

ICO - Enabling businesses in the UK economy

Empowering businesses through information

April 2024

ico.

Information Commissioner's Office



Context

The performance of UK businesses directly impacts the prosperity of the wider economy and UK households. When we facilitate an environment that minimises regulatory burdens and encourages innovation, businesses can thrive. This, in turn, contributes to overall economic growth and well-being in the UK. We are mindful of this when exercising our regulatory responsibilities, meaning we consider how we can support, empower and enable innovation and growth for compliant businesses. We seek to understand and minimise negative economic impacts and compliance costs, promote greater regulatory certainty, and encourage compliance.

The focus of this analysis is on showing how we enable and support UK businesses and on measuring our impact on UK businesses under [objective two of our strategic plan \(ICO25\)](#) - *empower responsible innovation and sustainable economic growth* - including where possible the quantification of our economic enabling impacts. These economic enabling impacts can include: bringing down the burden or cost of compliance for businesses; enabling growth via enhanced market opportunities or unlocking investment; and promoting innovation, to name but a few.

Activities in focus

There are various way in which the ICO contributes to the UK economy and society by supporting businesses. At a high level our enabling actions can be summarised as: creating regulatory certainty; providing access to information and advice; supporting innovation; enabling international flows; and ensuring business compliance with regulations. These enabling actions are delivered via a range of activities. Our primary activities of focus for our enabling impact analysis are:

- Business Advice Service;
- Codes of conduct and certification;
- Cyber activities;
- Digital tools;
- Guidance products;
- Innovation services; and
- International transfer activities.

Enabling businesses – routes to impact

Over a five year forecasting period we estimate that these activities have resulted in up to approximately £140 million of value enabled for the UK business base, with £2.2 million of this value realised in year one of ICO25 (see Table 1 below).

Table 1: Value realised and enabled during the forecasting period

Activity	Value realised (ICO25 Year 1)	Value enabled (5 year period)
Business Advice Service	£108,000	£540,000
Certification	£1,090,000	£9,220,000
Cyber activities	£720,000	£34,160,000
Guidance (Direct Marketing)	£300,000	£36,000,000
International transfers	N/A	£60,000,000
Total	£2,218,000	£139,920,000

Source: ICO. (N/A outturn data not available at time of drafting).

For some of our enabling activities limitations in the evidence and data meant that quantification was not possible. For these activities we use case studies to illustrative actual and potential impact. Some highlights from our case studies include:

- Our SARs tool has the potential to enable annual savings of £37 million for the UK business base, reducing the regulatory burden and unlocking investment elsewhere in the economy.
- Adequacy regulations delivered over year one of ICO25 are estimated to result in around £1 billion of net impacts for UK businesses, according to the UK government impact assessments. Giving our supporting role in delivery adequacy regulations, our impact could be equivalent to £5 million of net impacts for businesses.
- Our innovation advice enabled a large multinational manufacturer to avoid delays in bringing their product to market and potentially avoiding reputational damage.

Going forward

This is the first iteration of our economic enabling business impacts linked to ICO25 objective two estimates. These results will act as a building block to advance our economic measurement practices further over the lifetime of ICO25 and beyond. Where we encountered challenges around evidence and data availability, we have provided suggestions for how we could better track and monitor our impact going forward to the relevant directorate.

The advancement of our measurement practices will be an iterative process, achieved through continued engagement and collaboration, ensuring appropriate evidence collection and resourcing.

Lesson learning

The measurement approach underpinning this analysis facilitates evidence-based intervention design and implementation. It can help to determine how our policies, programmes and projects can be improved to further support and facilitate businesses in the UK economy. For example, in terms of lessons learned a recurring theme throughout our analysis is the importance of awareness and engagement activities in ensuring that the potential value enabled benefits outlined will be realised over the long-term.

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