

**MINUTES OF THE TWO HUNDRED AND TWENTY-EIGHTH MEETING OF
THE OFCOM BOARD HELD ON 21 JUNE 2016 IN LONDON**

Present

Patricia Hodgson	Chairman
Sheila Noakes	Deputy Chairman
Sharon White	Chief Executive
Lynne Brindley	Member
Graham Mather	Member
Bill Emmott	Member
Ben Verwaayen	Member (by telephone, minutes 1-4)
Jonathan Oxley	Executive Member and Group Director, Competition
Steve Unger	Executive Member and Group Director, Strategy, International, Technology and Economists

In attendance

Polly Weitzman	General Counsel
Alison Crosland	Group Director, Corporate Responsibility Group (minutes 3-4)
Philip Marnick,	Group Director, Spectrum (minute 2)
Steve Gettings	Corporation Secretary
Jenny Leyland	Assistant Secretary to the Corporation

Other Ofcom Colleagues

Digital Communications Review: Model for Openreach Reform: Proposal for publication - Board Paper 66(16)

1. The Board discussed proposals for the future of Openreach as a legally separate, wholly owned subsidiary of BT Group. A consultation on the proposals would be published in July 2016.

Mobile Market Scenarios – Board Paper 67(16)

2. The Board discussed a paper which considered the potential shorter and longer term consequences of the European Commission’s blocking of the Three/O2 merger.

BBC Charter Review Update – Board Paper 68(16)

3. The Board was updated on on-going discussions with the Department for Culture, Media and Sport (DCMS) and the BBC in relation to the sections of the BBC Charter and Agreement relevant to Ofcom’s regulatory role. DCMS were aiming to publish a draft Charter and Agreement in July 2016. The Board **AGREED** to ask the Chairman to approve any draft documentation as needed ahead of publication of the draft Charter and Agreement, taking account of the views of the Board as expressed at this meeting.

<p>4. The Board was updated on preparations being made within Ofcom to take on additional regulatory responsibilities for the regulation of the BBC in 2017. The timetable for the transition was still under discussion.</p>
<p><u>Minutes of the Board Meeting held on 24 May 2016 – Minutes 227(16) - and Matters Arising</u></p>
<p>5. The minutes of the Ofcom Board meeting held on 24 May 2016 were APPROVED for signature as a correct record. Matters arising were noted.</p>
<p><u>Chairman’s Report – oral</u></p>
<p>6. The Chairman provided her report to the Board which included an update on the Channel 4 Board recruitment process.</p>
<p><u>Report from the Chairman of the Nations Committee – oral</u></p>
<p>7. Lynne Brindley reported on matters discussed at the Nations Committee meeting held on 7 June 2016. The Chairman of the Ofcom Board had attended the meeting.</p>
<p><u>Chief Executive’s Report - Board Paper 63(16)</u></p>
<p>8. Sharon White presented her report to the Board and comments were noted.</p>
<p><u>Risk and Audit Committee Annual Report to the Board and Oral Report on the meeting held on 6 June 2016 – Board Paper 64(16)</u></p>
<p>9. Sheila Noakes presented the Risk and Audit Committee’s (R&AC) Annual Report for 2015/16. The report was presented in connection with the Board’s consideration of the Annual Report and Accounts 2015/16 and the Section 400 Financial Statements. The R&AC’s recommendation to the Board and to the Accounting Officer was that they should approve the Annual Report and Accounts and the Section 400 Financial Statements and sign the Letter of Representation to the National Audit Office.</p>
<p>10. Sheila Noakes provided an oral report on matters discussed at the R&AC meeting held on 6 June 2016 (with the exception of consideration of the Annual Report and Accounts 2015/16 which was the next agenda item).</p>
<p><u>Ofcom 2015/2016 Annual Report and Section 400 Accounts – Board Paper 65(16)</u></p>
<p>11. The Board APPROVED the Ofcom Annual Report and Accounts for 2015/16 and the Section 400 Financial Statements. The Board noted the Letter of Representation to the Comptroller and Auditor General, which would be signed by the Accounting Officer and Chairman. The Letter included a declaration that the Chairman and Chief Executive were making an assessment that Ofcom is a going concern and will continue to be in operation throughout the next year. The Board ENDORSED the view set out in Annex D to Board Paper 65(16) that Ofcom should be considered a going concern.</p>
<p>12. The Board noted that depending on the outcome of the referendum to be held on 23 June 2016 on the United Kingdom’s membership of the European Union, HM Treasury might wish to provide some text which public bodies would be asked to include in Note 25 to the accounts concerning events after the reporting period. When</p>

<p>this was discussed at the R&AC meeting on 6 June 2016 members of the Committee and the Chief Executive were not minded to include any additional text, but noted they would await further information from the National Audit Office.</p>
<p><u>Ofcom Board Review Outcomes – Board Paper 73(16)</u></p>
<p>13. Last year the Board commissioned an external review of its activities and a number of actions arising from the review had been agreed at the December 2015 Board meeting. The Board noted that the Chief Executive would review the proposed timing for completion of outstanding actions to ensure an appropriate fit with the organisation’s work priorities.</p>
<p><u>Ofcom Board Forward Plan 2016 – Board Paper 45(16)</u></p>
<p>14. The Board discussed the Board forward plan and comments were noted.</p>
<p><u>Information Papers</u></p>
<p>15. The Board noted the following information papers.</p> <ul style="list-style-type: none"> • Digital Economy Bill Update – Board Paper 70(16) • Management Information Report – Board Paper 71(16) • Strategic Risk Register – Board Paper 72(16).
<p><u>Minutes of other Boards/Panels/Committees</u></p>
<p>16. The Board noted without comment the minutes of the following meetings:</p> <ul style="list-style-type: none"> • Ofcom Spectrum Advisory Board (26 October 2015) • Advisory Committee for England (10 February 2016) • Risk and Audit Committee (14 March and 18 May 2016) • Nations Committee (8 March 2016) • Content Board (5 April 2016) • Communications Consumer Panel (21 April 2016).
<p><u>Any other business</u></p>
<p>17. There was none.</p>
<p><u>Date of the next meeting</u></p>
<p>18. The next Board meeting will be held in 19 July 2016.</p>