

## **Note of the 292<sup>nd</sup> Meeting of the Ofcom Board, held on 9 March 2022**

Members were welcomed to the 292<sup>nd</sup> meeting of the Ofcom Board. Martin Ballantyne (General Counsel); Jacqui Gregory (Corporation Secretary), and David Edwards (Assistant Corporation Secretary) attended throughout.

### **Declaration of Members' Interests – oral**

1. There were no new declarations of interest raised by Members at the the meeting.

### **Chair's Report**

2. Stakeholders: The Chair reported that she had met recently with stakeholders, including the chair of Royal Mail and the interim chair of Channel 4.
3. Channel 4 Corporation Appointments: Following the Board's approval to recommend two appointments to the C4C Board (the Chair and a further Board Member appointment) the Chair had written to the SoS seeking approval and her response was awaited.
4. Non-Executive Ofcom Board Member Appointments: The Board was updated and discussed Non-Executive Board Member appointments and details had been included in the action points note which had been provided ahead of the meeting.

### **Minutes of the meeting held on 9 February 2022 and matters arising**

5. The minutes of the Ofcom Board meeting held on 9 February 2022 were approved for signature by the Chair as an accurate record.
6. A summary of progress against action points had been circulated. Status updates against each of the actions were duly noted.

### **Chief Executive's Report**

7. Melanie Dawes presented her report, which covered key developments since the last Board meeting.
8. The Board noted the report from the Chief Executive.

### **Executive Member Updates**

9. Kevin Bakhurst and Martin Ballantyne briefed the Board on the multiple and expedited investigations into News programmes broadcast on RT (29 investigations were underway at the time of the Board meeting). The Board discussed this and related matters.
10. Lindsey Fussell reported that the Competition and Markets Authority (CMA) had published its findings and decision with respect to the Cellnex acquisition of CK Hutchison's passive telecoms infrastructure assets. The CMA had decided that the acquisition could proceed, provided that certain Cellnex divestitures took place. It was further reported that the Government had published its consultation on telecoms security, including its proposal for new regulations and a code of practice, and that this was followed by the publication of Ofcom's consultation on its general policy on ensuring compliance with security duties.
11. The Board noted the updates presented orally at the meeting.

### **Report from the Chair of the Risk and Audit Committee**

12. Angela Dean reported on matters discussed at the Risk and Audit Committee meeting held on 2 March 2022. The Board noted the oral update.
13. Risk Appetite Statements: Angela Dean referred to the Risk Appetite Statements, which had been recommended for approval by the Board by the Risk & Audit Committee on 2 March 2022. Changes were highlighted in the cover paper. The Board approved the Risk Appetite Statements
14. Strategic Risk Register: Angela Dean referred to the Strategic Risk Register, which had been provided to the Board. The Risk Register had been reviewed by the Risk and Audit Committee at its meeting on 2 March 2022. The Board noted the Strategic Risk Register.

### **Reports from Non-Executive Members**

15. The Board noted the oral reports from Non-Executive Members.

### **Ofcom Plan of Work 2022/23**

16. A paper set out the development of the Plan of Work (PoW) 2022/23; its links with longer-term planning, i.e. the Three-Year Plan (3YP); and summary details of responses to the recent PoW consultation. It was noted that the strategic themes had evolved since last year's PoW, as discussed at the Board's meeting in November 2021. Preparation for new duties relating to online safety was an area of focus in the coming year. Another consideration was the wider context beyond the organisation, including the recent situation that had developed in Ukraine and pressures on the cost of living.
17. The Board approved the Plan of Work, 2022/23 and agreed to delegate final sign-off to Melanie Dawes and Yih-Choung Teh.

### **Draft budget for 2022/23**

18. A paper set out Ofcom's proposed budget for 2022/23 which would see a material increase compared with previous years. This was driven by extra funding for new duties, in particular preparing for the implementation of the new Online Safety (OS) regime. Detailed OS planning and allocation was being finalised. Details of changes to stakeholder tariffs and in key activities by Group had been provided. As noted earlier in the meeting under the PoW item, the process of developing the 3YP was underway and any policy choices would be taken into account in quarterly re-forecasting in 2022/23, once the 3YP had been finalised.
19. The Board:
  - approved the proposed 2022/23 budget;
  - noted the associated stakeholder tariffs;
  - noted that the OS Team would return to the Board with the OS budget allocations in May 2022; and
  - noted that the budget would work in tandem with the 3YP for future years.

### **Options for the handling of Broadcasting Complaints**

20. The Board discussed a paper that set out the various regulatory standards rules that applied across different services, such as broadcast and VOD; the current challenges and issues Ofcom was facing as it carried out its statutory duties on broadcast standards; how Ofcom was meeting those challenges in the short-term; and possible future options being explored to tackle those challenges in both the shorter and longer-term. As part of Ofcom's 3YP, it was noted that Ofcom would, given the substantial rise in complaints mainly about offensive content, look at its current approach, and given that high profile work in some cases was disproportionately driving resource requirements.
21. The Board noted the challenges surrounding the handling of broadcast complaints and the evolving landscape of content standards regulation.

### **Online Safety**

22. Ofcom's preparations to anticipate regulation of OS were now ramping-up and a new management team was in place for the delivery phase and meeting on a weekly basis. The Board was taken through the outcomes that the team expected to achieve in the current year, now organised as seven refreshed priorities for the programme during 2022. A brief update was provided on the OS Bill, which was expected to be introduced in Parliament very shortly.
23. For the May 2022 meeting the plan was to provide the Board with an OS programme roadmap, which would set out how the priority outcomes would be accomplished, along with key milestones and dependencies, and looking ahead to priority actions in the first year of the OS regime. In addition, the Board would be provided with revised governance

structures for the programme and clarity on the proposed topics which the team expected to bring to the Board during 2022.

24. The Board noted the seven priority areas for preparation of the OS regime and the main outcomes targeted for 2022.

#### **Digital Regulation Cooperation Forum**

25. The Board was joined by the Chief Executive of the DRCF and updated on the work of the Forum (established by Ofcom, the CMA, the Information Commissioner's Office and the Financial Conduct Authority). The Board was taken through the DRCF's proposed Workplan 2022-23, which would be a resourced body of work and require being joined-up across all four regulators. An annual report on delivery against the DRCF 2021-22 workplan would be published alongside the Workplan for 2022-23.
26. The Board noted the proposed priorities for the work of the DRCF, the overall shape of the plan of work for 2022-23 and progress against the DRCF Plan of Work for 2021-22.

#### **Board & Committee Evaluation Review Outcomes 2021/22**

27. Each year Ofcom conducted a review of the Board and Board Committee performance and effectiveness. Outcomes had been provided to the Board in February 2022 and the Board now noted a paper that covered proposals and actions to address those outcomes.
28. The Board approved proposals to address the outcomes arising from the externally facilitated review and noted that an update on status against the identified actions would be presented to the Board in the Autumn.

#### **Appointment of a Member of the Advisory Committee for Scotland**

29. The Board approved the reappointment of Stephen Spiers as a Member of the Advisory Committee for Scotland for a further two year-term from 1 May 2022 to 30 April 2024.

#### **Information items**

30. The Board noted the following information items without discussion:
  - Finance Report
  - Board Work Programme/Forward Agendas
  - Publications Schedule
  - Minutes of the Communications Consumer Panel/ACOD (meeting held on 20 January 2022)
  - Minutes of the Content Board (meeting held on 25 January 2022)

**Any other business**

31. Jacqui Gregory would be stepping down as Corporation Secretary at the end of the month and this was her last Board meeting in that role. On behalf of the Board, Maggie Carver thanked Jacqui for her outstanding contribution to Ofcom and her work with the Board.

**Date of the next meeting**

32. The next Board meeting will be held on 6 April 2022.

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