



**Minutes of Internet Watch Foundation Board Meeting
Tuesday, 25 January 2005 at 10 a.m.**

At Baker and McKenzie, 100 New Bridge Street, London EC4V 6JA

Present: Roger Darlington (Chair), Christine Atkinson, Michele Elliott, Sonia Livingstone, Hamish MacLeod, Tink Palmer, Jim Reynolds, Nick Truman, Ian Walden
IWF Staff: Peter Robbins (Chief Executive), Brian Wegg
Apologies: Mark Gracey

1 Apologies and introduction

Chair welcomed Nick Truman to his first meeting following his successful election and noted the apology from Mark Gracey who had given his vote to Hamish MacLeod.

2 Minutes of previous Board meetings – 12th October and 19th November 2004

Approved as true records of the meetings.

3 Matters arising - (including action summary attached)

Board recorded their thanks to all those that had taken part in the two Working Groups which had looked at the governance documents and the CAI database. Chair asked the meeting to note that they had accepted a recommendation from Funding Council that any recommendations from a Sub-committee or Committee of the IWF must be approved by full Board and that this amendment to the constitution would be formally approved at the next Board meeting.

ACTION 1: Appropriate amendment to be approved by Funding Council and Board.

All other "actions" in the minutes were followed up on the main agenda.

4 Chair's report and succession timetable

Chair introduced his report and drew attention to the re-appointment in accordance with the constitutional procedures of Jim Reynolds and Sonia Livingstone for a second term of office. Sonia Livingstone had also agreed to serve a further one-year term as non-industry Vice-chair.

Board considered the draft timetable for the appointment of the new Chair. In answer to questions, Chair said that he had anticipated that the joint Board and Funding Council selection panel members would canvas Board views with regard to the appointment of the independent member of the panel. Board noted that mid-September may be a more appropriate time for placing an advertisement.

Subject to flexibility on the timing of the advertisement, Board approved the outline timetable.

A Working Group would be convened to review the Chair's role and job description and would consist of Malcolm Hutton, Mark Gracey and Hamish MacLeod from Funding Council and Ian Walden, Sonia Livingstone and Christine Atkinson from the non-industry Board members.

ACTION 2: Secretariat to prepare background paperwork and arrange Working Group meeting.

5 Chief Executive's Operational Report and quarterly financial summary

Chief Executive introduced his report and highlighted some issues.

With regard to report trends, Nick Truman drew attention to the unusually high number of takedown notices which had been issued for Usenet Newsgroups. The background to this was explained. A number of groups which had never previously contained child abuse content had been subjected to a series of child



abuse postings. As none of the groups were on the IWF lists available to ISPs, it had therefore been necessary to issue takedown notices for individual images. The groups had been monitored and none had failed the "regularity" threshold to become listed groups. The Chief Executive felt the issue had been a blip in newsgroup trends but agreed to investigate the matter further.

ACTION 3: Executive to investigate the trends in Usenet newsgroup postings with particular reference to the recent variations and background to the illegal content posted in unexpected groups.

Chief Executive expressed his concern about the lack of information with regard to government plans to support the proposed introduction of an offence of incitement to religious hatred. There seems to be an assumption that the IWF will take on this role for online content but the Chief Executive had been unable to secure reassurances that mechanisms will be in place for IWF to pass on any reports from the public. Industry Board members said that Funding Council had made it quite clear that IWF should only consider taking on this extension to the remit if there was clarity on our role.

Following further discussion, Board agreed that the Chair and Chief Executive should make representations via the Serious and Organised Crime and Police Bill Parliamentary Committee and continue to press Ministers for clarification on their intentions.

Chief executive asked Board to note the promising developments over content hosted outside the UK which had resulted from discussions at the No Frontiers Dinner at the House of Commons.

Chief Executive briefed Board on discussions with Cisco Systems and the expert advice they may be able to offer IWF.

Quarterly financial summary

Board noted the third quarter financial summary which showed forecast and actual income and expenditure across budget headings. Chief Executive explained that income had been higher than forecast and that the £70,000 allocated for database development in this financial year will be unspent. In accordance with our Reserves Policy we had allocated approximately £68K in order to achieve a £300K reserve, the six-month running cost as agreed under our policy. Any surplus at the end of the financial year would be subject to corporation tax. Executive Committee had made a recommendation that an appropriate sum should be vired into the communications budget in order to address some of the issues of visibility which research had identified. Funding Council had supported the recommendation which Board approved.

Board noted the Balance Sheet for the year to date.

6 Corporate Plan 2005/2007

Chief Executive introduced the plan and invited questions and comments. During following discussions, Board noted the appointment of a technical expert to the IWF staff and asked that they receive a presentation from him about his work and planned projects at a future meeting.

ACTION 4: Presentation to be arranged for future meeting

It was noted that many of the statements in the plan were aspirational rather than objectives and a discussion ensued about applying "SMART" objectives for the future where this was possible. Chief Executive outlined the work planning process and explained that more specific and measurable objectives were set with individual staff. He would provide a more detailed annual work plan in support of the overall plan.

Board acknowledged that although they could not make this a specific objective for the IWF, they would wish to lobby government at every opportunity to get the protection of children on the internet as a priority within the national policing plan.



On the attached plan, Board made the following comments:

- The term ISP(s) to be changed to CSP(s) throughout the document;
 - Co-regulatory to be deleted on page 6 (under governance);
 - "Although outside our current remit" to be deleted from page 8 (Peer to Peer);
 - Statement on encryption should record it as "a challenge", page 9;
 - Add 1978 to PCA in para 3, page 11;
 - Concern expressed that a public affairs strategy was not media work and should be grouped elsewhere;
 - Paedophilia to be deleted and Internet to be substituted in para 4, page 17;
- Subject to the above amendments Board unanimously approved the corporate plan.

7 Budget Options 2005/2006

Chief Executive introduced the draft budget and explained that IWF could achieve its objectives over the coming financial year within the forecasted income. He asked the meeting to note that, following discussions at both Executive Committee and Funding Council, it had been agreed that investment in raising the visibility of IWF should be increased and that subscriptions for large ISPs could be capped at £20K. Most ISPs affected by the proposed cap had indicated they would carry on funding IWF above that level at their discretion or allocating the excess above the subscription cap towards agreed sponsorship opportunities. Following a further discussion Board unanimously approved the indicative budget for 2005/2006.

8 Commercialisation of IWF database

Chair introduced the report and explained that one of the main objectives of this paper had always been to make the CAI data available as widely as possible to reputable organisations. Chair acknowledged the work of the Working Group in examining the issues but he expressed concern about recommendation one and felt that the database should simply be available free of charge to any existing IWF member and that members should be able to publicise their use of the data without extra payment. He felt unsure about what constituted commercial gain even though the Working Group had attempted to define this.

Board members noted that income generation was not a primary objective as the previous item had shown and a number of Board members expressed concern about potential levels of income and methods of charging. Chief Executive explained that there had never been an intention to exploit the full commercial potential of the database but for any income to contribute towards the investment that existing IWF members had put into the database and to contribute towards the maintenance of the data and the system.

Board concluded that more clarity was needed on what constituted commercial gain and felt that examples like an initial launch announcement benefited the IWF and may not be commercial gain.

Board supported the principles set out and concluded that the Working Group should be invited to reconvene and to give further consideration to the following points:

- Charging policy and income business plans as previously circulated;
- Board would not intend to make a charge to CSPs who are existing IWF subscribers and wish to make use of the CAI database;
- That data security be further considered and any supplementary recommendations be made on this matter;
- That the definition of commercial use be further refined and should not include announcements by companies that they utilise the IWF CAI database.

ACTION 5: Secretariat to arrange further Working Group meeting.



9 Charitable status update and IW Ltd governance

Board noted the updated position on the application and the outline of company structure should the application be successful.

Subject to obtaining charitable status Board will note the comments by Funding Council and take action to implement appropriate management and governance structures for IW Ltd.

10 Discovery engine project

Chief Executive outlined the background to the project and explained that government were willing to invest in taking this forward. IWF policy stated that IWF would only accept government funding for specific projects which had been approved by Board.

Board unanimously supported the project.

11 AOB

Chair thanked Ian Walden for making the arrangements to host the meeting. There was no further business.

14 Dates for Board meetings for 2005

These were confirmed as 26th April, 19th July and 1st November (all Tuesdays). 19th July confirmed as an all day meeting.

Meeting closed at 1 p.m.