**PUBLICATION MINUTES OF THE TWO HUNDRED AND NINETY-FIFTH MEETING OF
THE OFCOM BOARD HELD ON 15 JUNE 2022
HYBRID MEETING HELD AT RIVERSIDE HOUSE AND VIA MICROSOFT TEAMS**

Present

Michael Grade	Chair
Maggie Carver	Deputy Chair
Kevin Bakhurst	Executive Member and Group Director, Broadcasting & Online Content
Karen Baxter	Non-Executive Member
Melanie Dawes	Executive Member and Chief Executive
Angela Dean	Non-Executive Member
Bob Downes	Non-Executive Member
Lindsey Fussell	Executive Member and Group Director, Networks & Communications
David Jones	Non-Executive Member
Graham Mather	Non-Executive Member

Apologies

Ben Verwaayen	Non-Executive Member

In attendance

Martin Ballantyne	General Counsel
Veronica Branton	Corporation Secretary
David Edwards	Committee Secretary
Sharon Malley	Governance Manager

Other Ofcom colleagues (via Teams)

Melissa Tatton	Group Corporate Director (items 5-7)
Curtis Juman	Finance Director (item 5)
Ibrahim Saiyed	Corporate Business Partner (item 5)
Simon Redfern	Communications Director (item 5)
Yih-Choung Teh	Group Strategy and Research Director
Iqbal Marikkar	Director of Corporate Strategy (item 6)
Ed Leighton	Strategy and Policy Director (item 6)
Helen Hearn	Interim Group Spectrum Director (item 6)
Andrew Lynex	Online Safety Delivery Director (item 7)
Mark Bunting	Director, Online Policy, VSP (item 7)
Andrew Park	Principal, Strategy and Policy (item 7)
Marina Gibbs	Director of Post (item 8)
David Brown	Regulatory Finance Director (item 8)
Selina Chadha	Director of Connectivity (item 9)
Fergal Farragher	Director of Telecoms Consumer Protection (item 9)
Tania Van Den Brande	Economics Director (item 9)

Item 1: Declaration of members' interests – oral

1.   No new declarations of interest were notified.

Item 3: Minutes of the meeting held on 18 May 2022 and matters arising – Board minutes 294(22) and note of action points

2.   The minutes of the Ofcom Board meeting held on 18 May 2022 were **APPROVED** for signature by the Chair as an accurate record, subject to a minor correction.

3.   A summary of progress against action points had been circulated. Status updates against each of the actions, as set out in the summary, were **NOTED**.

Item 2: Chair's introduction

4.   The Chair updated the Board on his recent meetings.

Item 4: Chief Executive's report – Board paper 56(22)

5.   Melanie Dawes presented her report on recent developments. She updated the Board on various matters including discussions with regulated companies and the outcome of recent engagement with the BBC. She noted that Ofcom would shortly be publishing its review of BBC regulation including consumer feedback on the BBC complaints process. The Media Bill extended Ofcom's remit over complaints and this would have resource implications.

6.   The latest Online Nations report, published in early June, included data on how women felt the impact of online harm more than men. Ofcom's usual research on people's attitudes and behaviours online had been expanded to create a platform for its forthcoming role for online safety and the media response showed there was strong interest in covering stories that were rooted in the consumer viewpoint.

7.   The Chief Executive updated the Board on engagement with the UK government and European national regulators.

8.   The Board **NOTED** the paper.

Item 5: Risk and Audit Committee matters – Board papers 56(22), 57(22) and 59(22)

9.   Angela Dean updated the Board on the meeting of the Committee on 6 June 2022. She said the internal auditor had repeated its reasonable assurance on Ofcom's internal controls and corporate governance in its annual report. The external auditor had given an unqualified opinion on the Annual Report and Accounts.

10.   A deep dive on future legal risk had identified potential future areas of litigation and had prompted discussion of the implications on resourcing to deal with peak demands.

11.   The Committee had looked at lessons learned from a recent ransomware test exercise and review of ransomware preparation by Microsoft.

12.   Work would be done on rephasing the budget.

13.   Board discussed and **NOTED** the report on the Risk and Audit Committee meeting on 6 June 2022.

14.   Angela Dean updated the Board on the Strategic Risk Register and noted the change to People risk following the successful launch of the career and performance management system.

15.   The Board **NOTED** the strategic risk register.

16.   The Chair of the Risk and Audit Committee drew the Board's attention to the Risk and Audit Committee's annual report to the Board. The Board **NOTED** the report.

17.   The Chair of the Risk and Audit Committee drew the Board's attention to the Annual Report and Accounts 2021/22 and s400 Licence Fees and Penalty Accounts. She said the Committee had met to review both sets of accounts and an updated version had been circulated to Board members shortly before the Board meeting.

18.   The Board **NOTED** the Risk and Audit Committee's recommendation to approve both sets of accounts. The Board further **NOTED** the letter of representation.

19.   After careful consideration, and subject to comments agreed during the discussion, the Board **APPROVED** both sets of accounts and authorised Board members to sign the accounts as necessary on behalf of the Board.

20.   The Board **DELEGATED** the final clearance of the accounts to Melanie Dawes.

Item 6: Ofcom three-year plan – Board paper 60(22)

21.   Melanie Dawes introduced the paper on the three-year plan. She said the plan was the result of significant work across Ofcom and proposed areas of priority. It would transform how Ofcom thought about and managed itself and was an important moment for the organisation. She invited the Board's views.

22.   The Board noted that the plan provided a strong platform for Ofcom to build from and would be refreshed every year or two to become a rolling programme. It was already adding discipline to decisions on initiatives and how to think about priorities and choices. The plan needed to be flexible to maintain relevance through the three-year period.

23.   The Board discussed the plan and the risks relating to delivery. The Board noted that the finance and workforce plans to support the three-year plan would be produced by the end of 2022.

24.   The Board **APPROVED** the three-year plan in principle subject to detailed costing to be presented, ahead of the next phase of strategic planning process work.

25.   Following a discussion on how to make the general plan public, it was agreed that the executive would produce a comms plan for the document and would circulate it to the Board in due course.

Item 7: Online safety – Roadmap to regulation and strategic aims – Board Paper 61(22)

26.   Andrew Lynex presented the paper proposing publication of key elements of Ofcom's approach to regulating online safety and set out the proposed internal strategic aims that would be used to align and prioritise activity for the first three years of the regime. The

strategic priorities were an important clarification of how Ofcom expected in-scope platforms to operate on risk management and corporate governance in relation to the harms in the Online Safety Bill.

27.   It was noted that the roadmap timetable was driven by the legislation, in which different harms came into scope at different points. The roadmap showed how Ofcom would invest in areas that were currently less resourced to ensure all harms would be regulated in future.

28.   The Board noted the platforms' level of preparedness for regulation and the need to balance working with them collaboratively to help them to achieve compliance, while not minimising the message that enforcement powers would be deployed where required. It would be helpful to add a reference to the roadmap to reflect that regulation would be new to many of the in-scope companies to give context to the approach that Ofcom was taking.

29.   The Board discussed the roadmap and strategic priorities and made observations and suggestions. The Board noted the need for metrics to measure Ofcom's effectiveness in relation to online safety.

30.   The Board **APPROVED** publication of the online safety 'Roadmap to Regulation', setting out the key elements of Ofcom's regulatory approach to external stakeholders. The Board delegated final sign-off of the roadmap to Kevin Bakhurst.

31.   The Board **APPROVED** the proposed strategic aims that would be used internally to align and prioritise Ofcom's activity over the first three years of the regime.

Item 8: Strategic approach to regulating postal services 2022-27 – Board paper 62(22)

32.   Marina Gibbs introduced the paper on Ofcom's strategic approach to regulating postal services. The Board noted Royal Mail's plans to secure a sustainable postal service, areas for modernisation and possible future risks.

33.   The Board **NOTED** the latest view on the sustainability of the universal postal service and Ofcom's approach to managing the risk of it becoming unsustainable, the decisions on Ofcom's future regulation of post for the next five-year period, which were planned to be published in July 2022, and the launch of an investigation into compliance with Royal Mail's quality of service targets in 2021-22.

Item 9: Effective competition in digital markets – Board paper 63(22)

34.   The Board reviewed Ofcom's approach to ensuring effective competition in digital communications markets. It was noted that economic regulation in the past had typically focused on traditional telecoms providers but much of this value chain was now moving online.

35.   It was noted that telcos had raised questions about the roles of Ofcom, the Competition and Markets Authority (CMA) and the CMA's new Digital Markets Unit (DMU). While the DMU would have an important role regarding the largest players, there were gaps which Ofcom should consider from the perspective of a sectoral regulator.

36.   It was noted that Ofcom had been talking to providers of cloud services and it was apparent their relationships with customers were typically long-term partnerships because of the difficulty of changing provider. This potentially presented some competition issues.

37.   The Board **APPROVED** the strategy for ensuring effective competition in digital communications markets, noted the continuing review of the Net Neutrality rules, and noted the intention to communicate the strategy publicly and in Ofcom's engagement with stakeholders.

Item 10: Reappointment of the Advisory Committee for Northern Ireland Chair – Board paper 63(22)

38.   The Board **APPROVED** the reappointment of Carrie Matchett as Chair of the Advisory Committee for Northern Ireland for a further two-year term to run from 1 August 2022 until 31 July 2024.

Item 11: Information items

39.   The Board the following information items:

- Executive Director updates – Board paper 64(22).

- Finance report – Board paper 65(22)

- Latest Connected Working data – Board paper 66(22)

- Board work programme/forward agendas – Board paper 67(22)

- Publications Schedule – Board Paper 68(22)

- Minutes of the Communications Consumer Panel on 21 April 2022

- Minutes of the Election Committee on 26 April 2022

- Minutes of the Content Board on 3 May 2022

- Minutes of the Risk and Audit Committee on 11 May 2022

Item 12: Any other business

40.   The Corporation Secretary updated the Board on progress with Board appointments.

Item 13: Date of the next meeting

41.   The next scheduled Board meeting would be held on 20 July 2022.

Approved: _____

       Chair