



Annual Plan 2015/16

Invitation to Comment

Consultation

Publication date: 17 September 2014

Closing Date for Responses: 15 October 2014

About this document

Every year we publish our Annual Plan, setting out our priorities and work programme for the coming year. We are currently commencing work on the Plan which will cover our programme of work from 1 April 2015 to 31 March 2016.

This document provides an early opportunity for those with an interest in Ofcom's work to comment on Ofcom's strategic approaches and purposes, and suggest any activities that should be part of our priorities and major work areas in 2015/16. We will consult on the full draft proposals in December this year.

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Section 1

Our Annual Plan and this invitation to comment

- 1.1 As the communications regulator, we regulate the TV and radio sectors, fixed line and mobile telecoms, postal services, and the airwaves over which wireless communications devices operate and television/radio services are broadcast.
- 1.2 Every year we publish our Annual Plan which sets out our strategic purposes, priorities and work programme for the coming year. The Plan helps to inform stakeholders and those who are interested in Ofcom's work what to expect for the year ahead.
- 1.3 We have now commenced work on our Annual Plan for the twelve months from 1 April 2015 to 31 March 2016 and would like to invite stakeholders' views at this stage to build into our Draft Annual Plan. We will consult on this draft in December of this year, and following the consultation aim to publish our final Annual Plan in March 2015.
- 1.4 Specifically, we would like early views on:
 - potential changes to Ofcom's overall strategic approaches and purposes, outlined in the current year's Annual Plan¹;
 - the issues and areas that should form our priorities or major work areas in 2015/16; and
 - any specific areas for deregulation or simplification.
- 1.5 We encourage stakeholders and those with an interest in Ofcom's work to respond to this Invitation to Comment by 15 October 2014.

¹ http://www.ofcom.org.uk/files/2014/03/Annual_Plan_1415.pdf

Section 2

Ofcom's duties and strategy

Ofcom's duties

- 2.1 The Communications Act 2003 sets out Ofcom's principal duties to further the interests of citizens in relation to communications matters, and to further the interests of consumers in relevant markets, where appropriate by promoting competition.
- 2.2 Ofcom's role includes securing:
- the optimal use for wireless telegraphy of the electro-magnetic spectrum;
 - provision of a range of electronic communications services across the UK;
 - availability of a wide range of TV and radio services of high quality and wide appeal in the UK;
 - sufficient plurality in the providers TV and radio services; and,
 - adequate protection for members of the public and others against offensive or harmful material and against unfair treatment in programmes or unwarranted infringement of privacy.
- 2.3 In post, we have a duty to secure the provision of a universal postal service². We are required to give priority to this duty over our principal duties if it appears there is a conflict between the two.

Ofcom's Strategy

- 2.4 Our overarching strategy, strategic purposes and approach as set out last year are provided below to provide context for this invitation to comment and to explain how we aim to achieve our goals.

Our overarching strategy is to ensure that UK communications markets work to support consumer and citizen interests

Ofcom's Strategy

We will work for consumers and citizens by promoting effective competition, informed choice and the opportunity to participate in a wide range of communications services, including post. We will secure the optimal use of spectrum, through market mechanisms where possible and regulatory action where necessary. We will provide proportionate protection for consumers and help maintain audiences' confidence in broadcast content. We will contribute to public policy defined by Parliament, including high quality public service broadcasting and plurality of media ownership.

To achieve these aims, we will be consultative, transparent and proportionate. We will be informed through high quality research and information, which we will share widely. We will be mindful of the diversity of the UK and its nations. We will aim to be innovative, responsive and effective in everything we do.

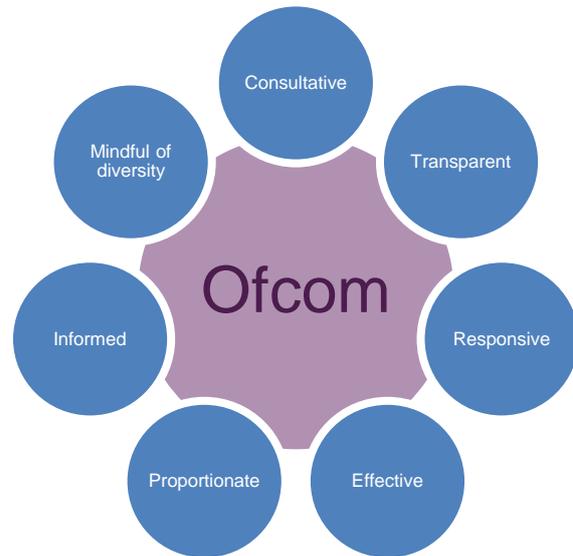
² As set out in Section 29 of the Postal Services Act 2011

Figure 1: Ofcom's strategy

What we do to further consumer and citizen interests...



... and how we will behave in doing this



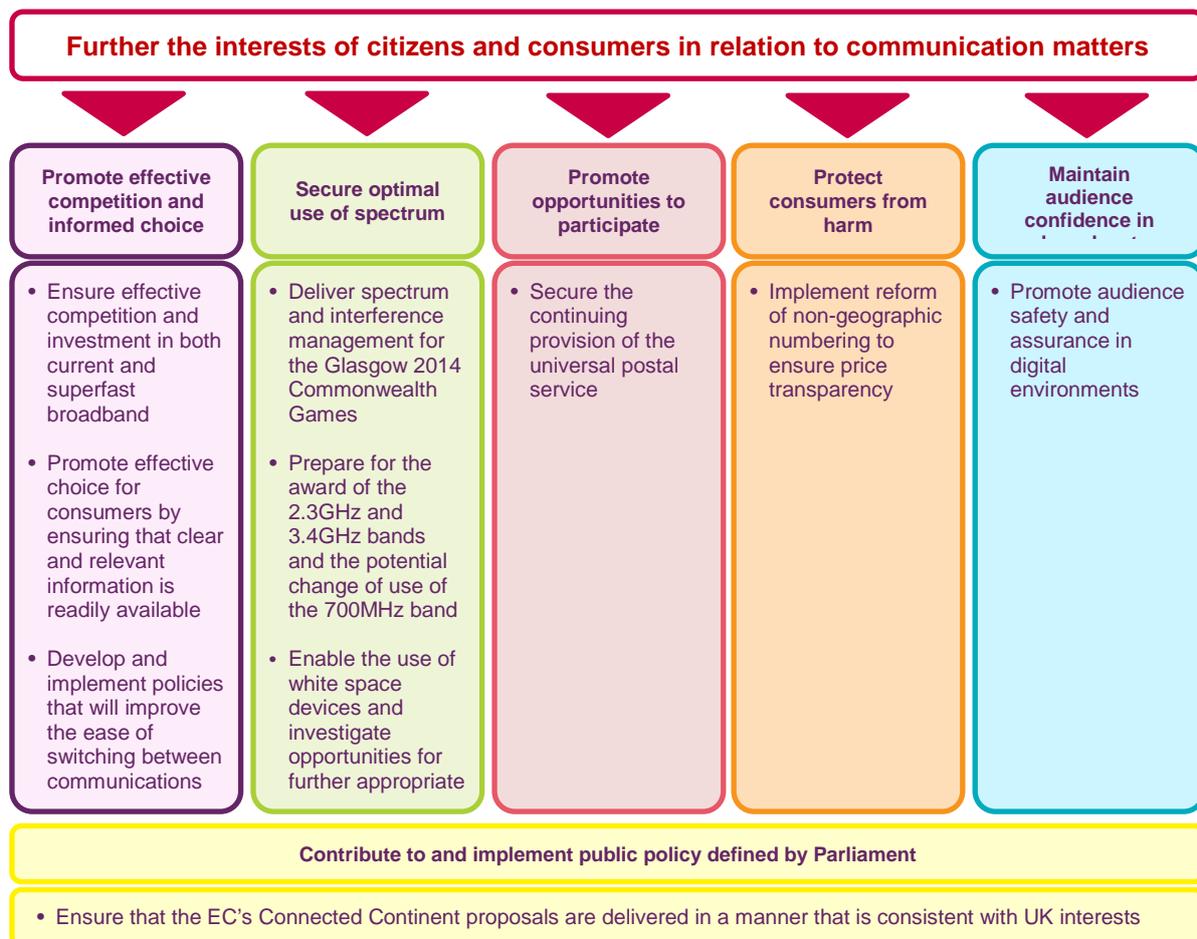
- 2.5 **Effective competition and informed choice** across all communications services is a key element of our strategy to help deliver competitive markets. This incorporates supply-side activities such as setting competition policies for services where there are economic bottlenecks, and demand-side activities such as providing customers with the necessary information to make an informed choice, for example in our publication of broadband speeds data.
- 2.6 **Securing optimal use of spectrum** is a fundamental element of our strategy and a major area of our work. Our preferred approach is to use market mechanisms; however we recognise that in some cases regulatory action may be required. A key example of our recent work in this area is the successful delivery of spectrum and interference management for the Glasgow 2014 Commonwealth Games.
- 2.7 We continue to **promote the opportunity to participate** in society for consumers and citizens through the availability and use of a wide range of communications services. Our work in this area includes ensuring effective and efficient delivery of universal services, and providing direct support for the most vulnerable consumers.
- 2.8 Despite effective communications markets providing a range of benefits for consumers, we continue to have backstop safeguards to **protect consumers from harm**. Recently our work in this area has included addressing mid-contract price rises.
- 2.9 We maintain **audience confidence in broadcasting content** through our licensing and enforcement activities, and by helping to ensure regulation is consistent with audience expectations of content standards such as in our research into attitudes to violence on TV.
- 2.10 We also continue to **contribute to public policy defined by Parliament**. We have a role to assist in the development, implementation and enforcement of policies to ensure they deliver the desired citizen outcomes.

Section 3

Ofcom's 2014/15 priorities

3.1 Our priorities for the 2014/15 year, which runs through to the end of March 2015, are outlined below:

Figure 2: Annual Plan 2014/15 priorities



3.2 In the past year, we have progressed a range of priority, major and programmatic work areas, for example:

- the narrowband market review was completed in September 2013 and the next review of this market is due to commence in 2015/16;
- the fixed access and wholesale broadband market reviews were completed in June 2014 (the VULA margin issue should be completed in December 2014);
- the mobile call termination market review is scheduled to complete in March 2015;
- the business connectivity market review started in January 2013 and is scheduled to complete in March 2016. A consultation (call for inputs) was published in April 2014, with full a consultation due in March 2015; and

- in May 2014 we published the Future of Free-to-View TV strategy. Further work in this area will lead into our preparations for the 2015 World Radio Conference and our implementation of our UHF spectrum strategy.
- 3.3 Since we published the Annual Plan, a number of additional work areas have arisen which we have responded to, for example:
- we have proposed new requirements and guidance in relation to BT's margin for products based on VULA to promote competition in the growing market for superfast broadband customers;
 - we have published a report for Government outlining the measures that the UK's largest internet service providers have put in place to introduce family-friendly network level filtering, which allows the account holder to choose to block web-based content that might be inappropriate for children;
 - we have imposed new performance standards on Openreach which came into effect on 1 July 2014. These aim to bring about faster line repairs and installations for telephone and broadband customers; and
 - in September 2014, we outlined our programme of work designed to enable small businesses to get the best out of communications services in the UK. We have recently published guidance for these companies on taking out new contracts for landline telephone, broadband and mobile phone services.
- 3.4 Alongside these areas, we are also undertaking a range of other work in the current year. Details about this work can be found in the 2014/15 Annual Plan³.
- 3.5 We are now considering what our priorities and major work areas for 2015/16 should be. We propose that these should be presented in line with our six strategic purposes, set out in paragraphs 2.4 to 2.10 above.
- 3.6 We are seeking views from stakeholders in their responses to this invitation to comment on the following questions:
- i) Are there areas of Ofcom's overall strategic approaches and purposes (outlined in paragraphs 2.4 to 2.10 above) that may need to change?;
 - ii) What are the issues and areas that should form Ofcom's priorities or major work areas in 2015/16?; and,
 - iii) Are there any specific areas for deregulation or simplification in the coming year?

³ http://www.ofcom.org.uk/files/2014/03/Annual_Plan_1415.pdf

Annex 1

Responding to this consultation

How to respond

- A1.1 Ofcom invites written views and comments on the issues raised in this document, to be made **by 5pm on 15 October 2014**.
- A1.2 Ofcom strongly prefers to receive responses using the online web form at <http://stakeholders.ofcom.org.uk/consultations/annual-plan-2015-16-invitation-to-comment>, as this helps us to process the responses quickly and efficiently. We would also be grateful if you could assist us by completing a response cover sheet (see Annex 3), to indicate whether or not there are confidentiality issues. This response coversheet is incorporated into the online web form questionnaire.
- A1.3 For larger consultation responses - particularly those with supporting charts, tables or other data - please email Will.Pinkney@ofcom.org.uk attaching your response in Microsoft Word format, together with a consultation response coversheet.
- A1.4 Responses may alternatively be posted or faxed to the address below, marked with the title of the consultation.
- Ofcom Annual Plan Team
Floor 3
Dept Strategy Team
Riverside House
2A Southwark Bridge Road
London SE1 9HA
- Fax: 020 7981 3333
- A1.5 Note that we do not need a hard copy in addition to an electronic version. Ofcom will acknowledge receipt of responses if they are submitted using the online web form but not otherwise.
- A1.6 It would be helpful if your response could include direct answers to the questions asked in this document, which are listed together at Annex 4. It would also help if you can explain why you hold your views and how Ofcom's proposals would impact on you.

Further information

- A1.7 If you want to discuss the issues and questions raised in this consultation, or need advice on the appropriate form of response, please contact Will Pinkney on 020 7981 3890.

Confidentiality

- A1.8 We believe it is important for everyone interested in an issue to see the views expressed by consultation respondents. We will therefore usually publish all responses on our website, www.ofcom.org.uk, ideally on receipt. If you think your response should be kept confidential, can you please specify what part or whether

all of your response should be kept confidential, and specify why. Please also place such parts in a separate annex.

- A1.9 If someone asks us to keep part or all of a response confidential, we will treat this request seriously and will try to respect this. But sometimes we will need to publish all responses, including those that are marked as confidential, in order to meet legal obligations.
- A1.10 Please also note that copyright and all other intellectual property in responses will be assumed to be licensed to Ofcom to use. Ofcom's approach on intellectual property rights is explained further on its website at <http://www.ofcom.org.uk/terms-of-use/>

Next steps

- A1.11 Following the end of the consultation period, Ofcom intends to publish the Draft Annual Plan statement in December 2014.
- A1.12 Please note that you can register to receive free mail updates alerting you to the publications of relevant Ofcom documents. For more details please see: <http://www.ofcom.org.uk/email-updates/>

Ofcom's consultation processes

- A1.13 Ofcom seeks to ensure that responding to a consultation is as easy as possible. For more information please see our consultation principles in Annex 2.
- A1.14 If you have any comments or suggestions on how Ofcom conducts its consultations, please call our consultation helpdesk on 020 7981 3003 or e-mail us at consult@ofcom.org.uk . We would particularly welcome thoughts on how Ofcom could more effectively seek the views of those groups or individuals, such as small businesses or particular types of residential consumers, who are less likely to give their opinions through a formal consultation.
- A1.15 If you would like to discuss these issues or Ofcom's consultation processes more generally you can alternatively contact Graham Howell, Secretary to the Corporation, who is Ofcom's consultation champion:

Graham Howell
Ofcom
Riverside House
2a Southwark Bridge Road
London SE1 9HA

Tel: 020 7981 3601

Email Graham.Howell@ofcom.org.uk

Annex 2

Ofcom's consultation principles

A2.1 Ofcom has published the following seven principles that it will follow for each public written consultation:

Before the consultation

A2.2 Where possible, we will hold informal talks with people and organisations before announcing a big consultation to find out whether we are thinking in the right direction. If we do not have enough time to do this, we will hold an open meeting to explain our proposals shortly after announcing the consultation.

During the consultation

A2.3 We will be clear about who we are consulting, why, on what questions and for how long.

A2.4 We will make the consultation document as short and simple as possible with a summary of no more than two pages. We will try to make it as easy as possible to give us a written response. If the consultation is complicated, we may provide a shortened Plain English Guide for smaller organisations or individuals who would otherwise not be able to spare the time to share their views.

A2.5 We will consult for up to 10 weeks depending on the potential impact of our proposals.

A2.6 A person within Ofcom will be in charge of making sure we follow our own guidelines and reach out to the largest number of people and organisations interested in the outcome of our decisions. Ofcom's 'Consultation Champion' will also be the main person to contact with views on the way we run our consultations.

A2.7 If we are not able to follow one of these principles, we will explain why.

After the consultation

A2.8 We think it is important for everyone interested in an issue to see the views of others during a consultation. We would usually publish all the responses we have received on our website. In our statement, we will give reasons for our decisions and will give an account of how the views of those concerned helped shape those decisions.

Annex 3

Consultation response cover sheet

- A3.1 In the interests of transparency and good regulatory practice, we will publish all consultation responses in full on our website, www.ofcom.org.uk.
- A3.2 We have produced a cover sheet for responses (see below) and would be very grateful if you could send one with your response (this is incorporated into the online web form if you respond in this way). This will speed up our processing of responses, and help to maintain confidentiality where appropriate.
- A3.3 The quality of consultation can be enhanced by publishing responses before the consultation period closes. In particular, this can help those individuals and organisations with limited resources or familiarity with the issues to respond in a more informed way. Therefore Ofcom would encourage respondents to complete their cover sheet in a way that allows Ofcom to publish their responses upon receipt, rather than waiting until the consultation period has ended.
- A3.4 We strongly prefer to receive responses via the online web form which incorporates the cover sheet. If you are responding via email, post or fax you can download an electronic copy of this cover sheet in Word or RTF format from the 'Consultations' section of our website at <http://stakeholders.ofcom.org.uk/consultations/consultation-response-coversheet/>.
- A3.5 Please put any parts of your response you consider should be kept confidential in a separate annex to your response and include your reasons why this part of your response should not be published. This can include information such as your personal background and experience. If you want your name, address, other contact details, or job title to remain confidential, please provide them in your cover sheet only, so that we don't have to edit your response.

Cover sheet for response to an Ofcom consultation

BASIC DETAILS

Consultation title: Annual Plan 2015/16 – Invitation to Comment

To (Ofcom contact): The Annual Plan Team

Name of respondent:

Representing (self or organisation/s):

Address (if not received by email):

CONFIDENTIALITY

Please tick below what part of your response you consider is confidential, giving your reasons why

Nothing Name/contact details/job title

Whole response Organisation

Part of the response If there is no separate annex, which parts?

If you want part of your response, your name or your organisation not to be published, can Ofcom still publish a reference to the contents of your response (including, for any confidential parts, a general summary that does not disclose the specific information or enable you to be identified)?

DECLARATION

I confirm that the correspondence supplied with this cover sheet is a formal consultation response that Ofcom can publish. However, in supplying this response, I understand that Ofcom may need to publish all responses, including those which are marked as confidential, in order to meet legal obligations. If I have sent my response by email, Ofcom can disregard any standard e-mail text about not disclosing email contents and attachments.

Ofcom seeks to publish responses on receipt. If your response is non-confidential (in whole or in part), and you would prefer us to publish your response only once the consultation has ended, please tick here.

Name

Signed (if hard copy)

Annex 4

Consultation questions

Sub heading

A4.1 We would like the following questions to be considered in this invitation to comment:

Questions:

Are there areas of Ofcom's overall strategic approaches and purposes (outlined in paragraphs 2.4 to 2.10 above) that may need to change?

What are the issues and areas that should form Ofcom's priorities or major work areas in 2015/16?

Are there any specific areas for deregulation or simplification in the coming year?