

Reference: 02183241

Information Requests
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12 May 2026

Freedom of Information request: Right to know request

Thank you for your request for information about the KPMG Report on PIA.

We received this request on 8 April 2026 and you further clarified your request on 17 April 2026. We have considered your request under the Freedom of Information Act 2000 (“the FOI Act”).

Your request & our response

I am requesting disclosure of the following information:

- 1. The full report, or reports, produced by KPMG in connection with their audit of the Physical Infrastructure Access (PIA) cost base, as referenced in Ofcom's Telecoms Access Review (TAR) statement published in March 2026.*

On 17 April 2026, you clarified that the reference was to paragraph A10.67 (page 161 of Annex 1-21) of the TAR 2026 Statement (‘Statement’).

The report referred to in the Statement was not an audit of the PIA cost base, but the results of Agreed-Upon Procedures (AUPs) carried out by KPMG on behalf of BT, looking at BT’s implementation of a planned methodology change relating to the attribution of costs for a) Core Junction Fibre and b) Access Spine Fibre (‘Fibre adjustments’). BT planned to implement this methodology change in its 2026 Regulatory Financial Statements (RFS).

We can confirm that we hold a copy of the report. However, we consider that its disclosure is exempt under the FOI Act. In particular, under section 44 of the FOI Act, information is exempt from disclosure if its disclosure is prohibited by or under any enactment. The enactment that prohibits the disclosure of this information is section 393(1) of the Communications Act 2003 (“the Communications Act”). Under this section, we are prohibited from disclosing information with respect to a particular business that has been obtained in the exercise of our regulatory functions, unless that business consents or one of the statutory gateways under section 393(2) of the Communications Act is met, neither of which apply here. Section 44 of the FOI Act is an absolute exemption and therefore is not subject to the public interest test.

- 2. The terms of reference, scope of work, or instructions provided by Ofcom to KPMG in commissioning the above audit.*

We can confirm that we do not hold this information. BT, not Ofcom, commissioned the AUPs from KPMG. Ofcom did not provide instructions to KPMG or agree with KPMG what procedures should be carried out.

As explained in ISRS 4400, the engagement was between KPMG (who performed the AUPs) and BT (who commissioned the AUPs) and the report which sets out the results is intended for BT only.

For context, it was Ofcom's suggestion that BT should get an independent party to undertake AUPs in relation to Fibre adjustments.

In doing this, we also provided BT with our view as to what the AUPs should cover, which we offered to discuss further with BT and KPMG. This was sent by email to BT on 4 June 2025. The relevant extracts from this email are as follows:

- *The assurance provided by KPMG (in the form of AUP) should include:*
 - *Checking that the fibre cost reallocations are clearly and comprehensively documented by BT.*
 - *Checking that the use of source data in the fibre cost reallocations (including use of any FTTP/FTTC utilisation assumptions which drive the reallocations) is fully consistent with the documentation.*
 - *Checking that all implemented steps of the fibre cost reallocations are consistent with the documentation.*
 - *Checking that BT has accurately developed Costperform modelling restatement runs (covering the relevant years) for Ofcom, in which the fibre cost reallocations are the only incremental change relative to the 'base' runs specified by Ofcom (e.g. for 2022/23, RS29 is the 'base' model run used in our March 2025 Consultation). This includes checking that the outputs of these Costperform modelling restatement runs accurately capture the finalised fibre cost reallocations.*
 - *Checking that BT has accurately documented the Costperform modelling restatement runs which have been used to provide data to Ofcom.*

We had subsequent discussions around the timing of the AUPs with BT and requested certain clarifications to be carried out as part of KPMG's scope.

3. *Any supplementary analysis, correspondence, or working papers provided by KPMG to Ofcom in connection with this audit that informed the PIA pricing decisions set out in the TAR statement.*

We can confirm that we do not hold this information.

Yours sincerely,

Information Requests

Request an internal review

If you are unhappy with the response you have received to your request for information, or think that your request was refused without a reason valid under the law, you may ask for an internal review. If you do, it will be subject to an independent review within Ofcom. We will either uphold the original decision, or reverse or modify it.

If you would like to ask us to carry out an internal review, you should get in touch within two months of the date of this letter. There is no statutory deadline for us to complete our internal review, and the time it takes will depend on the complexity of the request. But we will

try to complete the review within 20 working days (or no more than 40 working days in exceptional cases) and keep you informed of our progress. Please email the Information Requests team (information.requests@ofcom.org.uk) to request an internal review.

Taking it further

If you are unhappy with the outcome of our internal review, then you have the right to [complain to the Information Commissioner's Office](#).