

**MINUTES OF THE TWO HUNDRED AND FORTY-SIXTH MEETING OF
THE OFCOM BOARD HELD ON 14 NOVEMBER 2017**

Present

Patricia Hodgson	Chairman
Sheila Noakes	Deputy Chairman (left part-way through item 14)
Sharon White	Chief Executive
Graham Mather	Member
Jonathan Oxley	Executive Member and Group Director, Competition
Tim Suter	Member
Steve Unger	Executive Member and Group Director, Strategy, International, Technology and Economists
Ben Verwaayen	Member

Apologies

Nick Pollard	Member
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In attendance

Philip Marnick	Group Director, Spectrum Group (minutes 12-13)
Polly Weitzman	General Counsel
Steve Gettings	Corporation Secretary
Jenny Leyland	Assistant Secretary to the Corporation

Other Ofcom Colleagues

Minutes of the meeting held on 17 October 2017 matters arising – Board Minutes 245(17)

1. The minutes of the Ofcom Board meeting held on 17 October 2017 were **APPROVED** for signature as an accurate record. There were no matters arising.

Chairman’s Report – oral

2. The Chairman provided her report to the Board which included reference to several recent meetings, including with the incoming Chairman of BT, Jan Du Plessis. The Chairman updated the Board on the recruitment process for the Ofcom Board Member for Scotland.

3. Changes to Members’ portfolios: There were none to report.

Report on the Content Board (meeting held on 31 October 2017) - oral

4. In Nick Pollard’s absence, Tim Suter reported to the Board on the Content Board meeting held on 31 October 2017. Policy issues discussed included the Children’s Programming Review; accessibility of on-demand programme services (ODPS); and the review of the outside London programme guidance. The Content Board had discussed a presentation by Facebook’s UK and Ireland Policy

Director.
<u>Report from the Chairman of the Nations Committee (meeting held 17 October 2017) – oral</u>
5. Tim Suter provided his report as Chairman of the Nations Committee on the meeting held on 17 October 2017. Amongst the topics discussed were the Connected Nations Report, the automatic compensation scheme for consumers, and updates on BBC regulation and Brexit.
<u>Reports from other Non-Executive Members – oral</u>
6. Graham Mather reported on a recent meeting with BT's incoming Head of Regulatory Affairs (joining in January 2018). Graham Mather had completed his stakeholder interviews, gaining their views of Ofcom, and would be producing a report in due course.
<u>Chief Executive's Report – Board Paper 129(17)</u>
7. Sharon White presented her report to the Board and provided an oral update on current issues, including updates on Arqiva following the announcement on 3 November 2017 that the planned initial public offering (IPO) had been postponed; a recent announcement regarding fibre to the premises (FTTP) deployment by CityFibre/Vodafone; the proposed Fox/Sky merger - with the Competition and Markets Authority due to publish provisional findings week commencing 18 December 2017; the Competition Appeals Tribunal's reasoned judgement relating to market definition in BT's appeal against Ofcom's decision in the Business Connectivity Market Review and next steps; and an update on Ofcom's financial position.
<u>Government and Parliamentary Update – oral</u>
8. The Board was updated on current issues including BT's voluntary offer to Government for delivery of the Broadband Universal Service Obligation (USO), Brexit and mobile coverage.
<u>Mid-year Assessment of Performance Against Priorities 2017/18 – Board Paper 130(17)</u>
9. The Board discussed and commented on an update on progress made against Ofcom's priority projects for 2017/18. The Board welcomed the format adopted for presenting the update which was very clear. Following a question, the time taken to deal with a competition investigation was explained. The importance of timely prosecution of investigations to achieve effective outcomes in the market was noted.
<u>Proposed Annual Plan 2018/2019 – Board Paper 131(17)</u>
10. Subject to drafting comments noted during discussion, the Board APPROVED the proposed Annual Plan for 2018/19 for publication for consultation.
<u>Openreach Implementation Update – Board Paper 132(17)</u>
11. In March 2017 BT notified Ofcom of voluntary commitments to reform Openreach. The notification contained the formal commitments that BT plc and Openreach Limited were making to Ofcom. The Board discussed an update on recent developments, including improvements in the operational side of Openreach but also a risk of potential delay to the delivery of BT's commitment to transfer Openreach employees into Openreach. The Board agreed that next steps should include a Chairman/Chief Executive level meeting with BT Group.

<p><u>Connected Nations Update – Board Paper 133(17)</u></p> <p>12. The Board discussed a paper which summarised initial findings and high-level messages emerging from this year’s Connected Nations report. During discussion some drafting points were noted. The Chairman asked to see the final report ahead of publication.</p>
<p><u>Mobile Coverage Policy Update – Board Paper 134(17)</u></p> <p>13. Improving and extending mobile coverage is one of Ofcom’s priorities for 2017-18. The Board discussed an update on the range of issues in play, progress to date and emerging policy conclusions for improving consumer and business experience of mobile services. The Board noted in discussion that if existing coverage obligations (falling due end-2017) are not met, the Digital Economy Act provided Ofcom with new powers to levy fines of up to 10 per cent of turnover. <i>[Withheld from published minutes.]</i></p>
<p><u>Revising Ofcom’s Code of Conduct – Board Paper 135(17)</u></p> <p>14. The Board considered proposed amendments to the current Ofcom Board Code of Conduct and a number of comments were noted. The Board would be asked to review a further iteration of the draft. Work was being done to update the Content Board Code of Conduct and to develop a Code of Conduct that would apply to the Communications Consumer Panel/ACOD and the National Advisory Committees. Drafts would be provided for consideration at the next meeting.</p>
<p><u>Ofcom Board Forward Agendas – Board Paper 136(17)</u></p> <p>15. The Board reviewed and commented on the latest iteration of the Board forward agendas plan, asking that a discussion item on the future of public service broadcasting be scheduled earlier in 2018 than currently suggested.</p>
<p><u>Extension of term for Content Board Member for Scotland – Board Paper 138(17)</u></p> <p>16. The Board APPROVED a six-month extension of Philip Schlesinger’s term as the Content Board Member for Scotland until 29 May 2018, as recommended in Board Paper 138(17).</p>
<p><u>Appointments to the National Advisory Committee for Scotland – Board Paper 139(17)</u></p> <p>17. The Board APPROVED the appointment of three new members to the Advisory Committee for Scotland, as recommended in Board Paper 139(17).</p>
<p><u>Information items</u></p> <p>18. The following information papers were noted:</p> <ul style="list-style-type: none"> - Outputs from Board Strategy Day 2017 – Board Paper 137(17) - Mobile Switching Reform – Board Paper 138(17) - Board Effectiveness Review 2017: Delivery – Board Paper 139(17) .
<p><u>Minutes from other Boards/Panels/Committees</u></p> <p>19. The Board noted the minutes of the following meetings without comment:</p> <ul style="list-style-type: none"> - Content Board (12 September 2017) - Communications Consumer Panel/ACOD (21 September 2017) - National Advisory Committee for England (29 June 2017) - National Advisory Committee for Northern Ireland (22 June 2017)

- National Advisory Committee for Scotland (14 June 2017)
- National Advisory Committee for Wales (20 June 2017)
- Nations Committee (4 July 2017).

Any Other Business

20. There was none.

Date of the Next Meeting

21. The next scheduled Board meeting will be held on Wednesday, 13 December 2017.