

Name of meeting: Cabinet

Date: 12th June 2018

Title of report: General Data Protection Regulation (GDPR) update and approval of one-off and ongoing funding costs

Purpose of report

The GDPR preparation period ended on May 25th 2018. Cabinet are asked to note the update report and consider and approve the ongoing implementation costs

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Yes The overall spend for GDPR adjustment work is over £250,000 and will affect all wards
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports?)	Yes Registered on May 14 th 2018
The Decision - Is it eligible for call in by Scrutiny?	Yes
Date signed off by Strategic Director & name	Rachel Spencer-Henshall
Is it also signed off by the Service Director for Finance IT and Transactional Services?	Yes
Is it also signed off by the Service Director for Legal Governance and Commissioning Support?	Yes
Cabinet member portfolio	Cllr G Turner

Electoral wards affected: All

Ward councillors consulted: All Ward councillors have been made aware of the direct implications for them as data controllers in the context of GDPR

Public or private: Public

1. Summary

Council Services have completed twelve months of GDPR preparation work, which included staff training, topic specific masterclasses, themed workshops and the creation of Council-wide templates for all teams to use as required. Through this period, work was ongoing to identify one-off and ongoing costs which would be required to ensure the Council continues to process personal data in a fair, lawful and transparent manner.

The attached paper at Appendix 1 outlines the status of each of the deliverables within the Councils GDPR Implementation plan and it provides an outline of the one-off costs to bring Services up to the required standards and the ongoing costs to maintain sufficient standards of information governance across Services.

2. Information required to take a decision

In order to respond to the regulatory requirements of GDPR, the Information Governance Board has identified a number of funding requirements. These are broken down into one-off and ongoing costs:

- One off costs = £442,000 identified costs which will be covered by the Council's transformation reserves
- Potential one-off costs = £300,000 additional potential IT costs which will be brought for approval as part of the IT capital funding bid if required
- Ongoing costs = £198,200 requiring Cabinet approval to increase the base Information Governance budget, providing resource for the Council's ongoing GDPR compliance arrangements, fund the Spotlight Information Governance (IG) Training/notification system, pay for ongoing costs for the Central Archive and pay the new Data Protection Fees to the Information Commissioners Office (ICO).

3. Implications for the Council

3.1 Early Intervention and Prevention (EIP)

GDPR compliance implications

3.2 Economic Resilience (ER)

GDPR compliance implications

3.3 Improving Outcomes for Children

GDPR compliance implications

3.4 Reducing demand of services

GDPR compliance implications

3.5 Other (eg Legal/Financial or Human Resources)

GDPR compliance implications. The resourcing of the £198k ongoing resources, which is in excess of Information Governance's current base budget provision, will be managed in 2018-19 through existing transformation reserves, and recurrent costs then formally built in as part of the overall budget re-fresh for 2019/20 onwards, later in the year.

4. Consultees and their opinions

The following have been consulted on the report and endorse the proposals contained therein:

The Information Governance Board;

Executive Team endorsed this funding but agreed that this report should come to Cabinet for approval to invest £198k to baseline funding to respond to the ongoing GDPR regulation requirements;

Cllr S Pandor and Cllr G Turner.

5. Next steps

Subject to Cabinet approval the base budget for the IG team will be implemented

6. Officer recommendations and reasons

Cabinet are requested to approve the ongoing £198,200.00 funding to increase the base budget of the IG Team, fund the Spotlight IG Training/notification system, pay for ongoing costs for the Central Archive and pay the new Data Protection Fee to the ICO.

7. Cabinet portfolio holder's recommendations

Cllr Turner supports the officer recommendation and acknowledges that further funding will be required to ensure the Council's response to the GDPR is sufficient.

8. Contact officer

Katy Deacon, Information Governance Manager and Data Protection Officer (DPO)

9. Background Papers and History of Decisions

Background Papers:

GDPR Implementation Progress report (attached to this report)

History of decisions:

April IG Board – Challenge session for GDPR funding bids from Services. This Challenge Session required all services requiring additional GDPR funding to present their case for IG Board decision. IG Board progressed the requests which were considered suitable to Executive Team

May 8th Executive Team – Executive Team considered the report on the implementation costs approved by the Information Governance Board and agreed that a report should be taken to Cabinet for approval to invest £198k to IG baseline funding to respond to the GDPR regulation requirements.

10. Service Director responsible

Julie Muscroft, Service Director for Legal, Governance and Commissioning

APPENDIX 1

GDPR Implementation Progress Report

Author: Katy Deacon
Date: May 2018

Summary
<ul style="list-style-type: none"> • Council Services have been working to bring procedures into line with GDPR requirements since May 2017. As the Data Protection Act (2018) only came into force on May 25th 2018 the ICO has not yet issued all of its compliance guidance around the UK specific requirements and therefore it is expected that a further 12 months' work is required across all services, to ensure compliance standards are consistently met. • The Council's Data Protection Officer (DPO) Role has been appointed and the ICO notified of this appointment • Executive Team have mandated the IG Board to appropriately action a GDPR compliance plan, ensuring GDPR compliance standards are consistently achieved across all services by May 2019. • Funding for GDPR related costs has been identified by services, with the IG Board providing challenge where appropriate.

The Council's GDPR Implementation Plan is split into 10 deliverables. The current status of these is outlined below.

Brief Description of Status	
Governance	An online Data Protection Impact Assessment system went live in May, enabling all teams which collect personal data to have a robust assessment completed prior to any data collection. These assessments can also be sent to the ICO should they be requested. Data Protection Officer responsibilities have been added to the IG Manager role. This appointment was notified to the ICO in time for GDPR implementation.
Assurance	Services continue to contact their contractors to ensure they have sufficient Assurance standards in place. GAP analysis of external assurance still to be completed across Services. This will be done during the summer period when Services audit their GDPR responses.
Third Party Management	A Data Sharing workshop for officers and partners was held in Huddersfield Town Hall, with all attendees able to ask questions so they have better understanding about this new online Information Sharing Gateway approach. Sessions have also been held with Head Teachers, School Business managers and Domiciliary Care providers to update them on GDPR, to ensure they have the appropriate knowledge. Stronger contract monitoring will be required following the contract amendments which are needed to ensure contracts are GDPR compliant. The Legal, Procurement and IG teams are working with Services to ensure the required adjustments are made to existing contracts. Priority is being made to services which process high volumes of personal data, with Childrens, IT, Adults and Public Health Services being targeted before May 25 th .
Data Collection & Use	The Council must create a Council-wide Record of Processing Activities (ROPA) which is a requirement under GDPR. This will be created automatically through the Information Asset Register (IAR) system once its development is completed by IT and rolled out across the Council. The Kirklees Citizen's Account has been a key delivery platform for many of the development activities for this deliverable. The Citizens Account will continue to be developed to ensure citizens have control over the use of their personal data where this is in line with the lawful basis for processing.

Retention & Disposal	Retention of documents within Services is being reviewed by teams currently with support from the IG Team.
Rights	GDPR brings in new rights for individuals and strengthens the rights individuals had under Data Protection Act (1998). Therefore a new, council-wide approach to the coordination and compliance for these rights has been developed which will enable the coordination to be consistent across the Council. The web page for citizens to exercise their rights can be accessed here .
Security	Office 365 controls are being developed by a small project team, including IT. Transformation and IG team members. This will ensure controls around information security and records management are released alongside the Office 365 roll-out. An online Information Security Incident reporting form is being used by officers reporting information security incidents. This form can be accessed here . Communications around Security, including improved password choices, has also been rolled out through the Spotlight messaging service.
Systems & Technology	This is one of the highest risk areas across the GDPR deliverables. IT are working closely with suppliers to ensure the Kirklees systems are GDPR compliant.
Training & Awareness	Awareness sessions have been provided to a wide range of audiences including staff, councillors, schools and partners. Videos for staff are available on the intranet which cover a range of topics and a YouTube channel has been set up with three 10 minute information videos for councillors. Detailed GDPR training has been identified as required for the IG Board members and IG Team. This cost has been included in the one-off costs which have been approved by IG Board and Executive Team.
Staff Data	People Services are working on their processes for retaining and destroying staff data. They are generating new guidance for managers around the use of staff data.

Costs of GDPR Implementation

IG Board have considered all of the costs relating to GDPR, which Services have raised. These bids have been broken down into two themes, ongoing costs and one-off costs.

The total for ongoing costs is £198,200 which is required to increase the base budget of the IG team, enabling the appropriate resources required to support the Council's compliance arrangements, fund the Spotlight IG Training/notification system, pay for ongoing costs for the Central Archive and pay the new Data Protection Fee to the ICO. The ongoing costs of £198,200 require Cabinet approval. Full details of these costs can be found in Appendix 1.

The total for one-off costs is £742,000 with £442,000 identified as *actual* costs and £300,000 of these costs identified as a *potential* cost. A summary breakdown of these costs is below and the full cost breakdown can be found in Appendix 2.

The successful bids have been approved by Executive Team, with £500,000 one-off costs identified to come from the Transformation fund. A further £250,000 for one-off IT costs will be brought for Cabinet approval separately.

Appendix 1 – Ongoing GDPR support funding

Introduction

The new Data Protection Act (2018) includes GDPR and requires all organisations to process personal data in a fair, lawful and transparent manner. The new Act requires a strengthening of the Councils approach to the processing of personal data and significant changes in how the processing of personal data is recorded to ensure the Council's ongoing compliance with the law is recorded for each processing activity carried out.

The Information Governance team is providing the Council with a strong foundation for data and information. This foundation covers the areas of Information Security, Information Compliance, Knowledge and Records Management, Information Processing & Sharing, Transparency and Information Assurance. This work is also an enabler for a successful Intelligence Vision.

Temporary funding for additional resources within the IG Team has been in place since January 2017, as it was identified in autumn 2016 that resources were required to support the Councils Intelligence Vision and meet the new demands around the Council's Central Archive, Information Security and subject access responses. With the advent of GDPR, these resources are now required permanently, in addition to funding for the Data Protection Officer, council-wide IG training, Central Archive costs and the increased cost of ICO registration. The details of these can be found below.

Ongoing Resource Cost

As GDPR is now firmly in view, it is clear that the resources which were put in place on a temporary basis in 2017 are now required on a permanent basis to ensure the increased demand, due to the GDPR risks, is achieved.

From May 2018, the council must have a Data Protection Officer to comply with GDPR. This role will be resourced from the IG team. The role has been absorbed into the Information Governance Manager post and the officers within the IG team will support this role and help reduce risks to Services through their work.

Council-wide IG Training

The increased use of electronic equipment use through the Mobile & Agile work program is increasing the number of information security incidents which are reported. From May 2018, all incidents which meet a defined threshold must be reported to the ICO within 72 hours. In addition, to GDPR, the risks around Cyber security are increasing with more incidents coming to light around hacking, phishing and other cyber-crime. Therefore, it is imperative that all members of staff who use electronic devices are regularly updated with the risks, training and the appropriate responses in case they receive these types of communications.

The current Spotlight system, tradename Metacompliance Advantage, was purchased in 2016/17 by IT under instruction from the IG Board. This was a one-off purchase, with the IG Board requiring the IG Team to determine the value and use of this software going forward.

This software has shown its value regularly throughout the past year enabling us to interrupt the regular messaging to include specific messages, targeted at appropriate teams, to improve awareness following security incidents. The system also allowed the IG Team to encourage all users to complete the mandatory data protection before the end of February, which would not have been possible without Spotlight.

In future, the IG team need to purchase this system at a cost of £55,000 for a 3 year licence from April 1st 2019. This purchase will continue to enable the regular IG messages to go out to each individual to support the adoption of positive IG practices and ensure the culture of the organisation keeps information safe and secure in the future.

Central Archive Costs

In summer 2017, the Central Archive was opened and since then, Services have been sending boxes to the Archive to clear office space and ensure their records are appropriately stored. Boxes stored in external storage facilities are also coming back into the Council to be stored in the Archive. The Archive is steadily

filling up and now requires an ongoing budget to pay for items such as maintenance of the mechanical lifting machine, flat pack boxes for Services to fill and other, ongoing office and archive stationery costs.

ICO Registration Costs

Under GDPR the Information Commissioners Office funding is changing. From May 25th 2018, Data Controllers will be required to pay the ICO a Data Protection Fee, which replaces the current registration fee. The law will also allow the ICO to prosecute Data Controllers who don't pay the fee.

There are now three tiers of fee: Tier 1 is £40 for micro organisations with no more than 10 members of staff, Tier 2 is £60 for organisations with no more than 250 members of staff, Tier 3 is £2,900 for large organisations. These cost increases will mean that the Council must pay an additional £3,200 per year in Data Protection Fees to the ICO.

Required Baseline Cost increases

Item	Total Cost
Resource costs for IG Team	£170,000
IG Training & software – annual cost for Spotlight (Metacompliance)	£20,000
Central Archive budget	£5,000
Additional ICO Registration costs for the Council, Returning Officer, Superintendent Registrar, Electoral Registration Officer, 69 Councillors and potentially the Children's and Adult's Safeguarding Boards	£3,200
Total	£198,200

Appendix 2 – One-off GDPR costs

Service	One off cost for IG Board consideration	Description	Effectuated Deliverables	IG Board decision
Learning & Early Support	£ 26,000	Costs to improve, test and support development of IT systems plus resource costs to enable staff to improve compliance and retention processes	Assurance, Third Party Management, Retention & Disposal, Rights, Security, Systems & Technology	Approved
People Services	£50,000	Scanning, indexing and destruction of paper files	Data Collection & Use, Retention & Disposal, Rights, Security, Systems & Technology, Staff Data	Approved
Legal and Procurement Services	£90,000	Temporary appointment of a legal officer to provide specialist GDPR/IG and contract law support	Assurance, Third Party Management, Data Collection & Use, Training & Awareness	Approved
Democracy Service	£59,000	GDPR training for IG Team and IG Board plus temporary IG Officer to overcome peak GDPR work.	Governance, Assurance, Third Party Management, Retention & Disposal, Rights, Security, Systems & Technology, Training & Awareness	Approved
IT Service	£500,000 (€200,000 actual, €300,000 potential)	Upgrade of IT systems to ensure GDPR compliance, including some upgrades of systems to introduce automating lifecycles of GDPR sensitivities	Assurance, Retention & Disposal, Rights, Security, Systems & Technology	Approved in principle – conditions around potential spend
Adult Social Care	£17,000	Additional, temporary resource costs to cover improvements around External Comms & Assurance, Person Identifiable Data, Risk Management and Retention & Destruction	Governance, Assurance, Third Party Management, Retention & Disposal, Rights, Security, Systems & Technology, Training & Awareness	Approved