

The Information Commissioner’s Response to the Department of Science, Innovation and Technology’s Data protection fee review 2024 public consultation.

About the Information Commissioner

1. The Information Commissioner has responsibility for promoting and enforcing data protection and information rights. This includes responsibilities under the UK General Data Protection Regulation (UK GDPR), the Data Protection Act 2018 (DPA 2018), the Freedom of Information Act 2000 (FOIA), the Network and Information Systems Regulations 2018 (NIS), the Environmental Information Regulations 2004 (EIR) and the Privacy and Electronic Communications Regulations 2003 (PECR).

2. The Information Commissioner’s Office (ICO) is independent from government and exists to empower through information. We empower:

- people to confidently share their information to use the products and services that drive our economy and our society;
- organisations to use information responsibly and confidently to invest and innovate; and
- people to hold government to account, driving transparency that helps us all better trust in the decisions taken by public bodies.

3. The ICO has set out its strategic vision in the ICO25 plan¹. Through delivering this strategy, we empower and enable organisations to maximise their responsible use of data, help the public to understand and exercise their information rights and hold organisations to account. We recognise the critical importance of data in growing our economy, improving our public services and enhancing the opportunities of UK citizens. Our aim is to help build the trust that underpins a thriving digital society and economy.

4. We enable all businesses and organisations to plan and invest in the responsible use of information. Our aim is to provide certainty, to help organisations to understand, and comply with, their obligations. But a world of rapid and fundamental advances in technology means there is an ever-increasing demand and complexity in our work as a regulator.

¹ [ICO25 strategic plan | ICO](#)

Introduction

5. We welcome the opportunity to respond to this Department for Science, Innovation and Technology (DSIT) consultation on their review of the data protection fee model, as required by the Data Protection Act 2018.

6. We share DSIT's ambition to maximise the opportunities that safe, responsible and innovative uses of data presents. We recognise the importance of ensuring that this is underpinned by trust, confidence and clarity in the use of personal data, and our role in providing regulatory certainty to businesses, organisations and the public.

7. We are committed to investing our resources in those areas of greatest risk and opportunity, wherever possible spending once in proportionate regulatory interventions which provide clarity and certainty for the wider economy and maintain high standards to protect the public. The fees paid to fund the work of the ICO are vital to our work and we welcome the Government progressing this important consultation as one of its early priorities.

8. As referred to in the consultation, the data protection fee has remained static for a number of years. During this time the ICO has focused on providing value for money services and acting proportionately but the current fee model no longer delivers the funding needed to achieve the ICO's objectives. As such, we share the view of the Secretary of State that for the ICO to continue to remain effective, discharging our important and complex remit, a proportionate increase in financial resources is needed. We believe that the increase proposed in the consultation is proportionate and reasonable.

9. With such an increase in place, we would expect to be able to complete our transformation as a regulator and continue to develop our services to our customers and stakeholders. These include, but are not limited to, producing award winning guidance, toolkits, advice as well as the support we provide via our [innovation services](#), [regulatory sandbox](#) and small organisation [hub](#). We will also provide vital additional investment to support our highest priority work, focussing in particular on the areas where we can have the greatest impact including our key priorities of children's privacy, advertising technology and AI (artificial intelligence).² The additional financial resources will also increase our ability to, where necessary, take action to protect the public and ensure a level playing

² [John Edwards speaks at IAPP's Data Protection Intensive UK | ICO](#)

field for responsible businesses, expanding the support we provide, reaching more organisations in ways that work for them.

The Data Protection Fee

10. The data protection fee, as set by Government, enables the ICO to reduce the compliance burden on businesses and support responsible innovation using data protection by design. In particular, we are committed to supporting growing businesses and other small organisations to reduce the complexity and cost of compliance and help them maximise their responsible use of personal data. We know that unlike many of their larger counterparts, small organisations do not typically have access to expertise to help with data protection, so the ICO is committed to making compliance as easy as possible.

11. We provide a dedicated hub of [small organisation resources](#) containing bite-sized guidance, short videos, self-assessment checklists and helpful templates. We offer online advisory checks, where we discuss a small organisation's data processes and practices one-on-one and help them identify ways to handle data more effectively as their business grows or the needs of the customers, service users or supporters change. We engage with small organisations directly and through trade bodies, membership organisations and start-up support organisations, raising awareness and seeking feedback on the helpfulness of the work we do.

12. We plan to expand this work and to ensure that those paying the fee continue to receive good value for money and the practical support they need to comply. For example, we are developing new products, such as our privacy notice generators, which small organisations can use to create bespoke privacy notices, giving them and their customers confidence that they're being transparent. We want to widen our stakeholder engagement functions, and strengthen our investigatory capability, ensuring that emerging threats and opportunities are appropriately and effectively understood and addressed, creating a 'level playing field' for organisations who work hard to comply.

13. It is important that we can continue to develop and deliver these services, scaling them to support the whole economy. Without a change in the fee model, this work will not be achievable, and our ability to maximise the opportunities to enable innovation, economic growth and protect the public will be significantly curtailed.

14. We are aware of the ongoing financial pressures facing private and public sector organisations. The ICO is committed to delivering value for money and operating efficiently and effectively for our customers, continuously improving our productivity and ensuring we are using our resources to deliver the greatest impact for those who pay the fee that

funds our work. We will continue to be transparent and open about how we spend the funding we receive, demonstrating value for money and enabling our stakeholders to hold us to account.

The proposed model

15. We welcome the Government's approach to ensuring the fee model tiers remain simple to follow and administer as well as aligned with standard business classification. We also welcome the Government's proposal to retain the current three-tier model, which will minimise disruption for fee payers and implementation costs for the ICO.

16. We are supportive of the Government's proposal to adjust the data protection fees in a way that takes account of inflation. An adequate and sustainable funding model will ensure we have appropriate resources to address the data protection risks and challenges facing society. As the use of personal data becomes more complex, the need for the ICO to make a difference in fast moving areas such as artificial intelligence, biometrics and children's privacy becomes even more important. To tackle long term challenges, we, and our stakeholders, need long-term confidence in the data protection funding model that will enable us to look forward and plan our resources to support business and public services in their new and innovative uses of personal data.

17. As the consultation notes, data protection fees have not changed since 2018, while the fee for organisations in tier one who pay by direct debit has not changed in real terms since 2000. The proposed option, using an inflation linked change to the fees, as set out in the Data Protection Act 2018, would enable the changes to be implemented as quickly as possible, reducing the financial uncertainty for the ICO and ensuring we can provide support to businesses and organisations in a timely way that reflects rapid changes in the technology and data landscape. Implementation this financial year will help us to continue our work to support organisations to harness the power of data to drive economic growth and innovation. It is also our view that these uplifts would still represent a comparatively low cost burden compared to other regulatory regimes and would ensure the model continues to be proportionate and the fee represent value for money.

18. We will continue to ensure that all who should pay the fee do so. This will help to ensure that the burden of cost is shared fairly amongst those who we regulate. Since December 2016 the number of organisations paying the data protection fee has increased from 457,846 to 1,204,243 and we will continue to work to identify and contact those who should be paying the fee to reduce the burden on current fee payers, taking

proportionate action for organisations that should pay and don't. In addition, we will continue to automate our processes, allowing organisations to self-serve as much as possible across all touch points with our fee payment services.

Conclusion

19. The data protection fee model is critical to the successful delivery of our regulatory responsibilities. We welcome the work undertaken by the Secretary of State and DSIT officials to develop a proportionate proposal, considering the wider economic environment, including the need to reflect the ever-increasing complexity, scope and scale of our work in the data protection fee. We look forward to continuing to empower businesses, public sector bodies and the public through information and to working closely with government to implement any changes resulting from this consultation.