





March 2022

Charting the UK Data Protection Profession



Foreword

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Welcome to the latest research report from the UK Data Protection Index Report, brought to you by <u>Data Protection World Forum</u> and <u>The DPO Centre</u>.

Over the past 21 months, we have quizzed our panel of UK-based Data Protection Officers (DPOs) every quarter, asking a consistent set of baseline questions. In the ever-shifting privacy landscape, this has allowed us to track the changing attitudes and opinions of the industry's experts for the very first time.

This quarter, we asked our panel of 497 DPOs about a range of issues, including:

- UK and EU GDPR challenges
- Compliance within their organisations
- The potential impact of upcoming reforms to UK data protection law
- The effectiveness of the Information Commissioner's Office (ICO)
- How they feel about their roles, including on topics such as staff training and third party due diligence

Nick James, Founder of Data Protection World Forum, said:

"The UK's Data Protection Officers are working harder than ever in the face of increasing complexity and uncertainty.

There have been some highly significant GDPR enforcement developments in the EU in recent months, new data protection laws passing worldwide, and continuing uncertainty about the future of the UK's data protection law.

Organisations should be listening very closely to what privacy professionals have to say about the impact of these developments.

The Data Protection Index provides a unique insight into the professional lives and opinions of DPOs. Given the ramping up of enforcement action across Europe and the ever-increasing importance of personal data, this quarter's results are particularly important."

Rob Masson, CEO of The DPO Centre, said:

"The results of this quarter's survey indicate that UK privacy professionals appear to be gaining back their confidence both in their organisation's own compliance and the strength of the UK's data protection laws.

This makes this quarter's results particularly fascinating, given that the UK remains in a somewhat transitional period whilst awaiting the outcome of the DCMS' consultation, not to mention the series of landmark privacy cases that are set to shake up the industry.

It will, therefore, be interesting to see whether this upward trend continues throughout 2022, and what new challenges the year will bring the privacy profession going forward."

The next survey results will be published in June 2022. If you are a privacy professional and you would like to join the panel and add your voice to future surveys, please click here.

The UK Data Protection Index: Q1 2022 Report

Who is on the panel?

Since the UK Data Protection Index launched in July 2020, 497 DPOs from across every part of the UK have contributed.

- Over 50% of respondents are from London and the South East of England. 4.8% are from Scotland, 1.4% from Northern Ireland and 3% from Wales.
- More than three-quarters of the DPOs (77.3%) are full-time, in-house employees. 14.7% are consultants or outsourced, and 6.2% are employed in-house on a part-time basis.
- Nearly a quarter (24.5%) of respondents work for companies with between 1,001-5,000 employees. However, all sizes of companies are represented, from firms with just 10 employees or less (6%) to businesses with a 10,000+ workforce (13.7%).

Key Results

Compliance Within Respondents' Organisations

Fig 1: "How compliant do you feel your organisation is with UK data protection laws?"



Fig 1: DPOs' confidence in their organisations' data protection compliance has declined this quarter, with those scoring 10 ("entirely compliant") decreasing from 5% in Q4 2021 to just 1% this quarter.

The results show that 52% gave a score of 8 or more out of 10 (10 being entirely compliant), down from 55% in Q4 2021, but still significantly higher than the 35% reported in July 2020 (when this survey was first carried out).

Fig 2: "How compliant would you rate your organisation's data protection compliance in the following areas?" (Proportion who scored between 8 and 10, with 10 being entirely compliant)

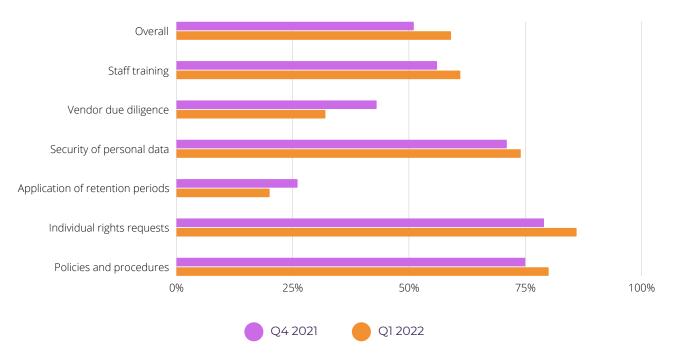


Fig. 2: We asked DPOs to rate their organisations' data protection compliance in several different areas. Among scores of 8 and above, key areas of strength are individual rights requests, policies and procedures, and security of personal data.

However, DPOs are less assured of the overall compliance of their organisations and the management of data retention periods. There has also been a decline in those scoring highly for vendor due diligence.

Confidence in the ICO

Confidence in the effectiveness of the Information Commissioner's Office (ICO) remained consistent when compared with last quarter's results.

For two consecutive quarters, 43% of respondents have given a score of 8 or more out of 10, which is significantly below Q2 2022's high of 50% of DPOs scoring 8 or higher.

UK Data Protection Laws

DPOs' perception that the UK's data protection laws are more advanced than other countries' increased in our most recent survey following a three-quarter decline.

More than half of DPOs perceive the UK's data protection laws to be more advanced than other countries', with 53% scoring 8 or more out of 10, meaning "well ahead of others."

Additionally, 40% of respondents stated that they were confident (scoring 8 or more out of 10) that they could advise their organisation on data protection legislation that is being introduced globally.

Organisational Priorities

Respondents were asked whether their organisations were giving greater precedence to data protection compared with other organisational priorities.

The proportion of DPOs who gave a score of 8 or above (10 being the highest precedence) increased slightly to 35% this quarter. This was below the peak of 40% seen in Q2 2021.

Departmental Budgets

Fig 3: "Is your organisation's overall budget for data protection expected to increase or decrease over the next 12 months?"

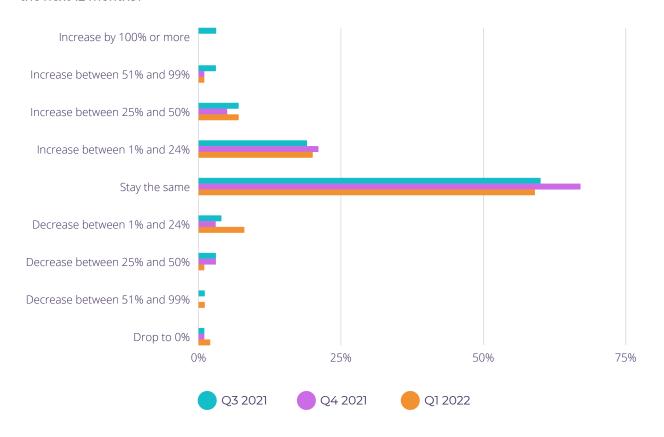


Fig. 3: This quarter saw a slight increase in the proportion of DPOs expecting their budget to increase, rising to 20% this quarter, a 1 percentage point increase compared to last quarter.

Once again, the majority (59%) of DPOs expect their data protection budgets to remain the same over the next 12 months. However, this is down significantly from the 67% reported in Q4 2021.

GDPR Compliance Challenges

Fig 4: "Which of the following issues do you see as your organisation's biggest challenge when trying to comply with the GDPR over the next 12 months?"

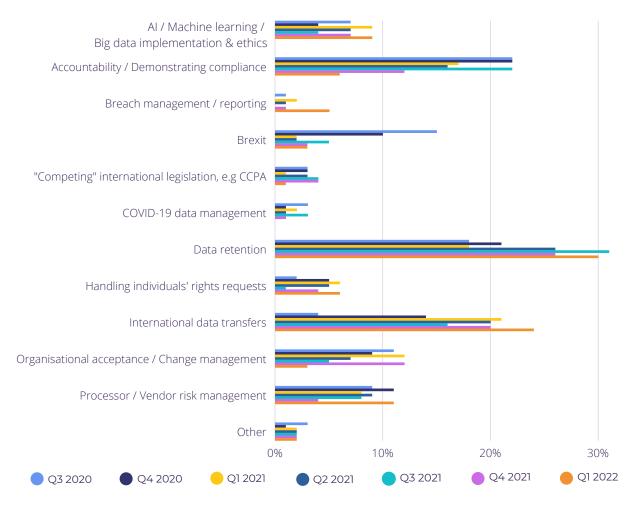


Fig. 4: DPOs identified data retention as the biggest GDPR compliance challenge for the next 12 months (up 4 percentage points compared with last quarter). The second biggest concern was identified as international data transfers (down slightly by 2 percentage points).

This quarter, just 6% of survey respondents cited accountability and demonstrating compliance as their biggest compliance challenge, compared with 22% in Q3 2021.

DCMS Consultation

We asked DPOs for their views on recent proposals from the Department of Digital, Culture, Media and Sport (DCMS) to reform the UK's data protection and privacy laws, titled *Data: A New Direction*.

Our respondents ranked how strongly they felt the DCMS proposals would affect the way SMEs implement data protection compliance. While 30% scored 8 or more out of 10 in Q4 2021 (10 being the proposals would "strongly encourage SMEs to disregard data protection compliance"), this dropped to 25% in the latest survey.

Fig 5: "To what extent do you agree with the following statement: The DCMS proposal to move cookie consent to browser level is the solution to cookie fatigue."

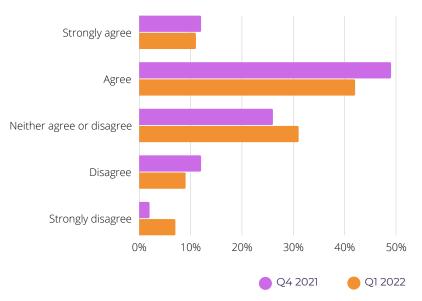


Fig. 5: When asking whether the DCMS proposals to move cookie consent to browser level could solve cookie fatigue, we saw a decrease in the proportion of DPOs believing that this could help. Overall, those who said they agreed or strongly agreed declined from 61% in our last survey to 53% this time around.

We also saw a rise in the percentage of people who said they strongly disagreed with the statement, increasing from just 2% of respondents in Q4 2021 to 7% in Q1 2022.

Further results:

When asked to what extent DPOs agreed that "it is not practical to expect an organisation of fewer than 200 employees to implement appropriate measures for international data transfers," the survey showed a marked reduction in those disagreeing with the statement, declining from 58% in Q4 2021 to 48% Q1 2022.

The issue that has most consumed DPOs' attention over the last 30 days was conducting DPIAs, followed by processor/vendor risk management.

While COVID-19 has been cited as an issue in previous editions of the survey, in Q1 2022 no respondents said the pandemic had been the main issue occupying their time in the past month.

A belief that the UK will maintain its adequacy status with the EU continues to grow, with 63% saying they think this will be the case, compared with 57% in Q4 2021.

A fifth of DPOs agreed with the following statement, scoring 8 or higher out of 10: "I am concerned that my organisation has a high risk of exposure to group actions should a personal data breach occur".

Lastly, when asked whether an organisation-wide malware encryption attack (where access to core systems have been lost) would result in the organisation paying the ransom, regardless of DPO advice, almost a quarter (24%) said they believed their organisation would pay a ransom, up 1 percentage point compared with December.

If you are a privacy professional and you would like to join the panel and add your voice to future surveys:

Join the Data Protection Index



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