

Allison Kirkby
Chief Executive, BT Group

Dame Melanie Dawes
Chief Executive
Email: ChiefExecutive@ofcom.org.uk

By email

5 October 2026

Dear Allison,

I am writing to set out Ofcom's expectations following BT's announcement today that it has agreed to acquire TalkTalk Group.

The situation facing TalkTalk is unprecedented, and its potential collapse presents an unacceptable risk to consumers. TalkTalk provides broadband services to around 2.5 million customers across the UK, including both TalkTalk's own retail customers and those served by a wide range of communications providers that purchase wholesale services from PXC.

This customer base includes substantial numbers of vulnerable consumers, including a significant population of telecare users, as well as business customers and operators of Critical National Infrastructure. We are particularly concerned by the limited visibility of vulnerable customers served indirectly through resellers operating on TalkTalk's network, which could impede effective consumer protection measures in the event of service disruption.

In addition, TalkTalk provides voice services to its own customers and enables voice services for customers who have ported their number from TalkTalk to another provider. As a result, the impact of any failure would extend well beyond TalkTalk's direct retail customer base, with potentially significant consequences for consumers and businesses across the UK communications sector.

The scale and nature of these services mean that the consequences of disorderly disruption would be significant. After a prolonged period of uncertainty around TalkTalk's future, we welcome the prospect of a commercial solution that protects customers and secures continuity of critical communications services. This transaction remains subject to relevant statutory and regulatory processes, and the Secretary of State is today issuing a Public Interest Intervention Notice. Ofcom will work closely with the Government and the CMA during that process.

The regulatory framework

I would like to take this opportunity to make clear that should BT successfully acquire TalkTalk, Ofcom would continue to apply the relevant regulatory framework in accordance with its statutory duties and powers. This includes:

- **The General Conditions**, which provide important protections for customers, including vulnerable customers;
- **The telecoms security framework**, which places duties on providers to identify and reduce risks of security compromises occurring, as well as to prepare for the occurrence of security compromises;
- **The Significant Market Power (SMP) obligations imposed on BT** to address competition concerns arising from its SMP, and which allow competing providers to access Openreach's network and compete on a level playing field to serve consumers and businesses; and

- **The BT Commitments**, which are an important part of the framework governing the relationship between BT and Openreach and supporting Openreach's treatment of its customers, and we would expect BT and Openreach to continue to meet them.

These obligations are fundamental to protecting consumers, maintaining the resilience and security of communications networks and supporting effective competition through fair access to Openreach's network. It is vital that protections are maintained throughout any transition, particularly for vulnerable consumers.

The intervention notice requires the CMA to investigate and report to the Secretary of State by 19 October. Subject to the outcome of this process, we will carefully consider what the implications are for matters that fall within our remit.

Our approach to regulation

We have considered the specific regulatory assurances sought in your letter of 2 October. We recognise the unprecedented circumstances in which BT is seeking to acquire TalkTalk. We also appreciate the limited opportunity available to conduct due diligence and the scale and complexity of the work that would be required to stabilise the business and migrate its customers away from legacy network equipment.

Ofcom cannot fetter its discretion or provide advance assurance that it would not investigate or take enforcement action in particular circumstances, and we do not understand you to be seeking this. Nor can we determine in advance how we would respond to matters that are not yet known.

However, we can assure you that, consistent with our statutory duties, regulatory principles and published enforcement guidelines, we would continue to follow our established approach, acting reasonably, pragmatically and proportionately in any decisions we take. This includes when deciding what is an administrative priority for enforcement action, and our approach to issues arising from TalkTalk's legacy network and equipment.

More broadly, the regulatory framework would continue to apply, including obligations relating to non-discrimination and quality of service. Consistent with our statutory duties and regulatory principles, we would consider how a specific SMP condition applies to any given set of facts on the merits of the individual case and in accordance with the relevant legal framework. Similarly, in considering any new obligations, Ofcom would assess proportionality in accordance with the relevant statutory and regulatory framework, as we would for any new regulation.

We welcome BT's willingness to engage constructively, and would expect you to highlight any potential compliance issues as soon as they are identified. Where full and immediate remediation is not reasonably practicable, we would expect BT to engage with us, put appropriate mitigations in place, and set out a clear plan and timetable for achieving compliance. In any such scenario we would attach particular importance to protecting consumers and competition, and maintaining the security and resilience of services.

More generally, we recognise the operational challenges that may arise and would welcome ongoing, constructive engagement with BT and Openreach as matters develop. We are committed to maintaining an open and pragmatic dialogue, while continuing to carry out our oversight responsibilities through the Openreach Monitoring Unit and our supervision activities in relation to competition, consumer protection, security and resilience. We will continue to report on our oversight activities to provide transparency to the market.

Consistent with our commitment to transparency, we will publish a copy of this letter on Ofcom's website, alongside your letter of 2 October.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Melanie Dawes'. The signature is written in a cursive style with a vertical line to its right.

Dame Melanie Dawes