The incoming General Data Protection Regulation (GDPR) will have a profound impact on the way local authorities store, manage and secure our personal data. With the enforcement data of 25th May 2018 now fast approaching, organisations which fail to comply the GDPR will face heavy fines and severe public criticism.

As facilitators of local services, from council tax to waste collection, councils hold significant volumes of personal public information, all of which must be properly secured in time for the deadline. These data sets include payment details, phone numbers, home addresses and email accounts.

The principles and purpose behind the GDPR are sound. The EU wants to harmonise data protection laws across Europe, bringing in set standards that can hold irresponsible organisations to account and allow citizens to act against those who fail to manage their data securely.

But with central and local government budgets still squeezed due to austerity policies, and front-line services in need of protection, how can local councils react and comply in time for the GDPR without putting public services at risk?

To explore this issue, the research team at the Parliament Street think tank conducted a survey of all London Councils, asking them for detail on their allocated budget and resources to tackle GDPR.

This report will shed new light on how our Councils are preparing to protect our data privacy, and debate whether the funds allocated are sufficient for complete compliance.

We hope you enjoy this policy paper.

The Parliament Street Research Team
London’s Councils are highly diverse, both in terms of population numbers and levels of prosperity. It is therefore difficult to compare GDPR budget allocations like-for-like. Our survey, conducted using the Freedom of Information (FOI) Act is designed simply to shed light on the different resources allocated per borough and to illustrate the specific preparations being made to comply with the GDPR.

In total, from the 16 Councils which responded to our request, we estimate over £1.2million will be spent on preparation for the GDPR.

The Borough with the highest allocation was Tower Hamlets, who told us they had set aside of budget of £300,000 allocated for GDPR compliance. They added that the cost of a dedicated project worker for 12 months on a salary of £49,514 per annum has been committed.

In contrast, the lowest level of spending came from Hounslow, which told us they had already spent £1,000 on staff training and materials, with an additional £4,000 allocated to the project for the rest of the year.

Other Councils with large budgets were the London Borough of Redbridge, which estimated a total budget of £110,689 for GDPR, with an extra £15,000 allocated for management software.

When it came to shared services, Newham and Havering Councils gave a collective response of £104,319 between them, which included a GDPR toolkit and a project manager.

Sutton and Kingston allocated £50,000 between the two Councils. Meanwhile Richmond and Wandsworth declared £142,110.
The City of Westminster allocated a budget of up to £90,000. Bexley spent £1,760 on training and £55,000 on a dedicated salary with a further £53,000 allocated for the year ahead. Haringey has put aside £69,042.

Ealing spent £24,004 on training and project management with a further £35,858 allocated for the year. Hammersmith and Fulham put aside £28,630 which included the cost of procuring an Information Asset Register (IAR).

Hackney has spent £56,108.24 on consultancy as part of the council’s readiness project, with a total budget of £141,250.

Islington told us they had spent £35,000 on staff costs and training, with an extra £70,000 set aside within the Council’s budget.

The remaining Councils which did not respond with specific data either ignored the request or told us that GDPR budget was allocated within existing resources.

Key findings from our research include:

**Our research showed that of the 16 boroughs which responded to our survey, a total of £1,222,804 was set aside for GDPR**

- Whilst a substantial figure, many IT experts we consulted considered this spend to be the very minimum required to deliver a basic programme to implement and maintain GDPR standards.

**Councils with larger populations tended to have more significant resources set aside**

- This is a logical outcome as a larger population inevitably leads to a higher volume of personal data.

**Most budget for GDPR spending is allocated to staff salaries and software**

- Many Councils have allocated budget specifically for staff costs to manage the GDPR processes. This illustrated the level of education and information governance required across the entire organisation to implement the regulation and manage its implications.
London’s Councils have demonstrated tremendous resolve in recent years despite limited resources, growing populations and a complex political environment. Whilst the incoming GDPR will help standardise data handling policies within local authorities, it also presents significant additional financial costs and administrative overheads to cash-strapped Councils.

The purpose of this report is not to criticise the IT strategies undertaken by local authorities in London, but to shed light into the preparations being made for a major piece of legislation.

Our recommendations, based upon analysis of spending and resources alongside consultancy with leading IT experts are:

1. **Consider implementing a shared services model for GDPR**
   London Councils with shared service agreements have significantly lower overheads when it comes to GDPR management. This is because one IT model serves both organisations, enabling back office processes to be audited and data to be managed efficiently by one IT team.

2. **Use collective external resources to hire GDPR expertise**
   Many Councils we interviewed have invested in additional staffing to support implementation of the GDPR. We propose Councils consider a shared agreement for hiring external agencies and consultants to support GDPR strategy. This could include agreeing discounted contracts with providers at a reduced rate, serving up to three councils in one package.

3. **Develop a GDPR blueprint for London**
   London councils will all face similar implementation challenges around this legislation. It is therefore logical that a collective roadmap is developed and shared between local authorities so that each has access to implementation strategies and information. This could include sharing best practice protocols and guidelines for overcoming challenges during the processes.
The GDPR represents a major challenge for the way local authorities approach data security policies and handle public information.

The implementation of these regulations and the ongoing adherence to them will require significant resources, including substantial IT expertise, consultancy and staff training.

With council budgets often severely overstretched, delivering these high standards successfully poses a huge challenge both to CIOs and council leaders. However, the increased regulation brings with it an opportunity to transform the IT strategies behind public sector service delivery.

The time has come for local authorities to fully recognise and implement the benefits of shared services agreements, particularly with back office IT.

The sharing of GDPR consultants, sharing of data management policies and implementation strategies will in turn reduce costs and create a more efficient example of local government in action.

Shared services present a very exciting opportunity for building a leaner, more efficient local council infrastructure, and GDPR provides the perfect platform to test it.

Thank you for your interest in his policy paper.

The Parliament Street Research Team