PUBLICATION MINUTES OF THE THREE HUNDRED AND FOURTH MEETING OF
THE OFCOM BOARD HELD ON 17 MAY 2023
AT RIVERSIDE HOUSE, SE1 9HA AND VIA MICROSOFT TEAMS

Present

Michael Grade	Chair
Maggie Carver	Deputy Chair (via Teams)
Karen Baxter	Non-Executive Member
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
Will Harding	Non-Executive Member
David Jones	Non-Executive Member (via Teams)
Ben Verwaayen	Non-Executive Member

In attendance

Martin Ballantyne	General Counsel
Veronica Branton	Corporation Secretary
Jamie Mordue	Governance Manager
Julian Ashworth	Strategy and Policy Director (Item 9)
Iqbal Marikkar	Director, Corporate Strategy (interim) (Items 7, 8 and 9)
Kerri-Ann O'Neill	People and Transformation Director (Item 7) (via Teams)
Yih-Choung Teh	Group Director, Strategy and Research (Items 8 and 9)
Lee Parfitt	Head of Corporate Strategy (Item 8) (via Teams)
David Willis	Group Director, Spectrum (Item 7)

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Item 1: Declaration of members' interests	
1. No new interests were declared.	
Item 2: Minutes of the meeting held on 19 April and matters arising – Board minutes 303(23) and note of action points	
2. It was noted that the release of an additional floor at Riverside House, London, was to be held as an option and reviewed in line with business planning for 2024/25. An update on the Connected Working Framework would be submitted to a future Board meeting in the Autumn.	
3. The minutes of the Ofcom Board meeting held on 19 April 2023 were **APPROVED** for signature by the Chair as an accurate record subject to a drafting amendment at paragraph 32.	
4. A summary of progress against action points was **NOTED**.	
Item 3: Chair's report	
5. The Chair updated the Board on his activities. He was attending much of the committee stage for the Online Safety Bill in House of Lords. It was clear that the	

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	task presented by the Bill was complex but Ofcom was regarded as well placed to assume its new duties.	
6.	The Chair had recently spoken at the Economic Regulation Forum. He had held meetings with the Executive Chairman of the TalkTalk Group, the Chair of Royal Mail, the Chairperson of BT Group, the Chief Executive of Scottish Television, Chief Executive of ITV and the Chair of Openreach. The Board **NOTED** the Chair's report.	
Item 4: Chief Executive's report – Board paper 49(23)		
7.	Melanie Dawes presented paper 49(23) on her activities and current issues. In addition to the issues set out in the paper, she drew attention to the following: • She had attended a NSPCC event on teenagers and social media. It served as a reminder of how immersed teenagers were in social media; they felt the need to be present on social media but wanted there to be consequences for unsafe behaviours. • At a dinner on AI and Regulation, she had spoken with Google Senior Vice President, James Manyika, who had reported that Google were careful at releasing new AI tools and ensuring there were safeguards in place. • The Government had announced that they may introduce a new "growth duty" on the economic regulators. Kate Davies had spoken with the Prime Minister's Office and Ofcom's work in this space, including mobilising fibre.	
8.	In relation to Generative AI, it was observed that there had been an acceleration in powerful AI technology moving from the academic world to real world applications. There was a fragmented worldwide regulatory picture; all governments were struggling with the desire to promote innovation but wanting to prevent potential harms.	
9.	A workshop for Board Members on generative AI was being scheduled. Members asked that it include thoughts on how the technology might develop, what supply chains looked like and how the tools might impact upon Ofcom's responsibilities.	
10.	Lindsey Fussell informed the Board that Ofcom's decision on Equinox 2 was due to be published the following week.	
11.	A paper on Post would be submitted to the Board's June meeting. The results of the Royal Mail workers' ballot were also expected in June and a new CEO would start in post on 1 July. Royal Mail was likely to report a large loss but would be considered going concern. A revised business plan was expected to be signed off. Contingency planning continued.	
12.	The Welsh Language Commissioner had found against Ofcom in its social media and podcast use on the basis that the Welsh language was treated less favourably than/not equally with English; subtitles were deemed to be less favourable treatment. There were practical and resourcing implications for Communications. Ofcom had three months to submit an action plan and nine months to comply with the plan. Karen Baxter noted parallels with the use of Irish and Ulster Scots in Northern Ireland. David Jones shared that the census showed that the number of	

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Welsh speakers had decreased. The political situation in Wales also added a layer of complexity.	
13. The Board noted that the new non-executive at BDUK was keen to have engagement with Ofcom. Government was exploring satellite options to bring internet to the most rural areas.	
14. The Board **NOTED** paper 49(23).	
Item 5: People Committee update – meeting on 26 April 2023	
15. The Chair provided a verbal update of the matters discussed at the People Committee meeting held on 26 April, having chaired the meeting in Ben Verwaayen's absence.	
16. A new Chief Technology Officer would not be appointed. Changes to the Technology, Data and Innovation Group (TDIG) had been announced; colleagues in TDIG would move to other Groups. The Executive was confident that technology and data would remain a central part of Ofcom's operations.	
17. The Committee had also discussed: • Succession planning at Group Director and Board level. • Progress in discussions with trade unions on the pay award, with 63 per cent of balloted members voting in favour of the award on offer.	
18. The Board **NOTED** the People Committee update.	
Item 6: Risk and Audit Committee update – meeting on 10 May 2023	
19. Angela Dean introduced the report.	
20. The Committee had discussed: • End of 2022/23 year finances. The underspend overall had reduced since 2021/22 and, in Core, was c.£400,000. There was an underspend of c.£3.5m underspend in Online Safety but this was primarily because of factors outside of Ofcom's control. A portion of budgets typically allocated for staff turnover in groups would be held centrally by the Finance Director. • The draft internal audit opinion for 2022/23 was likely to be scored 'moderate'. • An Internal audit report on Business Continuity Management was given 'limited' assurance score but all actions were in progress. The timing of the audit coincided with the implementation of a new framework and key staff departures. • The Annual Report and Accounts had been discussed and was further progressed than at the same point last year. A separate meeting to discuss	

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the next iteration would be held before the Committee's next formal meeting in June. • The NAO had shared its emerging findings on Ofcom's preparedness for its Online Safety responsibilities. The draft report was positive overall and it had been useful for the Committee to see.	
21. The Board **NOTED** the Risk and Audit Committee update.	
Item 7: Ofcom Agility Programme – Board paper 50(23) 22. Iqbal Marikkar introduced the report. 23. Agility was a key part of the One Ofcom transformation programme and was required to meet the challenges of Ofcom's growing remit. Culture had been identified as a core facet of the agility programme. A set of leadership behaviours to drive agility had been developed and signed up to by colleagues in SLG. 24. This was an ambitious programme and the benefits would take several years to come through. Over the coming twelve months the main outcomes would be changes in process. In the longer-term progress would be tracked through quantitative measures such as the Colleague Survey. Agility was aligned with resilience work on business planning. 25. The Board noted that it was important that behavioural changes be driven by all in Ofcom, rather than it being a top-down approach. Colleagues needed to know what success looked like and the programme should be relevant to them. Melanie Dawes said that the programme had been built on employee views and priorities. A communications and engagement campaign was being prepared. 26. The Board discussed the importance of processes being in place to ensure robustness in regulatory decision making and to defend Ofcom against unwarranted challenge but that the same approach was not needed in all areas of the organisation's operations and in some instances 80% was enough. 27. The Board noted that there could be tensions between encouraging agility and empowerment and gave examples of other organisations. 28. It was noted that colleagues were enthusiastic about the agility programme and how it could improve how Ofcom operated. It was important to empower colleagues to make changes themselves in their areas of work and to be able to flag agility "blockers", and for colleagues to see that action was being taken. 29. The Chair welcomed the programme and asked that the Board be kept involved where it could add value. 30. The Board **NOTED** the report.	

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Item 8: Full-year review of delivery against the Plan of Work – Board paper 51(23)	
31. Yih-Choung Teh introduced the report.	
32. Conscious decisions had been made in the three-year plan (3YP) to reduce resource in certain areas (leaning out) and increase it in others (leaning in).The paper set out the delivery of priority projects in 2022/23, the first year of the 3YP; 97 per cent were delivered on time or with minor delays.	
33. Review of delivery and how resources were prioritised within the year to meet additional demands confirmed the importance of the priorities for 2023/24 to radically increase agility, and to prepare for future resilience through detailed resource and business planning.	
34. The Board noted that a lot of Ofcom's work was mandatory and so it was often not possible to completely stop projects. However, Ofcom did stop activities where it was possible and appropriate. Where activities were stopped, consideration was given to implications, including any reputational risk.	
35. Members suggested that progress against the priority projects might also include information on what Ofcom could do differently.	
36. The Board discussed spend in the financial year by priority outcome, noting the investment in preparations for Online Safety.	
37. The Board **NOTED** the paper and updates would be provided as required.	
Item 9: Three-year plan cross-cutting priority areas – Board paper 52(23)	
38. Yih-Choung Teh introduced the report.	
39. As part of the three-year plan (3YP), four cross-cutting strategic areas were identified. At the Board Strategy Day in October 2023, the halfway point of the 3YP, the Board would review progress, including horizon scanning and scenario planning work, including the implications of Generative AI.	
40. The Board noted: • Digital Markets was the most well-developed of the cross-cutting areas. A strategy had been published and projects sat under an established work programme. • On Internet Resilience, Ofcom was looking at the end-to-end value chain. Work in this area included engaging with government as it reviews aspects of infrastructure resilience including 'data infrastructure'. • On the Future of TV Distribution, the transition from digital terrestrial television (DTT)to IP-based distribution was likely 10-15 years away and the industry would drive much of the decision-making, but Ofcom needed to consider cross-sector issues strategically. Questions included the readiness of the internet infrastructure and the financial sustainability of DTT as viewing migrated online, including for radio services, which shared the infrastructure.	

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• Work on Digital Consumers meant ensuring that changing consumer dynamics were embedded in policy thinking. Technology was enabling the fragmentation of audiences and behaviours, requiring prioritisation of where Ofcom focuses attention for a given policy issue.	
41. The Board discussed the ongoing need for horizon scanning and the need to identify areas in the future where Ofcom may have a role to play.	
42. The Board **NOTED** the report.	
Item 10: Appointment of new member to the Content Board – Board paper 53(23)	
43. The Board **APPROVED** the appointment of Simon Bucks to the Content Board for a three-year term, commencing 1 July 2023[1].	
Items 11-15: Information items	
44. The Board **NOTED** the following information items: • Non-executive member updates – Board paper 54(23). • Performance update – Board paper 55(23) • Ofcom's whistleblowing and grievance policies – Board paper 56(23 • Board work programme and publications schedule – Board papers 57(23) and 58(23) • Minutes of the Advisory Committee for Scotland (22 February 2023), the Advisory Committee for Wales (23 February 2023), the Advisory Committee for England (2 March 2023), the Advisory Committee for Northern Ireland (7 March 2023), the Communications Consumer Panel (23 March 2032) and the Content Board (4 April 2023).	
Item 16: Items in the Diligent Board reading room: Grievance Policy	
45. The Chair noted that it was important for the Board to be aware of colleague grievances. It was confirmed that colleagues were asked in the staff survey if they were aware of the grievance policy. It was agreed that an update on grievances would be shared with the Board on a six-monthly basis.	
Item 17: Any other business	
46. The job description for the Group Director, Broadcasting Group role was being finalised. Ofcom had appointed Egon Zehnder to assist recruitment.	
Item 18: Date of the next meeting	
47. The next scheduled Board meeting would be held on Wednesday 21 June 2023.	
48. The meeting concluded at 12:13 pm.	

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[1] Simon Bucks start date deferred to 1 September 2023

Approved: _____
            Chair