

Minutes of Internet Watch Foundation Board Meeting

**at the IWF Offices, East View, Oakington, Cambridge
on Wednesday 25th April 2001 at 10.30 am**

Present: Roger Darlington (Chair), Ceris Bergen, John Carr, Grahame Davies, Clive Feather, Malcolm Hutton, Owain James, Nadya Kassam (substituting for Nasira Sheikh-Miller), Claire Milne, Roland Perry, Camille De Stempel, Nigel Williams

IWF Staff: Ruth Dixon (first part of the meeting), David Kerr (second part of the meeting), Brian Wegg (Notes)

Apologies: Mark Stephens, Nasira Sheikh-Miller (Nadya Kassam substituting)

The Chair welcomed Board members and staff to the meeting and outlined the arrangements for the meeting, particularly agenda item 9 on Newsgroups.

1 Minutes of last Meeting (Paper below)

The Board approved the minutes of the last meeting on 31st January 2001 (as they appear on the Web site).

2 Matters Arising

Referring to item no. 3, Chair's Report, the Chair encouraged all Board members to use their contacts and networks to circulate the IWF Annual Report as widely as possible.

3 Chair's Report (Paper below)

Roger Darlington introduced his report, which had been circulated in advance of the meeting. The Chair highlighted specific issues: -

Introduction

The circulation of the Annual Report, the first parliamentary event and other important developments had contributed towards a significant raising of IWF's profile and a substantial increase in funds

Funding efforts

The subscription income from industry had increased significantly and the Chair thanked industry subscribers and Board colleagues who had supported him in this matter. Board members discussed the issues associated with any financial contribution to the IWF from government. It was unanimously agreed by Board that:

- they supported the principle of government funding;
- any government funding would be in support of a specific project or campaign and not in the form of an annual subscription;

- any project or campaign supported by government funding must be endorsed by the Board as a full agenda (policy) item.

In answer to a question it was explained that industry subscription levels were not mandatory but in recommended bands. The attached table at Annexe A shows the current benchmark levels.

Government relations

The Chair noted that the very successful parliamentary event had contributed to a helpful and continuing dialogue with the Home Office on a number of issues.

Representational opportunities

The Board wished to place on record their congratulations and thanks to staff for all their efforts which had resulted in the ISPA award to the IWF for “the most positive contribution to the UK Internet Industry.”

Conclusions

The Chair concluded his report by referring to additional meetings including discussions with consumer groups. The Chair thanked Claire Milne for helping to organise and facilitate the meeting. A meeting is planned May with senior officials from the Teaching Trades Unions. The Chair invited any interested Board members to join the discussions when re-arranged. (The quoted date of 4th May was not possible.)

4 Performance Review and Future Targets (Paper below)

The Vice-chair who had planned to feedback to the Board on the appraisal of the Chair’s performance had given his apologies and was unable to attend the meeting due to unexpected business commitments.

The Chair outlined the process and said that he found the experience very helpful but challenging. He invited comments on the process and his targets. In answer to questions the Chair said that he was working significantly longer hours on behalf of the IWF than had originally been contracted. It was also noted that the Chief Executive’s contract was due for review by the end of March 2002. It was agreed that the overall leadership of the IWF should be examined, including the balance of activities carried out by the executive management and the Chair. Job descriptions will be circulated along with a list of any additional activities carried out and, in the case of the Chair, an indication of how much additional time is put into the IWF work. A review of IWF leadership will be a substantive item at the July Board meeting.

The Board wished to place on record their appreciation to the Chair for all the additional time that he had given to his role at the IWF.

In reviewing the targets a view was expressed that the IWF should have a presence at all three main political party conferences. It was pointed out that we had started attending conferences last year, when we had hosted a meeting at the Labour Party Conference and had participated in a fringe meeting at another

It was noted that the Chair would be giving a higher profile to IWF relationships with its range of stakeholders with a view to establishing two-way dialogue.

5 Chief Executive's Report – Including Financial Report and Staff Welfare Issues (Paper below)

The Deputy Chief Executive introduced the report asking the meeting to note some errors in the diary dates shown in the activities and media coverage section. (Corrected in the versions on the Web site.) The meeting also noted the extensive coverage given to the Wonderland case and contrasted this with the press reaction to the Chat report. Board members expressed concern about the variable quality of on-line journalism, which they associated with the near unlimited space available for their articles and limited staff resources to fill it. The problem of inaccurate reports is exacerbated by links to archives giving easy access by other journalists.

The Deputy Chief Executive pointed out the briefing sessions that were carried out with the trainee journalists at the City University and the Chair said that he would target and cultivate links among on-line journalists.

The increase in the number web site visitors was also noted.

Budget monitoring

The Chief Executive, who had joined the meeting, outlined the improved forecasts for income in the current financial year and this would allow hotline expansion and an appointment to the Education and Awareness post. The 2000/2001 financial year was projected to close showing an appropriate small surplus and without recourse to the overdraft previously arranged.

Staff matters

The improvements to the staff counselling arrangements and conditions of service were described.

In answer to Board enquiries the Chief Executive described the arrangements for an appointment to the Education and Awareness post, which had already been advertised.

6 Handling Reports on Incitement to Racial Hatred (Paper below)

The Chief Executive outlined the present approach of the IWF in relation to reports received on racism, he added that meetings with the Home Office had taken place and their guidance on offences was currently being finalised.

Further clarification was sought on the approved IWF remit and method of dealing with reports of potential race hate material. A strong concern was voiced that the statement on the web site (about racism) which appeared as a quote attributed to a Board member, was a significant change to the IWF's role and stance on this matter. The view was expressed that the statement implied that the IWF had become a campaigning organisation on this issue.

The Chair accepted full responsibility for the web site statement and invited comments on the above reaction. Board members expressed a range of views; some fully supported the statement and felt that it was in line with the approved IWF position; some Board members were concerned that it was possible to interpret the statement differently.

Following a full discussion the Chief Executive made it clear that there had been no change in the IWF's approved remit or procedures when dealing with reports of potential racism. He said that our approach had remained consistent but it was clear from the Board discussions that we needed more precision in any official statements we make.

In the light of the concerns expressed Board members considered how best to clarify the IWF's position. It was resolved to add the following sentence to the web site: "Our statement refers to criminally racist material". (This additional sentence to be placed on the web site immediately following the original statement from the IWF board member.)

7 Proposal for a Memorandum of Understanding with participating ISPs (Paper below)

This item was deferred until the next meeting.

8 Chatwise report and Home Office Task Force – implications for IWF (Paper below)

The Chief Executive introduced the item pointing out that the report was from the Internet Crime Forum with the IWF playing its part within the Forum with the Deputy Chief Executive leading the Chat sub-group. The report had been taken up by the Home Office, which was responding, quickly on the matter. The Chief Executive identified three areas where he felt the IWF should be working on projects arising from the report:

- i) organising a conference of stakeholders in chat
- ii) kite marking of chat rooms suitable for minors
- iii) raising awareness of potential problems and safety measures

He felt the work should be guided by a steering group made up of representatives and stakeholders from the original Home Office Task Force and the IWF Board.

A note of caution was sounded on the potential for the IWF to be overwhelmed by the range of issues and the number of possible stakeholders. The view was expressed that it was possible to move forward quickly in some of the work but it was important to engage with other organisations with relevant experience and expertise, particularly on kite-marking.

There also appeared to be a lack of clarity on some of the Home Office procedures for managing the next stages. The Chief Executive said that he had seen the IWF role as a catalyst, able to offer some expertise and time in order to help take issues forward. Any steps we took on projects and steering group membership would need to be harmonised with the Task Force and its sub-groups when it met.

The Chair summed up the IWF role as:

- partnership with other organisations
- focussing on key areas
- leading on some appropriate issues

9 Newsgroup Consultation (Papers below)

The Chair introduced the item explaining that in addition to his paper there were other submissions from Board members, which had been circulated, in advance of the meeting. Some of these were fundamentally different from the proposals from the Chair and it was therefore important to consider all the contributions in an appropriate and logical order. The Chair proposed that the papers be considered as follows:

1. The proposals contained in part V of Malcolm Hutty's paper
2. John Carr's request for information (made by e-mail)
3. Malcolm Hutty's first four bullet points from his Executive Summary
4. John Carr's resolution of the 18th April, which would replace the Chair's proposals B5 to B7 if carried.
5. The Chair's proposals (as amended if John Carr's proposals are approved) taking into account the amendments proposed in Clive Feather's submission of the 19th April and changes suggested by the Chief Executive as a result of discussions at the Funding Council meeting.

To allow appropriate discussion and in order to make progress the Chair proposed that the meeting would conclude at 4-30pm and that voting on proposals would be recorded.

This approach was supported unanimously.

1. Part V of Malcolm Hutty's paper (Paper below)

Section 1:

The resolution contained in section 1 was carried unanimously. Ie the Board approved:

“The IWF accepts the principles of the European Convention on Human Rights and undertakes to be governed subject to the Human Rights Act on the basis that it should be treated as a public body.”

Section 2:

The proposer accepted the Chair's amendment which substituted the word "guided" in place of "governed" in line three of the resolution. The amended resolution was carried unanimously. I.e the Board approved:

"The IWF accepts the Good Regulation Principles published by the Cabinet Office Regulatory Impact Unit, and undertakes that its policies and actions should be guided by those principles."

Malcolm Hutty withdrew the proposed resolutions shown in sections 3 and 4 of his paper.

(Grahame Davies left the meeting. He did not give his proxy to anyone, but said that he could be contacted on his mobile phone in the event of a crucial vote.)

2. John Carr's email request to the IWF for information about which ISPs carry a full newsfeed: (Paper below)

John Carr explained his concern and felt it was wrong to have a discussion on newsgroups without knowing the impact of any proposals and that it was also wrong for the staff of the IWF to refuse to provide this information when it had been requested by a Director.

Some Board members considered that this information was commercially sensitive. The Chief Executive pointed out that the IWF's practice was to provide certain information which could help find illegal content only on a "need to know" basis. Apart from this policy issue, IWF actually only had limited information available and could not give much of the information that John Carr had requested. But the IWF was still receiving reports from UK residents about newsgroups and his best estimate indicated that the impact of IWF decisions would not be trivial. (I.e the relevant newsgroups are still available to a significant number of UK residents from UK ISPs. A view was expressed that it was legitimate to know whether the work being put into changes was worthwhile and it was agreed that members should be given, at least, a statistical picture of how many ISPs carry the "offending groups". The Chief Executive undertook to collect and provide the available statistics for the next meeting.

The Chair concluded that in his opinion it was not necessary to have the information in the form requested by John Carr in order to progress Board policy on this issue. John Carr asked for a minute that recorded that he was not provided with the information about the ISPs which provided a feed to the 28 newsgroups listed.

The discussion concluded with a proposal from Clive Feather that:

"The executive and staff of the IWF do not provide the information (that John Carr has requested) between now and the next Board meeting."

This proposal was carried by a vote of 5 for the proposal, 1 against and 5 abstentions.

(Owain James and Nadya Kassam left the meeting. Owain James ceded his proxy to the Chair, Nadya Kassam could not re-assign her proxy vote without reference to Nasira Sheikh-Miller who she was substitute for.)

3. The first four bulleted points from the Executive Summary of Malcolm Hutty's paper: (Paper below)

The proposer accepted the Chair's plan to simplify discussion and voting by combining points 1 and 2 as one proposal, and combining points 3 and 4 into a further proposal.

The meeting rejected the recommendations contained in points 1 and 2, voting 8 against the proposal, 2 for and no abstentions.

The meeting considered bullet points 3 and 4. The proposer accepted the amendment to the end of bullet point 3 which added, "and other factors it deems relevant". The amended recommendation at point 3 and the recommendation at point 4 were carried unanimously. The Board approved:

"Any new policy on Usenet should be based upon explicit statements of conclusions reached on the questions the IWF set itself in the consultation paper and any other factors it deems relevant."

"Any new policy on Usenet should explicitly address the arguments and information submitted by respondents to the consultation exercise."

4. John Carr's resolution of the 18th April (Paper below)

John Carr introduced his submission explaining why he felt it was necessary to go beyond the present proposals which included only material which is assessed to be illegal. He felt there was a powerful case for including certain text and newsgroup names. He was not willing to accept an amendment to point number 1 in his set of proposals, which would have had the effect of dealing with groups with legal but paedophilic names or character of content as a separate issue from those found to regularly contain illegal images.

The proposals, numbered 1 to 11, in John Carr's submission were rejected by 8 votes against, 2 votes for the proposals, with no abstentions.

Some Board members commented that rejecting the proposed approach in John Carr's paper, which compelled ISPs to take action, did not mean they were against any change in policy. One member said that she was "looking for real benefits and action, which could be achieved through the Chair's paper."

(Roland Perry left the meeting and ceded his proxy to Clive Feather; Claire Milne left the meeting and ceded her proxy to the Chair).

5. The Chair's proposals (Paper below)

The meeting turned to the Chair's paper and considered the proposal at A1, which was not affected by any subsequent submissions. The proposal was carried with 9 votes in favour, 1 against with no abstentions. Ie the Board approved:
“IWF should regularly prepare and provide to ISPs statistical tables of numbers of identified illegal items in newsgroups that they can use to inform their policies on carrying newsgroups.”

At this point a member asked what the quorum is for a valid Board meeting. The Chief Executive advised that this is 50% of the Board, ie seven out of the full 13 Members, which must include either the Chair or both Vice-Chairs.

Malcolm Huty then indicated that he would be leaving the meeting in order that it was no longer quorate, with a brief explanation of why he thought it right to do so.

Before closing the meeting the Chair said that he would be calling an additional Board meeting with the Newsgroup item as the sole topic.

He then closed the meeting at 4-25 p.m.

BW 3/5/01 Draft

DK 4/5/01 Edit

DK 9/5/01 Board Comments on Draft

DK 10/5/01 Additional comment

Benchmark membership levels

Although the constitution allows for a continuum of annual subscriptions above £1000, in practice members are grouped around a number of benchmark levels related to their size and range of functions. This is expanding with new members and we currently use the following key levels of membership subscription:

£1000 -£5000: individual members (people or organisations) who draw no benefit or services other than supporting or being associated with a “good cause”.

£5000 - £10000: organisations which are active on the Internet and have a commercial interest in being associated with responsible behaviour on content, particularly in the protection of children, but are not at risk from, eg, the danger of hosting illegal content.

£15000 - £25000: organisations such as large ISPs that have the above interests but are exposed to the danger of hosting illegal content and may require IWF’s notifications of potentially illegal content they are advised to remove.

£30000 +: very large organisations as above, or associations of smaller organisations that have a particular dependence on IWF’s services. At this level we may negotiate for some of the benefits of membership to be devolved to customers of the direct member.

From Funding Council report of 18th April 2001
DJK 3/05/2001

AGENDA AND PAPERS for IWF Board Meeting on 25th April 2001

at 10.30 am at East View, 5 Coles Lane, Oakington, Cambs, CB4 5BA

NB This meeting is expected to extend into the afternoon with lunch provided.

AGENDA

- 1 Minutes of last Meeting** (Paper below)
- 2. Matters Arising**
- 3. Chair's Report** (Paper below)
- 4. Performance Review and Future Targets** (Paper below)
- 5 Chief Executive's Report – Including Financial Report and Staff Welfare Issues** (Paper below)
- 7 Handling Reports on Incitement to Racial Hatred** (Paper below)
- 7 Proposal for a Memorandum of Understanding with participating ISPs**
Item deferred – see note below
- 8 Chatwise report and Home Office Task Force – implications and actions for IWF** (Note below)
- 9 Newsgroup Consultation**

To consider responses to the consultation and a paper/papers setting out the options and decisions for the Board. Papers to be forwarded separately.
- 10 Any Other Business**

DJK

17/4/01

Item 1: Minutes of last Meeting

As usual the minutes have been on the Web site with preliminary approval since 14 days after the last meeting. They are repeated here in italics to distinguish them from this Agenda.

Internet Watch Foundation Meetings at NCH Offices, Highbury on 31st January 2001

Internet Watch Foundation Board Meeting

at NCH Offices, Highbury, London on 31st January 2001 at 2.15 pm

Present: *Roger Darlington (Chair), Nigel Williams, Claire Milne, Ceris Bergen, Camille de Stempel, Grahame Davies, Roland Perry, Malcolm Hutty, Clive Feather, Mark Stephens, Nasira Sheikh-Miller, John Carr*

IWF Staff: *Ruth Dixon, David Kerr, Liz Banks (Notes)*

Apologies: *None*

1 Minutes of last Meeting

The Board approved the minutes of the last meeting on 11th October 2000 (as they appear on the Web site).

2. Matters Arising

The Chair referred to the Home Office/ DTI review of IWF referred to in Item 5 of the Chief Executive's Report where the summary of implementation of all action points had now been sent to the relevant Ministers and officials in the Departments.

Ruth Dixon was commended for her work whilst David Kerr was on sabbatical.

3. Chair's Report

Roger Darlington introduced his report: -

Board Matters

The Funding Council has elected Roland Perry and Clive Feather as members of the Board for a three-year term. (This will count as the first of two possible terms of membership). The Chair corrected his reference to "replacement" of Alison Ryan. She had left before the end of her term and had not stood for re-election.

Staff Matters

*The Chair considered counselling for hotline staff (who regularly deal with illegal images) as an important matter. Ruth Dixon confirmed there is a six monthly round of interviews with a counsellor for all staff. A discussion of problems and benefits for staff ensued. **The Chair undertook to report back to the Board on the issues raised***

at the next meeting. (This would of course be only in general items as any specifics would be dealt with in confidence.)

*On staff appraisal, the meeting approved the recommendation that **the system should be extended to the Chair himself and that he should be appraised in accordance with the procedure he proposed in his report.***

Racist Content

The Chair referred to his recent visit to Stockholm and will circulate his report and put it on the Web site (see "News" section).

There was a lengthy discussion on the matter of legal guidelines from the Home Office and if and how it could be used.

The Chair suggested a five part programme: -

- (i) Confirm a further meeting with the Home Office based group.*
- (ii) Continue to pursue them to get the clearest possible practical advice on assessing racist content.*
- (iii) Continue to press for a single point of contact for decisions on prosecutable content.*
- (iv) Explore training for IWF staff with police etc.*
- (v) In the light of today's discussions, the Board invite the Chief Executive to draw up a paper on the steps to take in furtherance of this exercise.*

The Chair requested that the Board take matters from today's discussion back to their colleagues for future discussion.

Representational Matters & Media Matters

These two matters were discussed together. The Chair suggested a sub-group (of the Board) to consider and further develop our communications policy and plans. It was agreed that the Chair, Vice Chairs and officers form such a group. The general consensus was that the Board will continue to boost IWF's profile whenever possible. Particular reference was made to Board Members' activities in a range of fora, including NCC and Children's Charities.

Funding Issues

The Board agreed the Chair's recommendation that all help to identify organisations who would sponsor events/campaigns etc.

Annual Report/Parliamentary Event

The Board were all asked to distribute Annual Report when and where they can. This Annual Report should raise IWF's profile immensely.

The Parliamentary event was discussed briefly and concluded that the overall outcome was a positive impact for IWF. Presentations made to be added to the Web site as downloads.

4 Communications White Paper

In discussing the Communications White Paper the Board were reminded to have their comments in by 12th February. In the light of today's discussions it was suggested that the Board follow up by seeking a meeting with officials/ministers and do so jointly with ICRA.

David Kerr commented that there was growing interest in the application of content description (as in ICRA labels) to a wider range of media, moving towards self-selection based on information rather than third party classifications. He asked if the Board was comfortable with IWF advocating such a shift. It was generally felt to be consistent with IWF's policies and a positive development.

5 (Deputy) Chief Executive's Report

Ruth Dixon gave a brief commentary on her written report and was thanked by the Chair for her work during David Kerr's sabbatical.

On funding issues, further meetings with some potential sponsors were arranged, but we urgently need to find more opportunities for sponsorship and members were asked to explore all opportunities.

8 Financial Report

The expenditure projection for this year looked to be in line with the revised budget, but we still need to be careful with cash flow, as EC contract payments are invariably slow to realise.

The Board was satisfied with Budget proposed for 2001/2002 but there was general disappointment that more funding was not already available and support for doing a lot more, if the funds could be raised. The Chair reiterated he needs more leads for pursuing funding.

9 Potential New Roles for IWF

David Kerr reported on possible new developments in IWF's role(s) and invited members' comments. There was a full discussion on current procedures and possible new ones with regards to notice and take-down mechanisms. Clive Feather said that the forthcoming EC E-commerce Directive also had a bearing on our decisions. It was generally agreed that IWF should not be a general call centre for all Internet problems. Never-the-less we should continue our One-Stop-Shop policy of being a signpost to the right place to deal with problems outside our remit. (This increases our reputation and traffic to our site, while reducing staff time on extraneous issues if we can divert enquiries at the Web site.)

The Chair summarised the discussion as:

a) ISPs will need to consider whether they want IWF to undertake other "notice and take down" activities and come back to this Board if and when they have proposals for IWF participation.

b). *There is no consensus yet on the separate issue of a 'tipline' for children in trouble. We would need to consider it further both in principle and in practice if a relevant proposal and funding is offered.*

11 Proposal for a Memorandum of Understanding with participating ISPs

Ruth Dixon reported concerns about both subscribers using IWF membership to answer criticism of their practices and about what ISPs get for their money. A "memorandum of understanding" could be used to clarify the position on both sides. There were a number of questions about what this would say and how it would work.

Following a brief discussion, the Chair summarised that between now and the next Board Meeting Ruth would give examples of where a MoU might be appropriate and to draw up a sample MoU. This would allow the Board to give the idea further thought and more specific responses at the next meeting, but some members made it clear that requesting a sample MoU was without commitment and did not imply that the Board felt an MoU was necessary or desirable.

12 Impact of Human Rights Act on IWF

Mark Stephens explained the changing interpretation of 'what is a public body' and how IWF might well be one under HRA. This was not a concern as it was consistent with our policies anyway, but we would need to review our procedures and practices with the Act in mind. For example we might need an independent appeals body, if the Board itself could not satisfy that role. It was concluded that we should review our procedures and means of dealing with complaints to make sure we are fully compliant with the Act. We will continue with an internal review of our mechanisms and our decision-making processes and report back to the Board.

13 Newsgroup Consultation

David Kerr reported that about a dozen submissions had been received, but more may come in by the end of the consultation period (i.e. in the remainder of 31st January). The possibility of having an independent summary had been mooted and a question of who to summarise was raised (but not resolved at this meeting).

The Chair concluded that we have now formally closed the consultative procedure at the end of the day and that all submissions should be placed on the web site with an independent summary as soon as possible. Further comments should be invited up to a fortnight before the next Board Meeting (i.e. 10th April 2001). The issue should then be put to that Meeting for the Board's recommendations.

Close *The meeting closed at 5.25pm*

25/4/2001 Meeting Continued - Item 3: Chair's Report

INTRODUCTION

In the Introduction to my last Board report, I wrote: “ **I feel that the IWF is now well-poised to achieve both a stronger role and a higher profile**”. In fact, I believe that, in the historical evolution of the IWF, the first half of 2001 will be seen as a crucial watershed – a time when we broke out of our original core role of a hotline for child pornography in newsgroups into a broader role of the UK Internet users' friend on a wide range of content issues.

I make this judgement based on the serendipitous conjunction our first Parliamentary event and written Annual Report, the publication of the ICF chat room report and the Home Secretary's 'mini-summit', the significant expansion of our funding base and the appointment of a new education & awareness officer. This has been the result of a sustained team effort and I like to think that the IWF is well served by the collective leadership team forged by David, Ruth and me.

In this period, the work of the IWF was formally recognised by the Internet Service Providers' Association award for “Best Contribution To The Internet Industry”. This award is the result of the collective effort of all the IWF staff over a period of four and a half years and I am sure that the Board will want to put on record its admiration for their work and its pride at this award.

This report – which dove-tails with the Chief Executive's report - concentrates on the following topics:

- Funding Efforts
- Government Relations
- Speaking & Writing Opportunities
- Representational Opportunities

FUNDING EFFORTS

Since my last report to the Board, I have made it a priority – with David and Ruth – to work on a deepening and broadening of our funding base. Therefore all three of us have had lots of conversations and meetings which collectively has resulted in little short of a transformation in our funding arrangements:

- A number of existing subscribers have been persuaded to increase their contributions
- A number of major players in the industry have been persuaded to become funders for the first time
- The Home Secretary has given a clear signal that Government is considering making a financial contribution to our work
- We are starting to explore a range of sponsorship programmes for specific education & awareness initiatives, starting with Dixons – the largest retailer of PCs in the UK – agreeing to co-sponsor a safe surfing leaflet to be issued to all purchasers of PCs from their stores.

Further details on new subscriptions will be provided in the Chief Executive's report.

GOVERNMENT RELATIONS

The IWF has always had the full support of Government, while operating completely independently of it. The Government's Communications White Paper described us as "a model" of self-regulation.

Since the last Board meeting, we have had a number of routine meetings with officials, but also we have had some important meetings with Ministers.

The meetings with officials that I have attended (with David) were at:

- Home Office to discuss the combating of racist content on the Internet
- Department of Education & Employment to discuss advice in schools.

The meetings with Ministers that I have attended (with David) were with:

- Home Office Minister Lord Bassam on 7 February 2001 – following his attendance at our Parliamentary briefing, he wanted to discuss the way forward and together we talked of the idea of the Home Office convening a mini-summit of key industry players
- Home Secretary Jack Straw on 28 March 2001 – following the publication of the Internet Crime Forum report the previous week, he chaired a mini-summit at which the industry was challenged to make the UK Internet the safest in the world for children.

Note: Board members John Carr, Nigel Williams & Roland Perry and Funding Council member Nick Lansman were all at this event, but in non-IWF representational capacities.

There will be important follow-up meetings to these events:

- There will be periodic meetings of a Task Force chaired by Lord Bassam to oversee implementation of the ICF chat report and other safe surfing initiatives
- There will be another mini-summit in the summer chaired by whoever is Home Secretary at the time.

In addition to all this activity, since the last Board meeting, I have written individually to every Minister in the Home Office and the DTI and to every MP on the Trade & Industry and the Culture, Media & Sports Select Committees sending them a copy of the IWF Annual Report. I have received some supportive letters in response, most notably from Home Office Minister Charles Clarke and DTI Minister Alan Johnson.

SPEAKING & WRITING OPPORTUNITIES

In recent months, I have continued to take appropriate opportunities to speak and write about the work of the IWF.

The main speaking events have been:

- Briefing of “News of the World” on the newsgroup issue
- Lecture at Bournemouth University Media School
- Briefing for team of 11 from Taiwan
- Speech at meeting of London Internet Exchange (LINX)
- Interview for LINX newsletter
- Video-taped interview at INSEAD business school at Fontainebleau

The main writing events have been:

- Submission on Communications White Paper
- Article for UKERNA publication
- Article for Nationwide publication
- Article for DTI publication
- Press release on silicon.com funding story
- Press release on IWF and Home Secretary’s ‘mini-summit’

REPRESENTATIONAL OPPORTUNITIES

I have continued to represent IWF at a range of events where it was important that we had a presence and profile.

In this particular period, a number of these events concerned the Government’s Communications White Paper:

- National Consumer Council/Channel Four seminar
- British Telecom seminar
- Consumer Association conference

Other events have included:

- ISPA Annual Awards ceremony
- Reception at new ICSTIS premises

Other discussions have been with:

- Social Market Foundation
- British Computer Society
- Reuters

CONCLUSION

As well as the activities described in this report, I have devoted considerable time and energy in the last couple of months to an attempt to broker a consensual way forward on the newsgroup issue. This has involved much electronic correspondence, telephone conversations and personal meetings with a number of Board members and others including Keith Monserrat, Director Legal/Regulation at Thus (owner of Demon). In effect, the results of these efforts are reported elsewhere in the separate paper on newsgroup policy submitted for discussion by the Board.

Finally, all my activities as Chair – for the full 15 months that I have now held this position – have been reviewed at an appraisal conducted by the two Vice-Chairs and the Chief Executive. Following this process, I produced a set of objectives for the organisation over the next 12 months to inform the appraisal process of the full-time IWF staff. The outcome of my appraisal and the text of the objectives will be the subject of a separate report to the Board by the Chief Executive.

ROGER DARLINGTON

Item 4: Performance Review and Future Targets

As agreed at the last meeting, this year's performance appraisal round at IWF was kicked off with an appraisal of the Chair himself. The appraisal was conducted by the two Vice-Chairs and the Chief Executive on the afternoon of 20th March. Comments made by Board members and staff were fed into the appraisal (without attribution).

A brief summary of the conclusions will be made orally at the meeting and members will be invited to comment.

Following the meeting the Chair produced his objectives for the year which sets the scene for the targets and activities of the rest of the staff through the rest of the appraisal process (first round of meetings will be concluded on 19th April).

The objectives for the year were set as:

IWF OBJECTIVES : April 2001 – March 2002

(Roger's Proposals following his appraisal)

FUNDING

Our top objective has to be to secure more funding from more organisations.

This means:

- Approaching some existing subscribers to give more (top priority: Yahoo!)
- Approaching major players not yet in the frame (top priority: Microsoft)
- Approaching a wide range of organisations in the wider IT community
- Considering Government/public funding for specific projects/initiatives

More specifically:

- Roger, David & Ruth need to maintain a schedule of funding targets with a clear allocation of responsibility and indication of the next steps, this schedule to be reviewed collectively about once a month (normally on Roger's visit to Oakington)
- As a broad objective, the aim should be that for the year 2001/2002 subscription income should increase by around £75,000 and for the year 2002/2003 subscription income should increase by a further £75,000, this extra £150,000 enabling the appointment of an awareness officer in mid 2001 and the loss of INHOPE income in 2002
- Over and above this increase in on-going subscriptions, we should aim for specific sponsorship arrangements that would enable us to fund a couple of meetings a year (for example Parliamentary briefing and Labour Party conference meeting)

and two awareness initiatives a year (for example, leaflet/booklet available with new PCs and poster for schools)

STAFFING ISSUES

- We need to ensure that the hot-line team is motivated and valued through a combination of good leadership and job enrichment
- We need to implement the recommendations in Susanne Schultz's report and consider other initiatives that might be helpful
- We need to appoint, induct and develop a new education & awareness officer
- We need to anticipate and plan for the succession issue on the assumption that David wishes to leave the organisation around March 2002

GOVERNANCE ISSUES

- Quarterly Board meetings need to be well-prepared and well-conducted
- At some point in the 12 month period, some kind of away day session needs to be held
- We need to encourage the participation of individual Board members in between Board meetings by encouraging them to take on particular projects or manage particular contacts
- At the end of the 12 month period, we need to have a clear view as to the position of the Chair in the new leadership arrangements, so that any new contractual arrangements can be implemented smoothly

REMIT ISSUES

- We need to have clear performance objectives for the hot-line, ensure that any backlogs are quickly cleared, and produce statistical analyses at a periodicity to be agreed
- We need to take a clear position on our policy towards newsgroups and then promulgate, implement, review and (if necessary) refine this
- We need to determine and promulgate our position in relation to our remit on criminally racist material
- Although not perhaps formally part of our remit, we shall need to progress the chat issue, primarily through organising the follow-up conference on the ICF report and through implementing and fleshing out the relevant parts of the ICF report

- We need to continue and develop our support for labelling and filtering through support for ICRA, contact with relevant software companies, and advice to consumers
- The new education & awareness officer – in full consultation with David, Ruth & Roger - needs to develop a first-year programme for consideration and approval by the Board

PROFILE ISSUES

- The content of the web site should be kept up-to-date, topical and useful and there should be regular reviews of usage statistics
- As soon as resources permit, the one-stop-shop element of the web site should be developed and given more publicity
- We should take every suitable opportunity to make available a copy of our current Annual Report to interested parties (by year end, none should be left)
- We should agree now, and plan for, an Annual Report of similar nature and number to the current one for issue as early as possible in the calendar year 2002
- As soon as we have an education & awareness officer in place, we should produce an introductory leaflet
- As soon as we have an education & awareness officer in place, we should implement our long-standing decision to have quarterly newsletters
- We need to adopt a more pro-active approach to obtaining newspaper & magazine coverage and radio & television interviews, making more use of our PR company/companies

CORPORATE PLAN

- All of this needs to be translated into a new corporate plan approved by the Board, put on the web site, and sent to key contacts (especially Home Office & DTI)

ROGER DARLINGTON
25 March 2001

Item 5: Chief Executive's Report

IWF Activities

The period since the last meeting (on 31st January 2001) has been a busy and productive one for the whole team.

Reports to the hotline have continued at a high level with the average no. per week since the new supervisor (Frank Glen) started climbing to 200 per week with over a quarter referring to actionable content. Taking account of multiple items within some reports, the average items assessed over the same period was 822 per week with action taken on about 18%. Some multiple reports continue to be received, but the new policy on multiple reports is working and allows staff to concentrate on the more accurate reports which turn up illegal content. Some of multiple reporters prove to be accurate enough in the initial sample to require a complete assessment of the sites reported, as set out in the policy.

Frank Glen has settled in well and is already able to take full charge of the hotline when Ruth and I are out of the office – which is still a regular occurrence as our programme below illustrates.

February 2001

7th Roger and David meet with Lord Bassam (Home Office Minister) on follow up to our parliamentary event and how to launch the chat recommendations.

7th Evening – Roger, Ruth and David attend ISPA awards, and come away with the award for services to the UK Internet industry!

11th David to Stockholm (at the invitation of DCMS) for “Children and Young People in the New Media Landscape” seminar.

15th Ruth in Brussels for Information Day on new Safer Internet Action Plan calls.

16th Ruth on to Amsterdam for INHOPE Committee Meeting (association of hotlines of which she is currently President).

19th David to Singapore for the last Bertelsmann Experts Meeting on Internet Content Regulation and to speak at the PAGi Conference (an international but heavily south-east Asian conference on protecting children on the Internet organised by a Singapore parents group with backing funding from the Singapore Broadcasting Authority)

21st Ruth to Spain for negotiations for INHOPE on the formation and membership of a new Spanish hotline.

27th David to lunch at Buckingham Palace (as this was a private event I did not publicise it, but the invitation certainly only came as a reflection of the reputation of IWF as a leader in its field, which even extends to royal circles!).

27th Ruth to Stockholm for a meeting of INHOPE.

March 2001

7th Ruth Brussels Meeting on Safer Internet Action Plan

7th David filmed (in London) by Malaysian TV for a feature on Internet use by children.

9th Ruth at ISPA Council Meeting.

15th Roger and David to Home Office group on combating racism on the Internet

- 20th David represents IWF at the Home Office based press launch of the Chatwise report, because
- 20th Ruth in Paris to chair INHOPE Meeting, leaving...
- 20th Roger to represent IWF at a meeting of consumer representatives
- 21st David at (John) Smith Institute briefing on the Communications White Paper introduced by Chris Smith, DCMS
- 22nd Ruth speaking at BECTa Seminar on safety issues for schools.
- 23rd Ruth in Glasgow for conference on policing the Internet
- 27th Ruth in Brussels on Safer Internet Action Plan business
- 28th Roger and David represent IWF at Jack Straw's mini-summit on chat/child safety on the Internet – launch of "Task Force"
- 29th Ruth – initial meeting on development of a chat kitemark

April 2001

- 3rd David and Ruth – Home Office Meeting on planning for the Task force and IWF projects with in it.
- 9th David speaks to ISPA Legal Forum on content aspects of the White Paper and where we go from here.
- 11th David attending a "Consumer Enforcement Forum"
- 12th Roger and David at Content Regulators Forum at ICSTIS
- 18th Funding Council Meeting

Media Watch

Newspaper Cuttings

Information World Review	Jan 2001	A new way of censorship (article by David Kerr)
ZDNet News	22.01.01	House of Lords discusses child safety online
The Guardian	22.01.01	Row over crackdown on adoption web site
Vnunet	23.01.01	TV star slams apathy over web child porn
ZDNet News	23.01.01	Voderman attacks Net industry for porn apathy
The Guardian	23.01.01	Adoption warning for internet firms
The Guardian	24.01.01	Minister tells industry to protect children using chat rooms
Daily Telegraph	25.01.01	Child protection lobby blast web industry
ZDNetUK	30.01.01	Government turnaround on paedophile entrapment
UNIONS Today	Jan 01	Rooting out racism
The Daily Telegraph	14.02.01	Net Firms 'shirking the pornography battle'
The Times (leader)	"	Cracking The Code
BBC News Online	13.02.01	Tackling Online Child Pornography
Yorkshire Post	14.02.01	UK: Open door for evil perverts to ply filth
Vnunet	15.02.01	Content fears for AltaVista changes
Silicon .com	21.2.01	Lack of funds leace web watchdog 'lame and toothless'
Silicon.com	20.2.01	THUS says : 'We'll block child porn'
News of the World	25.2.01	We win fight to kick beasts off the net
Daily Telegraph	28.2.01	Court circular – DK Luncheon at Buckingham Palace
The Times	"	" " " " "
.net Magazine	April 01	Don't look now (article on page 74)
News of the World	18.3.01	'Spot the difference' (Saatchi Gallery Exhibition)
E-Society	22.3.01	'Thus to bust Demon child porn'
News of the World	25.3.01	£30m to keep schools safe

Other Media Coverage

Radio/Television Programme	Date	Subject
Radio 4 (PM programme)	10.1.01	Interview by David Kerr
ITN News	“	Short clip of DK at Oakington
Radio 4 (The World Tonight)	“	Live interview at Radio Cambs.
BBC News 24/Wold Service	“	Recorded interview for overnight transmission
This Morning Ireland	11.1.01	Telephone interview
<i>Radio/TV Interviews: Ruth Dixon</i>		Ref Wonderland verdict
LBC	14.2.01	Ref Wonderland verdict
Independent Radio News	“	Ref Wonderland verdict
Channel 4	“	Ref Wonderland verdict
Radio 4 PM programme	“	Ref Wonderland verdict
Radio 4 Live	“	Ref Wonderland verdict
BBC World Service	“	Ref Wonderland verdict
Anglia News	“	Ref Wonderland verdict
Carlton TV	“	Ref Wonderland verdict
BBC Radio Cambs.(2)	“	Ref Wonderland verdict
BBC News Online	“	Ref Wonderland verdict
France 2	“	Ref Wonderland verdict
<i>Radio/TV Interviews: David Kerr</i>		Ref Wonderland verdict
BBC Radio Ulster	“	Ref Wonderland verdict
BBC Radio Wales	15.2.01	Ref Wonderland verdict
3 Counties Radio (Oxon, Bucks & Beds)	“	
Home Malone – Anglia TV	30.3.01	David Kerr
Radio 4 ‘Today’ programme	17.4.01	David Kerr on ‘Broadcasting McVeigh execution on Net’

IWF Web Site Statistics Summary (from launch of new site)

Period	Total hits	Total pages	Unique visitors	Av. Pages per visitor
Year 2000				
October	313946	45326	4561	9
November	298946	47082	5033	9
December	237082	45425	4810	9
Total for 2000	849974	137833	14404	
Year 2001				
January	317537	59578	6177	9
February	349172	62136	6876	9
March	387878	66282	7365	8
<i>sub total</i>	<i>1054587</i>	<i>187996</i>	<i>20418</i>	

Budget Monitoring

Progress on recruiting new subscribers/sponsors has been rapid over the last two months of this last quarter of the year. The main impact of this is in the new financial year as we had already made substantial cuts against the proposed budget for last year and most of the additional income is invoiced in, or accrued to, this year.

The attached paper below sets out our actual income and expenditure at the end of the last quarter of 2000/2001 and shows the anticipated adjustments to project the out-turn in the annual accounts, although my accounting is not up to doing the (fairly minor) adjustments for capital purchases and depreciation of assets. After substantial changes in income and consequent adjustments to expenditure, we appear to have balanced the budget reasonably well.

I have not shown a cash flow projection as that should not be an issue for the coming quarter – the new income should start to flow before the major expenditure items fall due. In the event the small bank overdraft arranged in January has not been required.

For the current year we are already confident of achieving the target budget approved at the last meeting, and more. I will prepare a revised budget reflecting the priorities for additional spending following the Board Meeting and the first meeting of the Home Office Task Force.

IWF Budget 2000/2001 Monitoring at 30/3/2001

	TOTAL		End of	Adjusted	Variance
	Proposed	Q1-4	Year	Accounts	
	Budget	Actual	Adjusts	Projection	
Income					
Subscription Fee Income	350000	298500	-35833	262667	-87333
Sponsorship Income	15000	15100		15100	100
EU income	65469	64919	-19919	45000	-20469
Other		724		724	724
Total Income	430469	379243		323491	-106978
Expenses					
<u>Staff Costs</u>					
Recruitment		993		993	-993
Salaries	221350	176670		176670	44680
Staff Welfare	2000	2873		2873	-873
Training	3000	2224		2224	776
Total Staff Costs	226350	182760		182760	43590
<u>Communications Costs</u>					
Telephone		2788		2788	-2788
Internet Costs	2000	4380		4380	-2380
Total Communication Costs	2000	7168		7168	-5168
<u>Professional Costs</u>					
(Tech) Consultancy Fees	33228	18350		18350	14878
Public Relations	26400	13779		13779	12621
Legal Costs	2000				2000
Audit & Accountancy	3000	2225	200	2425	575
Total Professional Costs	64628	34354		34554	30074
<u>Miscellaneous Items</u>					
Service Charge	52000	16966	5000	21966	30034
Indemnity Insurance	2000	3108	-1251	1857	143
Equipment (and Maint.)	7976	1059		1059	6917
Travel & Subsistence	16093	11541		11541	4552
Conference Costs	2000	7518		7518	-5518
Subscriptions and Sundries	2220	486		486	1734
Board Meetings	5000	2731		2731	2269
Printing & Stationery, Post	4976	2893		2893	2083
Bank charges net of interest		54		54	-54
Total Miscellaneous Items	92265	46356		50105	42160
<u>Project-related Costs</u>					
ICRA	15000	29085	-11250	17835	-2835
INHOPE	10000	3052		3052	6948
Image & Web Site Development	1000	3620		3620	-2620
INCORE		-5638	5638		
Total Project-related Costs	26000	30119		24507	1493
Total Expenses	411243	300757		299094	112149
Net Profit/ Loss	19226	78486		24397	5171

Staff Matters

At the last Meeting the Board expressed a number of concerns about staff welfare.

Since then we have completed a number of developments, including a staff “away day”, which have been under consideration for some time. In summary the resulting steps include:

Increase the frequency of counselling/debriefing of hotline staff.

Allow for additional sessions when required, and continuation after termination of employment.

More clarity on sickness provisions and confirmation of insurance for continuation of pay during sickness above the statutory requirements.

Across the increase of 5% cost-of-living to all pay rates for 2001/2. (This is in addition to any performance awards approved as a result of the present appraisal round.)

Change of title from Hotline Assistants to Internet Content Analysts and ...

Measures to increase the scope of the jobs and to use automation to reduce the repetitive tasks as far as possible.

We have considerably increased the support time to IWF purchased from PDC bringing Liz Banks' time with IWF up to approximately 80% of full-time and widening her role.

We have advertised the long-awaited Education and Awareness post and will be interviewing in May.

DJK

17/04/01

Item 6: Handling Reports on Incitement to Racial Hatred

We have continued to make slow but steady progress with the Home Office on arrangements for dealing with sites that are potentially illegal in terms of incitement to racial hatred. We will soon be publishing a Home Office guide to identifying what is illegal under the relevant legislation.

Following our last meeting with the Home Office we undertook to report progress in this area on our Web site on the recent "International Day Against Racism". This news item is still on the site and reads:

To mark this year's International Day Against Racism (21 March 2001), the Internet Watch Foundation (IWF) Chair, Roger Darlington, has issued a progress report on how it is attempting to combat criminally racist content on the UK Internet.

The IWF was founded in 1996 by UK Internet service providers to combat criminal content on the UK Internet with particular reference to child pornography. More recently, the Government has invited the IWF to extend its remit to criminally racist content on the UK Internet. The IWF has accepted this invitation, while acknowledging that the law is much less clear in this area and therefore the criminal law is likely to play only a limited role in this context.

Since accepting the new remit:

- We have investigated each of the (very few) reports made to us in respect of Internet content which might be judged racist, but in each case we have had to conclude that, however offensive some the material might be, it does not fall foul of the criminal law.
- We have had a series of detailed discussions with Home Office officials and senior members of the appropriate enforcement authorities including the Metropolitan Police, the National High Tech Crime Unit, and the Crown Prosecution Service.

We are now able to announce some important next steps:

- IWF hot line staff will now receive specialist training from the Metropolitan Police on how to assess on-line content which might be criminally racist, drawing on relevant expertise developed in the off-line world
- In the next few weeks, the Home Office will issue the text of guidance to the IWF on the nature and meaning of the relevant criminal provisions in the law to assist IWF staff to make the relevant judgments and the public to understand the law in this area.

- At about the same, IWF will hold a briefing session with representatives of ethnic minority and anti-racist organisations to discuss progress and how best, working together, we can warn Internet users of the dangers of coming across racially offensive material and how best one can combat this.

IWF Board member Nasira Sheikh-Miller said: "All of us have to give a clear signal that racism is totally unacceptable in the physical world or in the cyber world. Where we can, we will stop it, where we can't, we will advise on how to avoid coming across it. "

In commending the joint work on this issue Home Office Minister, Lord Bassam, says:

"The IWF has an important role to play in providing a method by which the public can report racially inflammatory material on the Net so that action against racists can be taken. I take the view that we should be proactive in countering racist material on the Net."

Item 7: Proposal for a Memorandum of Understanding with participating ISPs

The Chair concluded at the last meeting that "between now and the next Board Meeting Ruth would give examples of where a MoU might be appropriate and to draw up a sample MoU." This was intended to allow the Board to give the idea further thought and more specific responses at the next meeting, but some members made it clear that requesting a sample MoU was without commitment and did not imply that the Board felt an MoU was necessary or desirable.

In view of the potential changes that would need to be made to such an MoU following decisions of this meeting on newsgroups, it is proposed to defer this item until the next meeting, when an example and discussion can take account of decisions of this meeting.

Item 8: Chatwise report and Home Office Task Force – implications and actions for IWF

The Chatwise, Streetwise report on safety of children in chat rooms was launched at a Home Office hosted press conference on 20th March. This comprehensive report and set of recommendations on the issue was produced by a sub-group of the Internet Crime Forum which was chaired by Ruth Dixon and included no less than four IWF Board members. A summary of the report and link to the full document can be found on the IWF site News pages.

At the press launch the Home Office Minister, Lord Bassam announced a further “summit” meeting between the Home Office and leaders of the stake-holding interests.

This meeting took place just eight days later with the Home Secretary, Jack Straw, himself in the chair, where he challenged the industry to help make the UK the safest place in the world for children to use the Internet and announced a new Task Force to help achieve this objective. Roger Darlington’s input to this meeting can also be found on the IWF Web site News page.

We have just received (Tuesday 17th April) the Home Office invitations (to Roger and myself) to join this Task Force along with the draft terms of reference. We have already spoken to officials, but are yet to be told formally which project groups we will be asked to participate in. This documentation is on paper only at this stage and will be shared with Board members along with our preliminary response at the meeting.

Item 9: Newsgroup Consultation - Introduction

As of today (17th March) I have seen a few further comments on this issue on the general consultation. I have a draft paper to the Board meeting from Roger (left before he went to Prague) and some comments from people he sent it before he went. I have his authority to update and amend the report, but not to substantially change the essence or balance of the report.

It would appear from the comments of some Board members that several may wish to put an alternative view and resolutions to this Meeting. In order to give all Board members the same facility I have separately attached the latest version of Roger’s paper. This will give you the opportunity to read it with the papers and to prepare any written comments if you wish to make them. Please send them to me by mid-day on Thursday (19/4/01).

I will then circulate a full set of papers on the Newsgroup issue (and have put all the consultation inputs up on the Web site) by close of play on Friday.

Mail to IWF Board on Newsgroup Papers

Dear Board Members

I have attached a set of documents to inform our discussion at the Board Meeting next Wednesday, 25th April 2001.

These are:

The updated summary of the results of the consultation (now posted on the Web site Policies page with an additional submission taken into account).

A note on the messages from the consultation to be taken into account in our decisions.

The Chair's updated paper (to keep the paperwork as simple as possible, this is unamended from the Draft4 version sent last week, but there may be amendments proposed at the meeting arising from later comments.)

Supplementary Papers and Resolutions from:

John Carr
Clive Feather
Malcolm Huty

If you have any alternative resolutions or comments available before the meeting, please send them to me so that we can circulate them or table them for the discussion.

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David Kerr, Chief Executive, Internet Watch Foundation
5, Coles Lane, Oakington, Cambs CB4 5BA, United Kingdom

Newsgroup Papers – see Policy and Briefing Papers at
<http://www.iwf.org.uk/about/poli.htm>