



## Vodafone's response to Ofcom's Plan of Work 2025/26

We welcome the opportunity to comment on Ofcom's Plan of Work for the year ahead. This year will see the beginnings of a transformation in the UK telecoms market as we progress our merger with Three. We will build the UK's biggest and best network, and unlock investment that will propel the UK's telecoms infrastructure to the forefront of European connectivity, benefitting over 50 million UK customers, through significantly better quality, greater reliability and enhanced capacity. The market context continues to evolve around us as we do so: technology continues to break new ground, and there is ever-growing focus from government on regulated sectors' contribution to economic growth.

We are therefore pleased to see Ofcom's Plan of Work for this year begin with an immediate and explicit focus on growth and innovation, and hope to see a pro-growth mindset that recognises the importance of future investment in telecoms infrastructure evidenced throughout Ofcom's work. This will require Ofcom to be dynamic and responsive – in its own work and in its coordination with others.

We group our feedback on the Plan of Work under four themes: investment, growth, customer outcomes and regulatory consistency.

### 1. Pro-investment

For the telecoms sector to work for everyone, there needs to be sustained investment across the sector and its infrastructure. Regulation has an important role to play in building an environment that actively encourages – not just tolerates – operators generating fair return for their investment.

This Plan of Work makes some important inroads in this respect. We welcome the commitment to improving the mobile spectrum licensing regime, which has so far been a barrier for us investing in our own network. We are also pleased to see a planned consultation on a regulatory framework to enable direct-to-mobile satellite services. Ofcom's activities in this area could be key to transforming the resilience of the telecoms sector (which is currently over-reliant on poor value battery capacity).

However, more could be done by Ofcom to truly embed an investment-positive culture in the market. We would like to see Ofcom level the playing field in key areas, including between self-build and multi-service public networks in relation to spectrum fees, and between Public Electronic Communications Service providers and tech companies in relation to security standards. If certain parts of the market continue to bear a disproportionate regulatory burden, investment in the overall telecoms infrastructure becomes distorted.



## 2. Pro-growth

Following the introduction of Ofcom's statutory growth duty and the drive from Government to ensure economic growth has greater prominence in regulatory thinking, we believe Ofcom can do more to improve the proportionality of its regulation. Proportionality is a key facilitator of growth in that it maintains high regulatory standards whilst allowing operators the freedom and resources to strive for the best market outcomes. Regulation should only be introduced – and retained – where full and proper impact assessments show it to be beneficial to consumers, businesses and the economy.

Ofcom must therefore be more mindful of the impact of its interventions have on the economic prospects for the sectors it regulates. This is particularly important in connectivity and in its approach to digital and communications regulation. In order to evidence this, Ofcom needs to put more emphasis on its impact assessment evaluations, and engage with operators early, to ensure its interventions are properly reviewed and that necessary lessons can be learned. The renewed [Impact Assessment Guidelines](#) are very welcome, but we are yet to see them filter through to be practically applied. We keenly await the publication of the Telecoms Access Review ex-post evaluation as part of the upcoming consultation, which we hope will evidence the application of these Guidelines.

The application of the Impact Assessment Guidelines should support regular review of regulation, with a view to removing regulation that has become redundant or irrelevant.

Where Ofcom has introduced or changed regulation, there should be proper post-implementation audits to determine whether the desired outcome was achieved, and assess how accurate the assumptions of the Impact Assessment proved. Absent this feedback loop, we cannot hope to achieve better quality Impact Assessments.

Finally, we encourage Ofcom to continue to explore ways to bring down the cost of compliance where possible. The '[User Assessment Type - Online Safety](#)' template (currently in BETA) that it has created to support compliance with the online safety regime is a positive development that we'd be keen to see used more widely.

## 3. Improved social outcomes for customers

With access to connectivity, it is equally important that people have the skills and confidence to stay connected and also ensure people are able to enjoy safe digital lives. This is particularly important as services and communities are increasingly moving



online. This is a complex problem affecting people for a wide variety of reasons and no single, simple solution.

We continue to make good progress to close the digital divide, but to be able to fully close it, we need Ofcom to work collectively with government, local authorities and charities on sustained long-term interventions. We believe Ofcom's Telecoms Access review should include provision to bring down wholesale costs when delivering retail social tariffs to enable a sustainable low-cost tariff to those that need it most. Research also needs to be undertaken to understand the scale of the challenge so effective policy solutions can be designed and fund decisions taken.

For those who cross the digital divide, the Online Safety Act helps them to live their digital life safely. We are pleased to see Ofcom reiterate its commitment to enforcing compliance with the Act in this Plan of Work, and expect it to act decisively where gaps in its guidance become evident.

#### **4. Regulatory consistency**

To deliver the pro-investment and pro-growth approach described above, regulation must be consistent across the landscape.. This applies within Ofcom, with its co-regulators, and with international forums and counterparts:

- **Consistency within Ofcom.** We understand the importance of information requests in informing Ofcom's work. However, we find that the volume and sequencing of these requests can be unnecessarily burdensome. The updated [General Policy on Information Gathering](#) established a "new organisation-wide information gathering forum" to improve senior oversight. We hope that this forum was involved in setting the timelines for this Plan of Work, in order to ensure that information gathering is appropriately spaced out.

Ofcom must also coordinate new responsibilities it gains, such as those under the Online Safety Act.

- **Consistency with Government and co-regulators.** For the regulatory regime to be most effective, it must be joined up and aligned to Government strategy. Ofcom's work should align with a 'golden thread' – a cohesive strategy ensuring that Government priorities are supported by a stable and responsible policy environment. Over time the regime has become more complex and lines of responsibility more blurred, especially in the digital environment where Ofcom shares responsibility with the Competition & Markets Authority (CMA) and Digital Markets Unit (DMU). Ofcom should ensure it works in unison with the CMA/DMU to ensure that markets are functioning optimally across the end- to-



end value chain. Further, it should work to minimise duplicate regulation, which is wasteful for both the regulators and regulated.

- **International consistency.** As well as the co-regulators and national forums, Ofcom's work will be influenced by the international forums it takes part in, such as the Independent Regulator's Group. We appreciate the workplan is typically a static document, but encourage Ofcom to provide live updates on items which are influenced by international engagement. This will aid coherence and transparency, and help keep the workplan relevant throughout the year.

Vodafone UK  
January 2025