



INTERNET WATCH FOUNDATION BOARD MEETING

**10am Tuesday 20 March 2012
Room 6, NCVO, Regent's Wharf, 8 All Saints Street, London N1 9RL**

MINUTES

Present: Sir Richard Tilt (RT) (Chair)
Rodney Brooke (RB)
Philip Geering (PG)
Peter Neyroud (PN)
Jonny Shipp (JS) (Industry Vice-Chair)
Suzy Walton (SW) (Independent Vice-Chair)
Andrew Yoward (AY)

IWF Staff: Susie Hargreaves (CEO) (SH)
Deborah McGovern (DCEO) (DM)
Fred Langford (FL)
Emma Lowther (EL)
Helen Redman (HR)(minutes)

Apologies: Naomi Cohen (NC)
Mary MacLeod (MM)
Brian Webb (BW)

Closed session

There was a closed session of the Board from 10.05am to 10.20am.

1. (a) Welcome and Apologies

The meeting began at 10.20am.

There were apologies from Mary MacLeod, Naomi Cohen and Brian Webb. Mary MacLeod supplied comments on the papers to the Chair in advance of the meeting. The Board sent Brian Webb their best wishes for a quick recovery.

(b) Declarations of Interest

There were no declarations of interest.

2. Minutes of the last meeting

The Board approved the minutes of the Board meeting held on 31 January 2012 subject to minor amendment.

RB made a point of clarification regarding item 11 of the minutes. RB said the Chair of the Board was most welcome to attend Audit Committee meetings, although the Chair of the Board is not a member of the Audit Committee.

Action 1

RT will amend item 5 of the January 2012 board minutes.

3. Matters arising - including action summary

Action 12.2 from 29.11.11 – FL said he had tried to make contact with Bluecoat's new FC rep, but they had not responded. It was agreed that the matter should be escalated to the next level of sanction under the Self Certification Policy.

Action 5.9 from 31.01.12 – the Chair said there appeared to be a contradiction in the psychiatrist's report, which DM thought was an error. The report meant to say individual counselling should continue on a monthly basis, and in addition, the introduction of group counselling should be considered on a quarterly basis. DM said she had met with a number of different mental health counsellors. DM will discuss the new process with Hotline staff. DM said the process would change so that counselling was replaced by clinical supervision. Once the policy has been approved by the Board, a tender process will be run. DM said the counsellors would be bound by a confidentiality clause and it will be made clear to staff when the counsellors could, or would, breach this. The Chair raised MM's comment about whether it was appropriate for counselling to be covered by a KPI. The Board agreed counselling/clinical supervision should be mandatory as the Board has a duty of care to those employees.

Action 8.17 from 31.1.12 – PN and SH will meet next week.

Action 2

FL will escalate Bluecoat's non-compliance in accordance with the terms of the Self Certification Policy.

Action 3

DM will bring the new staff welfare policy to the May 2012 Board meeting.

Action 4

PN will provide a copy of the Campbell Collaboration's research to DM.

Action 5

RT will speak to SH about the Annual Report launch.

4. Chair's Report

The Chair said, with the help of SH, he had commenced his induction programme of key meetings. The Chair will also attend the Parliamentary dinner for the launch of the Annual Report, as well as the Annual Report launch in Brussels.

5. CEO and DCEO's Report

The CEO invited questions from the Board.

The Board noted that long term sickness could distort a KPI on staff sickness, and therefore it should be noted separately if it occurred. SH said she had a conference call with CEOP scheduled for next week to discuss CEOP's project regarding PhotoDNA. (FL said he thought CEOP had been misinformed about its technical capabilities).

DM gave an update to the Board on licences. 16 licences have been signed and returned to the IWF. Reminders have been sent to licensees to say that there is a deadline for return of 1 April 2012. There was a discussion by the Board and it was agreed that the deadline of 1 April 2012 should remain, and that termination notices should be served after that date (there is a three month termination period).

The Board noted there had been a decrease in the number of public reports. This had been attributed by DMT to a lack of awareness amongst the public about how, and to whom, they could report. FL said another possible explanation were due to staff shortages in the Hotline the number of reports processed per analyst had gone down. The fact that blocking and filtering are working might also be having an impact on the statistics. FL said the quality of the reports made had remained the same. The Board noted there had been a 20% drop in reports in 2011, and that this was continuing into 2012.

The Board discussed how public awareness could be increased. EL will revert to the Board once costs for an appropriately targeted campaign have been calculated, as well as a means of measuring the results of the campaign. EL said the work could be linked to the Safer Internet Centre and, that as the campaign would be raising awareness, most of the money could be recovered from the EU. SH said the Executive might wish to approach the Board for additional funds for such a campaign in due course. SH said an objective of the IWF's new draft strategy was to raise awareness, and therefore any campaign needed to be part of the IWF's long term strategy.

SH said she had visited the Scottish Parliament and had spoken with Scottish child protection experts. Scottish Ministers had been keen to meet with SH. The IWF will continue to consider its international strategy and the best ways to use its resources to support this. The Board said Northern Ireland and Wales should be considered, and it was noted that MM had suggested other parts of England could perhaps be targeted.

Kristof Claesen has been appointed as the IWF's new Press and Public Affairs Manager.

The Chair drew the Board's attention to the six KPIs that he proposed be reviewed at each Board meeting. The Chair invited Board Members to comment upon these.

Action 6

SH will amend paragraph 7.3 of her report.

Action 7

RT will write to the CEOs of licensee companies to remind them that there is a deadline of 1st April 2012 for the return of licence agreements, and that thereafter, termination notices will be served.

Action 8

EL will ask the Board to approve the proposed campaign, and any additional funding that might be needed, at or before the May 2012 Board meeting.

Action 9

The KPI on counselling will be changed to refer to clinical supervision.

6. Communications Report

EL invited questions from the Board.

The Chair said MM had asked whether there should be a KPI for media. EL said the statistics were covered on a month by month basis in her report. In the future EL will include this information as a KPI, as well as giving a year on year comparison. EL said the IWF's Facebook page had steadily grown to have over 1000 likes. The Board asked EL to look into how these results compared with the social media statistics of other similar charities. EL said she would consider the IWF's use of social media over the next year.

The Board noted the IWF's website hits were going down. The number of hits had risen in October 2011 due to the IWF's 15th Anniversary.

SH said with Kristof Claesen's appointment and Lene Nielsen's return from maternity leave in August, EL would have a complete Communications Department team. This would mean more engagement with the press in the future.

Action 10

EL will bring a report to the next Board meeting which will benchmark the IWF's social media profile against that of other similar organisations.

Action 11

EL will email the Board details of the negative coverage from January 2012.

7. Technical Report

FL invited questions from the Board.

FL said he had received the Funding Council meeting update. This said that, after receiving input from the Funding Council and the IWF Board, the splash pages recommendations document had been updated. The Funding Council had then discussed the document further, and recommended a minor change. The Funding Council meeting had then voted to accept the recommendations, and asked the Industry Board Members to present the paper to the next IWF Board meeting.

The drop in public reports was again noted by the Board, and FL said the Hotline staff shortages had contributed to this. Two new Internet Content Analysts were about to start work, this will bring the Hotline Team back to full strength, although the new team members will need to be trained.

There was a discussion about INHOPE. FL said a new INHOPE board would be elected in April 2012 and that he was standing as President.

SH and FL will meet the French and Spanish Hotlines in the near future, and the Chair will attend the INHOPE AGM in April 2012.

FL said he had met with representatives from the Ministry of Justice last week to discuss the implications of the Peacock case. The Ministry of Justice said there would not be a review of the Obscene Publications Act simply on the back of this one case. However, the CPS Guidance will be considered as acts specified in the Guidelines were not securing convictions.

Action 12

JS will bring the Splash Pages paper to the May 2012 Board meeting.

8. Strategic Plan 2012-2015

SH said the IWF's remit had not changed, but some current objectives had been updated. SH explained the rationale behind IWF:International, and SH and FL spoke about some of the plans that will be considered as part of the feasibility study. SH said she wished to establish a working party. This would comprise of DMT plus volunteers from the Board. SH and FL will lead the working party. JS and PN agreed to join the working party on behalf of the Board. PN recommended that a "victim/offender/location" intelligence-led approach be incorporated into the IWF:International strategy. SH said the IWF had carried out research in this field in the past, and it would be included as part of the scoping exercise.

The Board said they had found the PESTELO analysis interesting.

It was agreed that the draft 2012-2015 Strategic Plan would be circulated to Funding Council members, and that Funding Council members would be invited to take part in a conference call with SH and the Chair to discuss the new three year

draft Strategic Plan. Funding Council members will be asked, as part of the conference call, to give their input on the draft Strategic Plan, and to convey any concerns.

It was agreed that "indicators" would show how the 2012 business plan was being measured. Subject to this amendment, the Board approved the draft 2012 business plan.

Action 13

SH and PN will discuss the strategy for IWF:International at their meeting next week.

Action 14

RT and SH will attend the Funding Council meeting on 9 May 2012.

Action 15

SH will speak to Stephanie Ayres about how to circulate the draft Strategic Plan to the Funding Council for feedback. A conference call with Funding Council members will be organised within the next two to three weeks. RT will chair the meeting.

Action 16

SH will email the final version of the Strategic Plan to the Board for approval in due course.

Action 17

DM will email the supporting evidence for the search engine statistics to the Board.

9. Draft Outline Budget 2012 – 2015

The Board noted there was a call on reserves for three years. In 2012-2013 this would require a contribution from reserves of £190,000. SH presented an updated Budget for 2012-2013, and indicative budgets for 2013-2014 and 2014-2015. SH and FL said they were reasonably confident that they would receive an increased EU grant due to there being more Internet Content Analysts. FL said the EU bid would be submitted at the end of the week, and it was possible that by the May 2012 Board meeting the exact amount awarded might be known.

There was a discussion about whether the IWF's Board was comfortable with setting a deficit budget for three years. SH said as the IWF had reserves of over £1 million, the budget had been set against accumulated reserves. SH said as a charity, the IWF should use its reserves to further its charitable purposes.

RB said the Audit Committee was satisfied that if the new strategy started to fail it could be scaled back. SH said there were exit strategies at all points.

The Board approved the additional £190,000 requested. This did not include any additional amounts for the awareness campaign discussed earlier in the meeting.

10. Update on Governance advice from Eversheds

HR spoke to the paper. HR said Eversheds' advice had been taken to ensure that the suite of documents complied with companies and charities law, and also to ensure that ambiguities between the documents were removed. SH said Eversheds' advice should be re-visited once the review of charitable status had concluded. SH said some changes put forward by Eversheds would be problematic as regards the IWF's new strategy.

The Board agreed that some issues raised by Eversheds could be put to one side until the review of charitable status was complete. It was agreed however that issues of non-compliance with charities law and companies law should be drawn to the Board's attention at the May 2012 Board meeting. Eversheds would be asked to identify the areas of non-compliance.

Action 18

The Board is invited to send any comments on the papers to SH by email.

Action 19

SH, DM and HR will meet to discuss Eversheds advice. SH will bring a paper to the May 2012 Board meeting which identifies current areas of non-compliance.

11. Funding Council update

JS gave an update on behalf of the Industry Trustees.

Andrew Cormack had been re-elected as the Chair of the Funding Council. Lee Turner had been re-elected as Vice Chair.

Splash Pages had been discussed as part of agenda item 7.

The Funding Council had discussed self-certification in the light of the RIM incident. The Funding Council thought the IWF's website should be amended so that there were clear links to the technical limitations statements on blocking. Also, the Funding Council thought that the self-certification certificate should be amended so that the wording 'over which we have direct control' was included. The Funding Council will make these two recommendations to the Funding Council's Self Certification Committee.

Action 20

FL will speak to Stephanie Ayres about the self-certification certificate being amended.

12. Audit Committee Report

(a) Draft Committee meeting minutes 5 March 2012

These were noted by the Board.

RB drew the Board's attention to the fact that the Audit Committee had agreed that it should review the IWF's Investment Policy.

The Audit Committee had also recommended that the reserves held in Santander be reduced.

It was noted that bi-annual Hotline Inspections were going to be recommended by DMT.

Licences had been discussed by the Audit Committee. This matter had been dealt with as part of agenda item 5.

RB said he had met with the IWF's auditors with SH and DM. The auditors had raised three issues.

- (i) There is an issue with the timing of the money gift-aided from IWL to IWF. The auditors have approved SH's proposal that IWF loans the money to IWL.
- (ii) Payments to trustees. The possibility of asking the Charity Commission for permission to pay all six trustees through IWF was noted by the Board.
- (iii) The IWF needs to implement a bribery policy.

Action 21

PEM will draft a simple loan agreement between IWF and IWL.

Action 22

HR will send Eversheds previous legal advice to RT.

Action 23

A bribery policy for the IWF is to be drafted.

(b) YTD Consolidated Balance Sheet

This was noted by the Board.

(c) YTD Profit and Loss Account

This was noted by the Board.

13.AOB

There was no further business.

14.Date of next meeting

The date of the next Board Meeting is Tuesday 15 May 2012 in London.

The meeting ended at 12.35pm.