



**Internet Watch Foundation**

**BOARD MEETING**

**10.00am - Tuesday 29 November 2016**

**Internet Watch Foundation  
Discovery House  
Chivers Way  
Vision Park  
Histon  
CB24 9ZR**

**MINUTES**

**Present:** Sir Richard Tilt (RT) (Chair)  
Brian Webb (BW) (Industry Vice-Chair)  
Peter Neyroud (PN) (Vice Chair)  
Philip Geering (PG)  
Helen Dent (HD)  
Becky Foreman (BF)  
Uta Kohl (UTA)  
Sue Pillar (SP)  
Jonathan Lea (JL)  
Katie O'Donovan (KOD) by phone

**Apologies:** Jonathan Drori (JD)  
Paul Cording (PC) (FC Chair)  
Kristof Claesen (KC) (Director of Policy and Public Affairs – DPPA)

**IWF Staff:** Susie Hargreaves (SH) (CEO)  
Fred Langford (FL) (Deputy CEO)  
Heidi Kempster (HK) (Director of Business Affairs - DBA)  
Sandrine Harvey (SJH) (Minutes)

**IWF Board Closed session**

There was a closed session of the IWF Board from 10.00am to 10.10am.

**1. a) Welcome and Apologies**

The meeting began at 10.15am.

There were apologies from Jon Drori, Paul Cording and Kristof Claesen.

The Board re-elected Sue Pillar and Jonathan Drori for their second term of office of three years. The Chair informed the Board that Uta Kohl had been re-elected as co-opted Trustee for another year at the AGM on 15 November 2016.

**b) Declarations of Interest**

There were no declarations of interest.

**2. Draft minutes**

The minutes of the previous meeting were **approved**.

### 3. Actions arising

The Board noted the actions.

### 4. FC communique

The Board noted the communique. The Chair mentioned that he attended the meeting with the DCEO and no concerns had arisen.

### 5. Audit committee report

#### *a) Q2 Management accounts*

The Chair of the audit committee highlighted the healthy position the organisation was in and no concerns for the first half-year had emerged. He also mentioned that the investment policy will be reviewed at the next audit committee.

The audit committee's Chair reported that the committee was satisfied with the KPIs reviewed; no concerns were raised. The committee reviewed the risk register as well. The Chair of the audit committee brought to the Board's attention that the risks related to the relationship with two organisations had been increased to red due to the uncertainty lying around these. The risk related to the EU funding had also been increased due to the concerns about the potential loss of EU grant in the future. Some tax issues in relation to new countries joining membership had been mentioned and would be dealt with in due time. In addition, the committee discussed the pros and cons of the use of credit and debit cards following an incident when the office credit card was hacked. It was explained the use of debit cards had been introduced as they immediately debited the account and did not incur any charges. There had also been a number of issues SMT members had experienced using credit cards whilst abroad. The use of pre-paid cards for travel has been mentioned as an alternative solution and this option will be explored. The Board was concerned that debit cards linked directly to the IWF bank account leaves us vulnerable to large losses and agreed that in future the company credit cards only should be used.

***Action: HK to explore the use of pre-paid cards option. SMT to return debit cards to be cancelled and revert to using credit cards***

The CEO mentioned that following the ISO audit, the SMT met and in order to address the issues mentioned by the ISO auditors and the KPIs and risk register will be amended to comply with the recommendations. These might have an impact on the committee when reviewing these documents.

#### *b) Draft budget 2016/17*

The DBA informed the Board that in order to keep a balanced budget for next year, cuts have been made in all the items possible and the membership income had to be increased to compensate for the loss of the Google grant. Further to a discussion during the last SMT meeting, it had been decided that the membership team and objectives will be reviewed in order to maximise the revenue. This review might have an impact on the draft budget.

The harm reduction and research budgets have been decreased. The reserves were at the requested level as per the policy and the SMT discussed whether some of the reserves should be used, but decided to save them as a provision in case of the loss of the EU grant, which is due to finish in 30 months on 31 December 2018. The Chair mentioned that it was worth exploring eligibility for continuance of an EU grant as long as the work of the IWF benefits the EU which it clearly does at present with IWF accounting for 73% of the INHOPE database. The CEO informed the Board Childnet had submitted a detailed paper to DCMS on the impact of the loss of the EU grant on the UK safer Internet centre. As the government

mentioned that following the Brexit results, it might compensate the losses of the EU funding granted to NGOs.

The DBA mentioned that there was some flexibility around the budget for staff as two analysts were on two year fixed contracts and the recruitment for the current vacant positions would also be on a fixed contract.

10.22am BF joined the meeting.

The Chair of the audit committee pointed out that there was a good control of the costs and the increase in membership income might be a challenge.

The Board **approved** the draft budget for 2016/17 and **agreed** that depending on the outcomes of the membership review, any important differences in the budget would need to be reviewed and re-approved by the Board at the meeting in March.

## 6. Chair's report

The Chair reported on the following points:

- INHOPE: Despite various emails sent by the Chair to the Secretariat of INHOPE raising concerns about the MoU between INHOPE and a third party regarding security and uses of the IWF data no satisfying responses had been received. The issue will be discussed more in depth under item 12.

Unfortunately, due to illness, the Chair did not attend the INHOPE AGM in Tallinn, Estonia; but the DCEO did.

- European Citizen's prize: The Chair attended the "European Citizen's Prize" ceremony in October in Brussels to receive the award attributed to the IWF thanks to MEP Claire Moody's nomination.

## 7. CEO report

The CEO mentioned that the INHOPE's and Farrer's reports' issues would be discussed under agenda item 12 and 13.

## 2. Strategic developments

### 2.1 Relationship with NCA CEOP

Further to the Board meeting in October, the IWF wrote a letter to inform them of the disappointment in the response received to their complaint. Following this exchange, the IWF received another letter from CEOP, which was more reassuring and satisfying. The new NCA CEOP Director has now been appointed and the Chair and CEO will meet with him to introduce the IWF.

**Action: RT & SH to arrange a meeting with the new NCA CEOP Director.**

### 2.2 GCHQ

The CEO, DCEO and the Industry Vice-Chair visited the GCHQ at the end of October and the following week, 10 people from GCHQ visited the IWF offices to understand better how the organisation operates. The members of staff from GCHQ were very impressed with the work of the Hotline. No agreements have been reached, but the possibility of collaborating on joint projects in the future might be considered. The CEO explained clearly to GCHQ that

any decisions about working with them with the agreement of the membership. GCHQ would send through a proposal for consideration.

The Chair mentioned that this issue will be discussed at a follow-up meeting with GCHQ and reported to the Board and Funding Council.

**Action: SH to organise a follow-up meeting with GCHQ once the proposal has been received.**

### 2.3 Obscene Adult Content (OAC)

The CEO updated the Board about the OAC issue and informed them that the BBFC is still interested in taking over this issue. As the BBFC has been appointed as the organisation with responsibility for age verification for adult industry, it would be logical they also take action about this content.

The Board **agreed** that the IWF would cease to have responsibility for OAC on 31 March 2017. This decision will reinforce the focus on child sexual abuse material online and make the IWF's remit clearer. The IWF had written to Karen Bradley, Secretary of State, DCMS, to confirm this intention. If no response is received the IWF will write again to confirm the arrangement.

## 3. International report

### 3.1 #We Protect/UNICEF Global Fund to end Violence against Children

A Board member queried how the implementation would take place if the IWF received the grant. The CEO informed the Board that a person would be hired on a fixed-term contract for three years to implement ten portals each year in the least developed countries.

### 3.2 Portals

3.2.2 Following the success in the UKOTs, the FCO encouraged the IWF to apply for a grant to establish portals in Commonwealth countries and an application has been submitted for 12 further Portals.

The CEO also mentioned that the Hotline was receiving reports from the Indian Portal.

11.05am KOD lost connection.

## 8. Communications report

### 2.1.2 20<sup>th</sup> anniversary and event

The DER praised the work of the Communications Manager Maternity Cover making the 20<sup>th</sup> anniversary a great media success.

The launch of the new website is imminent.

## 3. Regional harm reduction campaign

The DER updated the Board about the project with Everton FC and informed them that it was progressing well. The first series of workshops about online behaviour has taken place and had been very well received.

The aim of the workshops is to create a package of workshops – which could be used in various contexts. The workshops will be promoted by one of the three selected Everton PR agencies. ComRes is currently working on a plan on measuring the success of the

workshops and the campaign and are developing an app to evaluate each workshop. There will also be a baseline poll of 500 young men.

The club is planning to organise a big push on safeguarding at the Safer Internet Day (SID) in February 2017. Once this is out of the way, the campaign PR for the workshops will start. In April, there will be a specific campaign, built around a match at the stadium, to raise awareness of reporting online CSAM.

The first meeting with the Advisory Board took place on Thursday 24 November 2016 in Liverpool. The Board is chaired by John Carr with the following members: IWF, Everton, NSPCC, SWGFL, Childnet, ComRes, CEOP, Home Office, Brook Advisory and School Improvement Liverpool.

#### **4. Website redevelopment**

The launch of the website has once again been delayed due to some shortage of staff from Studio 24, but the final changes have been made before the testing. The DER hopes that the website will be launched in time for SID in February 2017.

The Board noted the paper.

11.15am KOD reconnected.

#### **9. Policy and Public Affairs report**

The Board noted the paper.

In the absence of the DPPA, the CEO informed the Board that the IWF was investigating a way to engage more politicians on child sexual exploitation. The Board is fully supportive of this project and approved it.

The DPPA is also undertaking a review of the contract with the company supporting the IWF's government relations.

#### **10. Technical report**

##### **1.1 Hotline**

##### **1.1.1 Operational trends**

The Board discussed the work of the Hotline. There has been an increase in the numbers and accuracy of public reports. The Hotline's activity has increased overall due to the proactive and the hashing work. However, the overall number of actioned URLs in 2016 is likely to be lower than in 2015 due to:

- a) assessment of over 500,000 images for hashes;
- b) increase in Newsgroup activity and
- c) one less FTE analyst over the year.

The impact of international reporting is difficult to assess as reporting can be done from anywhere in the world.

#### **3. IWF services**

3.1.3 Further to a Board member's query, the DCEO explained that there is on-going complaint from a client represented by a large law firm, requesting the removal of a large volume of images which do not meet the IWF Category C threshold. IWF has sought legal advice and a letter has been drafted in response to the request. A Board member reinforced the importance of treating this issue carefully. The DCEO offered to meet with the law firm and

their client in question to explain how the reporting and removal processes work. If a meeting was being organised, it has been recommended that the DCEO is accompanied by another member of staff and the IWF lawyer to take notes.

- 3.1.4 A Board member queried about the type of complaints received, the DCEO clarified that the complaints received were from members of the public complaining about over-blocking and as a prominent organisation, the IWF comes first on the blocking list.

#### **11. IWF/NSPCC project – requests for removal of indecent images by minors**

This issue is on-going as the nature of the work is complex and the current process needs to be treated methodically.

#### **12. Strategic implications**

- 12.3 The Chair pointed that the Netherlands were the top hosting country of CSAM. The DCEO explained that despite the work done to address the problem in previous years, the issue is very complex due to the structures in place in the Netherlands. He also mentioned that there was no real support from Dutch law enforcement to the Dutch hotline, who is overwhelmed with the amount of reports of content hosted in their jurisdiction.

- 12.4 The DCEO explained that in his opinion the Interpol hash list does not currently have the required resources in place to provide a comprehensive sharing service to those interested in implementing a scanning solution.

The Board noted the paper.

#### **11. Director of Business Affairs report**

##### **3. Membership**

The CEO informed the Board that the SMT had decided to review its approach with its Members and “big” Members paying over £50k. Each of the larger Members will now have an ‘assigned account holder’ from SMT.

***Action: SMT/membership team to create some financial/PR arguments to renew the IWF membership.***

The membership team has been reviewed and a new sales position will be created to address the funding gap caused by the loss of the EU grant. The membership review’s aim is to develop a more aggressive strategy for selling the IWF’s product and retaining Members.

##### **4. Finance update**

- 4.3 All the staff has been informed about the changes with the pension auto-enrolment process by Parker Sage - our Advisor - and subsequently, each member of staff had an individual meeting with the Advisor for them to raise any questions and make their own decision. The CEO thanked the DBA and the Finance Administrator for all their work.

##### **6. HR**

- 6.3 The positions for the Quality Assurance Officers have been recruited with one internal and one external candidate appointed.
- 6.5 The role as Senior Systems Developer is still on-going; a recruitment agency has been hired to help with the process.

The DBA also mentioned that a security status in the building had been introduced as during the last weeks, there have been a few incidents with some callers. The staff has also been reminded to handle deliveries carefully. A training about security might be organised with the help of a Board member as well.

**Action: SP to provide names of corporate trainers for a briefing on security.**

The Board noted the paper.

## 12. INHOPE

The Board discussed at length the Cooperation Agreement between INHOPE and a third party. The agreement between the two organisations has been causing an issue to the IWF as under the agreement, any data that the IWF supplies to the INHOPE database can be shared with the third party without any restrictions on uses, privacy or security controls. The fact that there has been no indication on how the data would be used by externally caused a security issues for the IWF and meant that IWF could potentially fail its ISO27001 compliances due to this lack of controls on data transfer. The IWF Chair, who also sits on the Board of INHOPE, has repeatedly expressed his concerns and suggested a range of amendments to the agreement, which would cover all the IWF's concerns. However, none of this has been considered.

The Board required assurance from INHOPE that the data provided to this third party would not be going to be shared with other parties. A Board member suggested a meeting with this organisation to discuss the issue and possibly try to make a separate agreement meeting the requirements of the IWF. The Vice Chair will write a letter and ask for a meeting.

**Action: PN to write a letter to request a meeting.**

12.10pm BW left the meeting.

After considering all the facts, the Board **agreed** to temporarily suspend putting data into the INHOPE system. Reports will be directly sent to the other hotlines who will be asked to sign an agreement not to forward any IWF data to INHOPE during the period of suspension

The CEO will write a letter to INHOPE informing them of the immediate suspension of the data into the system due to security issues until end of January 2017 and detailing the IWF requirements which need to be met for the IWF to recommence submission.

12.15pm BW came back.

**Action: SH to write a letter to INHOPE to inform them that IWF will suspend any data into the system until our conditions have been met.**

## 13. Farrer report

A few years ago, Farrer & Co, a charity law expert, gave advice on a governance issue raised by the Funding Council. A query regarding the Code of Practice was raised by the Funding Council who asked the Board to seek legal advice. Farrer focussed on key governance issues rather than the specific issue of the FC Code of Practice.

The Farrer Report was shared with the Board who considered it in full, discussed the conclusions and recommendations and **agreed** that they had mitigated against them all so were satisfied.

It was agreed to seek a second opinion from the IWF's corporate lawyer, Penningtons, who deal with licence issues.

A Board member suggested to reposition the Funding Council on the organisation chart, so it would represent the organisation more accurately. The pages on the website about the Funding Council will also be checked to ensure accuracy.

**Action: SH/HK to seek advice of Penningtons.**

**Action: HK/SJH to reposition the Funding Council on the organisation chart.**

**Action: EH/SJH to check the pages about the Funding Council.**

The Board is satisfied with the current arrangements and **agreed** to leave it at rest as long as there is no issue.

#### **14. Home Office young men's campaign**

The IWF has been approached by the Home Office to run a joint pilot campaign to explain the legalities around CSAM online and encourage reporting to the IWF. The CEO and DER met with the RICU team who explained the project. The project is targeting men aged 18-24 and will explain the legalities around CSAM online and aim at encouraging reporting to the IWF; it will be made of short videos. According to a study, it has been proven that if a website has the mention ".gov", it is more likely to be trusted by the public.

12.52pm UTA left the meeting.

The Board briefly discussed the risk associated with joint branding IWF's and the Home Office. The Board **agreed** that this should not be an issue as it complies with charitable objectives. As the IWF has already undertaken other projects with the government and always retained its independence, this should not be an issue.

The Board **approved** to run a joint campaign with the Home Office.

12.55pm UTA came back.

#### **15. AOB**

1) The CEO tabled a briefing paper about "Blocking adult websites". The Digital Economy Bill will require ISPs to block adult websites that fail to comply with age verification. The Board discussed the issue and the implications it might have on the self-regulatory model. This should not impact the IWF as

- a) the work of the IWF is clearly criminal content and
- b) The BBFC will be responsible for ensuring AVS compliance.

The IWF has ensured that all members, government are aware that this should not impact on the work of the IWF and our self-regulatory status.

2) The CEO updated the Board about the security issues discussed in 2015.

The meeting ended at 1.15pm.