**PUBLICATION MINUTES OF THE THREE HUNDRED AND NINETEENTH MEETING OF
THE OFCOM BOARD HELD ON 13 NOVEMBER 2024
AT LANDMARK HOUSE, 5 CROMAC QUAY, BELFAST BT7 2JD AND VIA MICROSOFT TEAMS**

Present

Michael Grade	Chair
Richard Allan	Non-Executive Board Member
Karen Baxter	Non-Executive Member
Natalie Black	Group Director, Network and Communications
Melanie Dawes	Executive Member and Chief Executive
Angela Dean	Non-Executive Member
Bob Downes	Non-Executive Member
Lindsey Fussell	Executive Member and Interim Group Director, Online Safety
Will Harding	Non-Executive Member
Clive Jones	Non-Executive Member
Ben Verwaayen	Non-Executive Member (Items 1-8) (via Teams)

In attendance

Tamara Ingram	Non-Executive Board Member from 1 December 2024 (via Teams)
Martin Ballantyne	General Counsel
Veronica Branton	Corporation Secretary
Sharon Malley	Governance Manager
Yih-Choung Teh	Group Director, Strategy and Research (Items 5 and 6)
Melissa Tatton	Chief Operating Officer (Items 5, 6 and 8)
Iqbal Marikkar	Corporate Strategy Director (Items 5 and 6) (via Teams)
Jessie Peramal	Finance Director (Items 5 and 6) (via Teams)
Atif Moghal	Head of Strategic Finance and Funding (Items 5 and 6) (via Teams)
Yoon Chang	Strategy and Policy Director (Item 5) (via Teams)
Siobhan Walsh	Director of Policy Development (Item 7)
Vikki Cook	Content Media Policy Director (Item 7) (via Teams)
Caroline Longman	Competition Policy Manager (Item 7 (via Teams)
Simeon Thornton	Economics Director (Item 7) (via Teams)
Jonathan Rose	Northern Ireland Director (Item 8)
Kate Davies	Public Policy Director (Item 8)
Ben Harries	Network and Comms Policy Director (Item 9) (via Teams)
Luisa Affuso	Group Director, Economics and Analytics (Item 9)
Dave Clarkson	Interim Group Director, Network and Comms (Items 9 and 10)
Nihal Newman	Network Security & Resilience Policy Director (Item 10) (via Teams)
Ben Willis	Principal Technology Advisor (Item 10) (via Teams)
Gerry McQuaid	Telecoms and Internet Security Director (Item 10)
Paul Phillips	Legal Director (Item 10) (via Teams)

	Action
Item 1: Welcome and declaration of members' interests	
1. No new interests were declared.	
2. The Chair welcomed Richard Allan to his first Ofcom Board meeting, Tamara Ingram, who was due to be appointed on 1 December, and Natalie Black who had joined	

	Action
Ofcom as Group Director Networks and Communications and as an Executive Board member.	
Item 2: Minutes of the meetings held on 25 September 2024 (317(24)) and 16 October 2024 (318(24)) and matters arising 3. The minutes of the Ofcom Board meetings held on 25 September 2024 and 16 October 2024 were approved as a correct record. 4. A summary of progress against action points was **NOTED**.	
Item 3: Chair's report 5. The Chair updated the Board on his activity in relation to the Board of Channel 4 and on internal Ofcom matters. 6. The Board **NOTED** the verbal report.	
Item 4: Chief Executive's report – Board paper 107(24) 7. Melanie Dawes presented paper 107(24) on her activities, including her recent attendance at the International Institute of Communications' International Regulators Forum in Bangkok and subsequent visit to Singapore. 8. She said Ofcom was entering a busy period with publications due before Christmas on the BBC, the Media Act, licence fees, Royal Mail quality of service and illegal harms, alongside a decision by the CMA on the outcome of the merger between Vodafone and Three. Conversations with stakeholders in these areas continued. 9. The Budget had introduced an increase in employer's National Insurance contributions and the Public Policy team was in discussion with DSIT to confirm whether Ofcom would be able to increase its fee cap to cover these additional costs. The Ofcom budget paper later on the agenda addressed this in more detail. 10. The Board discussed the report, including financing options for players in the telecoms market and the potential outcomes of the proposed telecoms merger. 11. The Board noted that Ofcom had published an open letter on apps that allowed users to create chatbots to interact with other users. The letter clarified the scope of the Online Safety Act in this regard, and how providers would be expected to act to meet their safety duties. It was noted that some consumers might expect Ofcom to have more extensive powers in this area than was the case. 12. The Board noted the outcome of the US presidential election and potential implications for the online safety landscape in the UK and EU. 13. The Board **NOTED** the paper.	
Item 5: Three-Year Business Plan 2025-2028 – Board paper 108(24) 14. Yih-Choung Teh presented paper 108(24) Ofcom's Three-Year Business Plan 2025-28. He said the engagement with the Board in preparing the paper had been valuable and had enabled greater clarity on the impact of tighter budgets and the need for prioritisation. The previous three-year plan period had covered a growth phase for Ofcom	

	Action
but the next three years would focus more on consolidation and the delivery of key set pieces in the regulated sectors. 15. Melissa Tatton said the plan was underpinned by detailed financial planning which assumed flat cash for the core remit, additional funding for new duties and an uplift in the cap to cover additional National Insurance costs. Each year would be tighter than the last but it was deliverable. The plan would see all groups apart from Legal finding savings of 10% through policy choices and efficiencies. This would enable a 3% pay envelope, inflation increases in non-staff costs and a contingency equal to 1% of core funding. The ratio between sectors would be maintained so fees would be broadly stable. In the event of less funding being available than provided for in the plan, Ofcom would revisit previously conducted work on prioritisation and potentially look at economies through phasing or descoping work. If planned funding was received, the focus for spending would be on Spectrum, who had not benefitted from the flexibilities arising from new duties, and Legal. 16. New risks arising from the three-year plan had been identified and all had been mapped against the strategic risk register. Mitigations had been identified and would be monitored through the normal governance processes. 17. The Board welcomed the paper. The Board discussed refinements to bring out the positive case for regulation's role in stimulating growth and investment. 18. The Board discussed options for economies should funding be lower than anticipated. The desirability of preserving the pay envelope as a priority was noted. 19. The Board noted the importance of recognising that the plan would need to evolve during its three-year period in order to respond to external events and that flexibility would be required. The work that had been carried out on establishing the actual cost of different activities would be helpful in making future prioritisation decisions. 20. The Board **APPROVED** the Three-Year Business Plan 2025-28.	
Item 6: Plan of Work 2025/26 and approach to 2025/26 budget – Board paper 109(24) 21. Yih-Choung Teh presented paper 1092(24) on Ofcom's 2025/26 Plan of Work and the approach to the 2025/26 budget. He said that the consultation process would be similar to that adopted in previous years and would include stakeholder events in the nations. The final Plan of Work, including responses to consultation feedback, would be presented to the Board for approval ahead of publication in March. Melissa Tatton said the budget for the 2025/26 Plan of Work was prudent in assuming flat cash for online safety as well as the core remit. RAC had been consulted on this previously and would be engaged again prior to seeking Board approval. 22. The Board noted the proposal to reduce the size of the online safety policy development and strategy delivery teams and that this was a response to both tightening budgets and the strategic shift from policy development to supervision and enforcement of new regimes. Ofcom had planned for this through the creation of supervision teams in January 2024 dedicated to building relationships with platforms which it was hoped would pay off in the supervision and enforcement phase.	

	Action
23. There was adequate resource for the implementation of the online safety roadmap. Budgetary issues may impact on the ability to revise online safety codes, although the requirement for regulatory stability would also affect this decision. 24. The Board **APPROVED** the paper.	
Item 7: Public Service Media review – Board paper 110(24) 25. Siobhan Walsh presented paper 110(24) on Ofcom's Public Service Media review. She said it would be the final review under the current linear regulatory regime, but this would change under new arrangements in the Media Act. The review would look at compliance under the linear regime but would also look ahead to the challenges for delivering public service media going forward, and specifically at overall commercial sustainability and the future of news. 26. The Board noted that audiences were moving increasingly online, particularly among young people but also across all other age groups. PSBs faced significant sustainability risks as a result of this and declining advertising revenue and remedies such as prominence would not ameliorate all of the risks. The decline of PSBs could have a knock-on impact on the rest of the industry if it led to reduced investment in UK creative industries. Ofcom should be leading the thinking on the role PSBs should be playing in British broadcasting over the coming decade. The PSM review was an opportunity to consider alternative models. 27. The Board recognised the risks of fragmentation of news consumption and that the provision of trusted, accurate news was becoming more difficult as a result. Much of the content being consumed on platforms such as YouTube and TikTok was different to the sort provided by PSBs. Although PSBs were increasingly putting content on third party online platforms, they had limited control about how audiences were exposed to it. In addition, PSBs faced the cost of needing to continue to provide legacy broadcasting alongside online content, which their competitors did not need to do. 28. It was noted that it would be important for the report to be clear that Ofcom recognised the state of the sector and was not complacent about the challenges ahead. It should aim to emphasise the need for debate on the role of PSBs in future. The importance of centring the needs of the consumer in the report was noted, both in respect of the importance of accurate news in a democracy and the need for entertainment services that people wanted to consume. The report would touch on several strands of Ofcom's work, including media literacy and local media. 29. It was noted that the forthcoming BBC Charter Review might provide an additional opportunity for Ofcom to pick up themes being explored in the public sector broadcasting review, although this would be a Government-led process. 30. The Board **APPROVED** the paper.	
Item 8: Northern Ireland – state of the nation – Board paper 111(24) 31. Jonathan Rose presented paper 111(24) on Northern Ireland. He said Ofcom was entering a new phase of stakeholder engagement following the restoration of devolved government at Stormont. He said that Ofcom's work on online safety was particularly	

	Action
resonant in Northern Ireland because of the online experiences of politicians and that there was significant appetite for media literacy work. 32. Full-fibre connectivity and 4G were well advanced in Northern Ireland but planning issues and some opposition to masts may limit further connectivity improvements. There were also some emerging issues relating to performance and resilience of mobile networks. Work on ensuring Northern Ireland consumers near the border did not pay roaming charges when their phones connected to masts in the Republic of Ireland had been successful. 33. On broadcasting, the focus was on ensuring the BBC kept to its commitments and delivering greater accountability and transparency in relation to Channel 4. 34. The Board noted the importance of Ofcom being visible among broadcasters and producers in Northern Ireland, to encourage the growth of the industry. Channel 4 was due to attend the Northern Ireland Advisory Committee meeting in December, which would be an opportunity to look forward at their plans and to work constructively with them. 35. The Board noted that Northern Ireland television programming, in particular news, was very popular with audiences and that there was a significant language dimension to local broadcasting. These should be brought into the debate on public service media provision. 36. The Northern Ireland office in Ofcom now had 22 colleagues and the aim was for it to continue to grow. 37. The Board **NOTED** the paper.	
Item 9: Telecoms Access Review – Board paper 112(24) 38. Ben Harries presented paper 112(24) on the Telecoms Access Review 2026-31. The review noted the significant progress and investment that had been achieved under the current arrangements but Ofcom's provisional view was that competition was not sufficiently established to allow for deregulation in 2026 and so Ofcom would propose to continue its current approach. The priority was to provide regulatory certainty over the next review period, with some detailed changes where necessary. 39. The Board discussed the proposals and supported the strategy of prioritising regulatory certainty and avoiding surprising the market. It was noted that network coverage in Scotland continued to lag behind the rest of the UK, with gaps in coverage also in Wales, and it would be important to be tech-neutral in relation to options to extend coverage to remote areas. Ofcom's role was to support the commercial network build with Governments in the UK and the nations having their own programme to complete the uncommercial areas. 40. The Board noted that the review would propose that no areas had been identified as having two established rival networks to BT, meaning no areas would have full deregulation. Deregulating before competition was effective risked destabilising the market and undermining competition. The review would set out Ofcom's thinking on competition to help the industry understand when deregulation might be possible.	

	Action
41. The Board discussed potential market reactions to the review and the options and outcomes of market consolidation. 42. The Board **NOTED** the paper.	
Item 10: Telecoms Security Act – update and first report to Secretary of State – Board paper 113(24) 43. Gerry McQuaid presented paper 113(24) on Ofcom's first report on the status of the Telecoms Security Act to the DSIT Secretary of State. The Act required the telecoms industry to adopt various security measures and the report would show that compliance was generally good with the industry moving forward positively. The regime had been implemented successfully to date and there were no policy issues of immediate concern. 44. Ofcom had worked well to establish partnerships in the security landscape. The regime was costly for industry to introduce but the code had been set by the Government rather than Ofcom and it addressed a very important aspect of national security. 45. The Board discussed the operation of the Telecoms Security Act regime, including costs, security clearances and data sharing with Government and agencies. It was noted that it would be helpful to understand an estimate of the cost to industry of the regime, although this was difficult to assess as Ofcom had no power to require the provision of this information and some of the work required under the statue would be carried out by industry as business as usual. There had been no intelligence from industry that any firms would fail as a result of the new regime. 46. The Board **NOTED** the paper, including the draft report to the Secretary of State.	
Item 11: Advisory Committee on Misinformation and Disinformation – Board paper 114(24) 47. The Board discussed paper 113(24) on Ofcom's Advisory Committee on Misinformation and Disinformation. Clive Jones said there could be some crossover between the Committee and the Content Board and that the experience of some Content Board members might be a useful resource. 48. The Board **APPROVED** the paper including the approach to the establishment of the Misinformation and Disinformation Committee.	
Item 12: Appointment to the CCP/ACOD – Board paper 115(24) 49. The Board **APPROVED** the appointment of Carrie Matchett as the Communications Consumer Panel/Advisory Committee for Older and Disabled People Member for Northern Ireland for a three-year term from 1 January 2025.	
Item 13: Mid-year review 2024/25 – Board paper 116(24) 50. The Board **NOTED** the paper on the mid-year review and six-month update on One Ofcom objectives.	
Items 14-17: Standing items	

	Action
• The Board **NOTED** the following information items: • Non-executive member updates – Board paper 117(24). • Monthly performance report – Board paper 118(24) • Board work programme – Board paper 119(24), and publications schedule – Board Paper 120(24) • Minutes of the Communications Consumer Panel Communications Consumer Panel on 19 September 2024, Advisory Committee for Scotland on 26 September 2024, Content Board on 1 October 2024, Advisory Committee for Wales on 2 October 2024, Advisory Committee for England on 3 October 2024 and Advisory Committee for Northern Ireland on 10 October 2024.	
Item 18: Any other business 51. There was no other business.	
Item 18: Date of the next meeting 52. The next scheduled Board meeting would be held on 11 December 2024. 53. The meeting concluded at 12.30 pm.	

Approved: _____
              Chair