

**The Rt Hon Liz Kendall MP**

Secretary of State for Science, Innovation and  
Technology

**By email**

Dame Melanie Dawes

Chief Executive

Email: [ChiefExecutive@ofcom.org.uk](mailto:ChiefExecutive@ofcom.org.uk)

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Dear Secretary of State,

I am writing to set out how Ofcom will have regard to the Government's Statement of Strategic Priorities for telecommunications, the management of radio spectrum and postal services ("the SSP") when carrying out its relevant functions, as required by section 2B of the Communications Act 2003.

We welcome the clarity and direction the SSP provides and the opportunity to highlight the synergies with both Ofcom's [3-Year Plan](#) and [Plan of Work](#).

Good regulation and growth go hand in hand, particularly in times of rapid technological innovation. Ofcom's central duty – set out in the Communications Act 2003 – is to further the interests of citizens and consumers, where appropriate, by promoting competition, and having regard, amongst other things, to encouraging investment and innovation. This gives us the tools we need to serve not only today's citizens and consumers, but also tomorrow's. A clear regulatory framework is key to supporting growth – it provides certainty for industry, while ensuring that the market works effectively for people and businesses across the UK.


Over the course of this Parliament, we will continue to monitor fairness and affordability – holding companies to account when they don't play by the rules – while also supporting the investment the country needs for the future. In doing so, we will carefully consider the impact of regulation, ensuring our interventions are targeted, evidence-based and proportionate, supporting both innovation and long-term sector growth.

Further detail on how our programme of work aligns with, and responds to, each of the strategic priorities – including the specific steps we will take over the coming years to support economic growth – is provided in the attached annex. Taken together, the actions outlined here demonstrate how Ofcom will support the Government's SSP while continuing to prioritise our primary duty to further the interests of citizens and consumers in relation to communications.

We will continue to report on how we have taken the SSP into account in our work through our Annual Report and Accounts and our reporting on the SSP for online safety, alongside regular engagement with Government at both official and ministerial levels.

I would welcome the opportunity to discuss progress to date and our future plans for Ofcom's work, including how we facilitate the sectors we regulate in their contribution to economic growth, particularly following the appointment of Sir Ian Cheshire as Chair.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Melanie Dawes'. The signature is written in a cursive, flowing style.

**DAME MELANIE DAWES**

## Annex – Ofcom’s response to the Government’s Statement of Strategic Priorities for telecommunications, the management of radio spectrum, and postal services

### Driving growth through world-class fixed and wireless digital infrastructure

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#### 1a. supporting growth through access to gigabit-capable fixed telecoms connections

Ensuring that households and businesses have access to reliable connectivity through fibre networks is crucial to boosting productivity and investment, which in turn supports growth. Since launching our 10-year regulatory framework for fixed networks in 2021, we have delivered a more open and competitive broadband market, enabling and encouraging new entrants to join the market. Full-fibre coverage has expanded significantly, reaching 82% of residential premises ([as of January 2026](#)), up from 6% in 2018.

In March, we published our [Telecoms Access Review](#) setting out the regulatory framework for the second half of the ten-year strategy. This provides regulatory stability to support the final phase of full-fibre rollout while promoting sustainable competition. This includes retaining cost-based access to Openreach’s ducts and poles, maintaining strict no-undue discrimination requirements, and restricting offers that could undermine the development of sustainable network competition. We will assess future Openreach offers in the context of market conditions at the time.

Supporting business connectivity is central to this framework. Our remedies to promote network competition and investment in the broadband and leased line markets will benefit businesses buying these services in the long term. This approach reflects that competitive conditions for leased lines vary across the country, and therefore require proportionate, targeted regulation.

We expect the Telecoms Access Review to drive further investment in gigabit-capable networks through continued network competition and to deliver benefits for consumers and businesses through innovation and reduced costs. Over the next five years, we will actively monitor Openreach’s compliance through our Competition Supervision programme set up specifically to oversee competition across telecoms markets.

Full-fibre networks are also critical infrastructure for the adoption of AI and associated productivity and growth gains. As network deployment matures, we will work closely with the Government and the CMA to support orderly market consolidation that benefits consumers.

Supporting rural connectivity remains a priority. Alongside promoting commercial investment, our regulation complements public funding programmes. We expect fixed wireless access and satellite services to play an increasingly important role in delivering higher speed connectivity to hard-to-reach areas. Our support for innovative new technologies such as satellite is discussed further below.

#### 1b. supporting growth and productivity through investment in high-quality 5G networks

We are focused on ensuring that there is a stable regulatory regime that promotes and protects competition, enabling providers to accelerate investment in 5G networks. We continue to assess any potential barriers to investment and how these might be addressed. Following the VodafoneThree merger, we will closely monitor delivery of its commitment to make improvements to its combined network across the UK over the next eight years. This should deliver significant improvements in the combined network quality and, in the longer term, strengthen competition between mobile and network operators.

With a growing need for connectivity in all areas of life, we have taken steps to promote the prioritisation of improvements to mobile performance across the country. This includes work to understand and assess the specific challenges in rural areas. We plan to undertake further analysis, including case studies, and to engage with industry on potential solutions, which may include increased network sharing or the use of neutral host models.

We are working to improve the information consumers have to help them choose the best provider for them, through our [Map Your Mobile](#) tool. Our aim is that improving the information on quality alongside coverage will support competition between providers on network quality. We delivered two upgrades to Map Your Mobile in 2025, which has now been used by almost a million people. We are committed to delivering further improvements in 2026.

We will continue to report on coverage, take-up, usage and availability of mobile networks, and will review our Connected Nations reporting to ensure it remains fit for purpose as technologies evolve. Reflecting this, we reported on 5G standalone coverage for the first time in [Connected Nations 2025](#). Accurate and up-to-date reporting is key to helping people understand what mobile services are available and where, and to benefit from the best possible connectivity in their area.

By the end of 2026, we will set out more plans to develop our reporting on road and rail coverage, to better reflect connectivity performance, supporting people to work productively while travelling.

We will work closely with the Government, local authorities and industry to support further improvements in mobile connectivity, including monitoring MNO's compliance delivering the Shared Rural Network to extend coverage in hard-to-reach areas.

### **1c. supporting growth and productivity through modernisation of fixed and wireless telecoms networks**

We support the transition from legacy copper networks to deliver better, more reliable services for consumers and businesses, while ensuring legacy networks are efficiently retired. This includes supporting the Government to monitor industry-led transitions, and adherence to its [Fixed Telecoms Modernisation](#), and [2G Switch-off](#) charters published in March. Ahead of 2G Switch-off, we will work with industry and the Government to ensure customers, particularly those who are vulnerable, are supported and protected through these transitions.

We will continue to support the Government, providers and relevant stakeholders to identify and address issues raised by PSTN retirement and the migration to digital landlines, to minimise disruption and consumer harm.

To support copper retirement, we have retained our three-stage approach to moving regulation from copper-based services to full fibre, and are [consulting](#) on when price protections on copper-based services should be withdrawn.

### **Driving growth through maximising access to spectrum**

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We recognise the need to expand access to spectrum to support investment in better wireless connectivity, enabling new products to enter the market, driving innovation and in turn growth.

We are supporting improved connectivity through the introduction of a new [framework](#) enabling the use of most mobile spectrum bands for satellite direct-to-device (D2D) services. Virgin Media O2 has already [launched](#) its O2 Satellite service and VodafoneThree have set out plans to do so later this year. D2D services can provide connectivity to mass market mobile devices in areas not covered by the terrestrial mobile networks. They have the potential to increase outdoor geographic coverage, particularly in remote areas, and offer a basic backup during outages. Separately, we will explore

whether spectrum sharing could improve connectivity in hard-to-reach areas, for example in rural areas.

Our [October 2025 auction](#) of very high frequency mmWave spectrum for mobile use released 5.4 GHz of spectrum which mobile operators will use to improve connectivity in congested areas, such as transport hubs and stadiums.

Finally, as demand for spectrum for wireless broadband increases, we expect to publish our decision on making the upper block of the 1.4 GHz band available for mobile use this year, with the aim of awarding this spectrum early next year.

We are also enabling new and emerging use cases. We introduced a new spectrum licence for beyond visual line of sight drones in 2023; this year we will consult on updating this to provide additional frequencies for drone control and for additional drone safety features. We will also consult on enabling the use of new technologies to manage the growing security risks posed by hostile or malicious drone use.

Releasing spectrum for wider uses and enabling opportunities for spectrum sharing will maximise the innovation and growth potential from the airwaves for the UK. To increase the efficiency of spectrum use, we have set out [proposals](#) to support the sharing of the upper 6 GHz band by mobile and Wi-Fi services. Under these proposals, mobile masts and Wi-Fi routers in different locations would for the first time be able to use the same parts of the spectrum to transmit their signals. This would provide a significant increase in capacity for mobile and Wi-Fi by supporting broadband to provide advanced Wi-Fi to businesses, public venues and homes, while helping mobile companies keep up with demand in busy locations and support technologies like virtual reality and AI. This opens possibilities for further growth and investment, while supporting the delivery of innovations like 6G in the future.

We will continue to meet the evolving demand for spectrum for space-based services, including through consulting on enabling access to additional Ka and Ku band for aeronautical and maritime satellite broadband, and our future approach to the 2 GHz MSS band. Enabling access to spectrum in a timely manner is vital in providing certainty and promoting investment by space services to support the growth of an innovative UK space sector.

Finally, we will continue to engage in international fora to ensure that UK interests are appropriately taken into account in the development of decisions which determine the technical conditions under which spectrum is made available. This includes leading preparations for the next World Radiocommunication Conference taking place in 2027 which will update global rules and allocations impacting the availability of spectrum for many services including satellites, mobile broadband, aeronautical and scientific.

### **Supporting growth through a transparent, competitive, and fair retail market for consumers**

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We know that the market is only effective when consumers are able to access sufficient choice, with transparent rules and contracts, so that everyone, including those that are vulnerable, can participate fairly in the market, regardless of their circumstances.

Improving transparency of information available is a key part of this work. In February, we published our annual [pricing trends report](#) which tracks prices of telecoms and pay TV services, and showed that real prices for faster broadband and data-rich mobile services are falling. The cost of living is a priority issue for many consumers, and we are committed to ensuring providers treat their customers fairly. Through Ofcom's work, over thirty-five providers now offer social tariffs, with take-

up increasing by 26,000 people (5%) over the last year. ‘One Touch Switch’ for broadband and Auto Switch in mobile make it even easier for consumers to change providers to get a faster package, cheaper deal, or better customer service, generating greater competition in the market.

Since January 2025, our [price transparency rules](#) have required providers to set out any mid-contract price rises in pounds and pence before a customer signs up. While the full impact of these changes will emerge over time as inflation-linked contracts expire, these rules are already improving customers’ ability to compare offers and provide greater certainty over prices. By January 2027, all such contracts will have reached the end of their minimum contractual period, enabling consumers to switch provider without penalty. We will therefore publish an ex-post evaluation of the rules in 2027.

Ensuring businesses can access fair prices is key to delivering accessible and affordable services for consumers. In 2025 we [secured commitments](#) from mobile operators covering 90% of the market to cap and stabilise wholesale Application-to-Person (A2P) SMS termination pricing until the end of 2028. These commitments limit the size and frequency of price increases and require advance notice, ensuring customers can still receive important notifications from services such as the NHS.

We are also [examining](#) how emerging technologies, including the use of AI tools across the consumer journey, may affect telecoms markets. This work will help us support the benefits of responsible adoption while assessing whether additional consumer protections are needed.

Protecting consumers from harm underpins confidence in the market. We are strengthening our consumer supervision programme to ensure consumer protection interventions and voluntary initiatives are delivered effectively, including around social tariffs and Alternative Dispute Resolution (ADR). In April, we introduced [strengthened ADR rules](#), reducing the waiting period for consumers to access ADR from eight to six weeks, ensuring prompt access to ADR.

## **Maximising opportunities for growth through secure and resilient telecoms infrastructure**

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Maintaining, and where appropriate strengthening, the resilience of the telecoms infrastructure is a key part of Ofcom’s work to keep networks functioning when people and businesses need them most, to maximise opportunities for growth driving sectors.

With the threat environment more complex and challenging than ever, we are working alongside the National Cyber Security Centre and UK Telecoms Lab. Using our powers introduced by the Telecommunications (Security) Act 2021, we are enhancing our supervision approach to ensure providers’ compliance with security duties. Progressing from information assurance to more targeted, in-depth supervisory activity, we will be making greater use of our powers to assess, assure and, where necessary, enforce. This has already enabled us to act more quickly through [opening an investigation](#) in December 2025 into BT/EE and Three following outages that caused UK-wide disruption to mobile call services.

Networks will only enable technological innovation, and in turn economic growth, where they are underpinned by robust and resilient telecoms infrastructure, particularly as society becomes increasingly dependent on connectivity. To support this, we plan to update our Telecoms Procedural Guidance and will continue to promote consistent implementation of our operational resilience standards through our Resilience Guidance.

Effective oversight of critical infrastructure is essential to the security of network and information systems that underpin growth in cloud and AI services. We will therefore work with the Government to prepare for new duties under the Cyber Security and Resilience Bill, which once enacted will

include extending Ofcom's role under the Network and Information Systems Regulations 2018 to cover data centres.

## **Supporting growth through resilient and sustainable postal services**

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In light of significant changes to the sector, we have made extensive reforms to support the continued provision of a sustainable and affordable universal postal service, ensuring consumers can access a wide range of products and services that meet their reasonable needs.

The cost of delivering letters is largely fixed, regardless of the number delivered to a household on a single round. As letter volumes have fallen while the number of addresses has continued to grow, unit costs have increased, placing increasing pressure on the financial sustainability of the universal service. In July 2025, we made [significant changes](#) to the universal service obligations, including to allow for alternate day delivery. These reforms enable Royal Mail to make a structural change to its delivery operations that should improve reliability and help put the service on a more sustainable footing. It is now for to Royal Mail to implement these changes, invest in its network and improve its service levels across both letters and parcels.

Alongside affordability, sufficient quality standards are essential if the service is to deliver for consumers and businesses. Where standards have slipped previously, we have taken firm action. In October last year we [fined Royal Mail](#) £21m for failing to meet its First and Second Class delivery targets in the 2024/25 financial year, and required it to publish and implement a credible plan for significant and continuous improvement. An improvement plan has now been published and must be delivered swiftly and effectively to realise much needed improvements to its service.

We are also reviewing the affordability and pricing of postal services ahead of the expiry of the current Second Class letter price cap in March 2027. It is essential that the universal postal services provided by Royal Mail remain affordable, so that all customers can participate fully in the market, and supporting businesses of all sizes to reach customers, especially in rural areas.

We know that the USO changes on their own will not guarantee long-term sustainability. We will therefore continue to carefully monitor Royal Mail's financial performance and take this into account as we further develop our regulatory approach.

The UK parcels market is competitive and innovative, with providers investing in new technologies and offering consumers choice. We want to ensure competition continues to deliver for consumers, which is why we publish research into parcel delivery experiences to drive improvements in service quality. Protecting disabled customers is a priority, which is why we have set clear guidance on complaints handling and standards of service. We are also pressing parcel operators to deliver sustained improvements in customer service for vulnerable customers.