

## **Draft Minutes of Internet Watch Foundation Board Meeting**

**at Stephenson Hall, NCH, 85 Park Road, London N5 1UD  
on Tuesday 12th February 2002 at 10.30 am**

- Present:** Roger Darlington (Chair), John Carr, Grahame Davies, Malcolm Huty, Howard Lamb, Sonia Livingstone, Claire Milne, Roland Perry, Camille De Stempel, Nigel Williams
- IWF Staff:** Ruth Dixon, David Kerr, Brian Wegg (Notes), Peter Robbins (Chief Executive Designate)
- Apologies:** Ceris Bergen (ceded her proxy to Claire Milne), Mark Stephens (ceded his proxy to Camille de Stempel), Jim Reynolds

Roger Darlington welcomed members to the meeting, and introduced Sonia Livingstone, Howard Lamb (new Board members) and Peter Robbins (recently appointed to be Chief Executive from 1<sup>st</sup> April 2002)..It was also noted that Camille de Stempel had been appointed Vice-Chair for the Funding representatives on the Board.

### Item 1 Minutes of last Meeting

The Board approved the minutes of the last meeting on Thursday 15<sup>th</sup> November 2001.

### Item 2 Matters Arising

Claire Milne said she had found the minutes of the Police Liaison meeting very valuable, and asked if notes of other relevant meetings could be circulated to the Board. This was agreed.

The Board discussed and resolved a personnel matter, which they agreed was not appropriate to appear on this public record of the meeting.

Following discussion of an issue raised by the new Vice-Chair, it was agreed that the hotline procedures for notifying police and ISPs of illegal content originating in the UK should be discussed at the next Board meeting. (14<sup>th</sup> May 2002)

### Item 3 Chair's Report

Recommendations 1 to 8 (on recent departures from and appointments to the Board) were all carried.

The Chair reported briefly on the meetings that he and Grahame Davies had had with the DTI and the E-Envoy's office. He had also had the opportunity to say a few words about the IWF during a recent visit to No. 10 Downing Street.

Beverley Hughes had sent a letter and a meeting had been arranged for 6 March 2002. There was some concern that she mentioned Instant Messaging in her letter. Ruth Dixon pointed out that a project team within the Task Force was looking at this, and that the outcomes would be circulated once the relevant Task Force sub-group had been advised of them and had had a chance to discuss them.

### Item 4 Chief Executive's report

The Chief Executive referred to his report, which had been circulated in advance of the meeting. He outlined the stages in the formation of the IWF and the arrangements to enable "trading" while insulating the Board from day-to-day management concerns. The Chief Executive asked the meeting

to consider his proposal on the arrangements for the directors of Internet Watch Limited. The Chair referred to the proposal that:

*“with their consent, the IWF Chair, the Chair of the Funding Council and the IWF Chief Executive should be Directors and that the Chief Executive is also Company Secretary. Any specific changes of name, or nomination of a substitute for one of these officers can be approved by agreement of the other two directors, or of course approval of the owners – this Board.”*

Votes to move the proposal:

In favour	11	Abstention	1
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The motion duly carried.

The meeting noted the complex arrangements and the Chair accepted a proposal that:

*The new Chief Executive is invited to consider whether a simpler company structure might be appropriate and report back to a future meeting*

The motion was carried unanimously.

The Chief Executive referred back to his report and in answer to a question he explained why he had not forwarded all the information in the ISP database to a Board member. Some of the information had been provided to the IWF on the basis that it would remain confidential.

The Deputy Chief Executive described the successful INHOPE conference in Madrid and the meeting noted that representatives from Canada had attended the conference. A member of staff from the Meldpunt (Dutch hotline) team was currently spending a week at the IWF offices as part of the INHOPE bursary scheme.

The meeting discussed the position with regard to education and awareness, particularly a scheme to provide pre-loaded safety guidance on PCs by a prominent retailer.

#### Item 5 Financial Report

The report had been circulated in advance of the meeting and the Chief Executive introduced the item outlining the reasons for a reduced operating budget as the financial year has progressed. Projected outcomes for the current year were now satisfactory in accounting terms although, because of late payments by the European Commission for work that had already been carried out, it may be necessary to implement our contingency arrangements for dealing with cash flow.

Board members asked for clarification on the IWF's relationship with ICRA. It was not clear whether the transactions shown in previous years were notional amounts since the Board understood that the Chief Executive had acted as Company Secretary to ICRA in return for IWF membership. It was not clear when the Board was advised that IWF became a paying member. The Chief Executive was asked to clarify the position, review the need for IWF to remain a full ICRA member and report back to the Board.

The Chief Executive outlined the possibility of additional government funding for work, which the IWF had recently completed. Board members expressed strong concerns that a government budget had been created for completing this work and it had remained untouched virtually through the financial year. The Board considered the implications of accepting government funding. The Chair explained that the possible additional government funding was for budgeted work, which had been approved by Board and the payment would be for those specific projects and not as a continuing subscription.

The Chair accepted a proposal from Malcolm Hutty that:

*This Board confirms its existing policy that it does not accept funding from Government except in respect of itemised projects, which have previously been approved by this Board.*

The motion was duly carried with one abstention.

The Chief Executive then described the two budget columns for financial year 2002/2003, which he had presented in his budget proposal. The optimistic budget was based upon ISPs funding at the present level, the new EU bid being fully met and government sponsorship for appropriate work. The pessimistic budget was based upon a review and reduction of ISP contributions and EU funding at the present level. The latter was not a balanced budget and clearly indicated the possibility of reducing the current level of expenditure.

Following a discussion the Chair proposed that:

*The Board accepts the optimistic budget as an indicative budget for the coming year.*

The Chief executive pointed out that, as a manager and a Director of the operating company, this proposal would have to be implemented with a caveat that unsecured projected income would not be committed to expenditure until receipt of the income could be assured.

Given this caveat the motion was carried unanimously.

Prior to lunch at the end of this item the Chair announced that the Deputy Chief Executive's resignation had been received and had been reluctantly accepted.

A half-hour lunch break was taken and discussion resumed at 1.30 pm with ...

### Item 7 Regularity Issue

The Chair thanked the executive for translating a range of complex issues into practical and sensible proposals for this and the newsgroup names item. He pointed out that these issues had now been discussed at a succession of Board meetings and specific proposals had been extensively discussed in e-mail exchanges. Therefore, while he did not want to stifle genuine discussion, he felt it essential that the Board reach decisions on these matters at this meeting.

The Chief Executive outlined the test, close and review monitoring processes and the triggers for moving between these categories and on to the list of groups defined as regularly containing child pornography.

Board considered the proposals and concerns were expressed that an implication could be taken that up to 1% of child pornography content in a newsgroup was being posed as acceptable. The opportunity would still exist in current and the proposed procedures to apply "zero tolerance" since all known potentially illegal material could be removed by take down notices.

Some Board members expressed reservations about using a percentage, which indicated a proportion of postings and might also be manipulated by flooding groups with "junk". The Board considered how they might adopt a procedure which would be: effective; statistically sound; and readily understood by the wider public.

(The Board proceeded to item 8 – newsgroup names, see below - whilst the recommendations in the Regularity report were re-worded to reflect this discussion. It returned to this issue with a vote on the motion as follows.)

The Chair asked Board to vote to:

*Accept the procedures and figures as outlined in the Regularity report, the recommendations as detailed in the original paper and include an additional test as amended by John Carr and the Chief Executive as follows:*

*“And additionally apply a further test in the “close monitoring” phase whereby each of six consecutive monitoring rounds finding any illegal content would lead to immediate listing of the group, and six “clear” rounds would remove the group from monitoring.*

Votes on the recommendation:

In favour	11	Against	0	Abstentions	0
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The motion was duly carried.

(A flow chart to show the resulting monitoring and review procedures is attached here.)

### Item 8 Newsgroup names issue

(Sonia Livingstone left the meeting for another appointment before the conclusion of this item.)

The Chair introduced the item and felt that a considerable amount of time and thought had been given to this issue and a comprehensive online debate had continued since the last Board meeting.

Malcolm Hutty expressed concerns about the recommended procedures for dealing with complaints from the public about newsgroup names.

The Chair asked the meeting to move to a vote on the recommendations in the report. Malcolm Hutty considered this inappropriate and identified a number of issues he wished Board members to discuss. The Chair pointed out the considerable discussion, which had previously taken place on this issue and asked Board to vote on his proposal that the meeting now proceed to a vote on each of the recommendations in the report.

Votes to move to the recommendations:

In favour	10	Against	1
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The motion duly carried, the Chair moved to a vote on each recommendation:

Votes to approve recommendation A) “Approve the criteria in terms of the word table in paragraph 3.1 (of the newsgroup names paper) as a starting point.”

In favour	10	Against	2
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The motion duly carried.

Votes to approve recommendation B) “Accept the “most innocent” interpretation of words spanning the age limit in 3.2.1 (other than any named exceptions approved here).”

In favour	11	Against	1
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The motion duly carried.

Votes to approve recommendation C) “Require an intelligent human review, including examination of content where there is doubt about the usage of key words, of all group names proposed for listing by the executive.”

In favour	11	Against	1
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The motion duly carried.

Votes to approve recommendation D) “Apply such a review to all names including the word “paedophilia” or similar terms.”

In favour	11	Against	1
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The motion duly carried.

The Chair accepted an amendment to recommendation E) which now reads:

“Ask the executive to continue to gather additional relevant slang terms and where appropriate make recommendations to the Board.”

Votes to approve amended recommendation E):

In favour	12	Against	0
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The amended motion duly carried.

Votes to approve recommendation F) “Obtain legal advice on whether names can be regarded as adverts for the purposes of the Protection of Children Act 1978”

In favour	12	Against	0
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The motion duly carried.

Votes to approve recommendation G) “Endorse the executive processes described in paragraph 3.3”:

In favour	11	Against	1
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The motion duly carried.

The Chair accepted an amendment to recommendation H) which now reads:

“Approve the creation of a Newsgroup Panel with the functions as set out in paragraph 3.4 but does not have the power to change criteria previously approved by the Board”

Votes to approve amended recommendation H)

In favour	11	Against	1
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The motion duly carried.

The Chair accepted an amendment to recommendation I) which now reads:

“Agree that appeals for re-instatement of a group should be considered by the IWF as well as ISPs if they so wish.”

Votes to approve amended recommendation I)

In favour	12	Against	0
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The motion duly carried.

The meeting agreed that recommendation J) was not a recommendation as presently worded and they would return to the issue following votes on the remaining recommendations.

Votes to approve recommendation K) Resolve that “IWF recommends ISPs not to carry the groups on the list it produces because they have names that appear to advertise or advocate paedophile content or activity.”

In favour	11	Against	1
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The motion duly carried.

The Board returned to an amended recommendation J) which was proposed by Camille De Stempel and seconded by John Carr as:

“This Board will not publish the “black” list of group names.”

Votes to approve the amended recommendation J):

In favour	9	Against	1	Abstentions	2
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Industry representatives on the Board felt that the principles contained within the recommendations should be extended to proprietary groups and the Chair accepted a further recommendation that:

L) “The same principles to be applied to other areas of the Internet.”

On being put to a vote this was carried with 11 votes for and 1 against.

Malcolm Hutty then asked the Chair if he regarded the previous votes as policy issues requiring a special vote. Roger Darlington said that he did and they had been passed on the special vote criteria. Malcolm responded that he felt that it was unacceptable for the Chair to move directly to a vote without discussion on issues acknowledged as important policy matters. He proposed a vote of no confidence in the Chair. The proposal was not seconded and therefore fell. Malcolm Hutty resigned from the Board with immediate effect and left the meeting.

Claire Milne was concerned that in recommendation L the Board had approved a very significant additional recommendation without full exploration of its implications and the executive should report back on its impact.

The Chair accepted a proposal from Camille de Stempel that:

“The IWF should seek expert advice on the relevant legal issues, namely would the IWF, as a quasi public body as defined by the Human Rights Act, be exposed to any liabilities in issuing instructions to ISPs to take down newsgroups according to the processes approved by Board.”

Votes to move the proposal:

In favour	11	Against	0
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The motion duly carried.

### Items 6 and 11 Governance issues

The Chair explained that he wished to use the questions and recommendations in his governance paper in order to progress some of the issues.

The meeting moved to vote on recommendation 1 in the Chair’s governance paper: “*Should the Chair feel the need for paid independent advice, he be authorised to obtain such advice up to a cost determined in advance by the two Vice-Chairs.*”:

The recommendation was carried unanimously.

The Chair accepted an amendment to recommendation 2 which added the word “Where” at the beginning of the second sentence, which becomes:

*“IWF Board members are selected by the Chair or the Funding Council to serve on the Board as individuals not delegates and therefore have no formal mandate. However, where Board members sit on the Board as representatives of particular stakeholder interests they should make every reasonable effort both to inform the appropriate interest group of Board deliberations and to ascertain and reflect the views of that interest group in the Board’s discussions.”*

With the accepted amendment the recommendation was carried unanimously.

Funding Council representatives expressed concerns about IWF e-mails being copied and used outside the context of the original discussions. There was considered to be breach of confidentiality and that there was a need to clarify the rules for online “list” discussion groups in any future consultation exercise.

Vote to approve recommendation 3: “*However, the normal expectation would be that Board members would be in broad sympathy with IWF’s objectives and demonstrate a commitment to the organisation. Therefore, as a courtesy to Board colleagues, if any Board member wishes to criticise a Board decision or policy in public – as opposed to a private meeting – the Board member should, whenever practical, advise the Chair in advance of the particular occasion and, where a text is concerned, provide a copy to the Chair in advance*”

In favour	8	Against	3
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The Chair did not judge this motion to be a policy decision and the motion was duly carried by simple majority.

Board discussed payment for Board members and felt that payment should be offered to all Board members, commencing in financial year 2002/2003, but it was up to them or their employers whether it was accepted.

Vote to approve recommendation 4: “*The Board supports the principle that Board members receive appropriate remuneration for their IWF work, invites the Chair and Vice-Chairs to recommend specific proposals to the next Board meeting, and agrees*

*that any such scheme apply retrospectively to the whole of the financial year 2002/2003.*”

In favour      10                      Against              0                      Abstentions      1

The motion duly carried.

Recommendation 5 was considered, ie:

*“Existing Board members shall be required to notify the Chief Executive within one month of the passage of this resolution and new Board members shall be required to notify the Chief Executive within one month of appointment of any financial interests that could reasonably be regarded as relevant to the work of IWF, this register of interests to be placed on the IWF web site in the section on Board membership.”*

but the Chair was asked to bring forward further information on examples and how they might be applied. Following those investigations the Chief Executive will write to all Board members explaining the process and asking for appropriate declarations.

The Chair felt that at 4-30 pm. they could go no further on the planned agenda. The Chief Executive outlined the intention to issue a press release, which covered the main policy changes and the appointment of the new Chief Executive.

The Chair wished it to be placed on record his thanks to Ruth Dixon and David Kerr for their five years of hard work, dedication and professionalism. The Chair’s view was endorsed by the Board, who expressed their appreciation. Nigel Williams felt that both David and Ruth had carried out their IWF work with commitment, honesty and integrity and he had always valued their help and advice. The Chair announced that an event to mark their leaving was being scheduled for Friday 19<sup>th</sup> April 2002.

The meeting closed at 4-40pm.