



# JUST ALGORITHMS ACTION GROUP

## Annual Report

September 2021

### Foreword

*This document has been prepared for presentation to members at JAAG's first annual general meeting on 28 September 2021. We encourage all readers to give us feedback on it, which will help us to produce a revised version for wider distribution.*

*Please send feedback to [agm@jaag.info](mailto:agm@jaag.info).*

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## **1. Introduction**

This is the “Annual Report” for Just Algorithms Action Group (JAAG), to be presented at our first Annual General Meeting on 28 September 2021. It covers the period from JAAG’s inception in the Autumn of 2019 up to 30 June 2021.

JAAG was incorporated as a Company Limited by Guarantee (“Just Algorithms Action Group Limited”) in February 2021. Previously it had been established as an unincorporated organisation. The statutory requirement is for the first set of Accounts to be made up to February 2022, with a filing deadline of November 2022. We are considering a change to the Accounting Year End to 31 December.

Where the context is clear, the four letters “JAAG” are used interchangeably in this Report to refer to either entity.

## 2. Chairman's Report

### **Introduction**

Just Algorithms Action Group (JAAG) was founded in 2019. Our goal is “transparency and fairness in digital systems for a safe, interconnected world”. This report covers our activities since then. Our aims are presented in detail on the JAAG website at (<https://www.jaag.org.uk>).

### **How JAAG Began**

Our motivation sprang from one of our founder members, Eoin McCarthy, who discovered a person in Malvern fallen victim to the UK's (almost) universally vilified Universal Credit (UC) Benefits System.

He was homeless and living rough because an “algorithm” in the UC System had deprived him (temporarily) of benefits to which he had been entitled.

Eoin was alerted to the fact that blaming Algorithms has become a pervasive excuse for many injustices in our society. These injustices are not restricted to the most vulnerable and socially excluded members of society. They happen in some form or other to all of us. Every day we are exposed to unfair and anti-competitive practices from organisations, both private and public. We face challenges posed by rapidly advancing technological developments that will change our economic and political landscape for good or ill.

### **Values and Principles**

The fundamental values that pervade JAAG are Peace, Equality, Simplicity, Truth, Integrity and Sustainability. We have derived specific principles from these, including:

- We are a membership organisation which depends on volunteer effort supplemented by some paid specialist input.
- The way we operate shall reflect our values.
- JAAG is an Action Group, - we seek impactful outcomes.
- Because the issues we address are so profound, JAAG is also a think tank. We seek better technology, better technical approaches, and better standards so that systems can be conceived, developed, constructed, operated, and maintained, and finally decommissioned in an ethical manner.
- We seek alliances, we do not have a monopoly on ethical approaches.

### **Objectives**

Our short-term strategy (3 to 5 years) is to build JAAG into an organization which will endure for as long as it takes to establish a just equilibrium between humans and digital technology. In view of the way technology is developing, we assume this will take decades. This means setting some specific objectives against which we can measure progress. We want to work in the following ways:

- Campaigning against specific injustices - taking up Individual cases at the “grass roots” and campaigning for changes to the Law and regulatory practices.
- Contributing to government policy
- Building our technical credibility and influence by undertaking R&D in collaboration with others and then applying the results of our work
- Becoming financially independent by building a JAAG business that undertakes consultancy, ethical audit, and related activities.

### ***Membership***

We aim for significant growth because we need a self-sustaining body of support. We are keen to attract members from a wide diversity of backgrounds, whether or not they have a good or fleeting understanding of technology. The challenges we face are too important for the future of society at large to be left to specialists.

### 3. Directors' Report

#### ***Outward facing activities***

##### Ethical Audit

- Applications for funding from the Joseph Rowntree Charitable Trust
- Application for development funding under the government's Innovate scheme

Funding was not obtained, but valuable feedback was received. It is clear that we need partners whose experience of specific injustices will help us focus ethical audit and other measures. We are now in touch with two potential partners.

- Joint academic papers published with University College Dublin (UCD)

##### Policy

- Significant contributions to the two consultations issued by the Competition and Markets Authority (CMA).
- A well-received Policy response to the ICO (Information Commissioner's Office) call for participation *Building the ICO's auditing framework for Artificial Intelligence*

##### Outreach and Education

- Communications –We have established a communication working group which has been active with our web site, twitter feed, advertising, LinkedIn account, letters, etc.
- Zoom seminar on teaching ethics to computer science students led by Dr Miranda Mowbray (Bristol University)
- Keynote speech given by Siani at PriSec conference on privacy and security, Austria, November 2020
- Letter published in *the Guardian* on the A-level exams fiasco
- Stephen, one of our members, carried out a small scale investigation into Waltham Forest Council's use of face recognition software leading to articles in the *Waltham Forest Echo* and *Big Issue*. He also gained in-depth experience of DWP's questionable Universal Credit practices, choosing to fight back with some success.

#### ***Internal Activities***

We conduct our business according to an adapted form of the Quaker Business Method (QBM).

We have also introduced what we call "alignment meetings." These are available to active members who wish to understand better how their personal objectives might align with those of JAAG, to the mutual benefit of both.

## ***Future Plans***

### EU Research and Development Projects

We have allied with the computer science department at University College Dublin to build a consortium that can bid for EU funded R&D. This initiative has already led to us publishing some technical papers jointly with academics there. The work focused on ethical audit.

### Technology at work project

This will be a dedicated study into the use of technology in the context of employment. Human interaction in the workplace and the meaning of work are being reshaped by the use of new technologies. There have been numerous recent reports of harmful practices enabled by new technologies such as profiling, spying etc. Preliminary research and discussions with actors in the field, have shown that JAAG can add great value in providing ethical solutions to promote fair innovation. We look forward to building a partnership with trades unions (including the Prospect union ), co-operatives UK, The Why Not Lab and other organisations, individuals and businesses.

In the coming months, we will prepare a detailed plan to address the various issues: from productivity measurements to human resource management. This project will be funded by a recent generous donation.

### Campaigning for legislative change

We see the need for legislation, standards, and regulation in digital technology. We have been using our experience in other sectors – safety and environment, to help explain why action is needed and how it might be taken. In the digital sector we have been able to use some political contacts to begin a dialogue with politicians with experience and interest in these matters.

## ***Our Governance***

We are in the process of defining governance procedures for JAAG, to ensure that it will endure for the long term. What follows is still work-in-progress.

People who pay the JAAG subscription are members of the organisation, which has been incorporated as a not-for-profit company, Just Algorithms Action Group Limited. Its board of directors currently consists of five JAAG members.

A separate company, JAAG Trading Limited, has been incorporated with the objective of generating funds for its parent company's activities. JAAG Trading Limited also has a board of directors who are members of JAAG.

### Exercising governance

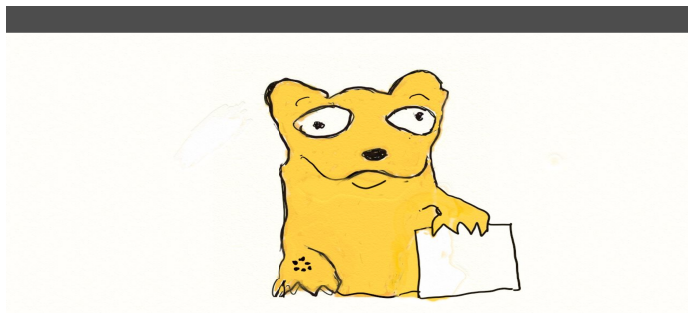
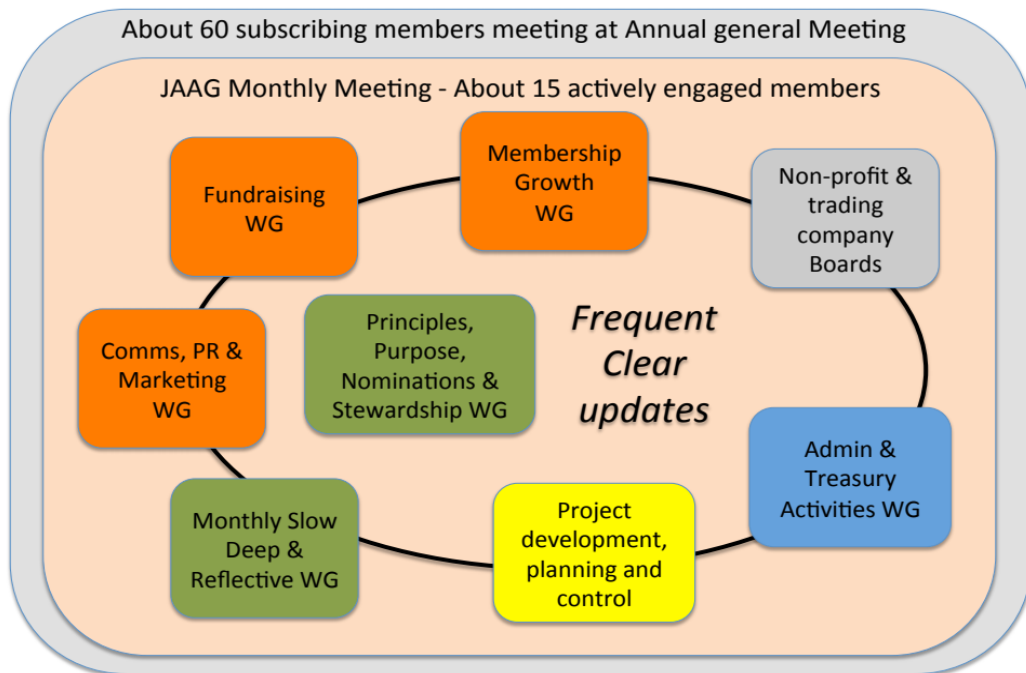
- The JAAG Stewardship Board, whose tasks will be to ensure that the board of JAAG Ltd operates according to this strategy and in a way that complies with the principles and purpose

set out here. It will also function as a nominating body and bring forward names to serve on the JAAG Boards and the Stewardship Board

- The JAAG boards
- The JAAG Monthly Meeting of members

Each of these bodies is accountable to the others - See the Governance and Management Diagram below. Terms of Reference for the JAAG Stewardship Board/ are currently being drafted.

### JAAG Governance and management draft v16-6-21 eam



### ***And finally ... Jaaguar***

We would like to develop a comic strip which presents JAAG-related issues in a direct, catchy way. One inspiration has been the Australian cartoonist Andrew Marilton's *First Dog on the Moon*, which appears in the *Guardian*. We have produced a couple of trial strips with four basic characters: Jaaguar, Tapir, Aardvark, and Mole. If you have any ideas for story lines, please let us know.

## 4. Financial Statement

The following page contains a Statement of Financial Activity (SoFA) for the period from inception up to 30 June 2021, and a Balance Sheet (BS) for JAAG on 1 July 2021.

The figures therefore include activity prior to incorporation and indeed some income and expenditure which occurred before we even had a bank account. They have not yet been independently examined.

A great deal has been achieved so far with very modest financial resources. We have benefited from effort freely given by our members for which we are very grateful.

To achieve future financial stability, we are planning for a strategic mix of financial sources:

- Members, regular donors, and generous one-off donations from individuals with no strings attached.
- Grants from big organisations (public and private)
- Crowd funding
- Surpluses from JAAG Trading Limited's operations in consultancy, ethical audit, collaborative R&D, and other opportunities.

A number of members have questioned why we don't accept a multiplicity of payment methods. The simple answer is that it saves overhead costs and limits the risks of fraud and error.

The ideal for JAAG would be to have all members and supporters paying a regular monthly amount by bank standing order. We have members who pay the £2 monthly subscription this way, and others who pay £3, £5 or even £10 per month. The beauty and simplicity of this is that there are no intermediaries, minimal technology risks, members can cancel their payments whenever they like, and JAAG's costs of tracking renewals and sending reminders are greatly reduced.



## Just Algorithms Action Group (JAAG)

### Statement of Financial Activity and Balance Sheet as at 30 Jun 2021

<b>Expenditure (Nov 19 to Jun 21)</b>		<b>Income (Nov 19 to Jun 21)</b>	
	<b>£</b>		<b>£</b>
Subcontractors	5,204.00	Member Subscriptions	1,975.60
Travelling Expenses	107.92	Grant from Yew Tree Fund	2,460.00
IT infrastructure, website etc	235.99	Grant from Stephen Lloyd Trust	1,000.00
Subscriptions, Fees and Donations	363.95	Individual donations	2,967.90
Bank charges	6.60	Bank interest received	0.18
<b>Total Expenditure</b>	<b>5,918.46</b>	<b>Total income</b>	<b>8,403.68</b>
		<b>Surplus for period</b>	<b>£2,485.22</b>
		Opening Balance	£0.00
		Surplus for the period	<b>£2,485.22</b>
		<b>Balance at 30 Jun 2021</b>	<b>£2,485.22</b>
		<b>Represented by:</b>	
		Current Account	£213.64
		Deposit account	£2,271.58
			<b>£2,485.22</b>