Foreword



I am pleased to invite comment on this important consultation on a new fee structure for organisations registering with the Information Commissioner's Office (ICO).

Now more than ever, it is vital for the Island's businesses and communities that we maintain an effective, credible, and independent data protection regulator.

The Isle of Man's adequacy status is crucial to the Manx economy, enabling seamless data flows to the UK and Europe without requiring additional safeguards. To

preserve this status, the Isle of Man must continuously demonstrate that its data protection framework remains robust, independent, and capable of meeting the demands of an increasingly complex digital landscape.

This consultation aims to help us deliver on this by changing the way that we are funded and increasing our revenue. This will allow us to meet our statutory obligations to operate independently of government funding. It will also give us the resources to proactively support organisations, engage with the public, and promote responsible innovation.

To support this transition, I would like to thank Treasury for recognising the needs of the office and providing a budget uplift of £250,000, along with approval to launch this consultation. Their support has enabled us to begin strengthening our capacity and capabilities while exploring a longer-term, sustainable funding model.

Increasing revenue could be delivered by simply increasing the fee everyone pays to register. But it doesn't feel fair to charge both a sole trader and a large bank the same fee. So, we are proposing a fairer, tiered system. Under this model, larger organisations pay more than smaller ones, reflecting the greater data risk and regulatory oversight they require. This approach aligns with systems already in place in Jersey, Guernsey, and the UK.

We welcome views from all stakeholders and members of the public. Your feedback will help shape a fee system that protects rights, supports business, and promotes responsible innovation across our Island.

Dr Alexandra Delaney-Bhattacharya

Isle of Man Information Commissioner



Summary:

What does this consultation aim to do?

Introduce a new fee structure for registering with the Information Commissioner's Office. This aims to increase revenue to allow the office to be self-funded and increase proactive support for organisations and individuals.

Who will the proposed changes impact?

Organisations who currently need to legally register with the Information Commissioner's Office as a controller and/or processor.

Who do we want responses from?

We would like to hear from businesses, stakeholders, representative bodies and members of the public.



Background:

- The Isle of Man has a long-standing commitment to strong data protection. Well-regulated data is vital to the Island's economy particularly for sectors like financial services which depend on the free flow of personal data to and from the UK and Europe. This is made possible by our 'adequacy status', granted when we align with international data protection standards.
- The Office of the Data Protection Registrar was established in 1986. Since then, its
 remit has expanded to include responsibilities under the Unsolicited Communications
 Regulations (2005), Employment Act (2006) (as a Prescribed Person for
 whistleblowing), the Freedom of Information Act (2015), and the Applied GDPR and
 LED Orders (2018).
- 3. The introduction of the GDPR significantly expanded individual rights, increased organisational responsibilities and strengthened enforcement powers for supervisory authorities.
- 4. Today, the Information Commissioner leads a statutory office with both *expost* (reactive) functions such as complaints, investigations, enforcement, and FOI reviews and *ex-ante* (proactive) work, including public engagement, education, and advisory services. The office also maintains a register of over 3,000 controllers and processors (3,202 as of 1 July 2025).
- 5. To maintain its statutory obligations, the ICO must be free from external influence and adequately resourced to carry out its statutory duties without undue reliance on government funding.



The current fee structure:

- 6. When the GDPR was introduced in 2018, data protection authorities in neighbouring jurisdictions considered introducing fee models to support their new regulatory responsibilities. As part of the wider preparation for the introduction of the GDPR, the Isle of Man Government also consulted on a proposed fee structure with the option of a flat fee for all or a tiered fee structure¹. While the responses were in favour of a tiered structure, the Data Protection (Fees) Regulations (2018)² maintained the flat-rate structure introduced in 2011³.
- 7. This is the fee structure that remains in place today. Under this model, organisations pay a £70 registration fee or a £50 renewal fee annually, regardless of size, sector, or the scale and sensitivity of personal data they process. Charities and not-for-profits are exempt from paying fees (unless they operate CCTV).
- 8. While all organisations must follow data protection laws, there are some exemptions in place that mean an organisation is not required to register with the ICO⁴. However, this consultation will focus solely on fee structure.
- 9. Since 2018, and the introduction of the GDPR and local legislation, the scale and complexity of data processing has grown significantly, driven by rapid technological advances. As a result, the workload of the Information Commissioner's Office has increased, particularly in responding to complaints and breaches.
- 10. A review of the office's operations in 2023, and again in 2024 under the new Information Commissioner, found that the office was under resourced. In the financial year 2025/26, registration fees are projected to generate £152,000 only 21% of total income with the remaining 78% provided by government. Lack of revenue had caused staffing issues, and the office was dealing with backlogs in many areas and could not provide proactive support and guidance.
- 11. To address this, the Commissioner set out a vision for:
 - an update to the fees structure as a step towards increasing revenue and achieving financial independence; and
 - a more proactive, outward-facing approach engaging with industry and the public sector to promote responsible innovation, raise awareness, and provide practical guidance.



¹ https://consult.gov.im/cabinet-office/new-data-protection-bill/results/gdprconsultationresults.pdf

² Data Protection (Fees) Regulations 2018

³ The Data Protection (Fees) Regulations 2011 (SD 2011/0426)

⁴ GDPR and LED Implementing Regulations 2018

Fee structures in neighbouring jurisdictions:

- 12. In developing these proposals, we reviewed how neighbouring data protection authorities set their fees.
- 13. Following the introduction of the GDPR in 2018, regulators in Guernsey, Jersey, and the UK reviewed their fee models to support expanded responsibilities and increased demand. Each have since adopted tiered, risk-based systems, where larger organisations pay more ensuring fairness and enabling greater regulatory capacity.

Guernsey introduced a two-tier model in 2021 and reviewed their fee model in 2025⁵. The annual fees are:

Number of Employees	Fee
Less than 50	£60
More than 50	£2,400

Jersey increased fees in 2019, based on staff numbers and turnover, with additional charges for financial services and special category data⁶.

Full-Time Employees	Full-Time Employees Charge	Proceeds of Crime Charge	Special Category Data Charge*
Less than 10	£70	£50	£50
Between 10 and 50 inclusive	£90	£150	£150
More than 50	£500	£600	£350

^{*}The special category data charge only applies if the controller/processor is also registered with the Jersey Financial Services Commission (JFSC) and the past-year revenue is more than £100k.

Jersey also charges an additional fee based on past-year revenues of £150 for organisations that had a revenue of over £5m and £500 for organisations that had a revenue of over £20m.

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⁵ Data Protection Authority's registration fees to increase from 2025 · ODPA

⁶ <u>Jersey Office of the Information Commissioner - Registration & Charges Frequently Asked Questions</u> (FAOs)

The UK reviewed its model in 2024⁷, introducing three tiers based on turnover and staff size:

Size of Organisation	Fee
Tier 1: Turnover less than £632K per annum or less than 10 employees	£52
Tier 2: Turnover less than £36m per annum or less than 250 staff	£78
Tier 3: Turnover more than £36m per annum or more than 250 staff	£3,763

14. In Guernsey, Jersey, and the UK non-profit organisations and charities do not pay fees. Government contributions are built into each system. In Guernsey, the States pay a fixed fee of £250,000; in Jersey and the UK, statutory functions not covered by registration income - such as Freedom of Information - are funded directly by government.



⁷ Data protection fee regime: proposed changes - GOV.UK

The proposed fee model:

- 15. We are proposing that the current flat fee structure (£70 registration, £50 renewal) does not reflect the regulatory risk or ability to pay. We believe that small businesses should not pay the same as large organisations that process more data and require more oversight.
- 16. To replace the flat fee structure, we are proposing a tiered model based on employee headcount, following Guernsey's approach.
- 17. Organisations will confirm their headcount during registration or renewal and will pay the following annual fees:

Number of Employees (FTE) ⁸	Fee
Less than 10	£75
11 – 49	£150
More than 50	£2,400

- Non-employers such as trusts and administered entities will be charged at the same rate as small businesses.
- Non-profits and charities will not be required to pay a fee. If not currently exempt, these organisations will pay an annual fee of £75.
- 18. We believe this model is fairer, more sustainable, and better aligned with actual regulatory burden ensuring those with greater capacity and risk contribute accordingly.
- 19. It is also proposed that the Isle of Man public sector, as a registrant in its own right, be subject to a fixed annual registration fee of £300,000 to cover regulatory supervision under the data protection and FOI legislation, in line with the UK and Jersey. This fee would replace individual controllers and processors within the public sector paying distinct and individual fees, though these organisations would still be required to register with the ICO.
- 20. It is our intention that the proposed model includes a mechanism to review fees when the ICO's remit changes, avoiding the need for repeated public consultations.

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⁸ We are defining 'number of employees' as full-time equivalent headcount at the time of registration or renewal.

Consultation and next steps:

- 21. While the proposal is specific, we want to remain open to all perspectives. We are committed to listening and ensuring that the final model reflects the needs of our Island's businesses, communities, and data protection standards. Your feedback will be essential in helping us deliver this.
- 22. We are seeking views on the following questions:

Do you think the ICO should charge larger organisations more than smaller organisations?

- Yes
- No

Do you think a tiered fee model should be based on employee headcount?

- Yes
- No

Do you support the proposal that non-employers (such as trusts, administered entities) be charged the same as small businesses?

- Yes
- No

Do you agree that charities and non-profits should be exempt from paying a fee?

- Yes
- No

Do you agree with the proposed fixed fee of £300,000 for the Isle of Man public sector?

- Yes
- No

Any other feedback you want us to consider?

23. The consultation will be live for six weeks, closing on 1 December 2025. We will review the consultation and publish a summary of your views as well as our response and associated next steps



Appendix A: Legal basis for registration fees

The GDPR and LED Implementing Regulations 2018 set out the requirement for controllers and processors to register with the Information Commissioner and the need to pay a fee.

The structure and amount of fees payable to the Information Commissioner is set out in the Data Protection (Fees) Regulations 2018.

Any changes to the fee structure must be implemented through a new Fees Order, prepared by Treasury in consultation with the Attorney General's Chambers and approved by Tynwald. This consultation paper seeks feedback on the principles and structure of the proposed fee model, which will inform the drafting of that Order.

Relevant legislation:

- Data Protection Act 2018 (primary legislation): https://legislation.gov.im/cms/images/LEGISLATION/PRINCIPAL/2018/2018-0010/2018-0010 2.pdf
- Data Protection (Application of GDPR) Order 2018:
 https://www.legislation.gov.im/cms/images/LEGISLATION/SUBORDINATE/2018/2018
 -0143/2018-0143.pdf
- GDPR and LED Implementing Regulations 2018: https://www.legislation.gov.im/cms/images/LEGISLATION/SUBORDINATE/2018/2018-0145/2018-0145 2.pdf#xml=http://DEDICAT-P5FRR4I/isysquery/471fd658-dc41-4ef3-8bfe-20e1588c4189/1/hilite/
- Data Protection (Fees) Regulations 2018: https://www.legislation.gov.im/cms/images/LEGISLATION/SUBORDINATE/2018/2018-0169/2018-0169.pdf

