**MINUTES OF THE TWO HUNDRED AND NINETY-FIRST MEETING OF
THE OFCOM BOARD HELD ON 9 FEBRUARY 2022
HYBRID MEETING HELD AT RIVERSIDE HOUSE AND VIA MICROSOFT TEAMS
(With redactions for sensitivity)**

Present

Maggie Carver	Interim Chair
Kevin Bakhurst	Executive Member and Group Director, Broadcasting & Online Content
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 (via Teams)
Ben Verwaayen	Non-Executive Member (via Teams)

In attendance

Martin Ballantyne	General Counsel
Jacqui Gregory	Corporation Secretary
David Edwards	Committee Secretary (via Teams)

Other Ofcom colleagues (via Teams)

Yih-Choung The (items 8 & 13)
Melissa Tatton (item 8)
Iqbal Marrikar (item 8)
Nihal Newman (items 9 & 10)
Ben Willis (item 9)
Huw Saunders (item 10)
William Wedge (item 10)
Siobhan Walsh (item 11)
Kate Biggs (item 11)
Kate Davies (item 11)
Adam Baxter (item 12)
Helen Hearn (item 13)
Justin Moore (item 13)

Item 1: Declaration of Members' Interests – oral

1.   No new declarations of interest were notified.

Item 2: Chair's Report

2.   Non-Executive Ofcom Board Member Appointments: An update on Non-Executive Board Member appointments had been included in the action points note which had been provided ahead of the meeting.

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3.   Channel 4 Corporation Chair Appointment: The Board was updated on the process for recruiting a new Chair of Channel 4, the interviews for which had been held on 7 February 2022. The Board **APPROVED** the Recruitment Panel's recommendation for the appointments of a Chair and a new NED to the Channel 4 Board. The Chair confirmed that she would write to the Secretary of State for DCMS recommending the two appointments for approval. The Board discussed the current minority ethnic diversity on the C4C Board and this would be a consideration in the recruitment campaign to fill the two existing C4C Board Member vacancies and those that would become vacant in the near future. The Chair noted that this would be noted in any communications regarding the appointments, were these to be approved by the Secretary of State.

4.   Board Workshop on Platform Metrics Pilot: An interesting and engaging workshop had been held for Board Members on 31 January.

Item 3: Minutes of the meeting held on 15 December 2021 and Matters Arising – Board Minutes 290(21) and Note of Action Points

5.   Subject to a minor amendment the minutes of the Ofcom Board meeting held on 15 December 2021 were **APPROVED** for signature by the Chair as an accurate record.

6.   The Board **NOTED** the approval obtained by Written Resolution for the appointment of Veronica Branton as Corporation Secretary.

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

Item 4: Chief Executive's Report – Board Paper 1(22)

8.   Melanie Dawes presented her report on recent developments, including telecoms, PSTN switch-off, online safety and streaming services.

9.   The Board **NOTED** the oral report from the Chief Executive and Board Paper 1(22).

Item 5: Executive Director Updates – oral

10.   A number of Networks & Communications topics had been highlighted already in the Chief Executive's update and today's meeting included items on the Telecoms Security Framework and on Network Resilience. Lindsey Fussell noted that a new Telecoms and Internet Security Director had been appointed who would be joining Ofcom shortly.

11.   Kevin Bakhurst referred to the upcoming appointment of a new Online Safety Director, who would lead Ofcom's work on Video Sharing Platforms. He reported on the outcome of a meeting with the Chief Executive of ITV. Kevin further advised that the BBC had re-launched BBC3 as a linear channel. In addition, the Executive would be holding a number of sessions to engage with external online safety experts and invitations to these sessions would be extended to Board Members. Kevin also reported on the outcome of a meeting with the COO of Arqiva on the Bilsdale mast fire.

12.   The General Counsel provided a short litigation update.

13.   The Board **NOTED** the updates presented orally at the meeting.

Item 6: Report from the Interim Chair of the Content Board – oral

14.   Bob Downes reported on matters discussed at the Content Board meeting held on 25 January 2022. These had included the Content Board Annual Work Programme 2022/23; Ofcom's internal Beyond Broadcast research; and due impartiality in broadcast standards cases. The latter had been complemented by a useful 'teach-in' for Content Board Members held earlier in January.

15.   The Board **NOTED** the oral update provided by Bob Downes on the Content Board.

Item 7: Reports from Non-Executive Members – oral

16.   Angela Dean reported that the Advisory Committee for England had not met formally in the interval since the last Board meeting but its Members had held an agenda planning session in January at which they also discussed in outline the Committee's planned response to the Ofcom Plan of Work 2022/23 consultation.

17.   Angela Dean noted that she had chaired the England break-out session, as part of Ofcom's virtual Plan of Work event. Bob Downes had chaired the joint Scotland and Northern Ireland break-out session and David Jones had chaired the Wales session. The value of consultations on the Plan of Work was discussed and noted by the Board.

18.   Bob Downes and David Jones referred briefly to matters of Ofcom interest in Scotland, Northern Ireland and Wales.

19.   Graham Mather, as the Board Member designated as being responsible for consumer interests, highlighted a number of points arising from the first quarterly report for the Board received from the Communications Consumer Panel.

20.   The Board **NOTED** the oral reports from Non-Executive Members.

Item 8: Update on the Ofcom Three-Year Plan – Board Paper 2(22)

21.   Board Paper 2(22) set out the approach to delivery of Ofcom's three-year plan (3YP). Primary aims, in the context of a changing landscape, were to plan how Ofcom delivered on its multi-year vision, recognising the financial and resourcing implications for the organisation. Three priority outcomes previously agreed, alongside other important duties, would drive Ofcom's work: "internet we can rely on"; "media we trust and value"; and "we live a safer life online". The 3YP would allow Ofcom to develop sector visions, as well as a plan for professional supporting functions, notably in technology and research.

22.   The Board **NOTED**:

- The approach to delivering the 3YP and findings of a current state assessment of the organisation and next steps to develop the 3YP to include a strategic workforce plan and financial forecast;
- that there would be further engagement with the Senior Management Team and Senior Leadership Group, and with the Ofcom Board at the May 2022 meeting.

Item 9: Telecoms Security Framework: regulatory strategy and operational readiness – Board Paper 3(22)

23.　　The Executive updated the Board on the Telecommunications (Security) Act 2021, which received Royal Assent in November 2021. In addition, the Board's views were sought on Ofcom's regulatory strategy for the telecoms security regime and the high risk-vendor (HRV) regime. The telecoms security regime was based on a supervisory model with proactive, upfront engagement with industry. An update was also provided on Ofcom's operational readiness for the framework and the HRV regime, including team responsibilities, secure tools and systems, funding, recruitment and operational risk. Considering Ofcom's significant role in the telecoms security regime, attention was drawn to the complexity of this new regime and concerns were expressed about the practical limitations of Ofcom's role which could give rise to reputational risk. Attention was drawn to the complexity of the new regime and the practical limitations of Ofcom's role. With technical measures evolving, compliance and regulation were seen as an ongoing cyclical journey, which would ramp up over time, rather than this being a linear process. Other issues discussed included timescales, monitoring and information gathering.

24.　　The Board **NOTED** the update provided orally and in Board Paper 3(22), namely:

- the regulatory strategy for the new telecoms security framework;
- regulatory strategy for the HRV regime; and
- operational readiness for the telecoms security framework and HRV regime.

Item 10: Approach to Network Resilience – Board Paper 4(22)

25.　　Board Paper 4(22) set out the three main challenges that had been identified in relation to Ofcom's approach to network resilience in the UK, these being (i) that communications providers may lack incentives to invest sufficiently; (ii) that following PSTN switch off there would be no obvious replacement for the "network of last resort"; and (iii) the internet was a complex landscape with multiple points of failure and regulation was piecemeal.

26.　　In addition, there was a nexus of issues relating to "always on" services, the risks to be mitigated and ultimately how much consumers would be willing to pay for this. The Executive had a workplan to focus effort and to build understanding of the issues involved, including whether Ofcom's approach was correct and whether Government intervention was needed and what that could mean in terms of powers for Ofcom. Further considerations were that the Government was already working on a cross-sector National Resilience Strategy, there was increased reliance on communications services in other sectors and the recent storms meant that there were important lessons to be learned.

27.　　Issues discussed by the Board included the urgency of improving network resilience; engagement with network operators and their ability to respond to Storm Arwen scenarios; the costs involved and whether some form of public intervention would be required; and growing dependence on and the financial and other benefits of the internet were acknowledged. As a converged regulator, the Board felt Ofcom was well placed to add value to debates, including the question of whether regulation was required or whether commercial incentives were the solution, and Ofcom was also able to bring interested parties together and that extended to other sectors, including energy. It was noted that consideration of climate change would also be an important dimension to building resilience.

28.   The Board **NOTED** and **AGREED** the approach to network resilience, as set out in Board Paper 4(22), without further comment.

Item 11: Update on Media White Paper and Future of BBC Regulation – Board paper 5(22)

29.   Board Paper 5(22) updated the Board on several strands of policy work in the Broadcast and Online Content Group, including key external developments, such as the Licence Fee settlement and updates to the BBC Framework Agreement, and projects/programmes of work on Future Regulation of the BBC, BBC Studios and a potential White Paper and Media Bill. A paper was due to be submitted to the April Board meeting on the review of the future of BBC Regulation and would include evidence gathered and proposed recommendations, and any updates on the scope and timing of DCMS's mid-term review of the BBC's Charter.

30.   Issues raised and discussed included the approach DCMS wished to take in relation to 'designation' of PSM providers. Ofcom was continuing to work with DCMS on what this might look like and was keen for the right level of ambition to be captured in the White Paper. The Board recognised that the timing of a White Paper would likely be driven by a decision on the future ownership of Channel 4, and that there was much expected in a Media Bill that Ofcom would welcome.

31.   In relation to BBC Studios the Board continued to emphasise the importance of transparency. The Board noted the impact of significant competition on the BBC and it was recognised that the BBC was operating in conditions that were different from those when the existing Charter had been granted, in the online space for example. Trust was an important element of Ofcom's relationship with the BBC and better BBC engagement with stakeholders about the changes it was planning to make was also necessary to allow Ofcom to rationalise some of the regulatory processes.

32.   The Board **NOTED** the content of Board Paper 5(22), namely:

   - key policy developments in Ofcom and externally; and relevant Ofcom projects/programmes of work;
   - and that a paper would be submitted to the April Board on the Review of the Future of BBC Regulation.

Item 12: Content Board Annual Work Programme 2022/23 – Board Paper 6(22)

33.   The Content Board's proposed Annual Work Programme for 2022/23 was set out in Board Paper 6(22) and had been agreed by the Content Board at its meeting on 25 January 2022.

34.   As was the case in 2021/22, the work in the annual work programme for 2022/23 would be conducted through a combination of discussion at formal meetings and more flexible engagement with the Executive. For some work areas, sub-groups made up of Content Board Members with particular experience or expertise would be the most appropriate form of engagement and the Executive would explore making more use of such sub-groups, as appropriate.

35.   The Board **APPROVED** the Content Board's Annual Work Programme for 2022/23. In doing so, the Board also **AGREED** the means by which the Content Board would contribute to certain policy areas set out in Ofcom's Plan of Work.

Item 13: Space Spectrum Strategy consultation – Board Paper 9(22)

36.   Board Paper 9(22) had been provided to allow the Board to review and provide input to Ofcom's proposed updated Space Spectrum Strategy. The purpose of the proposed Strategy was to ensure that Ofcom had the right focus in its spectrum management work to respond to changes in the space sector. The Executive intended to consult on the Strategy and the target publication date was early March 2022.

37.   Issues discussed included the extent to which the UK's departure from the EU had consequences for Ofcom's Space Spectrum Strategy. The Board was assured that the UK was not constrained and that discussions took place and important decisions were made at the International Telecommunication Union (ITU) and at the ITU's World Radio Conference. In addition, the UK was able to make its own domestic decisions about spectrum access and issue licences regardless of the EU. The Board noted that the Government considered space to be a key economic area, that it was seen as a potential sector for growth and in job creation and that the Government wished to see the UK an important base for the industry.

38.   The Board **NOTED** the updated Space Spectrum Strategy in Board Paper 9(22) without further comment.

Item 14: Board & Committee Evaluation Review 2021/22 - Outcomes – Board Paper 8(22)

39.   Each year Ofcom conducted a review of the Board and Board Committee performance and effectiveness. At the November 2021 Board meeting, Board Members agreed that the Board and Committee Effectiveness Review for 2021/22 should comprise a similar external review to that conducted for 2018/19 and 2019/20, using Lintstock Review Service, with this being supplemented with 30 minute follow up interviews with Board Members to better understand the thinking behind Board Members responses to some of the questions and to provide a robust report of key recommendations and observations which could be shared with any new incoming Ofcom Board Chair. The External Review had been conducted by Lintstock during December 2021/January 2022.

40.   Subject to the Board's comments, which Members were invited to email to the Corporation Secretary, proposed actions (acknowledging that some actions were already in train) would be discussed with the Interim Chair and the Chief Executive, with a view to a paper being presented on these to a future Board meeting.

41.   The Board **NOTED** Board Paper 8(22) and the annexed report from Lintstock without comment.

Item 15: Reappointment of the Chair of the Advisory Committee for England – Board Paper 9(22)

42.   The Board **APPROVED** the reappointment of Paula Carter as the Chair of the Advisory Committee for England for a further three-year term to run from 1 June 2022 until 31 May 2025.

Item 16: Appointment to the Content Board: Member for Wales – Board Paper 10(22)

43.   The Board **APPROVED** the appointment of Dr Ruth McElroy to the Content Board as the Member for Wales for a three-year term to run from 1 March 2022 until 28 February 2025.

Item 17: Information Items

44.   The Board **NOTED** the following information items:

- Quarterly Performance Update - Board Paper 11(22)
- Board Work Programme/Forward Agendas – Board Paper 12(22)
- Publications Schedule – Board Paper 13(22)
- Minutes of the Content Board (meeting held on 30 November 2021)
- Minutes of the Risk and Audit Committee (meeting held on 1 December 2021).
- Minutes of the Communications Consumer Panel/ACOD (meetings held on 18 November and 16 December 2021)
- Minutes of the National Advisory Committee for Wales (meeting held on 24 November 2021)
- Minutes of the National Advisory Committee for Northern Ireland (meeting held on 7 December 2021)
- Minutes of the National Advisory Committee for Scotland (meeting held on 8 December 2021)
- Minutes of the National Advisory Committee for England (meeting held on 9 December 2021)

Item 18: Any Other Business

45.   Melanie Dawes reminded the Board that, as at the time of the Grenfell fire and during its aftermath she had been Permanent Secretary at the Department for Communities and Local Government, she would be giving oral evidence to two modules of the Grenfell Tower Inquiry. Timings remained to be confirmed but the evidence sessions were likely to be held in March and April/May 2022.

Item 19: Date of the Next Meeting

46.   The next scheduled Board meeting will be held on Wednesday, 9 March 2022.

Approved: _____
          Interim Chair