

**MINUTES OF THE TWO HUNDRED AND FORTY-THIRD MEETING OF  
THE OFCOM BOARD HELD ON 18 JULY 2017**

**Present**

Patricia Hodgson	Chairman
Sheila Noakes	Deputy Chairman
Sharon White	Chief Executive
Lynne Brindley	Member
Graham Mather	Member
Jonathan Oxley	Executive Member and Group Director, Competition
Nick Pollard	Member
Steve Unger	Executive Member and Group Director, Strategy, International, Technology and Economists

**Apologies**

Ben Verwaayen	Member
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**In attendance**

Kevin Bakhurst	Group Director, Content and Media Standards (minute 11-13)
Lindsey Fussell	Group Director, Consumer (minute 14)
Philip Marnick	Group Director, Spectrum Policy (minute 15)
Polly Weitzman	General Counsel
Steve Gettings	Corporation Secretary
Jenny Leyland	Assistant Secretary to the Corporation

Other Ofcom Colleagues

**Lynne Brindley**

1. Lynne Brindley's term as an Ofcom Board Member would end on 31 August 2017. The Chairman said that Lynne had been a marvellous Board colleague and had made an extraordinary contribution to Ofcom. She had kept consumer concerns alive in the early days and had transformed the Nations Committee, which now provided excellent support and input on key issues. The Chairman praised Lynne's diplomatic, creative, intellectual and focused approach. Lynne had never missed a Board meeting and her contributions were always well-judged.

**Minutes of the meetings held on 13 June 2017 matters arising – Board Minutes 242(17)**

2. The minutes of the Ofcom Board meeting held on 13 June 2017 were **APPROVED** for signature as an accurate record. There were no matters arising.

<p><b><u>Chairman’s Report – oral</u></b></p> <p>3. The Chairman provided her report to the Board which included reference to several recent meetings.</p> <p>4. <u>Changes to Members’ portfolios</u>: There were none to report.</p>
<p><b><u>Report from the Chairman of the Content Board (meeting held 11 July 2017) – oral</u></b></p> <p>5. Nick Pollard provided his report as Chairman of the Content Board. Matters discussed at the Content Board meeting held on 11 July 2017 included BBC performance/operating licence, a report on UK news consumption and the annual Diversity in Broadcasting monitoring report for television broadcasters. The Board was updated on recent editorial standards decisions.</p>
<p><b><u>Report from the Chairman of the Nations Committee (meeting held on 4 July 2017) – oral</u></b></p> <p>6. Lynne Brindley reported on matters discussed at the Nations Committee meeting held on 4 July. This had included consideration of the future of the Nations Committee – a matter considered by the Board later on the agenda. The Committee had looked ahead to the annual meeting of the Advisory Committee Chairs and the Board in October and had suggested that it would be helpful to hear about the Board’s strategy thinking (following the Board Awayday) and what role the Board wants the Advisory Committees to play.</p>
<p><b><u>Reports from other Non-executive Members – oral</u></b></p> <p>7. Graham Mather referred to a recent meeting with the Chairman of the Communications Consumer Panel/ACOD and to the stakeholder interviews that he was undertaking to gather views on Ofcom’s performance and relationship with stakeholders. Nick Pollard referred to a recent meeting with the Chairman and Chief Executive of the Press Standards Organisation.</p>
<p><b><u>Board Strategy Day – Themes for discussion – oral</u></b></p> <p>8. The Board had had an informal discussion the previous evening of the possible themes and format for the Board strategy day in October. The Board would like to focus on key trends – including technology change, the increasing role for data and behavioural change by demographic – and look at what those trends might mean for consumers over the next five to 10 years. Board Members asked for the sectoral sessions to follow a wideranging opening session on general global political and economic developments.</p>
<p><b><u>Chief Executive’s Report – Board Paper 84(17)</u></b></p> <p>9. Sharon White presented her report to the Board and provided an oral update on current issues, including the 21C Sky/Fox transaction. The Chairman recorded the Board’s appreciation for the careful and professional way in which the executive had handled work on the public interest test and the fit and proper assessment.</p>
<p><b><u>Government and Parliamentary Update (oral) and Update on Brexit and Ofcom’s Plan of Work – Board Paper 85(17)</u></b></p> <p>10. The Board was briefed on the Government’s legislative programme as it affected issues of concern to Ofcom. The Board was also updated on Ofcom’s work programme on Brexit.</p>

There was some discussion of the importance of maintaining Ofcom's role representing the UK on international bodies and the approach to be taken to international networking in Europe and beyond.

**BBC Performance (Operating Licence) Next Steps – Board Paper 86(17)**

11. Following Board approval, a consultation had been launched on 29 March 2017 seeking views on the proposed new performance framework for the BBC which included the proposed Operating Licence containing regulatory conditions and performance measures to be tracked on an annual basis. The consultation closed on 17 July 2017, but a number of stakeholders had asked for an extension to allow them time to take account of the BBC's interim Annual Plan for 2017/18 which was published on 3 July 2017. The Board was updated on responses from stakeholders and from the BBC. Discussion focused in particular on the concerns the BBC had raised about the proposed out of London quotas. Further information had been requested from the BBC. The executive team would engage with the Chairman of Ofcom and the Chairman of the Content Board during August to seek their views on the proposed response to issues raised through the consultation. The team would return to the Board in September 2017 for approval of the final statement.

**Content and Media Policy Group 2017/18 Workplan – Board Paper 96(17)**

12. The Board discussed and noted the substantial programme of work set out in the Content and Media Policy Group 2017/18 Workplan. Work would be undertaken in the coming weeks to scope the various projects and ensure there was sufficient resource to deliver them.

**Content Board Review – Board Paper 90(17)**

13. The Board discussed a paper which considered the future role and shape of the Content Board. The anticipated workload would require a considerably increased time commitment from Content Board Members. Recruitment was under way to fill seven vacancies on the Content Board. The intention was to attract professionals with recent experience of working within the media industry. Following discussion, a proposal to increase the daily rate paid to Content Board Members from £300 to £350 was **APPROVED**, along with the proposed changes to time commitments set out in Board Paper 90(17). The Board suggested that consideration be given to identifying a panel of experts in non-traditional broadcasting (on-line, social media, over the top etc) who might be called on to provide advice on particular issues.

**Nuisance Calls Enforcement Update – Board Paper 87(17)**

14. The Board was updated on Ofcom's strategy to address nuisance calls and the outcomes so far. Over the last year the approach had moved towards more engagement with communications providers to encourage them to block and disrupt these calls. Although it was too soon to draw any definite conclusions, complaints data and consumer research suggested that there was a downward trend in nuisance calls and that the approach being taken was reducing consumer harm. The plan was therefore to continue the focus on blocking and disrupting calls, as well as working internationally on Calling Line Identification (CLI) authentication. The Board commended the team on the progress made and encouraged them to maintain the momentum.

**Evolving Spectrum Management Approach – Board Paper 88(17)**

15. The Board was updated on the evolving approach to spectrum management. This included reference to the increasing demand for spectrum at much higher frequencies to meet increasing demand for wireless connectivity and new considerations with regard to how this high frequency spectrum could and should be authorised to ensure competition and innovation in the market. A discussion document on 5G was due to be published shortly. The Board asked for an opportunity for further discussion in the autumn.

**The Future of the Nations Committee – Board Paper 89(17)**

16. The Board discussed a paper which considered options for the future of the Nations Committee. The context was that Government had introduced, or was in the process of introducing, legislation to enable three new Members to join the Ofcom Board representing Scotland, Wales and Northern Ireland. Options had been discussed with the Nations Committee. The Board endorsed the second option set out in the paper, which would ensure the Committee evolved to complement the fact that there would be Members from each Nation on the Ofcom Board.

**Annual Review of the Delegations Framework – Board Paper 91(17)**

17. The Board reviewed the recommended changes to the Delegations Framework resulting from the annual review. Subject to one amendment, the changes as proposed in Board Paper 91(17) were **APPROVED**. The amendment was that in the table of alternates in the Financial Authorities Framework (FAF) the General Counsel (rather than Group Director for Corporate Services) should act as an alternate to the Corporation Secretary (eg, in respect of signing contracts).

**Board Engagement with Stakeholders – Board Paper 92(17)**

18. The Board discussed and commented on the proposals set out in Board Paper 92(17) for the Board's programme of engagement with stakeholders over the next 12 months. A number of comments were noted.

**Ofcom Board Forward Agendas – Board Paper 93(17)**

19. The Board reviewed and commented on the latest iteration of the Board forward agendas plan. A request was made for a periodic report on what Ofcom is delivering for consumers in its outputs across the organisation, not just through the work of the Consumer Group.

**Appointments to the Nations Advisory Committees – Board Paper 95(17)**

20. The Board **APPROVED** the proposed appointments to the Advisory Committee for Wales and the Advisory Committee for Northern Ireland.

**Information items**

21. The following information papers were noted.
- Cyber Security in the Communications Sector – Board Paper 95(17)
  - Ofcom Diversity Report 2017 – Board Paper 97(17)
  - Review of the General Conditions – Board Paper 98(17)

<ul style="list-style-type: none"><li>- Management Information Report – Board Paper 99(17)</li><li>- Digital Economy Act 2017 Commencement – Board Paper 100(17)</li><li>- Content Board: Editorial Standards: Summary and Review – Board Paper 101(17).</li></ul>
<p><b><u>Minutes from other Boards/Panels/Committees</u></b></p> <p>22. The Board noted the minutes of the following meetings without comment:</p> <ul style="list-style-type: none"><li>- Advisory Committee for England (1 February 2017)</li><li>- Community Radio Fund Panel (18 January 2017)</li><li>- Risk and Audit Committee (15 May 2017)</li><li>- Communications Consumer Panel/ACOD (18 May 2017).</li></ul>
<p><b><u>Any Other Business</u></b></p> <p>23. There was none.</p>
<p><b><u>Date of the Next Meeting</u></b></p> <p>24. The next scheduled Board meeting will be held on Tuesday, 19 September 2017.</p>