

March 2023

Charting the UK Data Protection Profession



Foreword

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Welcome to the latest research findings from the UK Data Protection Index, brought to you by [Data Protection World Forum](#) and [The DPO Centre](#).

Over the past two and a half years, we have surveyed 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 survey has allowed us to track changing attitudes and opinions over the long term. This quarter we asked our panel of DPOs about a range of issues, including:

- Compliance within their organisations
- GDPR compliance challenges
- Budgetary expectations
- Confidence in the Information Commissioner's Office (ICO)
- UK data protection reforms
- Irish Data Protection Commission (DPC)

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

"With UK data protection reform on the horizon and fresh data breach notification guidance coming out of Europe, British businesses find themselves under increasing pressure to step up commitment to meet regulatory requirements both at home and abroad.

"Our DPOs are on the frontline of this evolution. It's never been more important to take in their views to help us understand business priorities, how regulatory changes affect corporate needs, and how data subjects' expectations are shifting."

Rob Masson, CEO of The DPO Centre, said:

"This quarter's panel results were collected prior to the announcement of the UK Data Protection and Digital Information Bill (2), giving us unique insight into the sector's views prior to its release and dissection."

"It is a concern to see our panel members now expect to see their organisation's budget for data protection stagnate during 2023. Particularly when the introduction of the new Bill requires the continued maintenance of the current, and in some areas, higher, compliance standards. Additionally, businesses processing personal data on both EU and UK residents will soon need to navigate two separate privacy regimes, and therefore likely subject to increased compliance costs."

"This quarter's results reveal that data retention, international data transfers, and AI and machine learning are the key compliance challenges. "

"It therefore appears clear that 2023 is going to be just as interesting and challenging for the industry to traverse, as the previous almost 5 years have been since the GDPR came into force."

The next survey results will be published in June 2023. 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 2023 Report

Who is on the Panel?

Since the Data Protection Index launched in July 2020, 564 DPOs from across every part of the UK have taken part.

- Over 31% of respondents are from Greater London. Around 5% are from Scotland, 1.2% from Northern Ireland and nearly 3% are from Wales.
- More than three-quarters of the DPOs (76%) are full-time, in-house employees. 15% are consultants or outsourced, and 6% are employed in-house on a part-time basis.
- Nearly a quarter (24%) 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 fewer (6%) to businesses with a workforce of over 10,000 people (13%).

Compliance Within Respondents' Organisations

Since Q3 2020, we have asked DPOs to score how compliant they feel their organisation is with UK data protection laws, on a scale of 1 to 10 – where 1 is 'Not compliant' and 10 is 'Entirely compliant'. This quarter, respondents were significantly more confident in their organisations' compliance, both overall and across several specific areas.

The chart below shows the proportion of respondents that gave their organisation a score of 8 or above across the past eleven quarters.

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

Key Results

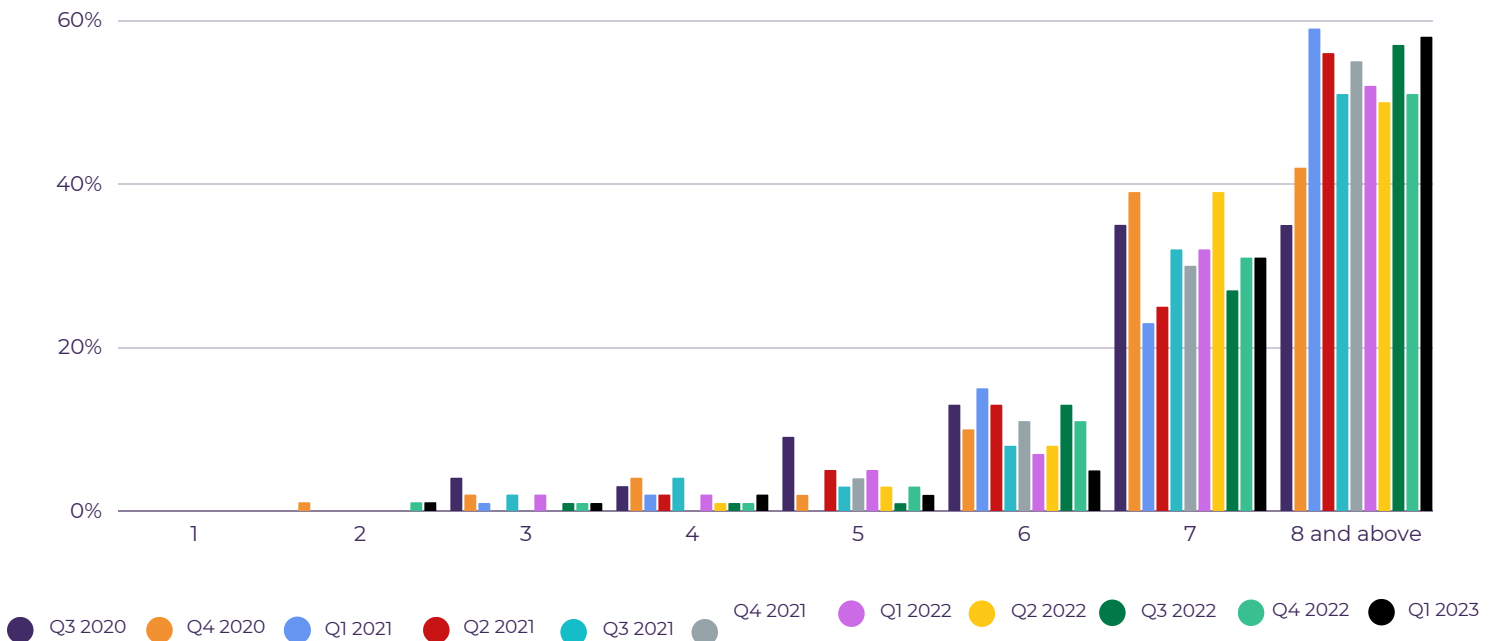


Fig.1 Compared to last quarter, the number of respondents scoring their organisation 8 or above has increased by 7%, from 51% in Q4 2022 to 58% in Q1 2023, suggesting that DPOs are feeling more confident in their organisations' data protection compliance.

Over the last eleven quarters, the average proportion of respondents scoring their organisation's compliance at an 8 or above was 51%. The all-time high was in Q1 2021 (59%), and the all-time low was in Q3 2020 (35%).

We also asked DPOs how they rated their organisations' data protection compliance in specific areas.

Fig.2 Using the scale, how compliant would you rate your organisation's data protection compliance in the following areas – where 1 is 'Not compliant' and 10 is 'Entirely compliant'" (Respondents scoring 8 or above)

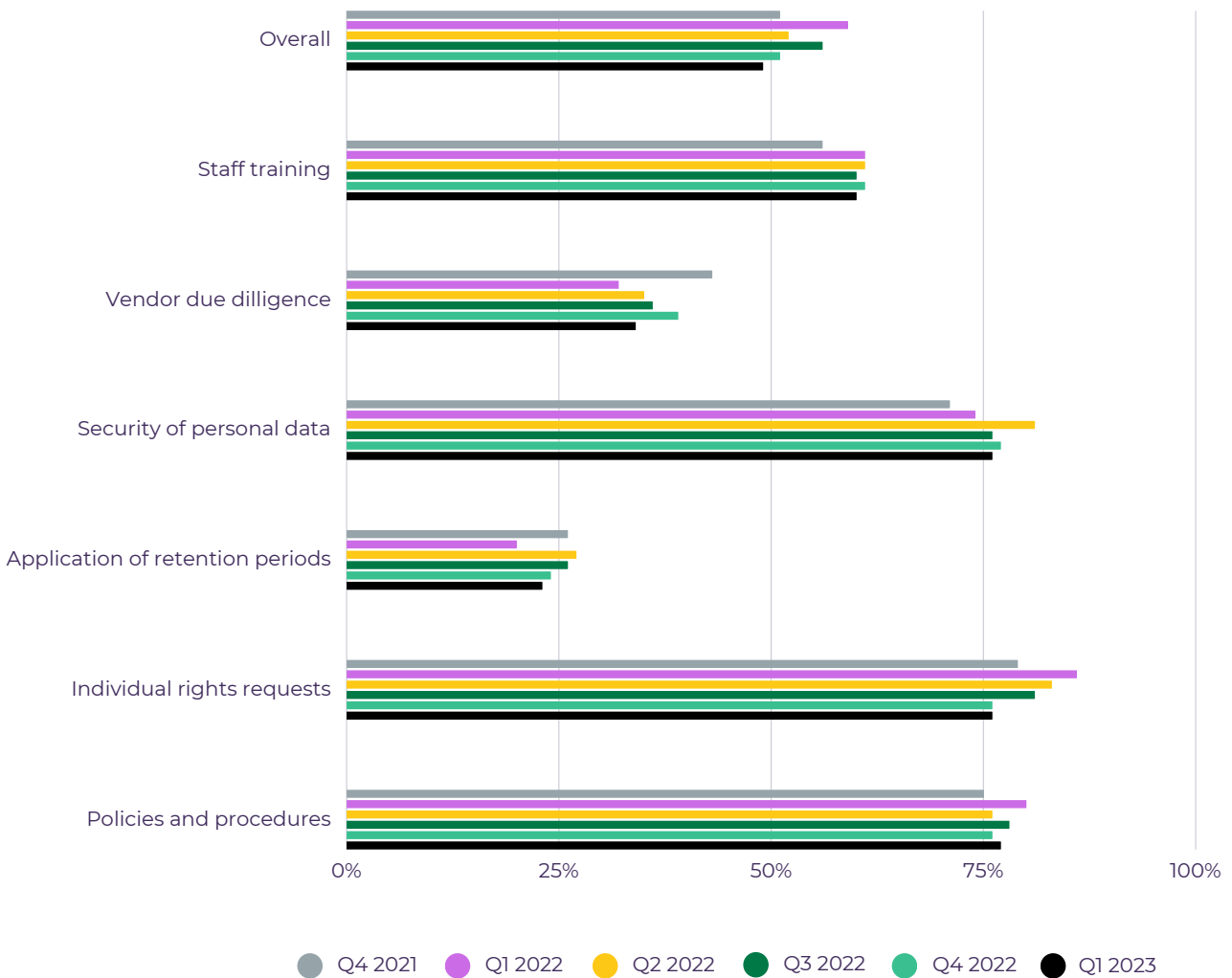


Fig.2

Respondents were least confident in their organisations' compliance with data retention requirements, with just 23% scoring their organisation 8 or above in this category (down 1% from last quarter).

Furthermore, confidence in their organisations' compliance with data retention requirements has been in decline over the past four quarters.

This quarter, respondents were most confident in their organisations' compliance with the policies and procedures, with 77% of respondents scoring their organisation 8 or above in each category (up 1% from last quarter).

However, confidence in compliance with vendor due diligence has fallen significantly since last quarter (down 5% from last quarter and 10% from its Q1 2021 high).

Confidence in compliance with security of personal data is also on the decrease (down 1% from last quarter) and 4% from its Q2 2022 high.



Over the past eleven quarters, we have asked DPOs which issues they see as their organisations’ biggest GDPR compliance challenge over the next twelve-month period.

Fig.3 Which of the following issues do you see as your organisation’s biggest challenge when trying to comply with GDPR over the next 12 months?

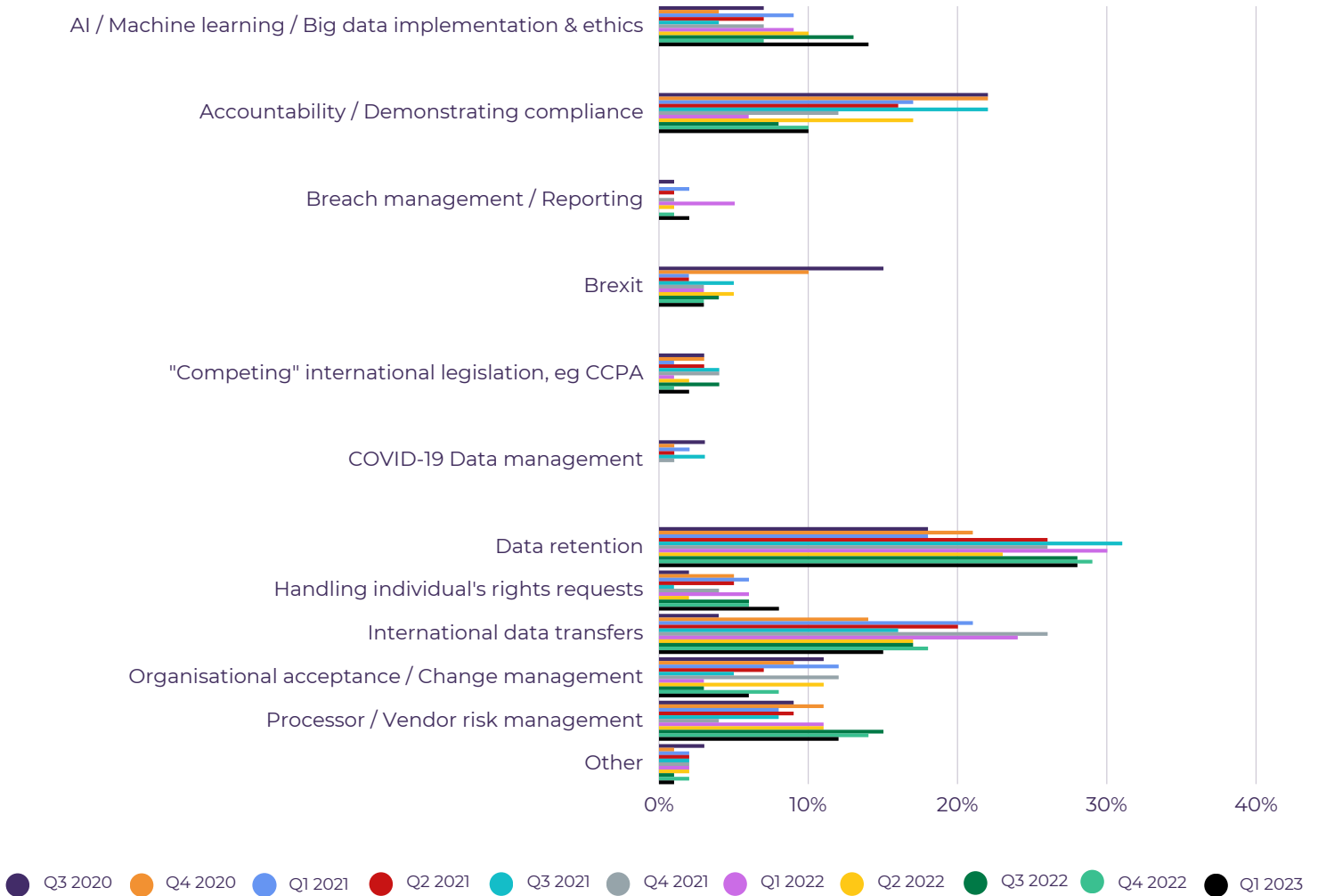


Fig.3 This quarter, “data retention” ranked as the biggest GDPR compliance concern, with 28% of respondents identifying it as their organisations’ top GDPR compliance challenge for the next twelve months (down 1% since last quarter).

Data retention has ranked as respondents’ biggest or joint-biggest GDPR compliance challenge every quarter since Q2 2021. An average of 25% of respondents have identified data retention as their biggest concern across the past eleven quarters.

The second biggest GDPR compliance challenge identified by respondents was “international data transfers”, with 15% of respondents identifying this as their organisations’ top GDPR compliance challenge (down 3% since last quarter).

8% of respondents chose “handling individuals’ rights requests” as their organisations’ biggest GDPR compliance challenge over the next twelve months, up 2% from last quarter, the highest recorded score since the survey began back in Q3 2020.

For the fifth quarter running, no respondents identified COVID-19 as their biggest compliance challenge, down from highs of 3% in Q3 2021.

The most significant change in respondents’ attitudes this quarter relates to AI and machine learning. 14% of respondents identified this as their organisation’s biggest GDPR compliance challenge over the next twelve months, up 7% from last quarter, the highest recorded since Q3 2020.

For the last seven quarters, we have asked DPOs for their predictions about whether their departmental budgets would increase or decrease over the next twelve months.

Fig.4 Is your organisation's overall budget for data protection expected to increase or decrease over the next 12 months?

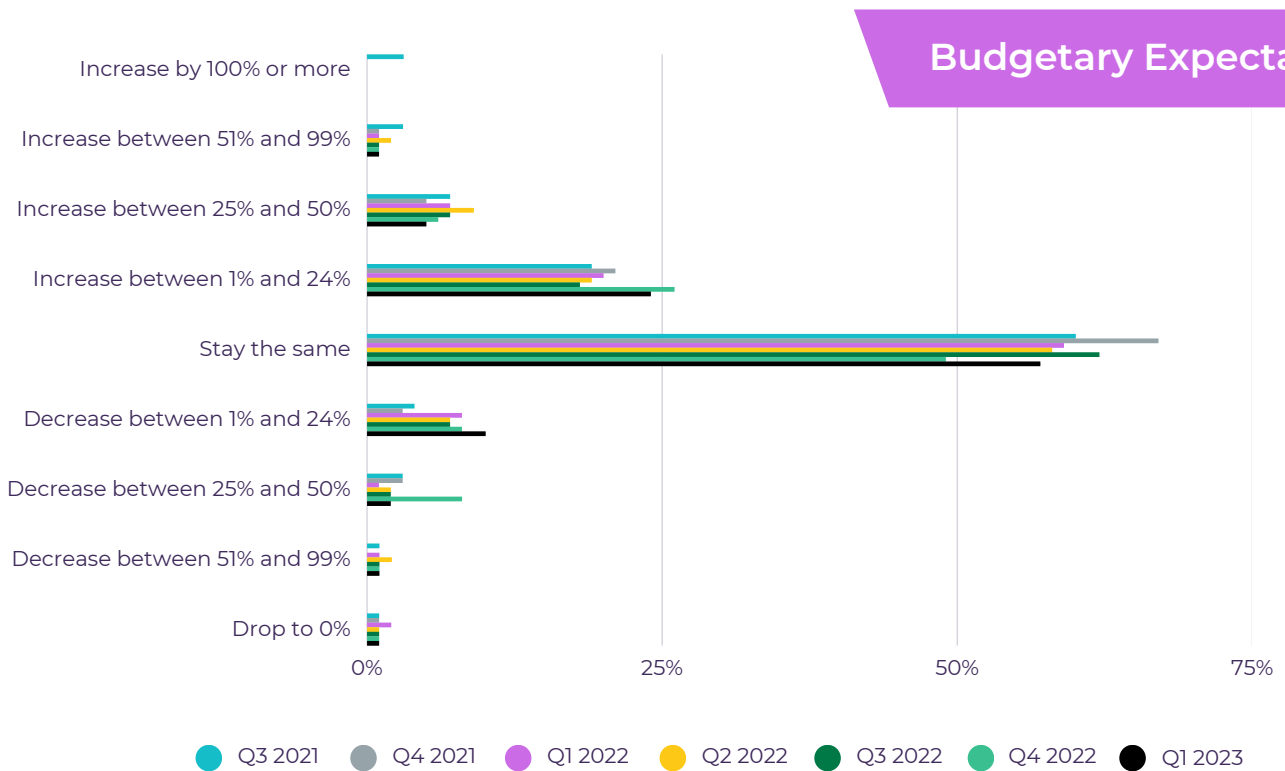


Fig.4

The data suggests a changing picture of data protection budgets, with 57% of respondents expecting their budgets to stay the same, up 8% from last quarter, but down 10% in Q2 2022.

The proportion of respondents who expected their budget to increase was down marginally against last quarter, with 30% of respondents expecting some increase, down from 34%. Of these, 24% of all respondents expected an increase of between 1 and 24% and 5% of respondents expected an increase of between 25 and 50%.

This quarter we have seen a marginal fall in respondents who expect their organisations' overall budget for data protection to decrease for the next 12 months. With just 14% of respondents expecting a decrease, down four percentage points from last quarter. Of these respondents, 10% expected a decrease of between 1 and 24% and 2% between 25 and 50%.

Confidence in the ICO

Since Q3 2020, we have asked DPOs how confident they feel about the effectiveness of the ICO as a regulator on a scale of 1-10 – where 1 is 'Not at all confident' and 10 is 'Extremely confident'.

Fig.5 How confident are you in the effectiveness of the Information Commissioner's Office (ICO) as a regulator?

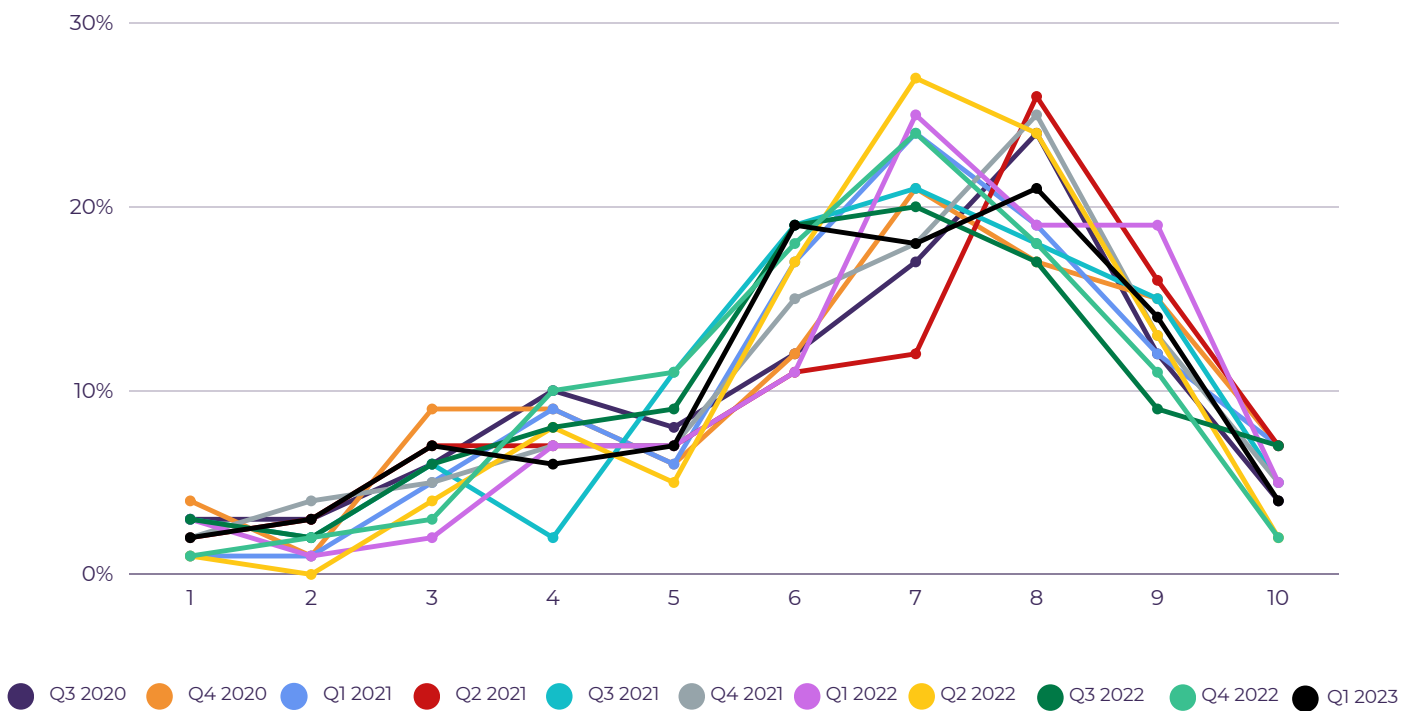


Fig.5

The proportion of respondents scoring their confidence in the ICO at 8 or above increased 9% from last quarter, showing a positive change from a peak of 50% in Q2 2021.

Since Information Commissioner John Edwards took up his post in Q1 2022, confidence in the ICO had fallen steadily from 43%, however, Q1 2023 showed confidence in the effectiveness of the ICO as a regulator is improving.



UK Data Protection Reforms

The UK is in the process of reforming its data protection law. Over the last six months there has been economic volatility and two changes in Prime Minister, leading to some uncertainty regarding the direction of these planned reforms.

For the second quarter running, we asked respondents for their predictions about the UK's data protection reforms.

The majority of respondents (51%) predicted that the new UK government would continue with its reforms as per the consultation that began under the Johnson government.

The second-most popular prediction was that the UK would "revert back to [the] UK GDPR" (29%), up 3 percentage points from the previous quarter. Around 10% of respondents believe that a "complete rewrite" of the law was likely, down 5 percentage points from the previous quarter, with the remaining 10% predicting "something else", up 3 percentage points from Q4 2022.

Fig.6 What route do you expect the new UK Prime Minister to take in protection laws in the United Kingdom?

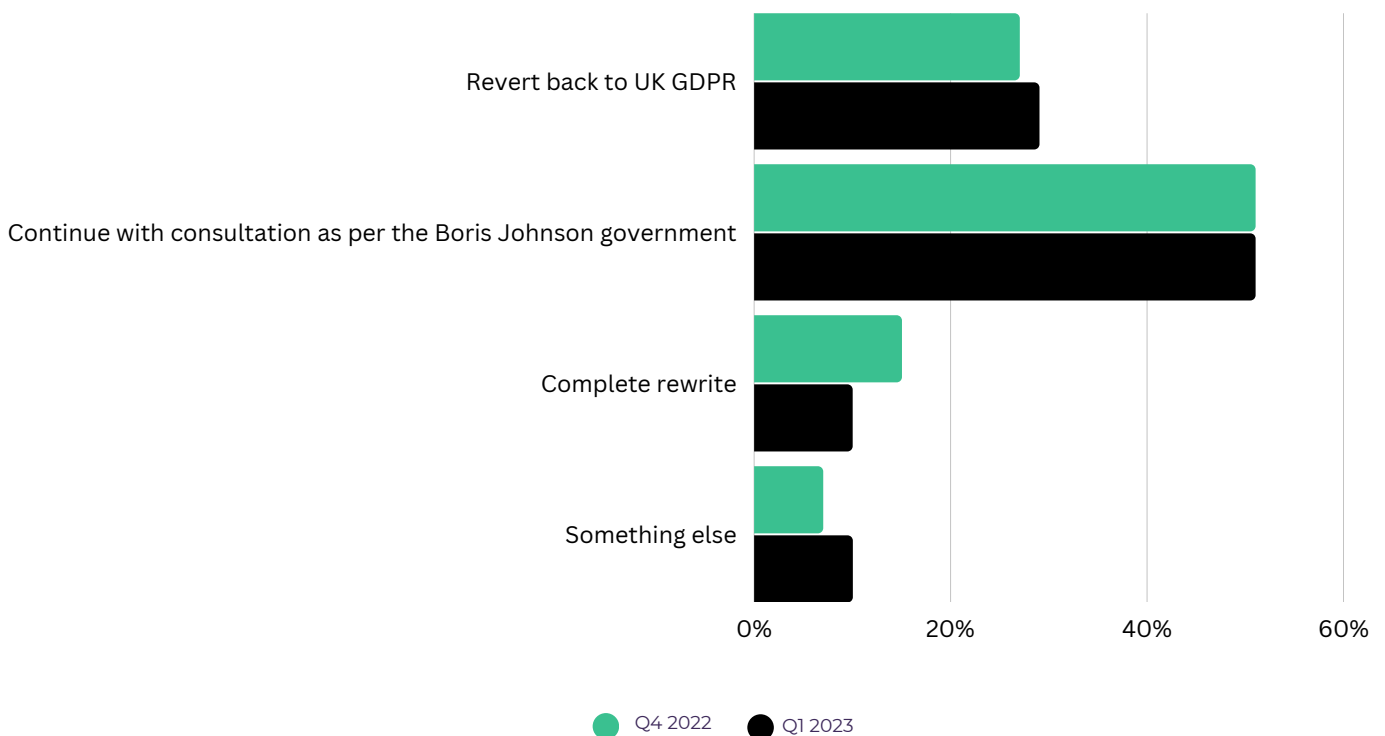


Fig.6 The majority of respondents (51%) predicted that the new UK government would continue with its reforms as per the consultation that began under the Johnson government.

Irish Data Protection Commission (DPC)

This quarter, we have asked DPOs to score how confident they are in the Irish Data Protection Commission (DPC) being the regulator primarily responsible for the effective enforcement of the GDPR for so many of the large US tech corporations, on a scale of 1 to 10.

Fig.7 Following the EDPB's binding decision on the Irish Data Protection Commission (DPC), requiring them to issue a €390m penalty to Meta, how confident are you in the Irish DPC being the regulator primarily responsible for the effective enforcement of the GDPR for so many of the large US tech corporations?

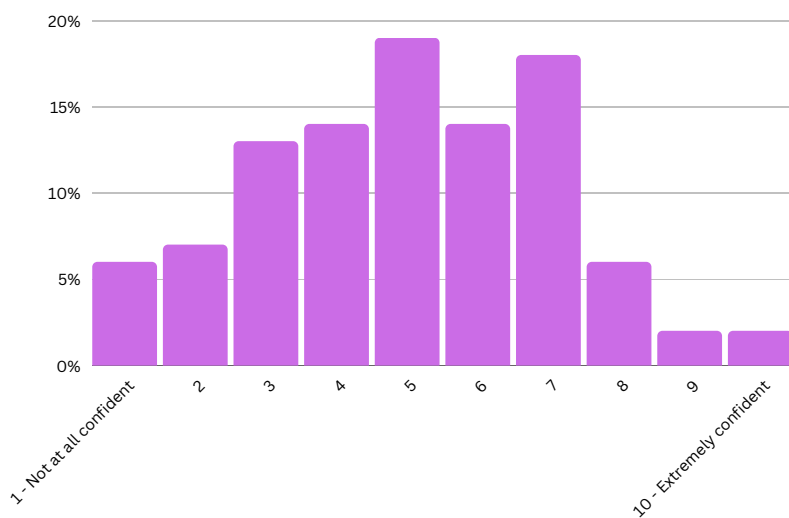
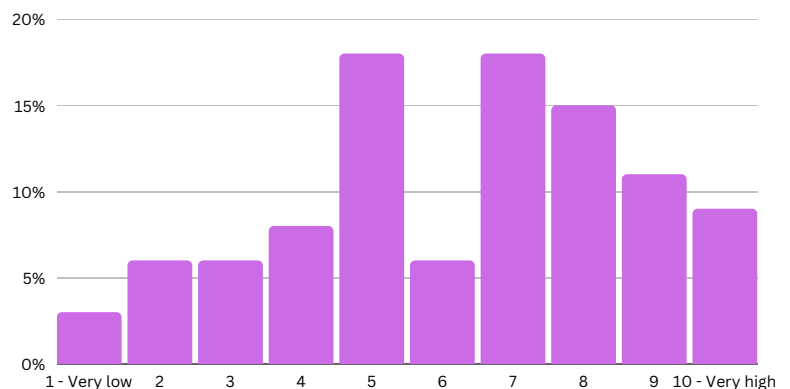


Fig.7 The most popular score was 5, closely followed by 7 (reasonably confident). 11% of respondents provided a score of 8 or above.

We also asked DPOs if the penalty imposed on Meta is reflective of the significance of the infringement and proportionate when compared to their organisation size.

Figure 8: "I believe the penalty imposed on Meta is reflective of the significance of the infringement and proportionate when compared to their organisation size?"

Fig.8 The most popular score's were 5 and 7, both accounting for 18% of the responses. 35% of respondents provided a score of 8 or above.



UK Data Protection Reform

Since Q3 2022, we have asked DPOs for their views about the government's proposal to replace the mandatory requirement for certain organisations to appoint a DPO with a requirement to appoint a "suitable senior individual" responsible for data protection.

Attitudes toward this proposal significantly changed this quarter.

- Last quarter, 51% of respondents "strongly disagreed" that this proposal was in the best interest of data subjects. This quarter, the proportion declined to 39%, its lowest level since Q3 2022.
- Last quarter, 45% of respondents "strongly disagreed" that this proposal would save their organisation money. This quarter, the proportion significantly declined to 29%.
- Last quarter, 54% of respondents "strongly disagreed" that this proposal would simplify the management of privacy within the organisation. This quarter, the proportion declined to 42%.

Ransomware

We posed the following scenario to DPOs:

"Your organisation is subject to an organisation-wide malware encryption attack where access to core systems has been lost and the cybercriminal behind the attack has demanded ransom for the return of access."

Regardless of your advice, in your opinion, would your organisation pay the ransom?"

The only available answers were "yes" and "no". The proportion of respondents answering "yes" (their organisation would pay the ransom) increased this quarter, from 17% to 19%.



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