



House of Commons  
Digital, Culture, Media and  
Sport Committee

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# **The Online Harms White Paper: Government Response to the Committee's Twelfth Report**

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**Tenth Special Report of Session  
2017–19**

*Ordered by the House of Commons  
to be printed 3 September 2019*

## The Digital, Culture, Media and Sport Committee

The Digital, Culture, Media and Sport Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department for Digital, Culture, Media and Sport and its associated public bodies.

### Current membership

[Damian Collins MP](#) (*Conservative, Folkestone and Hythe*) (Chair)

[Philip Davies MP](#) (*Conservative, Shipley*)

[Clive Efford MP](#) (*Labour, Eltham*)

[Julie Elliott MP](#) (*Labour, Sunderland Central*)

[Paul Farrelly MP](#) (*Labour, Newcastle-under-Lyme*)

[Simon Hart MP](#) (*Conservative, Carmarthen West and South Pembrokeshire*)

[Julian Knight MP](#) (*Conservative, Solihull*)

[Ian C. Lucas MP](#) (*Labour, Wrexham*)

[Brendan O'Hara MP](#) (*Scottish National Party, Argyll and Bute*)

[Jo Stevens MP](#) (*Labour, Cardiff Central*)

[Giles Watling MP](#) (*Conservative, Clacton*)

The following Member was also a member of the Committee during the inquiry:

[Rebecca Pow MP](#) (*Conservative, Taunton Deane*)

### Powers

The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the internet via [www.parliament.uk](http://www.parliament.uk).

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Evidence relating to this report is published on the [inquiry publications page](#) of the Committee's website.

### Committee staff

The current staff of the Committee are Chloe Challender (Clerk), Mems Ayinla (Second Clerk), Mubeen Bhutta (Second Clerk), Conor Durham (Committee Specialist), Lois Jeary (Committee Specialist), Andy Boyd (Senior Committee Assistant), Keely Bishop (Committee Assistant), Lucy Dargahi (Media Officer) and Anne Peacock (Senior Media and Communications Officer).

### Contacts

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# Tenth Special Report

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The Digital, Culture, Media and Sport Committee published its Twelfth Report of Session 2017–19, [The Online Harms White Paper](#) on 2 July 2019. The Government's response was received on 23 July 2019 and is appended to this report.

## Appendix

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### Introduction

The Government is grateful for the Committee's response to the Online Harms White Paper, and for its invaluable contributions on the issue of internet safety—particularly through its comprehensive inquiry into disinformation and 'fake news'.

At all stages the Government has taken seriously, and given great consideration to, the various recommendations of the Committee. This is reflected in the ambitious and far reaching proposals in the White Paper, covering a wide range of personal and societal online harms.

The paper sets out proposals for a framework that establishes an overarching statutory duty of care. It makes clear that companies have a responsibility to their users, and proposes the establishment of an independent regulator with powers to hold companies to account. In doing so, the UK is the first country globally to take action in tackling online harms through a coherent, single regulatory framework that reflects a continuing commitment to a free, open and secure internet.

Since the publication of the Online Harms White Paper on 8 April 2019, the Government has undertaken a 12 week public consultation on its proposals closing on 1 July. During this period, the Government received over 2,000 consultation responses and held over 100 meetings with a range of interested stakeholders. We intend to publish the Government response to this consultation, which will set out our final proposed framework in more detail ahead of introducing world leading legislation.

The Committee's recommendations mainly relate to issues of electoral interference and online political advertising. Protecting our democratic processes and elections remain a key Government priority. The White Paper is one part of our response to this issue, particularly the inclusion of disinformation in the scope of the regulatory regime.

As the Committee notes, the Government's response to the 'Protecting the Debate: Intimidating, Influence and Information' consultation was published in May 2019. The Government announced a range of new measures to safeguard UK elections. This included a commitment to crack down on intimidation by legislating to introduce a new electoral offence of intimidating a candidate or campaigner during the run up to an election, either in person or online. The new electoral offence has been developed to mitigate the intimidation and abuse being suffered by those at the forefront of public service.

The Cabinet Office has also launched a 'Defending Democracy' programme. This brings together work from across Government to safeguard our democratic processes and our commitment to make sure our democracy remains safe and inclusive, now and into the future. This programme will protect and secure UK democratic processes, systems and institutions from interference, including from cyber, personal and physical threats; strengthen the integrity of UK elections; encourage respect for open, fair and safe democratic participation; and promote fact-based and open discourse, including online.

As part of this programme, the Cabinet Office will take forward work in relation to safeguarding UK elections, electoral integrity and broader issues around intimidation. This includes the upcoming consultation on electoral integrity and the technical proposals for a digital imprints regime. The consultation may include recommendations for increasing transparency on digital political advertising, including by third parties; closing loopholes on foreign spending in elections; preventing shell companies from sidestepping the current rules on political finance; and on action to tackle foreign lobbying. The recommendations made by the Committee will of course form part of the Government's consideration of those issues.

The Government's response to the recommendations is set out below.

### **Recommendation 1**

**Urgent legislation should be brought forward at once to bring electoral law in line with digital campaigning techniques. This could be done via a standalone bill dealing with transparency in political advertising, using the measures we recommended in our report. We would like the Government to respond to us by the 24 July with a commitment to move swiftly ahead with this particular aspect of legislation before it proceeds with other aspects of online harms, during the current parliamentary Session. [Paragraph 14]**

#### **Government response**

The Government agrees that protecting electoral and democratic processes is a key priority. The UK has a robust electoral system with processes in place to defend it and there is ongoing work to ensure our elections remain secure. But the Government is not complacent and is committed to making the regulatory framework as watertight as possible. We have set up a new Defending Democracy programme in the Cabinet Office to coordinate work taking place across Government to safeguard the integrity of our elections and democracy.

The Government also agrees with the Committee on the need for greater transparency of wider political advertising. Several social media companies have introduced measures intended to do this, but we believe much more could be done. The White Paper recommends the regulator require companies to improve transparency of political advertising on their services, as part of their duty of care to protect their users from disinformation.

In May 2019 the Cabinet Office announced a commitment to implement a digital imprint regime on digital election material. It remains our intention to bring forward technical proposals for this regime by the end of this year. The imprints issue is complex in relation to the Government's broader work on intimidation in public life. An imprint requires the publisher of election material to provide an address. The new regulations potentially will

apply to candidates and politicians who engage in public campaigning. A requirement to publish their home address may jar with the actions of the Government (as outlined in its response to the Committee on Standards in Public Life) to avoid politicians having to publicise their home address.

The Cabinet Office will be launching its consultation on electoral integrity to consider these issues in more detail. The Government recognises the seriousness and urgency of the situation, but it is important we consult properly, consider the views of others, and ultimately ensure the regulatory framework is as robust as possible. It is an important and long-standing convention that any changes to electoral law affecting political parties must also involve full and proper consultation with the parties themselves. We would note that the Committee has not formally consulted or taken evidence from political parties when it drew up its recommendations. The Government is also conscious that the Public Administration and Constitutional Affairs Committee is undertaking a review into electoral law.

## **Recommendation 2**

**We are also interested in exploring how anti-money laundering regulations may be adapted to ensure political parties can be held accountable for their financing practices in the era of digital payment systems, and ask the Government to consider this in its response to us. In particular, we are dissatisfied that a political party can participate in an election without satisfying the Electoral Commission that it has appropriate financial procedures in place to satisfy electoral law. This is especially significant given the present inability to challenge the outcome of the election of a candidate who has benefited from illegal payments in securing his or her election. We are certain that the Government will agree with us that public confidence in the integrity of our democracy is of imperative importance. We hope that it will work with us, and with Parliament as a whole, to introduce legislation as a matter of priority before the end of this year. [Paragraph 15]**

## **Government response**

The Cabinet Office has already pledged to publish a consultation paper on electoral integrity, which will look at strengthening the current provisions which protect UK elections from foreign interference. The consultation may include: increasing transparency on digital political advertising, including by third parties; closing loopholes on foreign spending in elections; preventing shell companies from sidestepping the current rules on political finance and on action to tackle foreign lobbying. It will also consider recommendations made by the Committee, the Electoral Commission, the Information Commissioner's Office and others. The Government welcomes views on how approaches within the money laundering regulations could be adapted to apply to political donations.

Before we launch the consultation we will be holding discussions with interested groups and exploring the scope for cross-party agreement. It will then be published in due course. We will be considering the views of the Committee as part of our consultation and would welcome any further engagement in the coming months.

HM Treasury is also taking steps to revise money laundering regulations, to transpose the Fifth Money Laundering Directive. Money laundering provisions need to be carefully considered, given previous concerns raised by Parliamentarians that they and their families were being deprived of access to financial services because of the 'gold-plating' by some financial institutions of rules on Politically Exposed Persons. The Government and the Financial Conduct Authority believe that domestic Politically Exposed Persons in the United Kingdom are generally 'low risk' and financial regulation should be applied in that light.

### Recommendation 3

**Much of the new regulator's success will depend on its enforcement powers. We urge the Government to take an ambitious approach to equipping the regulator with sufficient means, including adequate sanctions. This must go beyond fines to include the ability to disrupt the activities of businesses that are not complying, and ultimately custodial sentences. We remind the Government of our calls to extend the powers and funding of existing bodies' resources, including investigation and enforcement powers—especially those of the Electoral Commission and the Information Commissioner's Office. [Paragraph 19]**

### Government response

We are clear any online harms regulator will need to have a range of enforcement powers to both incentivise good behaviour, and take action against companies that have breached their duty of care. The regulator will apply these powers proportionately, alongside the core powers, such as fines, we have also consulted on a range of further powers for the regulator for use in the most serious of circumstances. This includes being able to take action to disrupt business activities, ISP blocking (by which we mean the blocking by Internet Service Providers of access to non-compliant websites or apps), and making senior managers personally liable. We welcome the Select Committee's support for this approach, and will outline the suite of enforcement powers we intend to give the regulator in the Government Response later this year.

The data protection landscape and the ICO have undergone a great deal of change over the past year, including the introduction of the Data Protection Act 2018. This is outlined in the ICO's annual report which was published in July 2019. Of course, the Government and the ICO want to ensure that they have the necessary powers and resources to regulate the changing landscape and we continue to work closely on this.

The Government also continues to keep the Electoral Commission's enforcement powers under review. The Electoral Commission has civil sanctioning powers that apply to referendums and elections. More serious criminal matters can and are referred to the police, and then considered by a court of law. The courts already have the power to levy unlimited fines.

The Government would also note that regulation should be proportionate. Disproportionate regulation could discourage volunteering and undermine local democracy.

The Electoral Commission is independent of Government and accountable to Parliament, via the Speaker's Committee on the Electoral Commission. Each year the Commission submits an estimate of income and expenditure to the Speaker's Committee. If the Commission requests increased resources, this would be considered by the Speaker's Committee.

#### **Recommendation 4**

**We call on the Government to demonstrate its commitment to public confidence in the new online harms regulator by giving the DCMS Committee a similar power to that accorded to the Treasury Committee, namely a statutory veto over the appointment and dismissal of the chief executive of the new regulator. The legislation being brought forward this autumn provides the perfect opportunity to put this in place ahead of the appointment of the chief executive of the new regulator. We ask the Government to respond by the end of July confirming its support for the Committee's role in the appointment process, including the provision of a statutory veto. [Paragraph 24]**

#### **Government response**

It is vital that the regulator can command public confidence in its independence, impartiality, capability and effectiveness. To achieve this we must have the right accountability and governance frameworks in place.

The White Paper makes it clear that the regulator will be accountable to Parliament, and consults on this issue (see question 4). We are now considering the responses we have received from a wide range of stakeholders to this consultation, and will publish the Government Response later this year.