissioner is not registered for VAT as most activities of the Information Commissioner's Office are outside of the scope of VAT. VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets.

1.14. Segmental reporting

The policy for segmental reporting is set out in note 2 to the Financial statements.

2. Analysis of net expenditure by segment

	Data protection £'000	Freedom of information £'000	Other grant-in-aid £'000	2020/21 Total £'000
Gross expenditure	50,251	4,003	2,170	56,424
Income	(53,405)	-	-	(53,405)
Net expenditure	(3,154)	4,003	2,170	3,019

	Data protection £'000	Freedom of information £'000	Other grant-in-aid £'000	2019/20 Total £'000
Gross expenditure	48,415	3,750	2,588	54,753
Income	(49,707)	-	-	(49,707)
Net expenditure	(1,292)	3,750	2,588	5,046

Expenditure is classed as administrative expenditure except those costs associated with readiness for legislative changes which have been classified as programme.

The analysis above is provided for fees and charges purposes and for the purpose of IFRS 8: Operating Segments.

The factors used to identify the reportable segments of data protection and freedom of information are that the Commissioner's main responsibilities were contained within the DPA 2018 and FOIA, and funding during 2019/20 and in prior years was provided for data protection work by collecting an annual registration fee from data controllers under the DPA, whilst funding for freedom of information is provided by a grant-in-aid from the DCMS. Other grant-in-Aid related to £500k for network infrastructure and systems regulation, £47k for electronic identification and trust services regulation, funding to support pension costs £1.458m and funding for Investigatory Powers Act 2016 moved from being funded by the Home Office to being funded by GIA from Q3 2020-21 £165k.

The data protection notification fee was set by the Secretary of State, and in making any fee regulations under section 134 of the DPA 2018, as amended by paragraph 17 of Schedule 2 to FOIA, the Secretary of State had to have regard to the desirability of securing that the fees payable to the Commissioner were sufficient to offset the expenses incurred by the Commissioner, the Information Tribunal and any expenses of the Secretary of State in respect of the Commissioner of the Tribunal, and any prior deficits incurred, so far as attributable to the functions under the DPA 2018.

These accounts do not include the expenses incurred by the Information Tribunal or the Secretary of State in respect of the Commissioner, and therefore cannot be used to demonstrate that the data protection fees offset expenditure on data protection functions, as set out in the DPA 2018.

Expenditure is apportioned between the data protection and freedom of information work on the basis of costs recorded in the ICO's accounting system. This allocates expenditure to various cost centres across the organisation. A financial model is then applied to apportion expenditure between data protection and freedom of information on an actual basis, where possible, or by way of reasoned estimates where expenditure is shared.

3. Staff numbers and related costs

Staff costs comprise:	Permanently employed staff £'000	Others £'000	2020/21 Total £'000	2019/20 Total £'000
Wages and salaries	30,232	2,049	32,281	29,008
Social security costs	3,225	-	3,225	2,942
Other pension costs	7,743	-	7,743	7,126
Sub-total	41,200	2,049	43,249	39,076
Less recoveries in respect of outward secondments	(20)	-	(20)	-
Total net costs	41,180	2,049	43,229	39,076

Included in staff costs above are notional costs of £256k (2019/20: £256k) in respect of salary and pension entitlements of the Information Commissioner and the associated employers national insurance contributions which are credited directly to the General Reserve, temporary agency staff costs of £1.503m (2019/20: £746k) and inward staff secondments of £546k (2019/20: £894k) as well as the amounts disclosed in the Remuneration Report.

Average number of persons employed

The average number of whole-time equivalent persons employed during the year was:

	Permanently employed staff	Temporarily employed staff	2020/21 Total	2019/20 Total
Directly employed	743.6	-	743.6	706.2
Agency staff	-	43.5	43.5	20.7
Total employed	743.6	43.5	787.1	726.9

Pension arrangements

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as “alpha” – are unfunded multi-employer defined benefit schemes, but the Information Commissioner’s Office is unable to identify its share of the underlying assets and liabilities.

The scheme actuary valued the PCSPS as at 31 March 2016. Details can be found in the resource accounts of the Cabinet Office Civil Superannuation (civilservice.gov.uk/pensions).

For 2020/21 employers contributions of £7.727m (2019/20: £6.878m) were payable to the PCSPS at one of four rates in the range 20% to 24.5% of pensionable pay, based on salary bands. The Scheme's Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of benefits accruing during 2020/21 to be paid when the member retires and not the benefits paid during the period to existing pensioners.

Employees can opt to open a ‘Partnership’ account, a stakeholder pension with an employer contribution. Employers' contributions of £152k (2019/20: £196k), were paid to one or more of a panel of three appointed stakeholder pension providers. Employers’ contributions are age-related and range from 8% to 14.75% of pensionable pay. In addition, employer contributions of £6k (2019/20: £6k), 0.8% of pensionable pay, were payable to the Principal Civil Service Pension Scheme to cover the cost of future provision of lump sum benefits on death in service and ill health retirement of these employees.

Contributions due to partnership pension providers at the Statement of Financial Position date were £6k (2019/20: £6k). Contributions prepaid at this date were £nil (2019/20: £ Nil).

Other pension costs include notional employers' contributions of £53k (2019/20: £53k) in respect of notional costs in respect of the Information Commissioner.

One individual retired early on health grounds during the year.

4. Other expenditure

	2020/21		2019/20	
	£'000	£'000	£'000	£'000
Accommodation (Business rates and services)	774		879	
Rentals under operating leases	717		661	
Office supplies and stationery	119		508	
Carriage and telecommunications	1,055		60	
Travel and subsistence	43		983	
Staff recruitment	224		283	
Specialist assistance and policy research	1,364		1,359	
Communications and external relations	280		539	
Legal costs	781		1,181	
Learning and development, health and safety	476		500	
IT Service delivery costs	4,236		3,248	
Business development costs	726		2,962	
Audit fees	32		30	
Grants Fund	163		243	
	10,990		13,436	
Non-cash items				
Depreciation	1,918		1,974	
Amortisation	280		236	
Loss on disposal of assets	7		31	
	2,205		2,241	
Total expenditure	13,195		15,677	

5. Income

5a. Income from activities

	2020/21		2019/20	
	£'000	£'000	£'000	£'000
Fees	53,205		48,712	
Sundry receipts	200		995	
		53,405		49,707

5b. Consolidated Fund income

	2020/21		2019/20	
	£'000	£'000	£'000	£'000
Fees				
Collected under the DPA	53,205		48,712	
Retained under direction as Income from activities	(53,205)		(48,712)	
		-		-
Civil monetary penalties - Investigations				
Penalties issued	41,959		2,409	
Early payment reductions	(239)		(281)	
Repaid following a successful appeal	-		-	
Uncollectable, cancelled after successful appeals	(3,298)		(110)	
Re-issued after appeal	-		-	
Impairments	(444)		(2,000)	
		37,978		18
Civil monetary penalties – Non-payment of fees				
Penalties Issued	-		287	
Impairments	-		-	
		-		287
Sundry receipts				
Receipts under the Proceeds of Crime Act	3		1	
Grant income (repaid)	-		-	
Bank interest received	-		-	
Brexit Funding	9		190	
Recovered legal fees	5		20	
Reimbursed travel expenses	(28)		48	
Conference fees	-		81	
Management Fee from Telephone Preference Service	14		79	
Income received from The Regulatory Pioneers Fund	27		229	
Income receipts under the Investigatory Powers Act	165		330	
Marketing income	5		17	
	(200)		995	
Sundry receipts retained under direction as Income from Activities	(200)		(995)	
		-		-
Income payable to Consolidated Fund		37,978		305

	2020/21		2019/20	
	£'000	£'000	£'000	£'000
Balances held at the start of the year		3,191		4,543
Income payable to the Consolidated Fund		37,978		305
Payments to the Consolidated Fund		(6,977)		(1,657)
Balances held at the end of the year (note 12)		34,192		3,191

As set out in note 1.5 income payable to the Consolidated Fund does not form part of the Statement of Comprehensive Net Expenditure. Amounts retained under direction from the DCMS with the consent of the Treasury are treated as income from activities within the Statement of Comprehensive Net Expenditure.

The amounts receivable for Civil Monetary Penalties at 31 March 2021 were £28.667m (2019/20: £2.456m) and the amounts payable for Civil Monetary Penalties were £33.969m (2019/20: £2.882m).

The Civil Monetary Payment figure at the year-end date includes all Civil Monetary Payments unpaid at that date.

6. Property, plant and equipment

	Information technology	Plant and machinery	Leasehold improvements	Assets under construction	2021 Total	2020 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation						
At 1 April 2020	7,532	242	2,760	-	10,534	11,216
Additions	239	-	-	-	239	543
Transfers	-	-	-	-	-	(769)
Disposals	(5,633)	-	-	-	(5,633)	(457)
At 31 March 2021	2,138	242	2,760	-	5,140	10,533
Depreciation						
At 1 April 2020	6,875	153	2,432	-	9,460	9,377
Charged in year	326	38	88	-	452	508
Disposals	(5,626)	-	-	-	(5,626)	(425)
At 31 March 2021	1,575	191	2,520	-	4,286	9,460

	Information technology	Plant and machinery	Leasehold improvements	Assets under construction	2021 Total	2020 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Net book value at 31 March 2021	563	51	240	-	854	1,073
Owned	563	51	240	-	854	1,073
Net book value at 31 March 2020	657	88	328	-	-	1,073

Property, plant and equipment (excluding assets under construction) is valued under a depreciated historical cost basis as a proxy for current value in existing use or fair value for assets that have short useful lives or low values. This is considered an appropriate model for all classes of assets as the majority have useful lives of five years or are considered an immaterial value.

Included above are fully depreciated assets, in use with an original cost of £3.964m (2019/20: £5.686m).

An amount of £769k was transferred from Asset under construction to Software licences in 2019/20.

7. Right of use assets

	Long leasehold land and buildings	2021 Total	2020 Total
	£'000	£'000	£'000
Cost or valuation			
At 1 April 2020	5,434	5,434	-
Right of use assets brought in under transition	-	-	4,279
Additions	-	-	1,155
At 31 March 2021	5,434	5,434	5,434
Depreciation			
At 1 April 2020	1,466	1,466	-
Charged in year	1,466	1,466	1,466
At 31 March 2021	2,932	2,932	1,466
Net book value at 31 March 2021	2,502	2,502	3,968

	Long leasehold land and buildings £'000	2021 Total £'000	2020 Total £'000
Asset financing			
Owned	2,502	2,502	3,968
Net book value at 31 March 2021	2,502	2,502	3,968

The lease on the ICO main premises at Wycliffe House, Wilmslow expired on 1 January 2017 and a new lease was signed with a break clause in five years. No new leases were entered into during this period. A provision has been made for dilapidations based upon the assessment by Avison Young (the trading name of GVA), commercial property advisers, dated January 2020 and March 2020. A full dilapidation report was completed across the full Wilmslow estate during 2019/20.

The ICO also occupies government property in Cardiff under Memorandum of Terms of Occupation agreement ending in 2024. Under this agreement, the ICO may have dilapidations liabilities at the end of the term of occupation, but these are considered immaterial to recognise further. The ICO occupation of government property in Edinburgh ended mid-2020 and there were no dilapidations liabilities at the end of the occupation.

8. Intangible assets

	Software licences £'000	Assets under construction £'000	2021 Total £'000	2020 Total £'000
Cost or valuation				
At 1 April 2020	4,210	-	4,210	3,379
Additions	178	87	265	119
Disposals	(50)	-	(50)	(57)
Transfers	-	-	-	769
Reclassifications	-	-	-	-
At 31 March 2021	4,338	87	4,425	4,210
Amortisation				
At 1 April 2020	3,522	-	3,522	3,343
Charged in year	280	-	280	236
Disposals	(50)	-	(50)	(57)
At 31 March 2021	3,752	-	3,752	3,522
Net book value at 31 March 2021	586	87	673	688

	Software licences	Assets under construction	2021 Total	2020 Total
	£'000	£'000	£'000	£'000
Asset financing				
Owned	586	87	673	688
Net book value at 31 March 2021	586	87	673	688

An amount of £769k was transferred from Asset under construction to Software licences in 2019/20.

9. Financial instruments

As the cash requirements of the Information Commissioner are met through fees collected under the DPA 2018 and grant-in-aid provided by the DCMS, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The Information Commissioner does not make use of any financial instruments beyond standard day to day banking. The Information Commissioner has no loans and does not use financial instruments to make investment.

The financial instruments utilised relate to contracts to buy non-financial items in line with the Information Commissioner's expected purchase and usage requirements and the Information Commissioner is therefore exposed to little credit, liquidity or market risk. The credit risk connected to Civil Monetary Penalties is deemed to be low risk to the Information Commissioner.

10. Trade receivables and other current assets

	31 March 2021	31 March 2020
	£'000	£'000
Amounts falling due within one year:		
Trade debtors	49	760
Prepayments and accrued income	1,609	1,899
Sub-total	1,658	2,659
Consolidated Fund receipts due	15,224	4,703
Less: amounts impaired (note 5b)	(2,444)	(2,000)
Other	27	28

	31 March 2021 £'000	31 March 2020 £'000
Sub-total	12,807	2,731
	14,465	5,390
Amounts falling due later than one year:		
Trade debtors	-	-
Prepayments and accrued income	-	-
Sub-total	-	-
Consolidated Fund receipts due	16,100	-
Less: amounts impaired (note 5b)	-	-
Other	-	-
Sub-total	16,100	-
	16,100	-
	30,565	5,390

11. Cash and cash equivalents

	31 March 2021 £'000	31 March 2020 £'000
Balance at 1 April	6,154	3,101
Net change in cash and cash equivalent balances	9,960	3,053
Balance at 31 March	16,114	6,154
Split:		
Commercial banks and cash in hand	12,514	4,616
Government Banking Service	3,600	1,538
	16,114	6,154

12. Trade payables and other current liabilities

	31 March 2021 £'000	31 March 2020 £'000
Amounts falling due within one year:		
Taxation and social security	868	715
Trade payables	908	994
Other payables	2,287	1,261
Accruals and deferred income	1,654	1,344
Sub-total	5,717	4,314
Amount payable to government (note 5b)	13,092	3,191
	18,809	7,505
Amounts falling due later than one year:		
Taxation and social security	-	-
Trade payables	-	-
Other payables	-	-
Accruals and deferred income	-	-
Sub-total	-	-
Amount payable to government (note 5b)	21,100	-
	39,909	7,505

The amount payable to the sponsor department represents the amount which will be due to the Consolidated Fund when all of the income due is collected.

13. Provision for liabilities and charges

	Pay Award		Dilapidations		Early departure costs		Bad debt	
	2020 / 21	2019/ 20	2020/ 21	2019/ 20	2020/ 21	2019/ 20	2020/ 21	2019/ 20
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April	911	-	859	510	-	35	-	-
Provided in year		911	-	349	-	(5)	14	-
Provision utilised in year	(911)	-	-	-	-	(30)	-	-
Balance at 31 March	-	911	859	859	-	-	14	-

Analysis of expected timing of discounted flow:

	Pay award		Dilapidations		Early departure costs		Bad debt	
	2020 / 21	2019/ 20	2020 / 21	2019/ 20	2020/ 21	2019/ 20	2020/ 21	2019/ 20
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Not later than one year	-	911	-	-	-	-	14	-
Later than one year and not later than five years	-	-	859	859	-	-	-	-
Later than five years	-	-	-	-	-	-	-	-
Balance at 31 March	-	911	859	859	-	-	14	-

Dilapidations' provision

The lease on the ICO main premises at Wycliffe House, Wilmslow expired on 1 January 2017 and a new lease was signed with a break clause in five years. No new leases were entered into during this period. A provision has been made for dilapidations based upon the assessment by Avison Young (the trading name of GVA), commercial property advisers, dated January 2020 and March 2020. A full dilapidation report was completed across the full Wilmslow estate during 2019/20.

The ICO also occupies government property in Cardiff under Memorandum of Terms of Occupation agreement ending in 2024. Under this agreement, the ICO may have dilapidations liabilities at the end of the term of occupation, but these are considered immaterial to recognise further. The ICO occupation of government property in Edinburgh ended mid-2020 and there were no dilapidations liabilities at the end of the occupation.

Early departure costs

The additional cost of benefits, beyond the normal PCSPS benefits in respect of employees who retire early, are provided for in full when the early departure decision is approved by establishing a provision for the estimated payments discounted by the Treasury discount rate. There were no early departure costs in 2020/21 (2019/20 Nil). The estimated payments are provided by MyCSP.

14. Lease liabilities

Maturity Analysis – contractual undiscounted cashflows	31 March 2021
	£'000
Less than one year	1,443
Between two and five years	1,543
Later than five years	-
	2,986
Lease Liabilities included in the balance sheet	
Current	1,374
Non-current	1,390
	2,764
Movement in lease during the year	
As at 01 April 2020	4,246
Interest charged to the income statement	80
Lease Liability in relation to new leases	-
Lease rental payments	(1,562)
	2,764

15. Capital commitments

There were no capital commitments in the year ended 31 March 2021 (2019/20: £ Nil).

16. Commitments under operating leases

The 2019 presentation under IFRS 16 Leases includes all leases on balance sheet as Right of use assets with a corresponding lease liability, other than leases which are short leases (terms of 12 months or less) or low value leases (asset value of less than £5,000). Leases that qualify for these exemptions are included within the disclosure below for 2020.

The future aggregate minimum lease payments under non-cancellable leases not accounted for elsewhere under IFRS 16 are as follows:

	31 March 2021	31 March 2020
Total future minimum lease payments under operating leases are:	£'000	£'000
Not later than one year	461	75
Later than one year and not later than five years	-	96
Later than five years	-	-
	461	171

The minimum lease payments are determined from the relevant lease agreements and do not reflect possible increases as a result of market-based reviews. The lease expenditure charged to the Statement of Comprehensive Net Expenditure during the year is disclosed in note 4.

17. Related party transactions

The Information Commissioner confirms that she had no personal business interests which conflict with her responsibilities as Information Commissioner.

During the financial year 2020/21 the DCMS was a related party to the Information Commissioner.

During the year no related party transactions were entered into, with the exception of providing the Information Commissioner with grant-in-aid, other funding and the appropriation-in-aid of Civil Monetary Penalty and sundry receipts to the Ministry of Justice for surrender to the Consolidated Fund.

In addition, the Information Commissioner has had various material transactions with other central government bodies, most of these transactions have been with the Principal Civil Service Pension Scheme (PCSPS).

None of the key managerial staff or other related parties has undertaken any material transaction with the Information Commissioner during the year.

18. Contingent liabilities

There are no contingent liabilities at 31 March 2021 (31 March 2020: none).

19. Events after the reporting period

There were no events between the Statement of Financial Position date and the date the accounts were authorised for issue, which is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General.

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