



**INTERNET WATCH FOUNDATION  
BOARD MEETING  
10 a.m. - Tuesday, 24<sup>th</sup> March 2009  
At the offices of Yahoo! 125 Shaftesbury Avenue, London, WC2H 8AD**

**MINUTES**

**Present:** Ian Walden (Acting Chair), Emma Ascroft (industry Vice-chair) – [present until 12.45 pm], Rodney Brooke, Naomi Cohen – [present until 11.10 am], Stephen Locke, Hamish MacLeod, Tink Palmer (Acting non-industry Vice-chair), Suzy Walton

**IWF Staff:** Peter Robbins (CEO), Keren Mallinson, Brian Wegg

**Apologies:** Mark Gracey

**1 Apologies and welcome**

Acting Chair opened the meeting and noted the apology from Mark Gracey. It was noted that the agenda would be varied in order to take certain key items early in the meeting. Chair thanked Board members for agreeing to bring the start of the meeting forward to 10 o'clock.

**2 Minutes of previous Board meeting –27<sup>th</sup> January**

These were **accepted** as a true record of the meeting.

**3 Matters arising - (including action summary from 27<sup>th</sup> January)**

Board considered whether it was necessary to acknowledge further any responsibility with regard to the Wikipedia incident including the acceptance of some blame for the incident. Board **concluded** that they had considered the matter in great detail and this was not appropriate. Chair noted that Board would be considering the issue in more detail later in today's agenda when Board can consider this further. There were no other matters arising.

**4 Minutes from Executive Committee of 16<sup>th</sup> March 2009**

To be circulated in due course.

**5 IWF Chair appointment – recommendation from panel**

Chair reported that the panel had interviewed four candidates and was unanimous in the proposal that the post of IWF Board Chair should be offered to Eve Salomon. The proposal was seconded by Rodney Brooke and **carried unanimously**.

The panel reported that they had interviewed a short-list of strong candidates and acknowledged the important input from Odgers and Tim Suter during the final selection interviews.

**ACTION 1:** Following confirmation of acceptance the executive to notify Funding Council via their secretariat.

**6 Funding Model – update on ISPs**

Chief Executive introduced the paper and explained that this was the first of a series of update papers which examined the subscriptions of current members. This paper focussed on the biggest sector, ISPs. Although there were some minor anomalies the paper indicated a basis which is broadly fit for purpose.

Chief Executive asked Board to note that the cost of a member's access to the CAIC URL list was an issue. Administrative costs for processing membership applications, CAIC Licences, due diligence and self certification procedures result in an overhead



estimated to be in the order of £2,000 per member. Board noted that they had approved a membership, which included CAIC access, below the current cost effective breakeven point.

Industry Board members felt that it was not possible to reach a conclusion on the robustness of the subscription levels without adding the mobile operators to the comparisons and it was agreed that a paper which included mobile operators would be presented to the next Board meeting.

Board noted the variations in services offered by mobile operators which may impact customer numbers:

- Mobile users who do not use the internet;
- Mobile users who do use the internet; and
- Mobile operators who offer a 'dongle' internet connection.

Board **supported** recommendations one and three in the paper and would await the merged paper at the next meeting before reaching a decision on recommendation two. The next paper should also set out the negotiable criteria with regard to membership level

**ACTION 2:** Revised paper to next Board including mobile operators

## **7 Operational matters:**

### **a) Hotline report**

Board noted the very helpful and much improved operational report. Board suggested that their understanding of operational issues would be improved:

- By the inclusion of some additional narrative to the graphical illustrations; and
- By showing comparable data for the same period in the previous year when hosting distributions were shown.

**ACTION 3:** Executive to implement the further improvements to the Hotline report.

## **8 Online content – policy matters:**

### **a) Extreme Pornography** – verbal update

Board noted that there had been no operational impact following the enactment of the legislation.

### **b) Proposed legislation on non-photographic images (CGI)**

Chief Executive introduced the paper and relayed a summary of a discussion with a government minister on the subject. Board concluded that the content appeared to be within IWF's present remit but noted that the proposals linked the possession offence to obscenity and not the Protection of Children Act legislation.

Sampling had indicated that there is very little of this content hosted within the UK and thus significant workload issues will only arise if the government asks IWF to take on an international role with regard to this content. Board **agreed** that should this arise they would reconsider the matter and consider seeking government financial support for scoping the problem and for subsequently processing reports should Board agree to take on the wider international role.

Board asked to be kept informed of any developments.

### **c) CAIC**

#### **▪ (i) Self-certification**

Hamish MacLeod confirmed that following a vote, Funding Council supported the proposed process.

#### **▪ (ii) Remedies and sanctions**

Board noted that Funding Council had recently voted on a remedy and sanctions paper which contained a number of amendments to the paper which Board had approved. It was **agreed** that Board would need to review the Funding Council's paper before deciding on the way forward.

**ACTION 4:** Executive to circulate to Board electronically the revised Funding Council version of the paper.

- **(iii) CAIC Testing** by IWF/IWL – verbal update

It was reported that there remained a difference of opinion on this matter that had not been resolved thus far.

- **(iv) CAIC policy statements**

Director of Policy introduced the paper explaining that CAIC policy had been developed over a period of time and had been approved at a number of Board meetings. This had resulted in some relatively minor discrepancies which needed to be clarified and resolved.

In the report, Board noted that under the section entitled Access, paragraph 4.3-4. – this should read '*national law enforcement agencies*' (and not police forces).

Board unanimously **approved** the recommendations subject to the above amendment.

It was noted that a section on validation policy would be added following a full agreement on the matter.

- **(v) Non-commercial Level 1 policy**

[This item was taken following item 12b) - the communications strategy report]

Chair introduced the paper reminding the meeting that Board had agreed to add an additional contextual assessment to non-commercial level 1 images before they were included on the CAIC URL list. CEO outlined the proposed process and gave an indication of the approximate number of images which would be subject to the additional assessment. He confirmed to Board that the image which had sparked the controversy had been assessed correctly, confirmed by an authorised Police Officer and subsequently by appeal and included on the CAIC URL list in accordance with present policy. Board **concluded** that no mistake had been made by staff in their application of the policy but the incident had highlighted an issue of Board policy with regard to automatic inclusion on the CAIC URL list.

Board considered the different types of contextual assessment set out in the paper and made the following amendments to the proposals:

- In the introduction reference will be made to, '*any image which is considered illegal will be added to the URL list and under exceptional circumstances the following additional assessment and process may be applied*';
- Paragraph 6.2 add the words, '*and how widely disseminated is the image*';
- Paragraph 6.7 to be moved to the introduction and represents an overall philosophy;
- That the proposals be sub-divided into specific criteria and process considerations;
- The steps described in paragraphs 6.6, 6.8 and 6.10 to be process matters;
- The opening sentence in 6.6 to be re-drafted to clarify that it was not the volume of website traffic but '*an ISP's filtering solution*' which may be overwhelmed;
- That the assessment and process should be subject to an escalation process of analysts; senior management and finally Board;

Following further discussion the meeting **agreed** unanimously that:

- Board reserves the right to apply a set of criteria which assesses the context of any image, which is considered illegal and which a hoster will not remove – the



outcome of that contextual assessment may result in the image not being added to the URL list;

- When an image is illegal and the hoster will not remove that image, Board will review the application of the contextual criteria and this stage will become part of the review process; and
- A process is being developed which will be made public.

**ACTION 5:** A revised paper to be circulated electronically to Board and to be forwarded to the next Funding Council for consultation

Board **resolved** to suspend their temporary decision and add all outstanding non-commercial level 1 images to the CAIC list.

### **9 Funding Council feedback**

In addition to the CAIC matters referred to separately, Hamish MacLeod reported on a number of issues considered by Funding Council including:

- The formation of the Technical Group and its initial work programme;
- Council's support for the 2009/10 budget; and
- Ongoing discussions on the CAIC licence.

### **Committee matters:**

#### **10 Audit Committee – Hamish MacLeod, Chair:**

- a) **2008/9 – financial reports** – mgt. accounts to end of January 2009 and balance sheet at 27<sup>th</sup> Feb. 2009

Hamish reported that there were no significant variations of concern in the management accounts or current balance sheet.

- b) **2009/10 budget**

The additional sum for communications development was noted and Hamish pointed out that the budget had been based upon an assumed staff cost of living increase and any variation would change the budget forecast.

#### **11 Remuneration Sub-committee – Suzy Walton, Chair**

[CEO and Director of Policy withdrew for the next two items]

- a) **2009 Annual cost of living review – staff salaries**

Suzy Walton explained that following the committee's formation this was the first time they had reviewed the evidence and made a recommendation on the annual pay review. Suzy asked Board to note that the committee had consulted with staff in order to gather views about the process for the review and the indices which might be taken into account. In line with recommended governance practice the committee was not recommending an annual consultation with staff on the level of the cost of living adjustment to salaries.

Suzy explained that the committee was not recommending a set algorithm for the annual review but would take into account a range of data. The current economic volatility had resulted in unusual variations in key data and the committee had taken this into account in making a recommendation that staff salaries should increase by 2.4% from 1<sup>st</sup> April 2009.

The recommendation was **supported** unanimously.

- b) **CEO salary review**

Confidential item – the committee recommendations were **supported** unanimously.



## 12 Communications Committee – Naomi Cohen, Chair:

### a) Press cuttings

The cuttings were noted. Board confirmed that they found the cuttings useful background in carrying out their role as directors and wished to carry on receiving them.

### b) Communications aspects and implications of the 'Wikipedia issue'

[This item was taken after item 5 – Chair appointment]

Naomi Cohen, Chair of Communications Committee, introduced the report and asked Board to note that there were Board decisions which flowed from the report recommendations.

Naomi asked Board to note that strategically the IWF communications work in responding to the issue had been good, particularly in the light of the resources available to IWF in such a crisis. Tactically, some improvements could be made. It was noted that the IWF received firm support from key stakeholders and the issue did not take off as a major lead in the main media and press in the UK. However improvements could be made in the understanding and relationships with the trade press. Naomi confirmed that IWF's response to the issue had been broadly appropriate but the processes and protocols for responding in such a situation needed strengthening and setting out formally.

Board considered the residual impact of the incident on the reputation of IWF and concluded that it was important to invest further in communications strategy and activities. The recommendations in the report were considered and the following amendments proposed:

- *'government, particularly the Home Office'* should be added to the crisis strategy briefings proposed at bullet point one;
- Bullet point two – Should be amended to, *'All members of the directors' management team (DMT) should receive regular training in handling the media';*
- Bullet point two – should read *'and the Chair'* (and not *'or the Chair'*);

Board **concluded** that the recommendations were proportionate and were **supported** unanimously subject to the above amendments.

Industry Board members would consider with other Funding Council colleagues, the possibility of forming an industry PR Group in order to respond to such situations and keep members briefed.

Hamish MacLeod asked Board to note that the investment in the revised strategy should be handled correctly for accounting purposes with accruals being shown for the expenditure on the Annual Report in the correct budgeted financial year 2008/9 and an increase of £20,000 being budgeted for investment in communications in the following year, 2009/10.

Chair thanked the Communications Committee for their helpful report.

### c) IWF Internet Users Research – Summary Report

Board reviewed the paper and concluded that this was a sound piece of research which added to the overall understanding of internet use. Subject to ensuring that all statistical data was appropriately labelled with its level of significance and that the



date of the survey was clearly shown, Board **agreed** that the report should be published on the IWF website with appropriate hyperlinks from the news section.

**ACTION 6:** Executive to publish the report on the IWF website

### **13 Annual Report 2008 – Launch update**

Board noted the arrangements and the opportunity to comment on the list of invitations to the event.

### **14 Membership matters:**

#### **a) Membership update**

Board noted the report and unanimously supported the membership applications from 4D Interactive, NetIDme and St Bernard Software.

### **15 Chair and CEO matters:**

#### **a) Chair's report**

Chair pointed out that all his activities had been covered in today's agenda items.

#### **b) Chief Executive's report**

The helpful update was noted.

### **16 AOB**

- All Board members were asked to ensure that attendance allowance claims for 2008/9 were submitted to the Resources Manager as a matter of urgency; and
- Rodney Brooke proposed a vote of thanks to Ian Walden for effectively fulfilling the role of Acting Board Chair since 1 January 2009. Board unanimously **supported** the proposal.

### **17 Board dates for 2009:**

Tuesdays - start time usually 10.30 am

May 19<sup>th</sup>, June 30<sup>th</sup>, Sept 29<sup>th</sup>, December 1<sup>st</sup>.

The meeting closed at 1.20 pm.