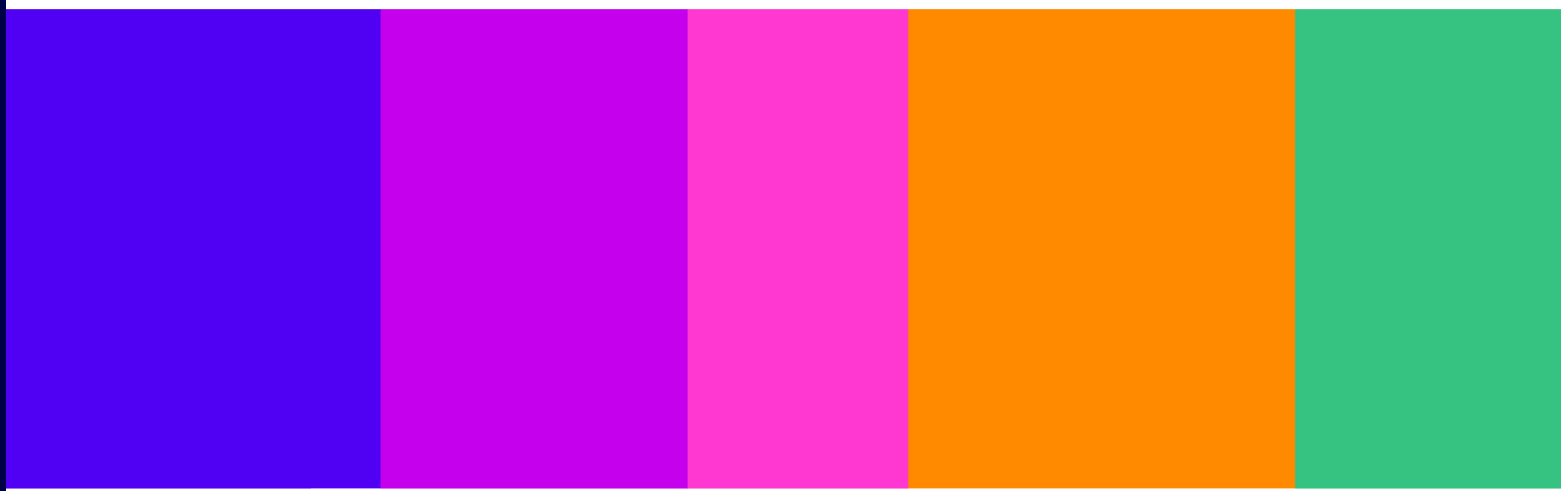


Regulatory impact assessment

The Wireless Telegraphy (Mobile Spectrum Trading) (Amendment) (No.2) Regulations 2025

Published: 30 October 2025



1. Regulatory impact assessment

Introduction

- 1.1 In accordance with Government practice, Ofcom undertakes a Regulatory Impact Assessment (“RIA”) when a statutory regulation is made. We also comply with our duty under section 7 of the Communications Act 2003 (the “**2003 Act**”) which imposes a duty on Ofcom to carry out impact assessments where our proposals would be likely to have a significant effect on businesses or the general public, or when there is a major change in our activities.
- 1.2 The analysis set out below represents an RIA following on from Ofcom’s notice of proposals to make the Wireless Telegraphy (Mobile Spectrum Trading) (Amendment) (No. 2) Regulations 2025 (the “**Trading Regulations**”), published on 18 July 2025 (the “**July 2025 Notice**”).¹
- 1.3 Regulatory impact assessments are a valuable way of assessing different options for regulation and showing why the preferred option was chosen. They form part of best practice policy-making and are commonly used by many regulators. In producing the assessment in this document, Ofcom has had regard to such general guidance as it considers appropriate, including [Cabinet Office guidance](#).

Proposal, purpose and intended effect

- 1.4 In February 2025, as part of our wider Annual licence fees (“**ALFs**”) review, we considered if we could simplify payment of ALFs. We then set out our decisions on the proposals to those consultations in our July statement.
- 1.5 The regulations which require payment of ALFs provide that a licensee becomes liable for a year’s worth of ALFs if it holds the relevant spectrum licence on the ‘fee payment date’, even if it subsequently trades the spectrum in the same payment cycle. We allow licensees to pay that ALF in 12 monthly instalments.
- 1.6 In addition, there is a provision in the Wireless Telegraphy (Mobile Spectrum Trading) Regulations 2011 (the “**Mobile Trading Regulations**”) that requires a licensee who has opted to pay in instalments to pay all outstanding ALF instalments upfront before it can trade spectrum in the 900 and 1800 MHz bands.
- 1.7 In our July 2025 Notice, we acknowledged that these two requirements can require a licensee to bring forward payment of potentially significant sums before a trade, and that this can amount to a barrier to trading of spectrum.
- 1.8 We consulted on amending Regulation 6 of the Mobile Trading Regulations to remove the requirement under Regulation 6(c)(ii) to pay all instalments of ALFs due under the 900 MHz and 1800 MHz ALF Regulations 2018 before a trade. We considered that this would remove

¹ “Notice of Ofcom’s proposal to amend the Mobile Trading Regulations, 18 July 2025; available at: [Consultation: Proposal to amend the Mobile Trading Regulations](#).

the requirement for MNOs to pay upfront the remaining ALF instalments due for ALF spectrum held under that licence to Ofcom before it is able to trade its spectrum.²

- 1.9 The Trading Regulations that Ofcom has decided to make will have the effect of removing the barrier to trading contained in Regulation 6(c)(ii) of the Mobile Trading Regulations. We consider that this will support the efficient use of spectrum.
- 1.10 We recognised that removing the requirement for MNOs to pay upfront the remaining ALF instalments due could result in some additional risk and administrative burden for Ofcom if a licensee defaults on instalment payments following a trade. However, we considered the risk of an MNO defaulting on an instalment payment is unlikely to materialise, and that in any case, and the risk that licensees default on instalment payments after a trade is unlikely to materialise. In the eventuality of a default on instalment payments, we note we would be able to recover the outstanding fee.³
- 1.11 We also consulted on omitting Regulation 6(b)(i) and Regulation 6(c)(i) of the Mobile Trading Regulations. This amendment would remove the reference to the Wireless Telegraphy (Licence Charges) Regulations 2011, which have been revoked.⁴
- 1.12 We also proposed to further amend Regulation 6(b)(ii) of the Mobile Trading Regulations to substitute the Wireless Telegraphy (Licence Charges for the 900 MHz Frequency Band and the 1800 MHz Frequency Band) Regulations 2018 with the new Wireless Telegraphy (Licence Charges for the 900 MHz Frequency Band and 1800 MHz Frequency Band) Regulations 2025 as well as adding in the Wireless Telegraphy (Licence Charges for the 2100 MHz Frequency Band) Regulations 2025.⁵
- 1.13 The effect of these proposals is to tidy up the Regulations as a matter of best practice.

Consultation responses

- 1.14 Ofcom consulted on its proposals to make the Trading Regulations and received supportive comments from stakeholders.

Costs to Ofcom

- 1.15 Ofcom would incur little cost as a result of making the proposed Trading Regulations because the framework for mobile spectrum trading has already been established.⁶ In particular, Ofcom has already made the Mobile Trading Regulations, published [guidance on the transfer process](#) and created a register of trades (the “Transfer Notification Register” within the [Spectrum Information Portal](#)).

² We note that as the requirement currently applies to the old ALF regulations, it would anyway not have any effect once the 2018 regulations are revoked. We nevertheless think it is worthwhile to amend the Mobile Trading Regulations to make clear that this requirement no longer applies.

³ Section 15 of the Wireless Telegraphy Act 2006 provides that a spectrum licence fee must be paid to Ofcom as soon as it becomes due and, if it is not paid, it is to be recoverable by them accordingly.

⁴ 2011 Licence Charges Regulations have been revoked, see regulation 3 and Schedule 1 of The Wireless Telegraphy (Licence Charges) Regulations 2020.

⁵ The Wireless Telegraphy (Licence Charges for the 900 MHz Frequency Band and the 1800 MHz Frequency Band) Regulations 2018 have been revoked, see regulation 6 of the Wireless Telegraphy (Licence Charges for the 900 MHz Frequency Band and the 1800 MHz Frequency Band) Regulations 2025.

⁶ See the information on [“Spectrum trades”](#) published on Ofcom’s website.

- 1.16 There are one off administrative costs associated with making statutory instruments. However, we consider these administrative costs to be small, relative to the overall benefits of mobile trading to the mobile sector and consumers. Several trades of mobile spectrum have occurred in the UK, and such trades have the potential to enable more efficient use of spectrum.

Costs to business, including small business and the voluntary sector

- 1.17 The business sector which is most likely to benefit from the proposed Trading Regulations is the mobile industry.
- 1.18 We do not consider that the amendments to the Mobile Trading Regulations will have any material cost implications for small businesses or the voluntary sector. However, we consider that our decision to amend the Mobile Trading Regulations may reduce costs of the Mobile Network Operators, as it will remove the requirement on them to bring forward payment of potentially significant sums before a trade.

Conclusion

- 1.19 Having assessed the impact of making the proposed Trading Regulations, Ofcom considers that the potential benefits of removing the barriers to trading by amending the Mobile Trading Regulations justify the associated costs to Ofcom.
- 1.20 I have read this regulatory impact assessment and I am satisfied that the benefits justify the costs.

Signed:

David Willis

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For and by the authority of the Office of Communications

Date: 30th October 2025

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