

**PUBLICATION MINUTES OF THE THREE HUNDRED AND TWELFTH MEETING OF
THE OFCOM BOARD HELD ON 13 MARCH 2024
AT RIVERSIDE HOUSE, LONDON SE1 9HA AND VIA MICROSOFT TEAMS**

Present

Michael Grade	Chair
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
Will Harding	Non-Executive Member
Clive Jones	Non-Executive Member
Ben Verwaayen	Non-Executive Member (via Teams) (Items 1-7 inclusive)

In attendance

Martin Ballantyne	General Counsel
Veronica Branton	Corporation Secretary
Francesca Carter	Head of Governance (via Teams)
Sharon Malley	Governance Manager
Yih-Choung Teh	Group Director, Strategy and Research (Item 6)
Melissa Tatton	Group Director, Corporate (Item 6)
Aneen Blackmore	Finance Director (Item 6)
Atif Moghal	Head of Strategic Finance (Item 6)
Iqbal Marikkar	Corporate Strategy Director (Item 6)
Kate Jones	DRCF CEO (Item 7)
Chia Seiler	Public Policy Principal (Item 7)
Andrew Breeze	Technical Policy Development Director (Item 7)
Almudena Lara	Online Safety Policy Development Director (Item 8)
Mark Bunting	Online Safety Strategy Delivery Director (Item 8)
Elizabeth Holloway	Legal Director (Item 8)
Cristina Nicolotti Squires	Group Director, Broadcasting and Media (Item 9)
Siobhan Walsh	Director, Content Policy (Item 9)
Adam Baxter	Standards and Audience Protection Director (Item 9)
Vikki Cook	Content Media Policy Director (Item 9)

	Action
Item 1: Declaration of members' interests	
1. No new interests were declared.	
Item 2: Minutes of the meeting held 7 February 2024 and matters arising – Board minutes 311(23) and note of action points	
2. The minutes of the Ofcom Board meeting held on 7 February 2024 were APPROVED for signature by the Chair as an accurate record.	
3. A summary of progress against action points was NOTED .	

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Item 3: Chair's report 4. The Chair updated the Board on his activities, including meetings with the CEO of Channel 4 and the Chair of Ofgem and a constructive event with Ofcom colleagues and Geoffrey Hinton, Emeritus Professor of Computer Science at the University of Toronto, to discuss AI. The Media Bill and Digital Markets, Competition and Consumers Bill continued through Parliament and he had observed debates in the House of Lords but not participated in them. 5. The Board noted the report.	
Item 4: Chief Executive's report – Board paper 14(24) 6. Melanie Dawes presented paper 14(24) on her activities. She updated the Board on work to protect vulnerable users during the migration from copper phone lines to digital and said that BT and Virgin Media 02 had now reviewed their case backlogs. New non-voluntary migrations had been suspended and attention was now focused on how to resume them safely. 7. The consultation on illegal harms had generated around 200 substantial responses and these were being analysed. Melanie Dawes said she had expressed her gratitude to stakeholders for the quality and thoughtfulness of their responses and noted the importance of Ofcom continuing to engage actively. 8. The team was considering arguments about whether taking a principles and/or standards-based approach to the Codes was possible. The importance of ensuring Ofcom's decisions were evidence-led and in line with the legislation was noted. 9. The Board noted that online safety continued to require significant resource within Ofcom and that it would be important to monitor whether adequate resource would be available when the supervisory stage was reached if the policy teams were unable to move across because further work was required in this area. It was noted that the Risk and Audit Committee would be looking at the online safety fees regime at a future meeting. 10. Melanie Dawes said a recent AI Summit she had attended had been constructive. Attendees included innovators, funders and other regulators and she had taken the opportunity to raise the potential for AI-related harms such as child sex abuse material and pornography. 11. Ofcom would shortly be publishing decisions on broadcasting standards cases relating to politicians acting as presenters on news channels. The next steps would be to publish the research that had been separately conducted and to consider whether any further guidance was needed. The Board noted the processes for investigating cases. 12. The Board noted that the Finance Director would be leaving Ofcom at the end of May and that Ofcom would be working with the Government Finance Profession to find candidates for her successor. 13. The Board was updated on staffing issues relating to colleagues' use of social media and the steps being taken to assist colleagues on this issue in future.	

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14. The Board noted that online safety would be exempt from the new growth duty until 2025 and this was welcomed. The likely forthcoming governmental review of Ofcom's duties, in the context of increasing interest in regulator accountability, was noted. 15. Lindsey Fussell updated the Board on her recent meeting with the leader and deputy leader of the Communication Workers Union to discuss Royal Mail. 16. The Board NOTED the paper.	
Item 5: Report from the Chair of the Risk and Audit Committee 17. Angela Dean updated the Board on the meeting of the Risk and Audit Committee held on 28 February 2024. She said the Committee had received an internal audit follow-up report on business continuity. The Committee had received a paper outlining the new approach, which would be led by the Corporation Secretary and would have separate workstreams on clarifying roles and responsibilities on data handling, deleting expired data and setting up sustainable future arrangements. This was a positive step but it would be important to ensure adequate resource was in place and that outcomes were monitored. 18. The Committee had also discussed the introduction of measures to minimise the risk of cyber attacks. It had reappointed Deloitte as internal auditors following a thorough procurement process. 19. Angela Dean noted that there was some risk around the departure of the Finance Director and that the individuals in the two key roles reporting to her, the Head of Risk and the Financial Controller, were both relatively new in post. There were mitigations in place but the situation should be monitored. 20. She noted that the strategic risk register was being fundamentally reviewed and this meant that the Committee had not conducted its normal review of risks since the summer. There was open communication with the Corporate Group Director on issues as they arose and the review was due to be completed in time for the next meeting of the Committee in May. 21. The Board NOTED the update.	
Item 6: Plan of Work and budget 2024/25 – Board paper 15(24) 22. Yih-Choung Teh presented paper 15(24) on the consultation on the Plan of Work 2024/25 and the proposed 2024/25 budget. He said the consultation events in the nations had been hugely positive and had given smaller organisations the opportunity to engage directly with Ofcom and voice their issues and concerns. On the budget, Aneen Blackmore said the flat cash position was challenging but by looking carefully across the organisation she was able to set out a balanced budget for approval. She noted that work was in hand for the next spending review and that difficult choices may need to be made in future years. 23. The Board noted the increased workload being delivered by Ofcom colleagues and the difficulty of trying to prioritise when unpredictable demands led to increased pressure across the groups. The agility programme aimed to improve Ofcom's responsiveness and flexibility but it would be difficult to accommodate new priorities without reducing work elsewhere. The Board noted that colleagues were looking at ways to streamline work.	

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24. It was noted that broadcast standards complaint volumes had increased in number, although they were lower than during Covid and the number of programmes complained about had not risen as substantially. Resource for handling broadcast standards complaints was largely fixed. The risk relating to the vacancy rate was noted. 25. The Board noted that tariffs for broadcasters would be increasing against a backdrop of declining revenues. The cost of regulation for broadcasters was higher as a proportion of the size of the industry than for communications networks. Engagement with broadcasters on tariffs was in hand. 26. The Board NOTED the update on the Plan of Work 2024/25 and that the final Plan of Work would be approved by Melanie Dawes and Yih-Choung Teh. The Board APPROVED the 2024/25 budget as set out in the paper and NOTED the update to the stakeholder tariffs and that incremental funding for the Media Bill, PSA absorption and amendments to the Online Safety Act had yet to be agreed with the Treasury and were not reflected in the budget proposal.	
Item 7: DRCF workplan 2024/25 – Board paper 16(24) 27. Chia Seiler presented paper 16(24) on the Digital Regulation Co-operation Forum (DRCF) workplan for 2024/25 and the implications for Ofcom’s priorities. She said the DRCF was now a respected part of the policy landscape and that the 2024/25 workplan would build on existing workstreams with a focus on the development of the AI and Digital Hub involving all four regulators and continued work on age assurance with the ICO. 28. Kate Jones said the DRCF played an important coordination role and that the UK was not facing calls for the creation of a single digital regulator as the DRCF worked in this space. Other countries were now considering adopting the UK model. 29. The Board noted that the DRCF was funded by equal contributions from each regulator and that the workplan was developed by the CEOs of the regulators in collaboration. The Board welcomed the workplan and recognised the benefits of coordination. The potential leveraging of academics to support the DRCF’s work was noted. 30. The development of the AI and Digital Hub was being structured as a pilot as it was innovative and carried a number of risks and variables. It was agreed that an update on the hub would be provided to the Board in six months. 31. It was noted that DRCF’s workplan had been carefully considered and agreed between the regulators and that Ofcom’s projects were aligned with Ofcom’s overall strategic objectives for the year. 32. The Board NOTED the paper.	Corp Sec

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Item 8: Phase 2 online safety consultation: protecting children from harm online – Board paper 17(24) 33. Almudena Lara presented paper 17(24) on the proposed approach to Ofcom's consultation on protecting children from harm online. She said Ofcom did not yet have access to information about the business models of the key platforms and that costs to the industry were not yet known. The consultation proposals had been developed on the basis of the information available to Ofcom currently. The team viewed age verification proposals as proportionate and was confident that the approach if implemented would lead to reduced harm for children online. 34. The Board discussed the risks identified in the paper and noted that public concerns about online safety had increased since the Online Safety Act had been introduced. The Board noted that some public debate centred around parental controls but Ofcom's position was that primary responsibility for online safety lay with the providers rather than the users. 35. The Board welcomed the research with children that underpinned the consultation approach. The proposed threshold for large platforms was discussed and the number of platforms likely to pass the threshold was noted. It was noted that the choice of threshold would receive close scrutiny and it had been the subject of very careful consideration. 36. The Board noted the proposed approach to operationalising the regime and APPROVED the approach to the consultation as set out in the paper.	
Item 9: Update on the BBC programme – Board paper 18(24) 37. Siobhan Walsh presented paper 18(24) on Ofcom's BBC programme of work. The Board discussed the BBC's plans to launch four new radio stations on DAB+ and via streaming on BBC Sounds. The DAB+ launch was the subject of an ongoing public interest test but the BBC's initial assumption was that the new streams would not present an adverse impact on fair and effective competition. The Board discussed the potential effect of the proposals on commercial radio operators, including those specifically impacted by the proposals and on innovation in the industry more generally, and noted the possible next steps. 38. The Board noted the BBC proposal to replace an hour-long Monday to Thursday news programme in Scotland with a new 30-minute programme broadcast in the early evening. The change would need regulatory approval and Ofcom had indicated that if a formal proposal were received it would need to be backed by evidence. 39. The Board NOTED the paper. 40. The Board noted that Channel 4's licence renewal process was underway and Ofcom was currently reviewing responses to the consultation. Stakeholders broadly supported proposals to give Channel 4 more flexibility but there was concern over Channel 4's position on Out of England production quotas. 41. Karen Baxter, Bob Downe and Clive Jones reported to the Board the views of the independent production sector in the nations. The Board noted that Channel 4's current position appeared inconsistent with its commitments to Out of England production during	

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the debate over its privatisation. An explanation on this had been requested from Channel 4. 42. This Board noted the strong concerns. This issue would be brought for further consideration prior to decisions being made. 43. The Board recorded its thanks to Siobhan Walsh for her work as Interim Group Director of Broadcasting and Media.	
Item 10: Misinformation and Disinformation Committee – Board paper 19(24) 44. Veronica Branton presented paper 19(24) on the Advisory Committee for Misinformation and Disinformation and noted the recommendation that the Committee be established at the end of 2024 or early 2025. The Board noted that there may be some interest from stakeholders in establishing the Committee sooner, but Ofcom's full powers in this area under the Online Safety Act would not come into force until late 2025. It was recommended the Committee be established in line with this timing. 45. The Board noted the proposal that the Committee should be chaired by a non-executive Ofcom Board member with online safety experience. The Chair updated the Board on progress with recruitment of this member. 46. The Board APPROVED the approach to the establishment of the Committee as set out in the paper.	
Item 11: Board and Committee evaluation report 2023/24 – Board paper 20(24) 47. Veronica Branton presented paper 20(24) on the Board and Committee evaluation report 2023/24 and the main findings were discussed. 48. The Board NOTED the paper.	
Item 12: Annual Health and Safety report – Board paper 21(24) 49. The Board APPROVED the Health & Safety Annual Update, the updated Health & Safety Strategy and the Health & Safety Annual Report.	
Item 13: Advisory Committee for Scotland – appointments – Board paper 22(24) 50. The Board APPROVED the appointment of Caroline Di Stefano and Cameron Speirs to the Advisory Committee for Scotland for a period of three years from 1 June 2024 and the reappointment of Ashe Hussain for a second term of three years from 1 September 2024.	
Item 14: MG ALBA – appointments– Board paper 23(24) 51. The Board APPROVED the appointment of David Byrne, Catriona Murray, Lachlan Peel, Calum Steele to the Board of MG ALBA for terms of four years from 1 May 2024 and NOTED that the appointments were subject to final approval by Scottish Ministers.	
Item 15: Content Board – executive appointment – Board paper 24(24)	

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52. The Board APPROVED the appointment of Cristina Nicolotti Squires as an Executive Member of the Content Board, as part of her role as Group Director, Broadcasting and Media Group.	
Item 16: Bilsdale transmitter completion– Board paper 25(24)	
53. The Board NOTED the restoration of the broadcast services at the Bilsdale TV and Radio transmitter and the ongoing work in Spectrum Group to monitor the progress towards improving the response of broadcast licensees and Arqiva to any future major incident.	
Item 17: Unlock of One Ofcom bonus 2023/24 – Board paper 26(24)	
54. The Board NOTED that the People Committee approved a recommendation from PMB to unlock the total accrued 2023/24 bonus pot and approved the distribution of the bonus accrual. The People Committee had also noted the proposed allocation of the bonus pot.	
Items 18-22: Information items	
55. The Board NOTED the following information items: • Non-executive member updates – Board paper 27(24). • Monthly performance report – Board paper 28(24) • Board work programme – Board paper 29(24), and publications schedule – Board Paper 30(24) • Minutes of the Advisory Committee for Northern Ireland of 5 December 2023, the Communications Consumer Panel/ACOD of 17 January 2024 and Content Board of 23 January 2024.	
Item 23: Any other business	
56. Martin Ballantyne updated the Board on the process relating to the proposed sale of the Telegraph Media Group.	
Item 21: Date of the next meeting	
57. The next scheduled Board meeting would be held on Wednesday 17 April 2024.	
58. The meeting concluded at 12.30 pm.	

Approved: _____
Chair