Evidence to the Science and Technology Committee: Centre for Data Ethics and Innovation

Thank you for your letter dated 14 February requesting further information on the Centre’s budget, following my appearance in front of your Committee on 5 February. The government has committed funding to the Centre of £2.5m for the 19/20 financial year, and £5m for the 20/21 financial year. In early 2020 - after a full year of operation - I hope to be in a position to set out the long-term funding that I believe the Centre requires in order to fulfil its terms of reference. I would be happy to share this - and the reasons for my estimations - with the Committee at that time.

You asked for further information on the size of the Centre and its outgoing costs. The Centre currently employs 14 full-time members of staff; we expect this to reach approximately 20 by the middle of 2019. This core team is projected to account for approximately 60% of the Centre’s £2.5m budget for the 19/20 financial year. 40% of the budget will be used to cover non-team spend, including research, technical consultancy, public engagement, accommodation and services, and the Centre’s Board.

Today we published the Centre’s Work Programme for the 19/20 financial year, agreed by the Secretary of State for Digital, Culture, Media and Sport. Our budget for the year is split between the elements of that Work Programme approximately as follows:

- Review into Online Targeting: 25%
- Review into Bias in Algorithmic Decisions: 25%
- Identification and Categorisation of High Priority Opportunities and Risks: 15%
- Rapid Reviews of Discrete Issues: 10%
- Preparation for State of the Nation Report: 5%
- Strategy, Governance, Communications and Business Support: 20%

I have included along with this letter a copy of the Centre’s Work Programme and Strategy, which provide further details on these elements. I hope this information is of use to the Committee.
I would be happy to appear in front of your Committee again once the Centre has published some of its outputs. In the meantime, perhaps you and I could meet in the coming months to discuss the Centre’s work further.

Roger Taylor
Chair, Centre for Data Ethics and Innovation
Centre for Data Ethics and Innovation
2019/2020 Work Programme

The Work Programme for 19/20 sets out the Centre’s focus in its first year of operation. Two large-scale reviews, on targeting and bias, were identified as areas where government action is likely to be needed and prioritised based on feedback from the government’s consultation. The Analyse and Anticipate function will identify and map the opportunities for strengthening ethical and innovative uses of data-driven technology and produce short thematic reports to respond to live issues. The Centre’s corporate functions have been established to support the operation of the organisation.

The 19/20 work programme will be carried out in the context of the Centre’s Terms of Reference and the Centre’s Strategy. This has been agreed with the Secretary of State for Digital, Culture, Media and Sport.

REVIEWS

Targeting Review (approx 25% of Resource):
This review will focus on online targeting, investigating how data is used to shape people’s online environments via the personalisation and targeting of messages, content and services online. By “online targeting” we mean the identification of individuals or groups, using data about them (or about others who are like them) and their online behaviours and preferences, and the corresponding delivery of personalised messages, content or services to them online. Instances of online targeting can include online advertising, search or news feed optimisation, or personalised recommendations.

Through the review, we plan to explore where, how and why online targeting approaches are used, identify current and potential benefits and harms - to individuals and society - associated with them, and consider alternative governance frameworks that encourage responsible innovation and minimise risks of harm. We will conduct public dialogue exercises to test levels of public understanding and acceptance of uses of online targeting approaches.

We will also look in more detail at a number of different applications of online targeting in a variety of areas. We will seek to explore how these approaches can be applied positively and negatively in these areas, how organisations fulfil their obligations to use data responsibly, and how any gaps in existing governance frameworks might be best addressed.

We will work closely with other organisations who are undertaking similar work in this area, including DCMS, through its work addressing online harms and its review of online advertising regulation, the ICO and other sectoral regulators, public and private sector organisations carrying out online targeting activities, and academic and civil society organisations.
An interim report will be published by **Summer 2019**, and a final report, including recommendations to government, by **December 2019**.

**Bias Review (approx 25% of Resource):**
Using a literature review, applied technical research and public engagement workshops, we plan to investigate the issue of algorithmic bias in various sectors, which may include: financial services, local government, recruitment, and crime and justice. These sectors are likely to be chosen as 1) there is potential for the use of algorithmic decision making in these sectors, 2) decisions made in these sectors have significant impact on people’s lives, 3) there is a risk of algorithms generating or worsening biased decision making and 4) the corresponding potential for algorithms to address any existing bias in decision-making in these sectors.

Our approach is likely to focus on bias against characteristics protected under the Equality Act 2010, but we may extend the scope of the Review to understand bias against other characteristics such as digital literacy.

We plan to engage with stakeholders across the chosen sectors to build an understanding of current practice. We aim to support the development of technical means for identifying algorithmic bias that have scope to be applied across the chosen sectors, and produce recommendations to government about how any potential harms can be identified and minimised.

An interim report will be published by **Summer 2019**, and a final report, including recommendations to government, by **March 2020**.

**ANALYSE AND ANTICIPATE**

**Identification of Highest Priority Opportunities and Risks (approx 15% of Resource)**
We will identify and analyse the highest priority opportunities and risks associated with data-driven technology within the Centre’s remit. This will be done by working in collaboration with academics, civil society, government and industry, and the Centre will host a programme of workshops and seminars to bring these key stakeholders together. Through these workshops and other engagements we will collate comparative judgments from experts on the application of data-driven technology in the UK. Beyond this, we will look to identify those trends and applications that are most likely to inspire, or undermine, public trust in data-driven technology.

This piece of work is intended to be a continuously-evolving, community-created view. It will not be exhaustive, but it will be sufficiently informative to identify priorities and guide the work of the Centre. This analysis of opportunities and risks will be responsive to changing circumstances throughout the year.
The first outputs from this area of work will be published in Autumn 2019, after which we will continue to expand and refine this function.

**Responsive Thematic Projects (approx 10% of Resource)**
We will retain some capacity to carry out short, thematic projects, on various topics identified as priorities. These projects are intended to respond to live issues, including public concerns, and will either seek to bring clarity to an issue or will highlight or assess potential solutions to a known challenge.

**Preparation for State of The Nation Report 2020 (approx 5% of Resource)**
This report will be an overarching assessment of data use and the governance landscape, as set out in the Government’s response to its consultation on the Centre. From December 2019, we will (i) identify an appropriate scope for the ‘State of the Nation’ Report for 2020, and (ii) begin to draw together the content of the report.

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**STRATEGY AND CORPORATE**

**Strategy, Governance, Communications and Business Support (approx 20% of Resource):**
We have established various corporate functions, including strategy, governance, public engagement, and business support, to underpin our wider work. Our corporate functions will include budgeting, hiring and team management, providing a secretariat to the Board, developing our strategy and monitoring progress, managing the Centre’s relationship with government, ensuring effective collaboration and stakeholder management, and identifying, assessing and advising on the future form of the Centre including consideration of statutory functions and powers.