

2024/25

Ofcom
COMMUNICATIONS
REGULATOR

The Office of Communications Annual Report and Accounts

1 April 2024 to 31 March 2025

Large print version



HC 1022

The Office of Communications Annual Report and Accounts

For the period
1 April 2024 to 31 March 2025

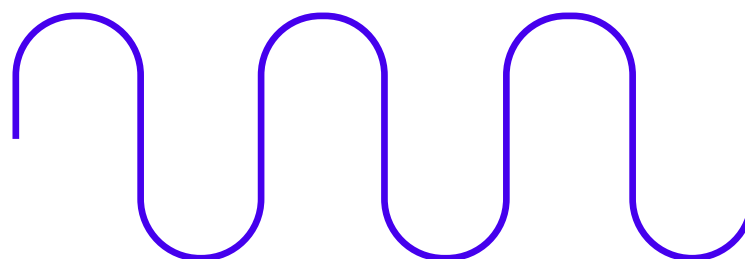
Presented to Parliament pursuant to Paragraphs
11 and 12 of Schedule 1 to the Office of
Communications Act 2002

Ordered by the House of Commons to be printed
on 10 July 2025

Laid before the Scottish Parliament by the
Scottish Ministers

Laid before the Welsh Parliament by the Welsh
Ministers

Laid before the Northern Ireland Assembly by
Caoimhe Archibald, the Minister for the Economy
in Northern Ireland





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ISBN 978-1-5286-5838-6

E03389274 07/25

SG/2025/133

Printed on paper containing 40% recycled fibre content minimum

Printed in the UK by HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office

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Ofcom's mission is to
make communications
work for everyone.

All of the
people
featured in
photography
throughout
this report
are Ofcom
colleagues.



Chair's message

For more than twenty years, Ofcom has been charged by Parliament with furthering the interests of citizens and consumers. Often, those interests are served through economic growth and opportunity.

This report explains our pro-growth work, including a five-yearly review of the wholesale broadband market. In March we unveiled our vision for an updated framework that incentivises competition and encourages investment in better broadband for the UK's people and businesses.

Since we last reviewed that market five years ago, the UK has achieved the fastest roll-out of full-fibre broadband in Europe. Together with cable networks, this means that eight in ten premises can now get lightning-fast gigabit speeds. These lines also provide fewer faults. They help to grow our economy, close the digital divide and support the modernisation of our public services.

Broadband is a British infrastructure success story. And it's not the only one. In the skies

above us, satellites are sending a range of pioneering services to the UK, using radio spectrum allocated and managed by Ofcom.

This year, for example, we proposed to allow mobile operators to partner with satellite companies in providing 'direct-to-device' technology. This means that smartphones from the Welsh valleys to the Scottish Highlands could get a signal from space. We also prepared to release new airwaves that can carry large amounts of data, aiming to improve mobile speeds in crowded

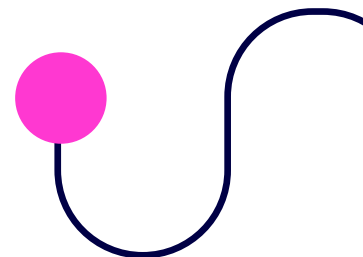
stations, stadiums and high streets.

Broadcasting, too, is an important source of growth, innovation and soft power for the UK. At the heart of our creative economy remain the public service broadcasters, whose productions and cultural heritage illuminate our nations, regions and the world beyond. They are the largest commissioners of content from across the country, and they're particularly important to investment in production, skills and talent.

This year we set out reforms, under Parliament's recent Media Act, to level the playing field where traditional broadcasters compete with global tech giants. We are ensuring public service channels remain prominent on different devices, and will set out a new standards framework for streaming services. And we continue to ensure viewers' and listeners' changing needs and expectations are reflected in our regulation.

These are just some ways that Ofcom is

promoting a healthy, competitive landscape where companies can innovate and serve their customers well. At the same time, we continue to protect UK audiences – throughout the four home nations – in important areas such as broadcasting standards and online safety.



Good regulation must also be accountable, and we have continued to engage with the Parliaments and Assemblies to report on our work. It's been another busy year, and I remain proud to lead a Board that applies objective challenge and protects Ofcom's

independence, so that our decisions remain evidence-based and free from party-political or commercial influence.

Lord Grade, CBE
Chair



Chief Executive's report

Ofcom's work touches people's lives, all day and every day. From television to telecoms, from birthday cards to Bluetooth devices, so many things we rely upon and care about are provided by the services we regulate.

Perhaps the most personal of these are social media, search and other sites and apps – powerful tools for communication and discovery that have transformed modern life, but have also led to online risks and harms

that Ofcom is now able to address.

This was the year we finalised our regulations under the Online Safety Act. In December, four months ahead of the legal deadline, we set out detailed measures for companies to address illegal content – from better governance and accountability to specific steps on fraud, terrorism and child sexual abuse.

We followed this up in February with targeted guidance for tech firms to protect women

and girls from online misogyny, harassment and abuse. In April 2025 we finalised our requirements to protect children online.

Now the industry must act. As we begin to enforce against companies who fall short, children are our first priority. For example, from this summer sites and apps showing pornography must introduce highly effective age checks to stop children seeing it – or face penalties such as fines.

All of this represents a bold new field of regulation – among the first of its kind in the

world. Ofcom has spent several years developing the skills, expertise and infrastructure we need to make it work. At the same time, as this year's Annual Report shows, our existing work to protect customers, viewers and listeners in the communications markets is as important as ever.

On TV and radio this year, we closed 72,442 complaints and completed 57 investigations, finding 33 breaches of our broadcasting rules. We also monitored coverage of the General Election to ensure it was duly accurate and impartial.

In post, we set out major reforms that would allow Royal Mail to adapt in the face of a changing market and ensure postal users receive a reliable, sustainable service. And in telecoms, we made it easier for customers to switch their broadband or landline provider when their needs aren't being met.

Telecoms, technology and the media are among the most vibrant, valuable and dynamic sectors of our economy.

They power our businesses, inform our citizens and enrich our lives. Regulating them – along with our historic postal service – carries enormous privilege and responsibility.

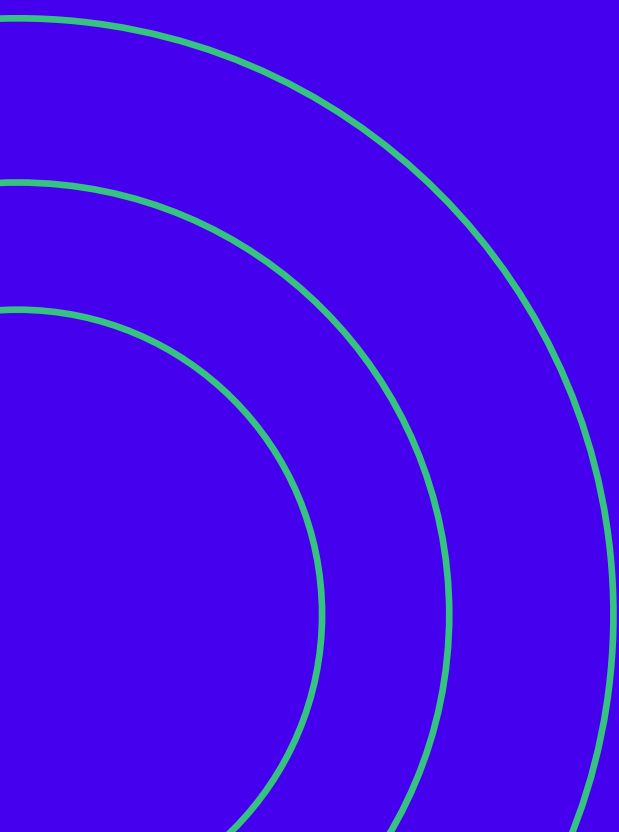


So Ofcom, too, is always adapting for the future.

We are investing in data, digital and AI tools that will allow us to remain an efficient and effective regulator for the coming years. Throughout, we continue to protect

people from harm and uphold standards, while ensuring that our sectors can continue to innovate and invest for the future.

Dame Melanie Dawes, DCB
Chief Executive



Our powers and duties

We regulate fixed-line and mobile telecoms, TV and radio broadcasting, video-on-demand and online services, post, and the radio spectrum used by wireless devices. We help UK businesses and individuals get the best from communications services and protect them from harmful treatment and practices. Where appropriate, we promote competition, investment and innovation as the basis for delivering good consumer outcomes. Ofcom regulates UK-established video sharing platforms, online services that host user-generated content (such as social media), messaging services and search engines.

We are an independent public authority and accountable to Parliament and through the Courts, and to perform our role effectively we need to engage openly and constructively with the UK and devolved Governments. We provide technical advice to governments (for example, our work regarding the implementation of a UK broadband universal service provider) and in some cases, we act as a formal representative of the UK Government (for example, in international negotiations on spectrum).

Our principal duty is to further citizen and consumer interests

Ofcom was established under the Office of Communications Act 2002 and operates under a number of Acts of Parliament. The Communications Act 2003 states that our principal duty in carrying out our functions is to further the interests of citizens in relation to communications matters and to further the interests of consumers in relevant markets, where appropriate by promoting competition. In postal services, our duty is to carry out our functions in a way that we consider will secure provision

of a universal postal service in the UK. We implement and enforce communications, competition and consumer protection laws; our competition powers are outlined later in this section. Our main legal duties guide the direction of our work and include making sure that:

- The UK has a wide range of electronic communications services.
- Optimal use is made of the radio spectrum.
- A wide range of high-quality television and radio programmes are provided by different organisations, appealing to a variety of tastes and interests.

- People are protected from harmful or offensive material, unfair treatment and unwarranted invasion of privacy on television, radio and online.
- The BBC is held to account on its compliance with appropriate content standards, its performance against its Mission and Public Purposes, and the impact of its activities on fair and effective competition.
- The universal service obligation on postal services is secured in the UK.
- Digital infrastructure across the UK is strong, secure and resilient.

In February 2025, Ofcom formally took over responsibility for the day-to-day regulation of premium rate services

(PRS), which enable consumers to purchase goods and services by charging the cost to their phone bills and pre-pay accounts, from the Phone-paid Services Authority Limited (PSA).

Ofcom can enforce consumer law on behalf of consumers but does not have the power to resolve individual consumer complaints about telecoms, postal services or online safety, unlike in TV and radio. Where appropriate, we provide advice to complainants and refer them to the alternative dispute resolution (ADR) schemes that we have approved.

Ofcom's competition law powers

In addition to our regulatory responsibilities set out above, we have powers in relation

to communications matters to:

- Enforce the prohibitions on anti-competitive agreements and abuse of a dominant position, defined in the Competition Act 1998.
- Investigate markets and make references under the Enterprise Act 2002 to the Competition and Markets Authority (CMA).

We consider whether it is more appropriate to exercise competition or sectoral powers in any given case, subject to the specific legislative requirements.

Our values

In order to make communications work for everyone we promote choice, secure standards and prevent harm. Excellence, collaboration, empowerment, agility and respect are the words that best explain how we work and the way we do things at Ofcom.

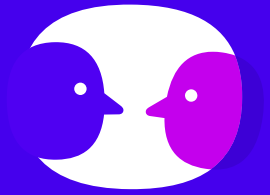
Our values shape how we treat one another,



how we work together, how we relate to our stakeholders, how we judge performance and how we collaborate to achieve our priorities. Our values are central to our effectiveness, and they support the organisation we want to be.



Collaboration



Excellence



Agility



Empowerment

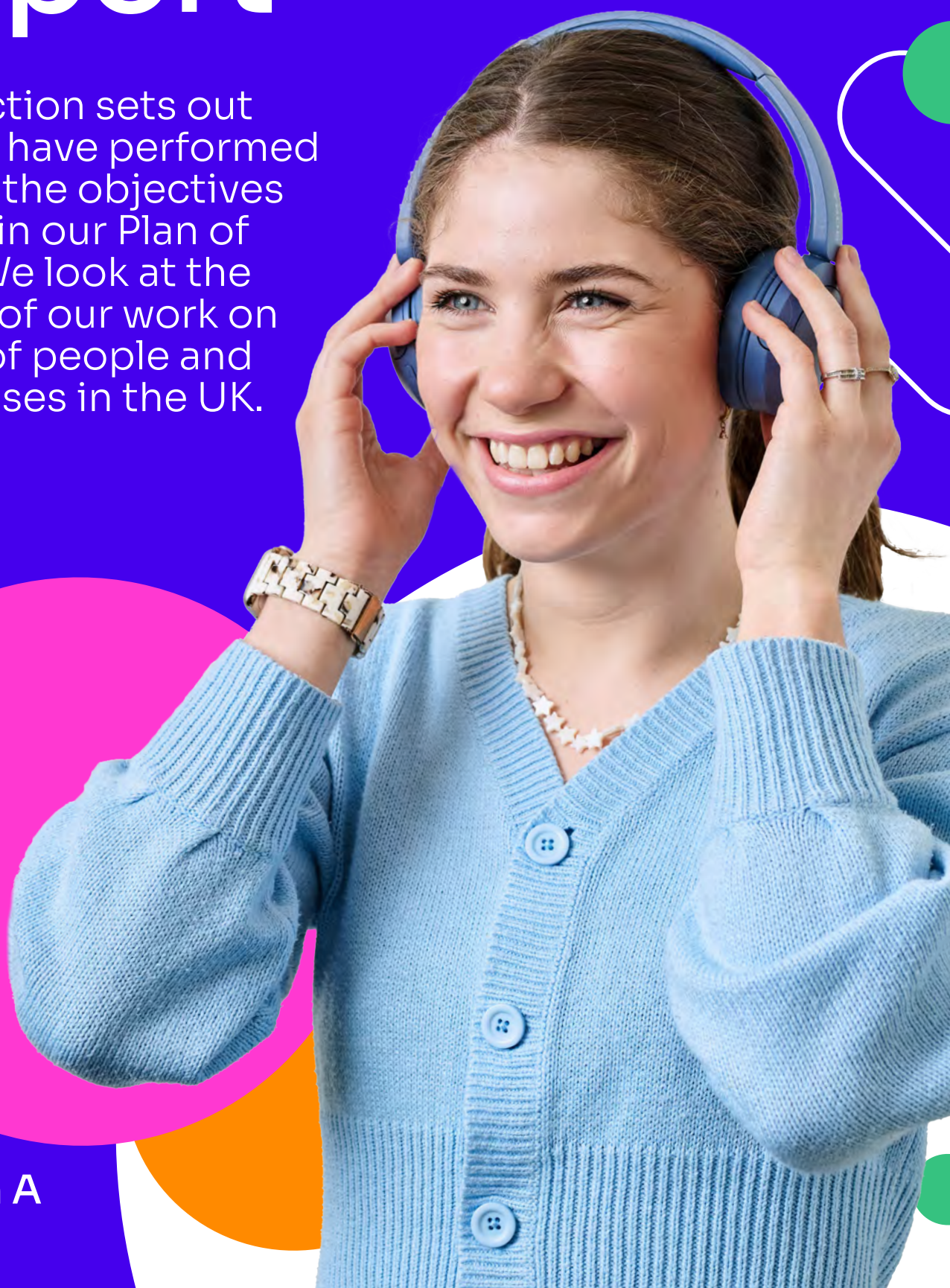


Respect



Performance Report

This section sets out how we have performed against the objectives set out in our Plan of Work. We look at the impact of our work on behalf of people and businesses in the UK.



Section A

Highlights for 2024/25

Internet and post we can rely on

Reforming the postal service

Our proposed reforms to the postal service will enable Royal Mail to adapt in an evolving market and future-proof a vital method of communication used by millions of people in the UK.

Wider broadband reach

Some 25 million homes in the UK can now access gigabit-capable connections, including both full-fibre and ultrafast cable networks, almost reaching the Government's target of 85% coverage by 2025.

Ensuring telecoms resilience

Our continued monitoring of the security and resilience of the UK's telecoms networks provides reassurance for the consumers and businesses who rely on them every day.

Media we trust and value

Implementing the Media Act

We began our implementation of the Media Act, legislation that will protect public service broadcasting, help audiences to continue to enjoy quality programming, and help to support the UK's creative economy.

Speaking to audiences

Through our research into audiences' preferences and changing behaviours, we can better understand their evolving needs and inform our rules and how we work in this area.

Improving accessibility

We have continued to make sure people with hearing and sight impairments can access crucial services such as subtitles, signing and audio description on a range of television channels and platforms.

Highlights for 2024/25

Serving and protecting audiences

Enforcing standards, protecting audiences

We assessed tens of thousands of complaints and took action where broadcasters broke our rules, ensuring audiences' continued trust in what they see and hear.

Maintaining freedom of expression

While carrying out our work to protect audiences and uphold broadcast rules, we also continued to consider broadcasters' and audiences' right to freedom of expression – a vital balance to strike.

Driving diversity

The broadcasting industry must reflect the range of audiences it serves. Our monitoring of diversity in the sector helps to achieve this and identifies areas for improvement.

A safer life online

Taking action

Our work as online safety regulator has formally begun – we’ve set out the rules, kicked off enforcement action and have already launched investigations into some online services.

A focus on children

Through our research we have identified specific harms to children and are working to protect them from illegal and harmful content.

Careful consultation

Through detailed consultation over the past year we have been able to set out practical measures that providers must put in place to make services safer for their users.

Enabling wireless services in the wider economy

Better, faster connections

We’re ready to grant access to new radio spectrum, improving mobile connections in the areas they’re most needed.

Innovation in the airwaves

Through pioneering sharing of spectrum, airwaves will be used in a range of different ways, boosting coverage and performance for people who need to stay connected.

Driving growth

By setting out future uses for the radio spectrum, we’re unlocking new and improved uses, driving competition as providers seek to meet consumers’ needs.

Regulating for growth

We believe that good regulation goes hand-in-hand with investment and innovation. That has always been at the heart of our work. And since May 2024, Ofcom has a legal duty to consider the desirability of promoting economic growth.

One of our regulatory principles is to operate with a bias against intervention, albeit with a willingness to intervene promptly and effectively where required. We do so proportionately, allowing companies to explore and innovate. This is important, because technology in our sectors is evolving rapidly. We are constantly looking ahead to identify how we can help to deliver future benefits to the people who use the products and services we regulate, as well as the wider economy. Here are some specific

things we are doing:

- Since we put in place new regulations for the broadband market in 2021, the UK has seen one of the fastest rates of roll-out of ultrafast, full-fibre broadband across Europe. Between £3bn and £6bn has been invested by network firms each year. As of this year, 25 million homes can access full-fibre and ultrafast broadband connections. These provide faster speeds and fewer faults. They also help to grow our economy, close the digital divide

and support the modernisation of our public services.

- We estimate that our proposed changes to the postal service will save £250m-£425m a year, helping to make it more efficient and sustainable.
- Supporting innovation is central to how we manage radio spectrum, a valuable and finite resource. Making airwaves available in the 26 GHz and 40 GHz bands – known as millimetre wave (mmWave) spectrum – will improve mobile speeds in busy areas and could also support services from virtual reality to factory automation. And by releasing additional airwaves in the 27.5-30 GHz (28 GHz) and 32 GHz bands, we're enabling more capacity and
- allowing providers to offer services to more people.
- Our decision to grant an earth station network licence to Amazon Kuiper Services Europe SARL for its non-geostationary orbit (NGSO) satellite system will lead to high-speed, low-latency connections for broadband customers.
- We have consulted on updating our annual licence fees for mobile spectrum, which would reduce costs for operators in some areas.
- We are also proposing granting organisations temporary access so they can test technical solutions before they launch commercially.

- Our proposals to allow mobile networks and satellite operators to use mobile airwaves to connect to standard smartphones will benefit the most rural and hard-to-reach locations. This would complement existing terrestrial networks and could ultimately enable people to get a mobile signal in every part of the UK.
- We will continue to support the mobile industry in the deployment of advanced 5G and 6G. And we are currently overhauling our mobile coverage checker, which helps customers to understand coverage and performance in their area. This will improve transparency and should create stronger incentives among mobile providers to improve their service.
- We have supported the Competition and Markets Authority in its review of a merger between Vodafone and Three, which has resulted in a commitment from those providers to significantly improve investment in the reliability of their network, its capacity and performance.
- Our public service broadcasters remain at the heart of our creative economy. Our work on implementing the Media Act will help them in an evolving market, ensuring their continued commitment to investment in production, skills and talent.
- Our plans to update how we regulate the broadband market will incentivise competition and encourage investment

in better broadband for the UK's people and businesses.

- As a member of the Digital Regulation Cooperation Forum (DRCF) we collaborate with counterparts across regulatory boundaries. Together we have piloted the DRCF AI and Digital Hub – a free, informal advice service for tech innovators which can help them bring their products to market.

In response to the Government's Action Plan for growth, Ofcom has committed to five proposals. These include

enabling investment in fibre, unlocking spectrum sharing, supporting mobile-to-satellite connections, improving our mobile web-checker and providing a dedicated Digital Support Service for Online Safety rules.

We have already delivered the first of these proposals during 2024/25.



Progress on delivering our Plan of Work

This section sets out what we have done during the year in our priority areas, and the impact for people and businesses.

Every March, we publish Ofcom's Plan of Work. This sets out what we intend to deliver over the coming financial year, to make communications work for everyone across the UK and its nations. The work areas set for 2024/25 considered what was happening in the communications market and the evolving needs of people and businesses, against the backdrop of dynamic sectors which continue to invest and innovate, as well as high levels of inflation. Our plan recognised the increasing

reliance on the UK's communications networks for the way we live, work, shop and use public services.

We consult on our plan every year to make sure it reflects the feedback we receive from interested parties as well as fulfilling Ofcom's duties. The Plan of Work also includes our work programme,

Note to the reader:

This Annual Report covers the period 1 April 2024 to 31 March 2025. Throughout the text, “this year” refers to that financial year. Similarly, unless where indicated, months refer to the relevant month within the financial year. For example, “August” means August 2024, “January” means January 2025.



Internet and post we can rely on

Reliable, affordable internet is essential to modern life. It is also a central part of the UK's infrastructure and a source of economic growth. We have been working this year to ensure continued investment in world-class, future-proof connections.

We also regulate a more traditional network – the universal postal service, which we are helping to make sustainable for the future.

What we did – in brief

- We started to update our long-term framework of regulation for the broadband market, designed to continue to promote competition, innovation and investment in this vital sector. The new rules will apply for a further five-year period, meaning continued certainty for investors. Investment in gigabit broadband will provide customers with faster and more reliable internet.
- We made it easier for customers to switch their broadband or landline provider when their needs aren't being met, as well as helping them to identify and benefit from more affordable products.
- We have continued to monitor how telecoms companies are ensuring that the UK's telecoms networks are secure and resilient. We took enforcement action in this area, resulting in a fine of £17.5 million for BT, for being ill-prepared to respond to a catastrophic failure of its emergency call handling service.

- We also set out proposed reforms for post, which we said would allow Royal Mail to adapt in the face of a changing market while ensuring that postal users' needs are met by a reliable, sustainable service.

Why this matters

- Achieving near-universal, ultrafast broadband will help to power the digital economy, unlock the potential of remote communities, enable productivity gains and support public services as they become more digital.
- People and businesses depend more than ever before on high-quality telecoms networks and packages to keep them connected. Following a period of rising living costs, they need affordable products that serve their everyday needs. Our work this year included important consumer protections in areas such as pricing and transparency, while also promoting investment in networks that will serve the UK well for years to come.
- Ensuring our telecoms networks are secure and resilient provides reassurance for consumers and businesses, which rely on these networks on a daily basis and need them to be reliable and protected from failure and threats.
- The postal service remains a vital form of connection for millions of people in the UK. But it isn't sustainable in its current form, so changes are needed to protect the service and make it more reliable.

Our work this year

Expanding gigabit-capable broadband

Since Ofcom put in place new regulations for this market in 2021, the UK has seen one of the fastest rates of roll-out of ultrafast, full-fibre broadband across Europe. Between £3bn and £6bn has been invested by network firms each year. Full-fibre coverage has soared to seven in ten premises.

But further investment is still needed to achieve that. So in March 2025 we consulted on our Telecoms Access Review, a framework of regulation for the five year period from 2026-2031, building on the last period and proposing to keep much of our approach in place to ensure stability and certainty for

investors. Our plans are designed to promote wholesale competition, incentivising networks to roll-out gigabit broadband and ultimately providing customers with better retail products. In the most rural or remote parts of the country where sustainable competition is less likely, we plan to focus on promoting full-fibre rollout by Openreach,



the network arm of BT Group. We also plan to protect customers by capping the price that Openreach can charge retail providers for some of its wholesale products.

Some 25 million premises in the UK can now access gigabit-capable connections, including both full-fibre and ultrafast cable networks. This means the Government's target of 85% coverage by the end of 2025 has almost been reached.

Supporting affordable internet access

We have called on telecoms firms to offer social tariffs, and to clearly flag them to customers. We have also promoted social tariffs as an affordable option for eligible households, with information on our website and social media channels including details of the packages offered by different providers.

Eight million UK households face challenges paying for their communication services. Around half of these homes qualify for social broadband tariffs – discounted packages for people receiving benefits – which could reduce their annual costs by over £220.

Improving broadband switching

Switching to a new broadband or landline provider has never been quicker and easier, thanks to a new 'one touch switch' process. Previously, while customers could easily switch between providers on Openreach's network, those moving to or from other networks faced additional hurdles. The new process allows customers to contact only their new provider to arrange the switch.

Easier switching is particularly important as competing full-fibre networks expand across the UK. Under our new system, customers avoid paying notice-period charges beyond their switch date and receive compensation if they experience service interruptions lasting more than one working day.

Protecting consumers from unclear pricing

The cost of living remains a primary concern for millions of households, and Ofcom has taken decisive action to protect consumers from unpredictable price rises. Since January, telecoms providers must clearly state any contractual price increases in pounds and pence at the point of sale.

Our new rules ensure customers have certainty about their future payments and aren't unfairly burdened with financial uncertainty from inflation. Providers must now be completely transparent about when price changes will occur, helping people make informed choices about their services.

Mobile coverage

To protect UK customers using their phones abroad, we introduced new roaming alert requirements in October. These rules ensure people receive clear information about roaming charges and how to control their spending while travelling overseas.

We also have in place a work programme to improve our web checker tool, which people can use to check coverage in their area. We are planning to use higher signal thresholds when presenting local predictions, removing some false positive coverage predictions.

We are looking to use crowdsourced data to build on the coverage predictions, and are assessing predicted signal strength information

at a more granular level to determine if it is possible to reduce the local uncertainty to some extent. We are also making changes to our website, to make it clearer what the web checker does and doesn't do. In addition to improving our web checker we are updating how we report on mobile coverage in our regular publication [Connected Nations](#).

Tackling scam calls

Tackling fraud is another priority for Ofcom, and this year we strengthened measures to protect people from scam calls originating abroad. Our enhanced industry guidance, effective since January, requires phone companies to identify and block calls from overseas that falsely display UK landline numbers, except in

legitimate cases.

This builds on earlier requirements for blocking calls from abroad using UK network numbers – where the impact has been significant. BT reported preventing up to one million calls daily within the first month of implementing this change. Our guidance ensures it becomes standard practice across the industry.

Ensuring the security of telecoms networks

Ofcom has an important role in making sure the UK's telecoms networks are secure and resilient. This year we continued to monitor how companies are complying with this new security framework, using our powers introduced by the Telecommunications Security Act (TSA). In November, we sent

our first annual report in this area to the Secretary of State for Science, Innovation and Technology, setting out the findings from our monitoring.

We continue to run TBEST – a voluntary, threat intelligence-led penetration testing programme. That included working with a new provider, with testing underway in the first quarter of 2025.

We also consulted on potential measures to tackle security risks and the misuse of numbering resources. This year we proposed a ban on the leasing of 'Global Titles' – which are used to send and receive signals that help locate and connect mobile phone users to networks, and to each other. In the wrong hands they can be misused to intercept messages and calls,

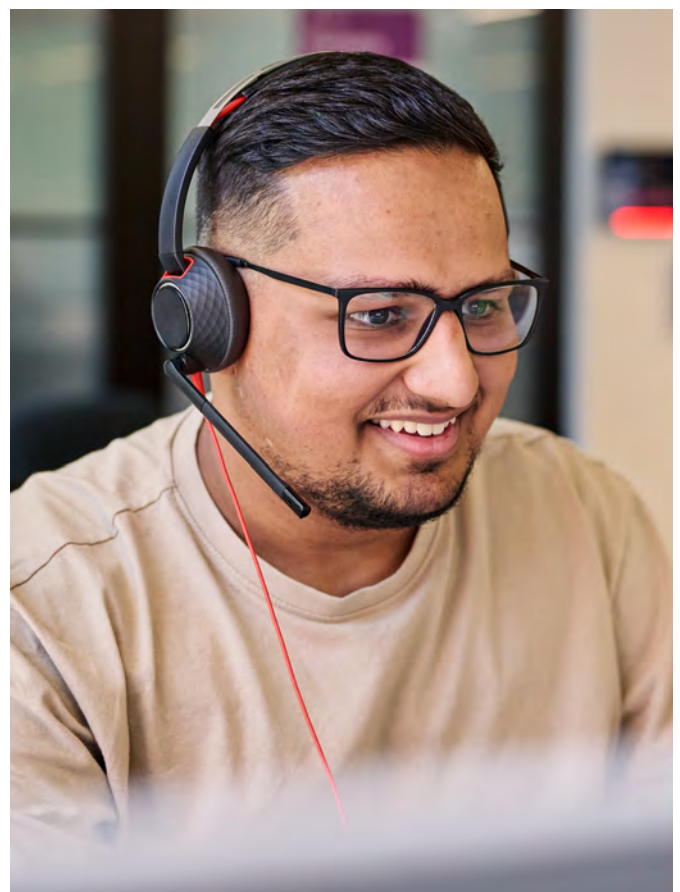
disrupt the operation of networks and track the location of users of other networks. Following our proposals, we introduced a ban in April 2025.

In September we revised our network and service resilience guidance. This sets out the measures we expect communications providers to take in relation to architecture, design and operational models. And this year we also worked with the police to identify and arrest criminals who use illegal SMS blasters to target victims with fraudulent text messages.

In July we fined BT £17.5 million for being ill-prepared to respond to a catastrophic failure of its emergency call handling service that took place in June 2023. During the incident which lasted

for more than 10 hours, nearly 14,000 call attempts – from 12,392 different callers – were unsuccessful. Our investigation found that BT had breached its security duties.

Finally, we continue to work with Government, preparing for enhancements and expansions to our regulatory responsibilities through the Cyber Security and Resilience Bill.



Securing the future of the postal service

The post remains a vital form of connection for millions of people in the UK. But the way we use it has changed dramatically. Twenty years ago, Royal Mail was delivering 20 billion letters in a year. That has now declined to 6.6 billion, and is expected to fall to four billion in the next few years.

This shift has also driven up the cost of delivery. As postal workers are walking more routes than ever, but delivering far fewer letters. Although there has been offsetting growth in the UK parcels market, Royal Mail has struggled to maintain market share in the face of stiff competition. As Royal Mail seeks to transform its network in the face of these changes, it faces serious financial challenges

that create risks for the sustainability of the universal postal service.

Ofcom's role is to keep the UK's one-price-goes-anywhere, universal postal service on a sustainable footing. In January we proposed changes aimed at protecting the service and ensuring it meets the changing needs of customers. Our plans are based on in-depth research into what people want and need from the postal services now and in the future.

The findings showed that affordability and reliability matter more to people than speed of delivery. We also found that most postal users do not require six-days-a-week delivery for most letters.

So we have proposed to allow Royal Mail to deliver Second Class letters on alternate

weekdays, still within three working days of collection – but not on Saturdays. We estimate this will save £250m-£425m a year.

However, it is essential that consumers get a better service that they can rely on.

So we also proposed changes to the Royal Mail's delivery targets, to address customers' frustrations about how long letters take to arrive. This includes 90% of First Class mail being delivered next-day, and 95% of Second Class mail delivered within three days, maintaining the delivery targets at more than 90% while adding new backstop "tail-of-mail" targets to ensure that even if letters miss the primary target, postal users have confidence they will arrive in a reasonable period of time.

Improving parcel services

While letter volumes are falling, consumers are sending more parcels. Our annual Post Monitoring Report showed that parcel volumes across the UK increased by 8.3% to 3.9 billion items in 2023-24, close to the 4.0 billion pandemic peak in 2020-21.

Our report also revealed that, while 80% of parcel recipients are satisfied



with delivery services, two-thirds experienced problems in the previous six months. Common issues included delays, leaving parcels in the wrong place and insufficient time to answer the door.

However, parcel operators have enhanced their complaints handling processes – introducing improved website information, better phone or chat services and new callback options. These improvements follow our strengthened regulations that ensure customers are treated fairly.

Enforcing standards

We maintained strong oversight of service providers throughout the year. In December, we fined Royal Mail £10.5m for failing

to meet its delivery targets in 2023/24, following a £5.6m fine for similar failures in 2022/23. We also issued a £2.8m fine to BT after its subsidiaries EE and Plusnet failed to provide clear contract information to more than a million customers.

Our monitoring of Openreach's independence continues to show positive results. Furthermore, since the company was made legally separate from BT in 2018, full-fibre broadband availability has increased from 6% to over 70%, while average speeds and data usage have doubled.

Media we trust and value

People across the UK need a media landscape that provides high-quality content to meet their needs and interests. Ofcom is supporting UK broadcasters as they adapt to technological change and shifts in people's viewing and listening habits. That includes promoting public service broadcasting, a cornerstone of the UK's creative economy and a vital source of growth, investment and talent creation.

What we did – in brief

- We began our implementation of the Media Act 2024, which includes duties for public-service content providers and providers of platforms such as smart TVs to make sure that public service content is prominent and accessible.
- Through our research programme we continued to speak to people about what they want from UK media, and to discover how their behaviour is changing. Our findings help to inform our rules. This year we reported that less than half of younger people watch broadcast TV weekly, the latest milestone in a changing picture of media consumption that shows no sign of slowing.

- Holding the BBC to account remains central to our work, and we reported on how the corporation is serving audiences well across the country. We examined the BBC's impact on local news sector competition, and found there are growing challenges in sustaining reliable and relevant local news throughout the UK.
- We continued work to ensure that people with hearing and sight impairments can access crucial services such as subtitles, signing and audio description on a range of television channels and platforms.

Why this matters

- Last year's Media Act is the most significant piece of legislation affecting public service media in more than two decades. It is designed to protect public service broadcasting while fostering innovation – so that UK audiences can still discover and enjoy the programmes they love, and the UK's creative economy continues to thrive.
- Changes to public service media must be handled carefully and delivered effectively. Our work in this area also helps to make sure our media landscape caters for diverse groups.

- Due to its unique funding model, the BBC could have an adverse impact on competition. We review changes to its services to protect the interests of audiences.
- Subtitles, signing and audio description bring television to the widest possible audience, allowing people with hearing and sight impairments to enjoy the benefits of our world-class creative sector.
- Ofcom research consistently finds that online news sources – and social media platforms in particular – are rated much less favourably than traditional platforms such as TV and radio for accuracy, trust and impartiality.

Our work this year

Implementing the Media Act

The Media Act 2024, which received Royal Assent in May, represents the most significant change to public service media regulation in two decades. It is designed to protect public service broadcasting while fostering innovation, so UK audiences can enjoy the services, video and programmes they love. Ofcom is implementing the new rules as quickly as possible in a way that is fair, proportionate and effective.

This year we began work to update the regulation of commercial radio, replacing a decades-old framework with one that is fit for modern platforms and audiences. These changes remove rules

about radio formats from the last century to allow radio stations to focus on serving today's audience, including through locally focused content.

We also proposed new guidance to help ensure public service content is available, prominent, and accessible on a range of connected platforms, such as smart TVs, so it can be more easily found by audiences.

And we launched consultations in areas such as changes to the quotas that Public Service Broadcasters (PSBs) must meet; rules for 'listed' sporting events on television; and how we approach designating the TV apps offered by UK PSBs.

Supporting public service media

Our annual report on the BBC acknowledged the corporation's efforts to build audience trust through initiatives such as BBC Verify. However, we identified areas for improvement, particularly in reaching audiences from lower socio-economic backgrounds and younger viewers.

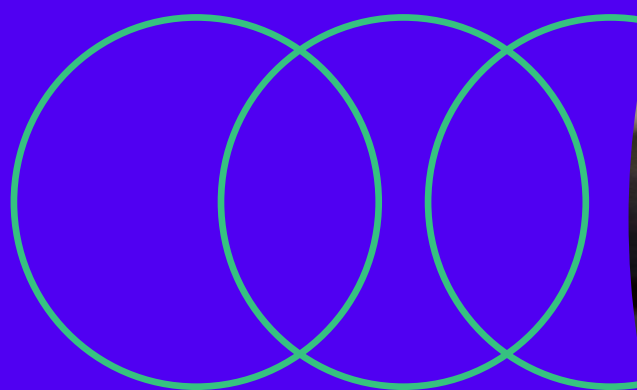
Our Local Media Review examined the BBC's impact on local news sector competition, and found there are growing challenges in sustaining reliable and relevant local news throughout the UK. In our review of local media, we concluded the BBC had not had a detrimental impact on competition in the local news sector, but there are growing challenges in sustaining reliable and relevant local news. These

include falling revenues and fierce competition for audiences who are increasingly avoiding news and unwilling to pay for it. Consolidation and cuts in response to these challenges have affected local news provision across TV, radio and print.

Making television accessible to everyone

Ofcom's Access Services Code makes sure that people with hearing and sight impairments can access crucial services such as subtitles, signing and audio description on a range of television channels and platforms. We announced significant changes to the Code in April, improving the accessibility of television and on-demand programmes. These steps ensure broadcasters maintain high-quality subtitles, signing and audio description for the people who need them. For the first time, our best-practice guidelines now include streaming and subscription services.

The guidance addresses the needs of people with disabilities affecting their sight or hearing. It also sets outcomes for different access services, and makes it easier for viewers to customise their accessibility options. Finally, we emphasised the importance of broadcasters communicating clearly with users when access services are affected by technical problems.



Monitoring audience trends and habits

Ofcom's research programme helps us to better understand the shifting needs and preferences of viewers and listeners. The findings inform our work and ensures it reflects modern UK society.

Our 2024 Media Nations research revealed significant shifts in viewing habits. For the

first time, less than half of younger people now watch broadcast TV weekly. The speed of decline in viewing is accelerating among middle-aged viewers, while younger audiences spend three times as long watching video-sharing platforms – such as TikTok and YouTube – than they spend with broadcast TV.



This year we also highlighted a historic shift in news consumption, with online sites and apps now matching television as the main source of news for UK adults. While older generations increasingly turn to digital platforms, broadcast news maintains higher trust levels compared to online sources, particularly social media.

Changes in media consumption were a factor in our decisions around the BBC's proposed new music streams on its Sounds platform, which extend its core station brands. While we permitted the BBC to launch Radio 1 Anthems and Radio 3 Unwind, we directed it to halt a planned Radio 2 extension due to potential effects on fair competition.

Supporting local radio

Small-scale DAB (Digital Audio Broadcasting) is the technology underpinning an explosion of growth in local radio. It provides cost-effective digital broadcasting opportunities for local commercial, community and specialist radio stations. The roll-out of small-scale DAB continued successfully, with 115 licences awarded by Ofcom and 64 new multiplexes launched by October 2024. In January we opened applications for a seventh round of licences.

We simplified rules for community radio stations, removing specific quotas on programme types and



local production while maintaining safeguards for non-English language broadcasting. These changes allow stations to focus more effectively on serving their local communities.

Meanwhile our support for community radio continued through the Community Radio Fund, with £400,000 available for 2024-25,

funded by DCMS. The fund supports essential operational costs for Ofcom-licensed community stations, including management, fundraising and volunteer support. In the first funding round we awarded grants totalling £205,479 to 11 stations, with individual grants ranging from £4,320 to £33,854.



Serving and protecting audiences

Ofcom sets and enforces standards on TV, radio and some on-demand services. By protecting audiences from harmful content and upholding due impartiality, we maintain trust in our broadcast media and ensure high standards for viewers and listeners.

What we did – in brief

- We continued to set and enforce standards in programmes broadcast on TV, radio and on-demand services. This year we closed 72,442 complaints (9,408 cases), completed 57 investigations and found 33 cases in breach of our broadcasting rules. Where broadcasters had failed to maintain standards, we took action to enforce our rules. And in every case, we took account of the right to freedom of expression.
- Ofcom remains focused on ensuring the broadcasting industry serves audiences by hiring the best talent from across society. Our eighth annual study of the sector's workforce showed important progress in this area, but further work to do.

Why this matters

- Audiences should be protected from harmful content on TV and radio. They should be able to trust what they see and hear, and feel able to complain to us about something on TV or radio which concerns them. We assess every complaint we receive and investigate issues that are raised under our rules.
- Freedom of expression is a cornerstone of British society and the UK's democracy. Ofcom does not censor content: our powers apply only after a programme has aired. And we always take account of freedom of expression when we assess complaints and investigate TV and radio content. That includes the right of broadcasters to transmit a range of ideas, and the right of the audience to receive them.
- The broadcasting industry can only serve audiences effectively if it reflects and draws upon the best creative talent from every corner of UK society.
- As audience habits continue to diversify and people increasingly turn to social media for news, it is ever more important that people can rely on high quality, impartial and accurate news. Ofcom research¹ shows that online news sources and social media platforms in particular – are rated much less favourably than traditional platforms such as TV and radio for accuracy, trust and impartiality.

¹ <https://www.ofcom.org.uk/siteassets/resources/documents/tv-radio-and-on-demand/broadcast-guidance/psb/2024/review-of-public-service-media-2019-2023.pdf>

Our work this year

Enforcing Standards

Our enforcement work included a £150,000 financial penalty in March on religious channel the Word Network, for serious breaches of broadcasting rules. We found that two episodes of Peter Popoff Ministries contained potentially harmful claims that contacting the presenter's ministry or ordering its 'miracle spring water' could improve serious health conditions and financial situations.

In April we issued guidance to TalkTV, following an assessment of potentially offensive comments made during an interview with Dr Mustafa Barghouti. While we decided not to formally investigate, we directed TalkTV

to take greater care in making sure high-risk comments are properly justified and contextualised.

And in May we took enforcement action against GB News for breaching due impartiality rules in its programme 'People's Forum: The Prime Minister'. We found that the programme gave the then Prime Minister Rishi Sunak a largely uncontested platform to promote government policies before a General Election. We imposed a £100,000 fine, which, together with the breach finding, was the subject of a judicial review challenge in the courts by GB News.

Our commitment to maintaining due impartiality became particularly important ahead of the UK General Election. In April we published research on audience attitudes towards politicians presenting programmes on television and radio.² The research explored audiences' understanding of news and current affairs, and their expectations of due impartiality when politicians are presenting this type of content. The findings indicated that audiences are instinctively against politicians presenting the news, as they feel politicians would naturally have a viewpoint to promote.

Following the research, we updated our guidance to assist broadcasters in their compliance with the rules. We are also currently consulting on a proposed amendment to the rule that restricts politicians from presenting news, to ensure clarity for all stakeholders.

² <https://www.ofcom.org.uk/tv-radio-and-on-demand/broadcast-standards/audience-attitudes-towards-politicians-presenting-programmes-on-television-and-radio>

High Court judgment – GB News v Ofcom

In February, following a judicial review by GB News, the High Court quashed two Ofcom breach decisions against GB News. These related to politicians acting as presenters, interviewers or reporters. We decided not to reinvestigate these two programmes, and in March we withdrew three other breach decisions against GB News and one not pursued decision. Ofcom removed all these decisions from GB News' compliance record.

Following this judgment, in May we launched a consultation on a change to Rule 5.3 of the Broadcasting Code, which relates to politicians presenting

news. The proposed change aims to make it clear to broadcasters that a politician cannot be used as a newsreader, news interviewer or news reporter in any type of programme, unless there is exceptional editorial justification. The current rule states that no politician may be used as a newsreader, interviewer or reporter in 'any news programmes'.

Politicians would still be able to present programmes under this rule change. But they would not be able to present news – regardless of the nature of the programme, without exceptional editorial justification.

Diversity and representation

TV and radio have the power to shape and represent our country's identities and values. To achieve that, broadcasters must reflect the society we live in today. But several groups – such as disabled people, and those from working-class or minority-ethnic backgrounds – still find it harder to enter and progress in the industry. At the same time, the sector faces an unprecedented period of change, with audiences continuing to turn away from traditional broadcast media and skills shortages threatening growth and job creation.

Ofcom remains focused on ensuring the broadcasting industry serves audiences by hiring the best talent from across society. Our eighth annual study of the sector's workforce showed progress in geographic representation, with 48% of broadcasting roles now based outside London, up from 46% in 2023. However, certain groups remain underrepresented, particularly in senior and editorial positions. For example, women only account for 36% of people in radio commissioning and programming roles. We are supporting cross-industry efforts to improve these numbers and next year we will report on progress made by the largest individual broadcasters.

A safer life online

Ofcom is working to make the online world safer for everyone. The Online Safety Act places new duties on sites and apps such as social media, search, dating, pornography and gaming to improve safety for their users. We are now enforcing these laws, and change is starting to happen.

What we did – in brief

- As the UK regulator for online safety, this year we established regulations that will create a safer life online for people in the UK – protecting them from illegal content on sites and apps, and children from content that is illegal or harmful.
- Before enforcing the Act, we first needed to consult on codes of practice and industry guidance to help firms to comply. We did so this year – setting out detailed, practical measures that companies should take to make their services safer.
- Our online research programme this year included studies around three major areas of harm to children. We also explored how young people are using digital platforms, and adults' engagement with disinformation.

Why this matters

- Making the online world safer is a priority for the UK government, society and Ofcom. Our research consistently shows that many online adults and children have harmful experiences online, and most support tighter rules.
- With our regulations coming into force, technology companies must now act. Those in scope of the laws are required to assess the risk of harm to their users and put in place effective measures to address it.
- We have now begun to enforce against companies who fall short. Children are our first priority. For example, sites and apps showing pornography must introduce effective age checks to stop children accessing it. We have already launched investigations against a number of services we believe have not put appropriate protections in place.



Our work this year

Illegal harm

In December, four months ahead of the legal deadline, we finalised our first codes of practice and guidance to companies for tackling illegal content on their services. We set out detailed measures in areas such as stronger governance and accountability, better content moderation and reporting, and specific steps to address fraud, terrorism and child sexual abuse and exploitation.

Violence against women and girls is another significant problem in both the online and offline worlds. Women are particularly affected by harm such as hateful and trolling content, intimate image abuse, cyberflashing and controlling or coercive behaviour. In November we convened an industry event and workshops to explore this growing societal issue, and in February we followed up with specific guidance for technology firms on how they should better protect their female users.

Protecting children online

In May, we launched a consultation on more than 40 safety steps designed to make the online world safer for children. We made clear that companies must establish whether children are likely to access their site – and, if so, identify what risks their service poses to children. They must then take steps to mitigate those risks.

Our codes of practice explained in detail what those measures could include. We focused on strong, highly-effective age checks to prevent children from accessing content that is inappropriate for their age. We called for services that recommend viewing to their users to make their algorithms

fundamentally safer, filtering out dangerous material from children's feeds and downranking harmful content.

As with illegal harm to adults, we expect effective moderation teams and procedures to be in place to quickly tackle material that poses a risk to children. Services must prevent children from accessing content related to suicide, self-harm, eating disorders and pornography. They must minimise exposure to violence, hate speech, online bullying and dangerous challenges. Our approach emphasises the importance of clear reporting procedures and tools that allow children to control their online interactions.

Using research to guide our online safety work

Ofcom's research programme helps us to understand the complex online world and implement the Online Safety Act effectively. It covers four main areas: user activity and behaviour; online risk and harm; service design and characteristics; and safety measures and technologies. We publish all our plans and findings, and collaborate with researchers in the UK and abroad.

In March, we released studies on three major areas of harm to children: cyberbullying, violent content, and content relating to suicide, self-harm or eating disorders. We explored how children are exposed to these categories of harm, the impact they have and potential ways to tackle them.

Our Behavioural Insight Hub ran experiments to determine how people use online platforms. We tested how the design of websites and apps affects adults' use of content controls. We used mock-ups to test how design changes could make users more likely to engage with terms and conditions, such as community guidelines. And we examined different ways to encourage children to access help and support materials when signing up to social media.

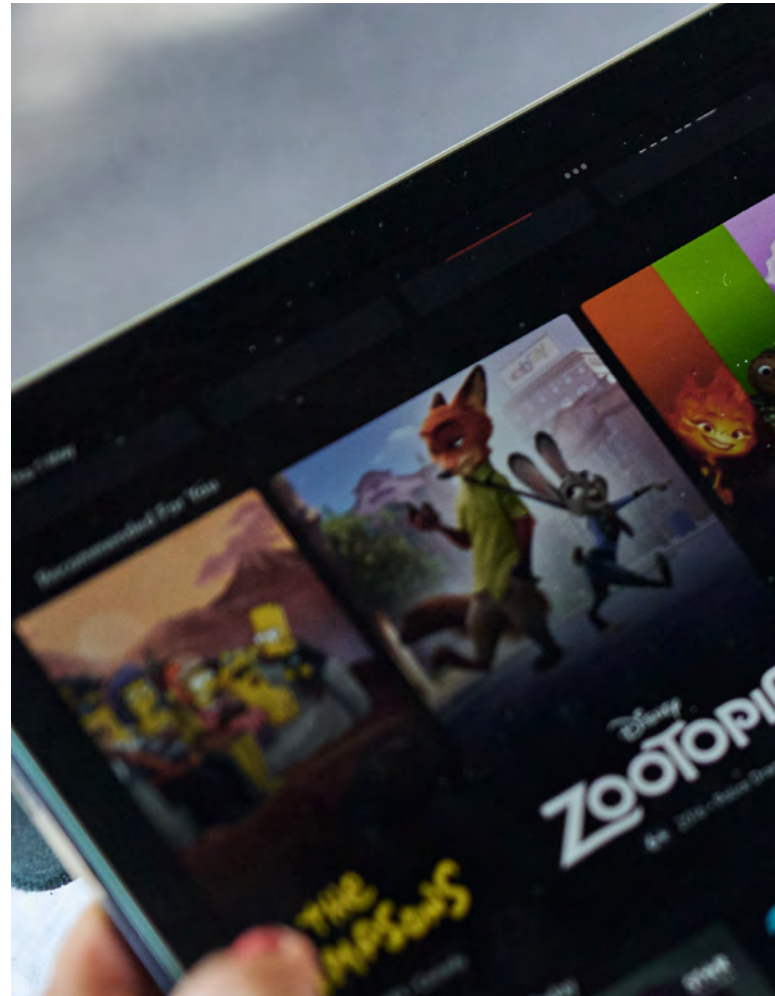


How UK adults navigate the digital world

Ofcom's media literacy programme reveals important insights into how adults across the UK engage with the online world. This year we found that adults generally place more trust in content generated by humans than by artificial intelligence – though distinguishing between the two remains challenging. There has also been a positive shift in how people view social media's impact on mental health, with more users reporting beneficial effects.

But problems remain. Many adults unknowingly contribute to the spread of misinformation online, and a significant number struggle to protect themselves from sophisticated scams. Digital exclusion continues to affect some communities, with a minority of UK households remaining offline and others relying solely on smartphones for internet access.

One very challenging form of misinformation is deepfakes: images, videos or audio that use artificial intelligence to depict people, often with the aim of harming their subject's reputation or misleading the audience. Our research shows that four in ten adults – and half of older children – have encountered deepfakes online, with women particularly vulnerable to being exploited by the content. In July, we published a discussion paper exploring the impact of generative AI on the proliferation of deepfakes, identifying categories that demean, defraud and disinform. We also analysed measures that companies can take to respond to deepfakes, from deploying watermarking techniques to filtering content and supporting media literacy efforts.



Young children's online behaviour

Our research on children this year showed a big shift in how younger ones engage with digital platforms. There has been a marked increase in the online activity and digital independence of five- to seven-year-olds. The proportion of younger children using messaging or video calls



rose from 59% to 65%, while those watching live-streamed content climbed from 39% to 50%.

Social media use among this age group also grew substantially, from 30% to 38% overall, with WhatsApp, TikTok, Instagram and Discord showing particular growth. Online gaming experienced

a significant uptick, with 41% of five- to seven-year-olds now participating, up from 34% the previous year.

Change is happening

Some companies are already making their sites and apps safer in anticipation of potential enforcement by Ofcom. We have also been using longer-standing powers to regulate video-sharing platforms. For example, following our intervention, the live-stream gaming site Twitch has implemented improvements – including blocking under-18s from accessing mature content.

Gathering accurate information from regulated companies is fundamental to our job as a regulator. Firms are required, by law, to respond to all statutory information requests from Ofcom in an accurate, complete and timely way.

In July 2024 we fined the social media service TikTok £1.875 million for failing to accurately respond to a formal request for information about its parental controls safety feature. In March 2025 we fined the provider of OnlyFans, Fenix International Limited, £1.05 million for failing to accurately respond to formal requests for information about its age assurance measures on the platform. These enforcement actions, carried out under the regulatory regime for video-sharing platforms (VSPs), sends a clear message about the importance of transparency and accuracy in companies' reporting.

Working beyond boundaries

We continued to work closely with partner regulators as part of the Digital Regulation Cooperation Forum (DRCF). The forum brings together four UK regulators to deliver a coherent approach to digital regulation for the benefit of people and businesses online. Its members are the Competition and Markets Authority, the Financial Conduct Authority, the Information Commissioner's Office and Ofcom.

During 2024/25, the DRCF made significant progress in implementing its three-year vision. Working collaboratively across its member regulators, it delivered a pilot AI and Digital Hub to support innovators navigating regulatory challenges.

Additionally, the DRCF horizon-scanning programme provided valuable insights into future technological developments and their regulatory implications. Research into digital ID, synthetic media and quantum technologies has benefited member regulators, industry, government, and civil society by analysing emerging trends. Further detail on all this work is available in the DRCF's own annual report.

In 2024 and 2025 Ofcom has chaired the Global Online Safety Regulators Network (GOSRN), which brings together 18 regulators from five continents, fostering international collaboration in online safety regulation. The network continues to focus on developing common assessment methods, sharing

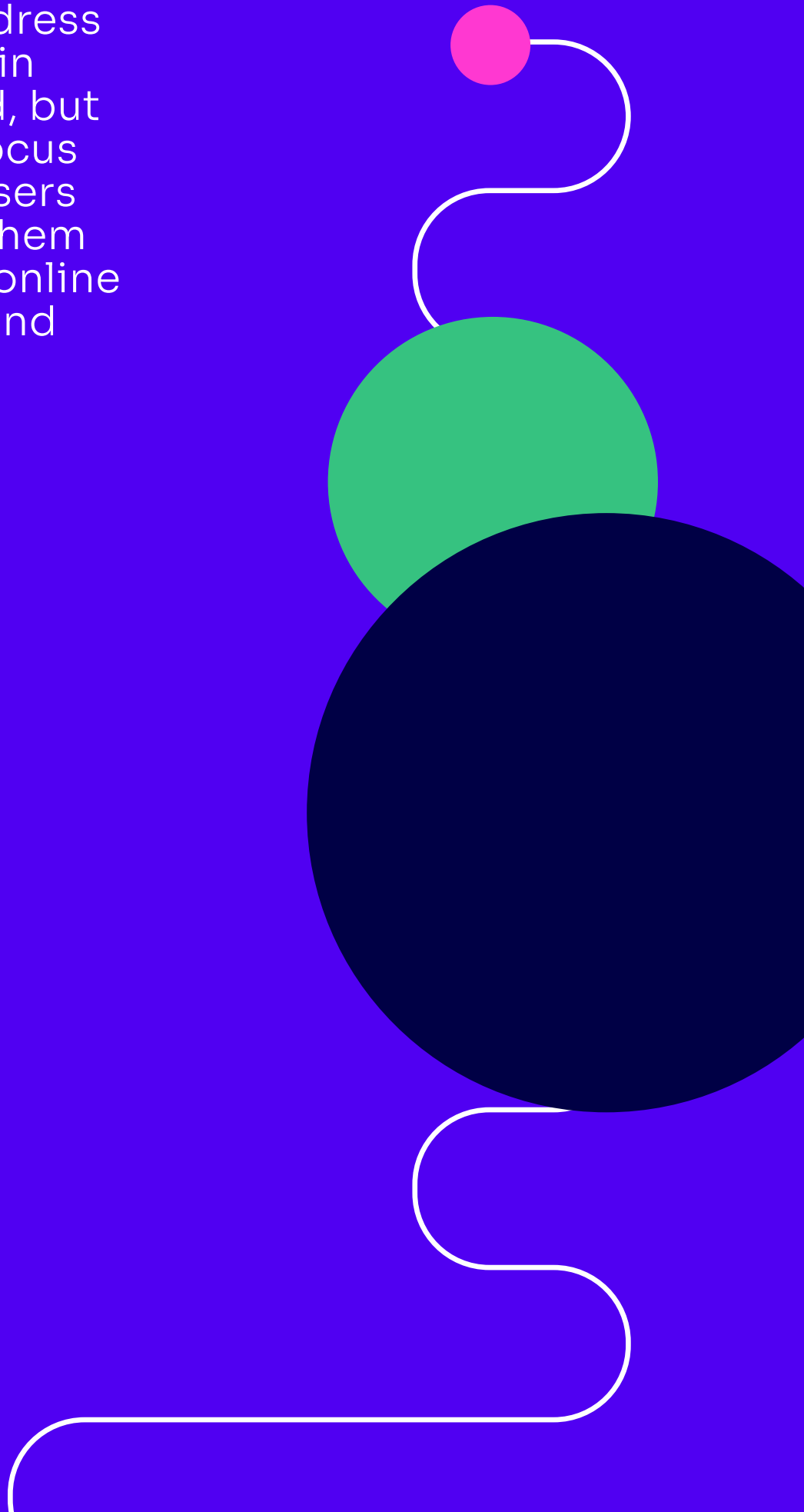
user complaint data, coordinating information requests and identifying effective safety measures. This international cooperation is crucial for addressing the global nature of online risks.

Looking ahead

We are now in our first year of enforcing the Online Safety Act, holding technology companies to account for making their services safer.

We are prioritising enforcement against illegal harms such as promotion of suicide and intimate image abuse, and in areas that protect children, such as age verification and protections against grooming and child abuse, while monitoring emerging technologies like AI. Ofcom has introduced a digital safety toolkit to help businesses comply with the new regulations. It includes comprehensive risk assessment guidance, implementation support, and regular reviews and updates.

Our approach will evolve as we address new challenges in the digital world, but we will always focus on protecting users while enabling them to benefit from online services safely and confidently.



Enabling wireless services in the wider economy

We oversee the UK's radio spectrum for the benefit of everyone. Our job is to make sure this valuable, finite national resource is managed efficiently and effectively, including by supporting growth, investment and innovation in wireless services.

What we did – in brief

- We prepared to release new airwaves that can carry large amounts of data, aiming to improve mobile speeds in busy areas such as stations, stadiums and high streets.
- We are realising a new vision for spectrum sharing, a pioneering approach that will allow existing airwaves to be shared between mobile and Wi-Fi networks to improve coverage and performance.
- We set out plans to allow mobile operators to partner with satellite companies to provide 'direct-to-device' technology, meaning that people's everyday smartphones could get a signal from space.



Why this matters

- The UK's radio spectrum underpins every major sector of the economy by allowing people and devices to connect and communicate every day. Through our management of it, we are unlocking new opportunities for business and meeting technological demand.
- People and businesses need fast, reliable connections on the move, and we are using more data over our mobile devices than ever before. This means that capacity needs to increase in crowded places, and coverage needs to improve in remote areas.
- Direct-to-device technology could provide mobile reception in remote villages and mountainous areas, support emergency calls where mobile masts cannot reach, and offer a backup signal during network outages.

Our work this year

Improving mobile signals in busy areas

At the start of the year, we updated on our approach to making spectrum available in the 26 GHz and 40 GHz bands – known as millimetre wave (mmWave) spectrum. These airwaves can carry large amounts of data, with significant potential to improve mobile speeds in busy areas such as train stations, football stadiums and concert venues. mmWave could also support leading-edge services from virtual reality to factory automation.

Until now, mmWave spectrum has been used

in rural, low-density areas. However, in November we reached a significant milestone with the publication of the final regulations. Subject to minor amendments, these will become law in mid-2025, paving the way for the auction itself, enabling mmWave rollout in urban areas and marking an important step in our spectrum programme.

We have also carried out work to improve our web checker tool, which people can use to check coverage in their area, with an improved version of the tool due to be launched in summer 2025.



Spectrum sharing: our vision for boosting growth and innovation

Spectrum sharing is an important way to meet increasing demands on the UK's airwaves, which will always be a finite resource requiring fresh management approaches to ensure it is used efficiently.

In May, we outlined our vision for shared use of the upper 6 GHz spectrum band. Our aim is for both Wi-Fi and mobile services to use this band, while preserving its existing uses where possible. This spectrum could support advanced Wi-Fi for homes, businesses and industrial sites, and more reliable mobile signals in crowded places. Our sharing approach will help providers to cope with demand, and should also create

new opportunities for innovation, investment and productivity in the UK economy.

Spectrum sharing also helps to increase capacity, laying crucial foundations for future generations of data-intensive technologies, including virtual and augmented reality, and AI applications. Our approach is novel, and involved us working closely with industry to develop a hybrid sharing framework. We also collaborated and held workshops with European regulators and technology companies to refine our approach.

Ofcom has developed two potential approaches for the sharing framework. The first proposes a variable spectrum split where both Wi-Fi and mobile could use any part of the band where the other is not deployed, with

prioritised sections for each. The second approach would involve an indoor/outdoor split, prioritising Wi-Fi indoors and mobile outdoors.

Our February plans outlined how mobile and Wi-Fi technology would need to integrate more effectively in future. This includes mechanisms where Wi-Fi would 'sense' mobile network presence and respond accordingly. For the lower 6 GHz band (5925–6425 MHz), we proposed allowing outdoor and higher power Wi-Fi operation under automated database control to protect other users from interference.

For the upper band (6425–7125 MHz), we proposed shared spectrum use between commercial mobile and Wi-Fi services, implemented in two phases. Phase 1 would

enable low-power indoor Wi-Fi across the entire Upper 6 GHz band by the end of 2025. Phase 2 would authorise mobile use, aligned with European harmonisation discussions expected to conclude by 2027.

European harmonisation would establish consistent 6 GHz sharing between mobile and Wi-Fi across the continent. This will encourage manufacturer, operator and user investment in equipment and services.

Supporting major events

Our spectrum expertise contributed to the 2024 Paris Olympic and Paralympic Games. Ofcom's spectrum assurance and engineering teams worked alongside the French regulator, Agence Nationale Des Fréquences (ANFR), to plan and monitor spectrum activity throughout both events.

Drawing on our experience from major UK events such as Glastonbury and Euro 2020, we provided expertise from March onwards, supporting testing and maintaining a presence throughout both the Olympics and Paralympics.







New satellite connections

February saw significant developments in satellite services with our granting of an earth station network licence to Amazon Kuiper Services Europe SARL for its non-geostationary orbit (NGSO) satellite system. This decision authorises Kuiper to provide high-

speed, low-latency broadband connectivity to UK customers.

We also announced the release of additional airwaves in the 27.5-30 GHz (28 GHz) and 32 GHz bands. These frequencies are particularly suitable for fixed links and satellite connections, enabling more capacity and therefore allowing

providers to offer services to more customers.

Innovation in spectrum management

To help support innovation, we actively allocate spectrum to new use cases, sometimes before clear commercial cases emerge.

In recent years we have made multiple spectrum awards supporting mobile broadband growth, alongside work with the maritime, aviation, aerospace, emergency-services and defence sectors. We've enabled new private mobile networks for digital transformation across various industries and opened opportunities for high-capacity solutions through millimetre-wave spectrum.



Connecting phones to satellites

People in the UK could soon be able to make satellite calls from their everyday phones, under proposals we announced in March.

Cutting-edge 'direct-to-device' technology means satellites in space can now beam signals straight to standard smartphones, so they can get a signal when there is no coverage from mobile masts on the ground.

This could particularly benefit the UK's most rural and hard-to-reach locations, providing reception in remote villages and mountainous areas – as well as for vital emergency calls and backup during network outages.

The UK is leading Europe in moving towards authorising direct-to-device services for widespread commercial use.

Our proposals would allow mobile operators to partner with satellite companies through joint licences, using existing mobile spectrum bands. These would be granted for three-year terms, subject to non-interference conditions protecting other UK users and neighbouring countries. This pioneering technology would complement existing terrestrial networks and could ultimately enable people to get a mobile signal in every last part of the UK.

Principal risks and uncertainties

Effective risk management plays an important role in our ability to achieve our objectives. Here we set out the six principal risks facing Ofcom and the strategies we use to manage them.

Introduction

Our risk management framework is overseen by the Board and supported by the Risk & Audit Committee and senior leadership, helping us to monitor and mitigate potential threats.

Our approach to risk management helps us to remain agile and responsive to an evolving regulatory landscape. It reflects

our commitment to balancing innovation and regulation across the sectors we regulate, supporting sustainable growth, protecting consumer interests and upholding our regulatory aims. This framework strengthens stakeholder confidence in our ability to effectively navigate uncertainties while fostering trust and resilience in the industries we oversee.

| Risk | Description | Risk and control assessment summary |
|--|--|---|
| Managing our regulatory environment | Failure to anticipate or deal effectively with changes to our regulatory remit could result in significant costs, delays, or even the inability to achieve our objectives. | By working closely with Government, other regulators, industry and the public in the UK and internationally, we can improve our ability to anticipate, influence and prepare for any changes. Our corporate strategy and governance controls ensure we manage this risk effectively. Continued success requires us to be well-informed, agile, and responsive. Even with a highly effective control framework, the potential of risk remains and will need to be carefully monitored and managed. |
| Trusted regulator | Loss of trust in Ofcom as a regulator as a result of failures to make, or been seen to make, independent, impartial, timely, effective and evidence-based decisions in the interests of people and businesses in the UK. | Trust in Ofcom is central to our ability to operate in the interests of people and businesses in the UK. We have in place robust people, project and governance controls to ensure we have the skills and expertise to carry out our work effectively, to communicate what we are doing transparently and clearly, and to respond to what we know is important in the sectors that we regulate. |

| Risk | Description | Risk and control assessment summary |
|--|--|--|
| Responding to changes in technology, markets and consumer behaviour | Failure to monitor, understand and act on rapid, disruptive and unexpected technological changes or future industry trends and developments that affect consumers or industry behaviours. This may limit our ability to take a proactive approach within communications markets, leading to consumer protection challenges, reduced consumer and citizen benefits, or lower innovation and growth. | Our sectors are fast-paced, and driven by technological developments, investment and innovation, resulting in changing consumer behaviour. Anticipating uncertain disruptive change is inherently challenging but a necessary process so that regulation supports the needs of future consumers and citizens and is removed where no longer necessary. We see our current controls as effective. We do this through horizon-scanning, trends analysis, proactive monitoring of consumer behaviour and external engagement on industry and commercial developments. In preparing our three-year business plan we systematically evaluated these risks to enhance the effectiveness of our controls. |
| Sound financial management | Failure to effectively manage our funding and finances to support our work might lead to financial instability, compromising our effectiveness and reputation. | Effective financial planning and control is critical to Ofcom's success. They enable us to achieve our objectives and provide value for money and confidence in our work. Strong financial controls are in place, and we continue to strengthen our planning. |

| Risk | Description | Risk and control assessment summary |
|---------------------------------------|--|---|
| People and culture | Without a People strategy that enables Ofcom to attract, motivate, develop, and retain excellent talent, we might significantly limit our ability to achieve our mission and strategy. | Changes in the economy and employment landscape can affect our ability to attract and retain the best people. We operate in a challenging competitive market for key skills in areas such as cyber, technology, ICT, and data and AI. We deal with these challenges through our talent and resourcing strategies and strategic workforce planning. Our strong People policies and focus on staff development strengthen our career offer and our ability to develop and retain talented colleagues. |
| Information and cyber-security | Failure to maintain effective information and cyber-security arrangements that protect the confidentiality, integrity and availability of our data and systems might lead to malicious or accidental data incidents, unauthorised system access, operational disruption and a loss of trust in our ability to safeguard sensitive information. | There is a significant level of evolving risk in this area, and we continue to invest in information and cyber-security arrangements. We have in place robust ICT security measures and controls including ISO 27001 accreditation, continuous threat monitoring and intelligence, and comprehensive information security awareness training. These mean we are well protected and able quickly to respond to, and recover from, threats. |

Stakeholder engagement

When carrying out our work, we consider all of the nations, regions, cultures, communities and landscapes that make up the UK.

Work in the Nations

Our offices in Belfast, Birmingham, Cardiff, Edinburgh, London, Warrington and Manchester allow us to work directly with governments, elected representatives and local organisations and communities to ensure we consider the views, interests and needs of all people across the UK.

In addition, we have statutory Advisory Committees for England, Wales, Northern Ireland and Scotland, and Board members for Wales, Scotland and Northern Ireland who are appointed by the Welsh and Scottish Governments and the Northern Ireland Executive respectively, in consultation with the

UK Secretary of State. Our Content Board and Consumer Panels also have members representing each part of the UK.

Although much of our work is relevant across all of the UK, here we highlight some specific work we have carried out relating to each of the UK's nations over the past year.



Scotland

- In a year of political change in Scotland, with a new First Minister and a significant number of newly elected Scottish MPs in the General Election, we continued to work closely with Scottish Government ministers and officials as well as with Scottish MPs and local authorities. Our Board Member for Scotland held several meetings with Scottish Government ministers on a range of matters relating to our work.
- As the Shared Rural Network reached an important milestone, with mobile companies reaching coverage obligations in summer 2024, our Spectrum teams conducted significant signal testing on the ground across Scotland. We worked with industry and Government to confirm that mobile network operators had complied with their geographic coverage obligations.
- We held events in our Edinburgh office on our Media Nations: Scotland report and on 'Policy Matters' in partnership with Screen Scotland. We also continued to work closely with BBC Scotland, STV and MG ALBA as well as representatives from Scotland's production sector. We also appointed four new Members to the Board of MG ALBA in May 2024, with approval from the Scottish Government.
- We continued to support and promote innovation in Spectrum usage in Scotland, including through our Innovation and Trial licensing, while also holding a roundtable with Scotland's growing space sector on our Space Spectrum strategy.

- Our Advisory Committee for Scotland welcomed two new members – Caroline Di Stefano and Cameron Speirs. The Committee held two meetings externally, including at the Scotland 5G Centre campus at the James Hutton Institute in Dundee, and at Channel 4's Glasgow offices to hear about its plans in Scotland.
- As the online safety regulation framework developed, we put in place plans to strengthen our team so that Wales-specific issues are given due consideration. This included more communication with younger people, through forums such as Welsh Government's Keeping Safe Online Youth Group & Grangetown Youth Pavilion.

Wales

- We supported Ofcom's media literacy work through pilot initiatives such as that in Rhondda Cynon Taf, which is focused on making sure digital skills are embedded into existing initiatives to address digital disadvantage and promote inclusion. We also included local consumer groups and industry in our work to inform the future of the universal postal service.
- We held an event for the Wales broadcasters and other key stakeholders relating to the implementation of the Media Act. We consulted extensively with the independent production sector, Creative Wales, TAC Cymru and others on the relicensing of Channel 4 and Channel 3 and our ongoing regulatory work with BBC.
- Through our Innovation and Trial licensing regime we enabled the world's first space-

based video call from a remote mountainside ‘not spot’ in West Wales, using direct-to-device technology that allows a standard smartphone to receive signals from satellites. We have continued to review our practices and procedures to ensure we comply with Ofcom’s Welsh Language standards, including providing services to those who prefer to communicate with us in Welsh.

- Dr Aled Eirug was appointed Chair of our Wales Advisory Committee. The committee advises Ofcom on the interests and opinions of people across Wales, and met with stakeholders in Caernarfon in October. We also supported Ofcom’s Consumer Panel in representing the interests of consumers in the communications sector by holding its first

out-of-London meeting in Cardiff.

Northern Ireland

- We maintained our presence on the Shared Rural Network working group and the Mobile Action Plan Barrier Busting Taskforce – both of which aim to improve mobile coverage in Northern Ireland. We supported the continued migrations away from the public switched telephone network (PSTN) and 3G by working with local councils and health providers to make sure consumers were not adversely affected by these changes.
- As the online safety regulation framework developed, we made sure Northern Ireland-specific issues were given due consideration. We commissioned analysis of media literacy

in Northern Ireland, which will form the basis of a delivery plan aimed at improving knowledge, confidence, skills and digital citizenship.

- We involved broadcasters, Northern Ireland Screen and the independent production sector in our work throughout the Channel 4 and Channel 3 relicensing processes and our ongoing BBC regulatory work. We held events to share our Media Nations report and other relevant research work. We also facilitated the launch of a new small scale DAB multiplex in Newry, which follows the launch of multiplexes in Derry/Londonderry, as well as Belfast and Lisburn.
- In line with our statutory equality duties, we reviewed and revised our Northern Ireland Equality Scheme to cover the period from 2025

to 2030. The Ofcom Board visited Northern Ireland in November 2024 and held events at Parliament Buildings and in Belfast where they heard directly from politicians, industry leaders and consumer and voluntary organisations.

- Professor Colm Murphy of Ulster University was appointed Chair of our Northern Ireland Advisory Committee – taking over from Carrie Matchett, who had been appointed as the Northern Ireland member of the Communications Consumer Panel.

England

- We provided spectrum engineering and compliance support to several events across the country, including the 2024 British Grand Prix at Silverstone.

Spectrum engineers assisted important spectrum users in using their equipment correctly and safely, and detecting and dealing with matters arising from non-compliant use of spectrum.

- As part of our approach to improve media literacy skills, we pioneered an innovative partnership with Birmingham City Council. Based on analysis of the strengths and needs of the community, we are working with expert partners to deliver media literacy initiatives to children, their families and their teachers in East Birmingham. This work includes a focus on mis- and disinformation and online misogyny.
- The Advisory Committee for England held half of its in-person meetings outside of London this year. In Bristol, the Committee met

independent production companies from the south west of England, and in Manchester they spoke to local news providers and a production studio. The committee also held conversations with academics, communications providers and membership bodies to better understand the specific challenges faced by different geographical regions and communities in England. These conversations helped inform the work of the Committee as it provided advice to Ofcom on areas such as Channel 4's Made Outside of London quotas, the review of the Universal Postal Service, and the review of Local Media.



Our international engagement

Ofcom's areas of responsibility are global in nature. This means we must work collaboratively with a range of international partners across our sectors to get the right outcomes for people and businesses in the UK. These partners include overseas regulators, industry, civil society and academia.

Our international work helps to inform how we design and implement regulation in the UK. We also share our expertise with overseas partners and seek to influence regulatory developments

in the sectors that matter to us. This cooperation helps to create a shared understanding of the tools available to regulators and, where possible, avoid unnecessary divergences between comparable regulatory regimes in the UK and abroad.

In Europe and beyond

We face similar market and regulatory trends and challenges to many of our counterparts, especially when it comes to the regulation of digital platforms. Working with partners in the EU remains an important part of our international



work, particularly where our powers originally derive from EU legislation.

We are active participants in regulatory conversations at European level, including through our membership of the Independent Regulators Group (IRG), a group of 37 European communications regulatory authorities, and the European Platform of Regulatory Authorities (EPRA), a network of 55 European media regulators. In 2024, we signed an administrative agreement with the European Commission on online safety, which aims to advance coordination and coherence in how we implement our respective online safety rules.

We have also continued to develop our relationships beyond Europe, working with regulators and

governments from around the world, across all our work areas including regulatory collaboration within the UK, scam calls and texts, artificial intelligence and media literacy. We continue to contribute to peer support activities, regularly sharing our expertise with regulatory counterparts.

Many of the online services we regulate – and the safety challenges we’re trying to address – are global in nature and that means we cannot limit our international engagement to Europe. So we have worked with counterparts around the world, including those in the United States, Australia, Canada, Brazil, Malaysia, Morocco, Indonesia, and Singapore. Building and expanding networks and strong international relationships in this emerging regulatory

field will be crucial to the success of our domestic regulation. We served as Chair of the Global Online Safety Regulators Network in 2024, and will continue in this role throughout 2025. The network is now in its third year, and last December it published a three-year plan setting out how it will enhance consistency in online safety regulation by enabling regulators to share insights, experience and collectively develop best practice. As Chair, we are continuing to grow and develop the network.

We also continued to participate in broader international regulators' networks and working groups across the sectors we regulate, such as the Unsolicited Communications Enforcement Network (UCENet) and the Global Informal Regulatory Antifraud Forum

(GIRAF), as well as multi-stakeholder forums and convenings such as the Internet Governance Forum (IGF) and the International Institute of Communications (IIC).

Intergovernmental organisations

Ofcom represents the UK at the International Telecommunication Union (ITU), the UN specialised agency for telecoms, information and communications technologies. This year we led the UK delegation to the ITU's World Telecommunication Standardization Assembly (WTSA-24), the major meeting held every four years at which the ITU's priorities and plans for technical standardisation activities over the next four years are agreed.

Ofcom also continued to represent the UK

on the ITU's governing Council, and we have begun preparations to lead the UK delegation to the ITU's World Telecommunication Development Conference (WTDC-25) in late 2025.

We continue to hold leadership positions in the European Conference of Postal and Telecommunications Administrations (CEPT). These include Chair of Com-ITU, the Committee for ITU Policy (responsible for leading Europe at ITU Council and developing European positions for the upcoming WTDC-25 and conferences beyond), and Chair of the Conference Preparatory Group (CPG) for the forthcoming World Radiocommunications Conference (WRC-27) study cycle.

We also support the UK Government at the Universal Postal Union (UPU), the inter-

governmental body which governs the price of international mail between Universal Postal Service Providers, and we work closely with fellow international postal ministries and regulators, including in the Committee on European Postal Regulation (CERP) within CEPT.

Ofcom continues to participate in the policy development work of the Organisation for Economic Co-operation and Development (OECD), sitting on the Communications Services and infrastructure Committee (CSI) and engaging in the work of the Network of Economic Regulators (NER) and Regulatory Policy Committee (RPC), as well as taking part in the Better Regulation in the Digital Age (BRIDGE) initiative.

Our work with other groups and organisations

Working for consumers

Understanding consumers' interests and behaviour is vital to our work. We use market research to help inform our work and give insights into how people use communications services – and how they feel about them. Our annual reports Online Nation, Media Nations, Connected Nations, Adults' Media Use and Attitudes and Children's Media Use and Attitudes all highlight and analyse these trends across a range of sectors and services.

Ofcom's Consumer Contact Team received 57,961 calls, web forms, emails, and letters directly from members of the public in 2024/25. The information that consumers provide helps us target our policymaking and enforcement work. Consumers also contact

us through our website. While we cannot resolve individual complaints about telecommunications services, we provide advice to complainants and refer them to the alternative dispute resolution (ADR) schemes that we have approved. We do handle complaints about TV and radio programmes.



Industry and government

Ofcom works with a range of companies and industry bodies in the sectors we regulate, as well as consumer groups, the UK's governments and devolved institutions, co-regulators and other regulators. We are members of the UK Regulators Network and the Digital Regulation Cooperation Forum.

Statement of Strategic Priorities

Alongside our independent status, we must also have regard to the UK Government's Statement of Strategic Priorities (SSP) for telecommunications, the management of radio spectrum, and postal services in exercising our regulatory functions relating to those matters. The SSP, published in 2019, sets out four UK Government policy priorities. Following the

2024 General Election, the UK Government has confirmed that it intends to designate a new SSP for the sector, but this is not yet in place.

In 2024/25 we have had regard to the four priorities set out in the 2019 SSP in the following ways:

- **World-class digital infrastructure:** We have continued to encourage investment in new technologies and have published a new draft framework for fixed telecoms regulation. The delivery of our spectrum duties has also supported innovation and evolution of the UK's networks.
- **Furthering the interests of telecoms customers:** We have worked towards ensuring telecoms customers are better informed and protected through our reporting on affordability and

monitoring social tariffs. We continue to tackle scams and monitor industry compliance with consumer rules.

- **Secure and resilient telecoms infrastructure:**

We have revised our networks and resilience guidance, which sets out the measures we expect communications providers to take. We continue to work with the UK Government, preparing for enhancements and expansions to our regulatory responsibilities through the Cyber Security and Resilience Bill.

- **Postal services:**

We are continuing our work to secure the long-term sustainability of the postal sector and have proposed reforms to the postal service, which will enable Royal Mail to adapt in an evolving market.

Co-regulators

Ofcom has a co-regulatory partnership with the Advertising Standards Authority (ASA) which was formed in 2004. This covers broadcasters and advertising on video-on-demand services. Broadcasters are obliged to comply with the advertising codes under their broadcast licences, which are issued by Ofcom. When the ASA adjudicates on an advertisement, broadcasters comply with rulings immediately under the conditions of their licences. Where necessary, the ASA can refer broadcasters to Ofcom.

The Competition and Markets Authority (CMA) has concurrent powers under specific consumer protection legislation, and within the framework of competition law for the communications sector. We work with the CMA to ensure that a consistent and co-ordinated approach

is taken in relation to issues where we have concurrent powers, and we discuss which body is best placed to lead in each case.

Adopting responsibility for regulating premium-rate services

In February 2025 Ofcom formally took over responsibility for the day-to-day regulation of premium rate services (PRS), which enable consumers to purchase goods and services by charging the cost to their phone bills and pre-pay accounts, from the Phone-paid Services Authority Limited (PSA).

Until this transition, Ofcom and the PSA worked together to oversee the PRS market with the PSA responsible for day-to-day regulation, and Ofcom maintaining oversight for making sure the sector is effectively regulated. The handover follows a period during which we have worked with the

PSA to ensure a smooth transition of regulatory responsibilities.

Ofcom's adoption of these responsibilities streamlines the regulation of these services, bringing them under one roof and driving cost efficiencies by reducing the number of organisations involved in the regulatory process.

Ofcom's regulatory principles

When we regulate

Ofcom will operate with a bias against intervention, but with a willingness to intervene promptly and effectively when required.

Ofcom will intervene where there is a specific statutory duty to work towards a goal that markets alone cannot achieve.

How we evidence regulation

Ofcom will research markets consistently and aim to remain at the forefront of technological understanding.

Ofcom will consult widely with all relevant stakeholders and assess the impact of regulatory action before imposing regulation on a market.

How we regulate

Ofcom will always seek the least intrusive regulatory methods of achieving its objectives.

Ofcom will strive to ensure that interventions are evidence-based, proportionate, consistent, accountable, and transparent in both deliberation and outcome.

Ofcom will regulate with a clearly-articulated and publicly-reviewed annual plan, with stated objectives.

Better regulation

We believe ‘better regulation’ means ensuring rules are properly targeted; do not impose undue burdens on businesses; and do not cause unnecessary barriers to innovation, investment and the development of choice or competition in the market.

During the past year we have made several significant regulatory decisions, and the volume of documents we publish has increased – primarily because of the new online safety regime. Table 1 below provides an overview of how the regulatory burden on our regulated sectors changed because of Ofcom’s decisions and statements in 2024/25.

Table 1: Impact of our statements on the regulatory burden to stakeholders: 2024/25

| Of the 57 Major Statements delivered in the year: | Number | Percentage |
|---|--------|------------|
| Increased/new regulation | 7 | 12% |
| Mixed/no change/ongoing | 48 | 84% |
| Reduced regulation | 2 | 4% |
| Streamlined/co-regulatory | 0 | 0% |

An overview of the main decisions and statements that we have made during the year can be found in Annex 1.

Consultations

Public consultations allow people and organisations to respond to our proposals before we make any final decisions. If the period for consultation is too short, some of those with important views might not have enough time to prepare their responses. If it is too long, the market concerned might have changed dramatically.

When we decide how long a consultation should last, we need to strike the right balance between these two considerations. Included in Figure 2 is an analysis of the length of our consultations by sector.

Table 2: Analysis of consultation duration: 2024/25

| Sector | Consultation period | |
|--------------------------------|---------------------|-------------------|
| | Min. 10 weeks | Max. 10 weeks |
| Telecoms | 3 | 1 |
| Broadcasting | 1 | 13 |
| Spectrum | 7 | 8 |
| Post | 1 | 0 |
| Electronic Communications Code | 0 | 23 |
| Online Safety | 6 | 1 |
| Other | 2 | 3 |
| Total | 20 | 48 |
| 2024/25 | 29% | 71% |
| | (In 2023/24, 25%) | (In 2023/24, 75%) |

Timeliness of decision making

We analyse how long it takes us to publish a decision following the close of a consultation (see Table 2). In 2024/25, 100% of our decisions were announced within thirteen weeks of closing a consultation.

Impact assessments

Impact assessments are an important part of the decision-making process. We use these assessments to help us understand and assess the potential impact of our policy decisions before we make them. They also help us explain the policy decisions we have decided to take, and our commitment to them is emphasised in our [impact assessment guidance](#).

The guidance recognises the importance of qualitative impacts in assessing our decisions. Our impact assessments have contained clear summaries of the likely impacts of a proposal and direct the reader to the specific sections of the consultation which contains further analysis.

The table to the right provides a summary of the impact assessments we carried out during the year. The full list is published in Annex 1.

In 2024/25, 94% (2023/24: 75%) of consultations incorporated an impact assessment, explicitly referenced in a specific section or annex of the consultation document. In some circumstances it might not be necessary or appropriate to conduct an impact assessment, or it might be implicit within the consultation. We will continue to ensure that impact assessments are carried out and properly presented in all relevant cases.

Table 3: Analysis of impact assessments (IA) carried out

| | Number of consultation documents | Number with IA explicit in published document |
|-------------------------------|----------------------------------|---|
| Telecoms | 4 | 4 |
| Broadcasting | 14 | 12 |
| Spectrum | 15 | 14 |
| Post | 1 | 1 |
| Electronic Communication Code | 23 | 23 |
| Online Safety | 7 | 7 |
| Other | 4 | 3 |
| Total | 68 | 64 |

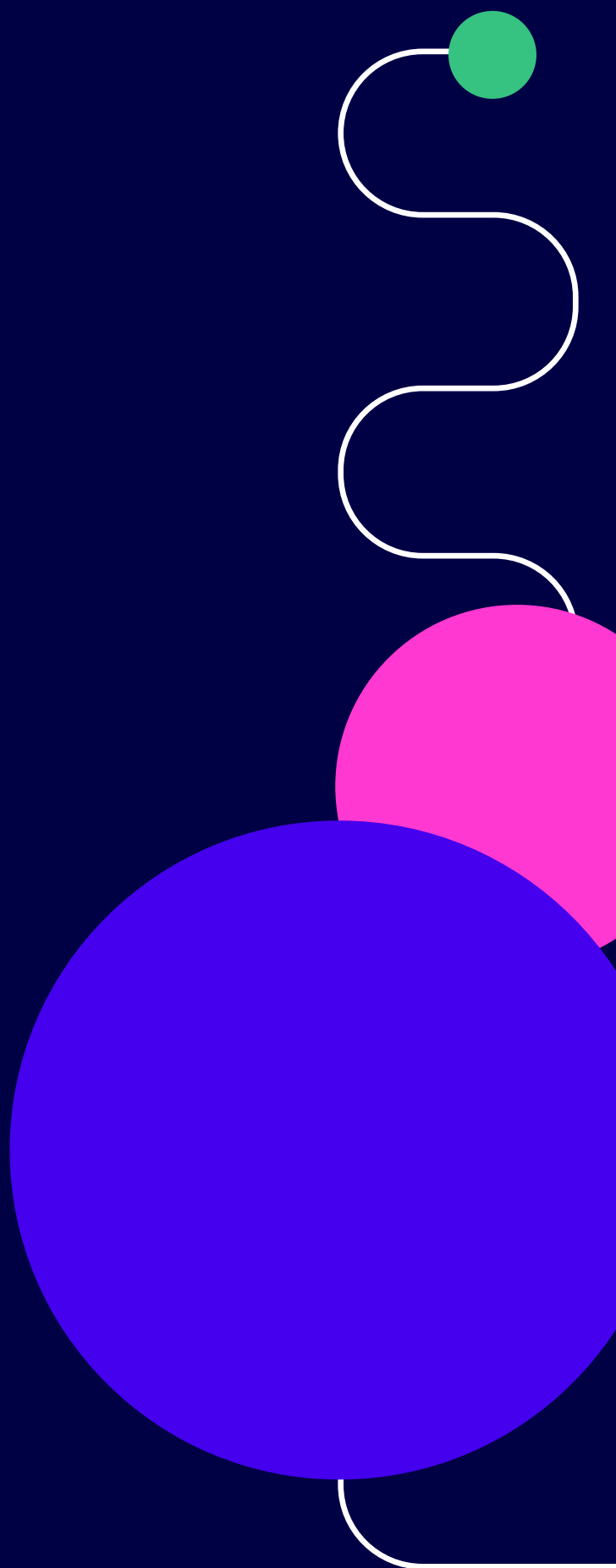
Equality impact assessments

We also have statutory obligations to consider the impact on specific groups of persons as part of our decision-making processes. These include our public sector equality duties under section 149 of the Equality Act 2010.

Our impact assessment guidance explains that we will generally carry out equality impact assessments (EIAs) in relation to new or amended policies and processes. This helps us to ensure our decisions are fair by design and deliver proportionate outcomes for diverse groups. Most of our consultations contain an EIA summarising any potential positive or adverse impacts we have identified, as well as how we intend to mitigate any potential adverse effects.

To help ensure we consider potential impacts on under-represented or disadvantaged groups and communities, we are continuing to review our datasets and identify where we might need additional research to explore, and where possible improve on the experiences of particular groups. We strive to make our consultation process as open and inclusive as possible, so that we obtain a broad range of views and different groups have the opportunity to share their thoughts before we make any changes.³

³ We also provide updates on diversity and inclusion in our regulatory work in our [progress updates](#)



Online safety research

To deliver our online safety duties we have invested in a comprehensive and multidisciplinary programme of research, providing the evidence base that underpins our regulation. This year we have developed our capabilities to facilitate in-house online safety research. Ofcom has various teams responsible for research and data activity in different areas, as follows:

- Our Research & Intelligence team leads on understanding user experiences and attitudes through quantitative and qualitative research. In 2024/25 the team grew our capabilities for conducting internal online safety research, developing new research tools to

understand children's experiences, such as our Children's Agile Research Solution and our Children's Passive Online Measurement study, the findings of which will become available later in 2025.

- Our Behavioural Insights team houses our behavioural economics and psychology expertise. In 2024/25 the team used randomised control trials (RCTs) to conduct research into user interactions with terms and conditions, as well as investigated the user support materials available to children.
- Our Media Literacy research team continues to publish annual reports on adults' and children's media literacy, as well as additional deep dive analysis on relevant topics such as

proposed online safety measures.

- Our Economics & Analytics team helps us to understand the characteristics of online businesses and the incentives that encourage teams to behave in certain ways. Alongside evaluating the impact of services' safety measures, they have supported the development of analytics tools to capture insights on the services in scope of the Online Safety Act.
- Our Online Safety Technology and Technology Policy teams provide technical expertise in assessing current and emerging technologies used by online services. This year they have conducted research into impacts of generative AI, deep

fake technologies and automated content classifiers.

A list of the research we carry out during the year is available in Annex 1.

Media literacy

Ofcom defines media literacy as the ability to use, understand and create media and communications across multiple formats and services. Media literacy therefore has a foundational role to play in our overall mission, and our priorities for people in the UK to access media they trust and value and to live a safer life online.

The Online Safety Act 2023 (OSA) has clarified and added specificity to our media literacy duties in the 2003 Communications Act, including⁴:

⁴ Section 166 of the Online Safety Act 2023.

Building awareness

- Ofcom is to heighten public awareness and understanding of how people can protect themselves and others online.
- Ofcom is to focus on groups disproportionately affected by harm, including women and girls, and help users understand and reduce exposure to mis- and disinformation.
- Ofcom has discretion on how to meet these duties (for example, pursuing activities and initiatives, or commissioning or taking steps to encourage others to do so) and how to prioritise different objectives.

Encouraging technology and systems

- Ofcom is to encourage the development and use of technologies and systems so that users of regulated services can protect themselves and others online (such as providing context to content).
- Ofcom is to signpost users to resources, tools or information that can raise awareness about how to use regulated services to mitigate harms.

Media literacy 3-year strategy

In October 2024 we published our media literacy 3-year strategy and an action plan identifying activities to be delivered in the first year of our new strategy. Our action plan for 2025/26 will be published in the autumn and will contain a review of our activities in the first year.

Mission

“The ability to use, understand and create media and communications across multiple formats and services.”

Why

We live a safer life online.

Media we trust and value.

What’s our role

Reflecting the need to make media literacy everyone’s business, Ofcom will act as a convenor-catalyst working with key stakeholders to drive evidenced-based best practice and amplify outcomes.

How we play it

Research, evidence and evaluation

- Continuous **enhancement of our research base** to guide strategy and policy development for Ofcom and other stakeholders.
- **Amplifying voices** of a range of groups within society.
- **Encouraging evaluation** across the sector and sharing lessons learnt.

Encouraging platforms

- Working with platforms to **enable user media literacy ‘on-platform’** through promotion of best practices.
- Ensuring platforms **embed robust evaluation tools** to measure efficacy of media literacy interventions.
- Working with platforms on **funding of effective media literacy** programmes.

People and partnerships

- Engage with a range of stakeholders to promote **‘media literacy’ as everyone’s business**.
- Commission **targeted interventions** in the cohorts where need is greatest.
- Expand **training support** through partner organisations.
- Continue to build on **digital inclusion**.

Where we focus

Skills to safely flourish online.

Online harms against women and girls.

Mis- and disinformation.

Financial Review

While Ofcom is directly accountable to Parliament, our funding comes from companies and organisations that operate in the sectors we regulate (see Figure 4).

Over the past decade, our overall fees have remained largely flat in cash terms, meaning that the real cost of our regulation has fallen significantly on a real-terms basis. We have continued to prioritise value for money and finding efficiencies in all our activities and operations. Except where we have received additional funding for new duties, Ofcom has maintained flat budgets since 2015/16, with only a one-off inflationary increase in 2020/21.

Our responsibilities include the collection and transfer of licence fees under the Wireless Telegraphy Act 2006 (WTA), geographic telephone numbers, additional payments from broadcasting licensees and the levying of fines and penalties on stakeholders. All of these are set out in the Section 400 accounts and do not form part of our annual accounts.

As a result, Ofcom is a net contributor to HM Treasury, collecting £613.7m of fees and penalties in 2024/25, of which £151.1m was retained to fund our spectrum management and other relevant duties. This includes funding for online safety regulation pending the forthcoming introduction of the industry fee system for that regime. The balance was passed to HM Treasury and the Consolidated Funds.

⁵ The current and prior year outturn in this section can be found in the reconciliation at the bottom of Note 2

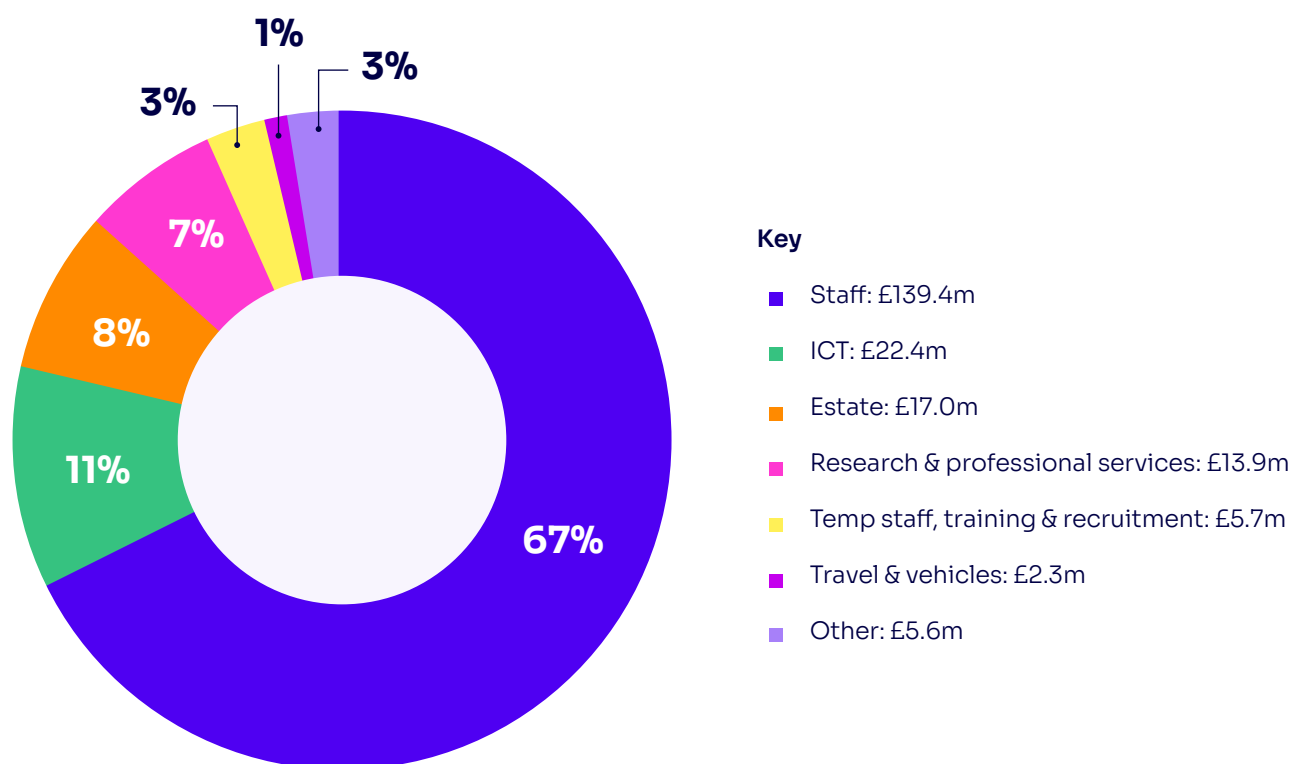
Financial performance

Our budget increased from £187.6m in 2023/24 to £213.5m in 2024/25, an increase of £25.9m, reflecting additional funding for the new duties as shown in the table 4 below. The budget and spending cap for pre-existing duties remained the same as previous years at £131.9m, requiring efficiencies to be delivered to offset inflationary increases. In 2024/25, our cash outturn of £206.3m⁵ was 3.4% lower than our spending cap and budget primarily driven by the timing of activities related to growth within Online Safety and new Media Act duties.

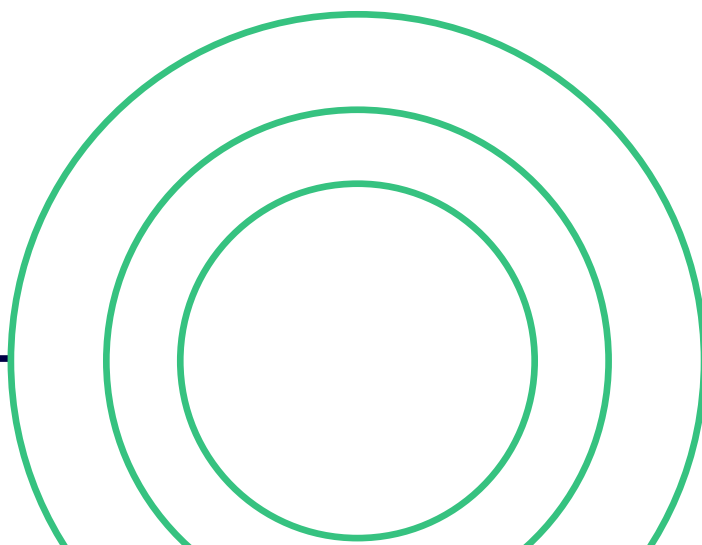
Table 4: Year-on-year funding breakdown

| Budget (£'m) | 2022/23 | 2023/24 | 2024/25 |
|-----------------------|---------|---------|---------|
| Core duties | £131.9m | £131.9m | £131.9m |
| Online Safety | £41.6m | £47.0m | £66.0m |
| Telecom Security | £6.5m | £7.5m | £8.0m |
| Less Healthy Foods | £0.7m | £0.6m | £0.6m |
| DRCF & AI hub | - | £0.6m | £1.2m |
| Media Act | - | - | £4.8m |
| Premium Rate Services | - | - | £1.0m |
| Total | £180.7m | £187.6m | £213.5m |

2024/25 Cash outturn by key spend type (£m)



Costs relating to Spectrum Clearance and Awards do not fall within Ofcom's spending cap and budget. Therefore, they are reported separately to differentiate them from Ofcom's core activities. Further detail on this is set out on page **120**.



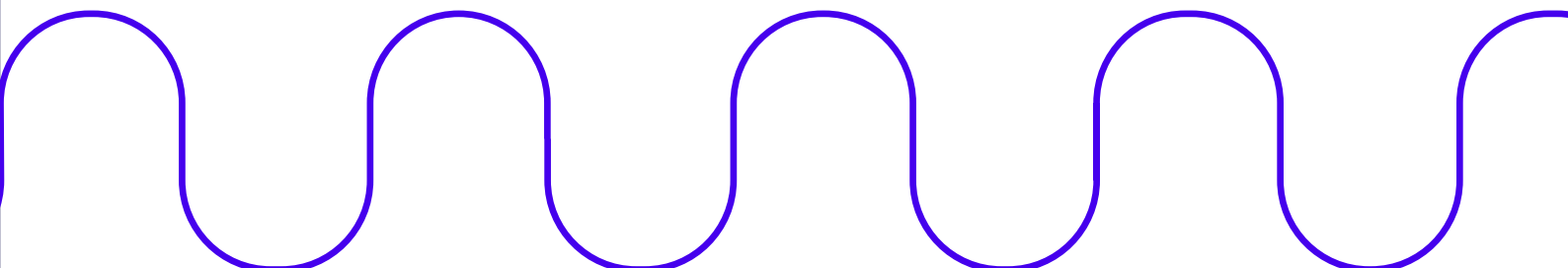
Operating income and expenditure

Operating income of £210.7m received in 2024/25 (2023/24: £189.0m) covers Ofcom's core responsibilities (excluding Spectrum Clearance and Awards). See note 3 to the accounts (page **308**) for a breakdown of income by the relevant regulated sector.

Two-thirds of the operating expenditure relates to staff costs, which increased by £11.3m. This was largely driven by the staffing increase relating to growth in our Online Safety duties and new duties for Media Act and day-to-day regulation of PRS. For our core duties,

planned staff efficiencies offset pay inflation increases. See note 5 to the accounts (page **311**) for details of the total number of people employed at Ofcom and how it has changed between the years.

Other operating expenditure in 2024/25 (excluding spectrum clearance and awards) increased by £7.8m to £70.4m (2023/24 £62.6m). The main operating variances from the prior year are due to:

- 
- Research costs increased by £2.5m relating to growth in our Online Safety duties and new duties under Media Act.
 - ICT costs (including outsourced services) increased by £2.5m, largely relating to growth in our Online Safety duties and one-off upgrades to our network infrastructure.
 - Other expenses increased by £1.3m, largely due to communications campaigns and stakeholder events as part of our Online Safety work.
 - Professional fees increased by £1.1m due to higher external counsel and litigation costs.
 - Temporary staff and recruitment costs increased by £0.5m, due to greater use of temporary resource to cover short-term resourcing needs in Online Safety.
 - Travel and Subsistence costs increased by £0.2m relating to growth in our Online Safety duties.



Surplus/deficit for financial year

Over/under recovery of costs

The operating revenue required by Ofcom to fulfil our duties and deliver our programme of work for any financial year is calculated based on Ofcom's statement of charging principles. This approach specifies the actual funds that need to be collected to discharge cash liabilities during the year. Any surplus funds arising from budgetary savings achieved during the financial year are returned to stakeholders through a reduction in

the annual tariffs raised in the two following financial years, or offset against future WTA receipts retained.

Note 2 of the accounts within Section C of the Annual Report reconciles the total operating expenditure by regulated sector, as presented in the Statement of Comprehensive Income and Expenditure to Ofcom's final operating costs outturn.

The deferred income for the financial year is set out in Note 2 to the accounts and totals £14.2m (2023/24 £3.3m).

Accounting surplus or deficit

Ofcom receives income from stakeholders and WTA receipts to cover the cash costs of providing those services net of non-operating income. These costs include purchase of non-current assets. The accounting surplus after tax for the year, recorded in the

Statement of Income and Expenditure, reflects a £1.6m surplus (2023/24: £1.1m deficit). In the current year, the income received to cover the cash costs of capital items was greater than non-cash costs of the assets including depreciation and amortisation, resulting in a small surplus.

Spectrum Clearance and Awards Programme

The clearance programme delivered changes required to the infrastructure which were necessary to clear spectrum bands, fully funded by Grant-in-Aid (GIA), from DCMS up to 2022/23, and DSIT from 2023/24. The 700 MHz band was part of the 2021 Spectrum auction that concluded

with the mobile network operators using the airwaves to boost existing services and support the 5G networks.

In 2024/25 we incurred £0.3m (2023/24: £1.2m) of costs to finalise the decommissioning work of the temporary mast at Emley Moor, concluding the 700 MHz clearance programme.

All costs relating to Spectrum Clearance and Awards are reported in the financial statements but sit outside our spending cap.

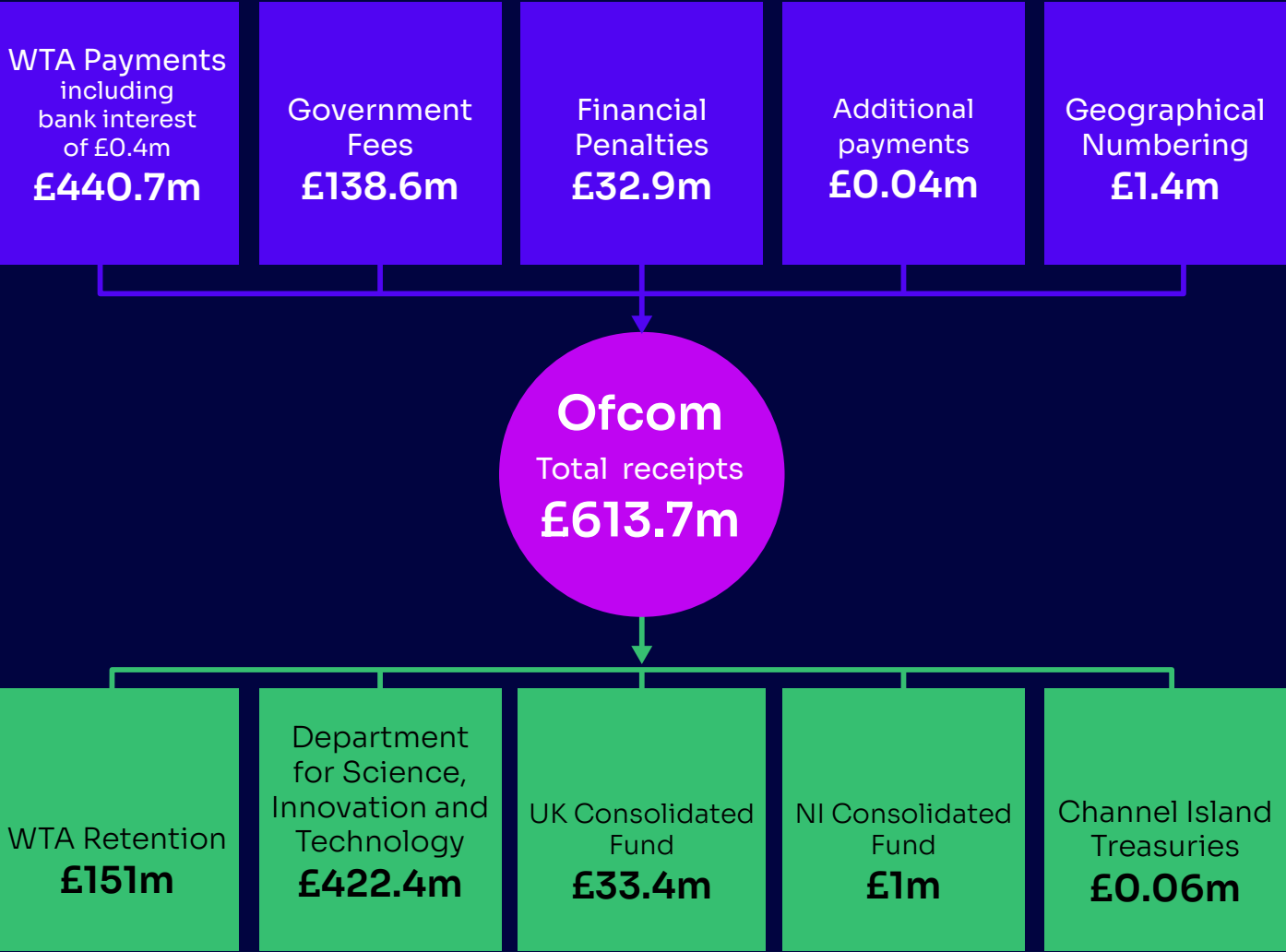
Additional funds collected on behalf of HM Treasury

Under Section 400 of the Communications Act 2003, Ofcom is required to collect fees and payments. We prepare a separate set of financial statements for these transactions. The Digital Economy Act 2017 introduced legislative amendments which permit Ofcom to retain sums received in connection with its functions under the WTA. Ofcom may retain such sums to fund its general spectrum management functions, as well as to meet the costs of undertaking its other functions for which it cannot levy fees and charges.

The remaining revenue collected is passed to the UK Consolidated Fund at HM Treasury, the Department of Finance (Northern Ireland) and to the Treasuries of the Isle of Man, the Bailiwick of Jersey and the Bailiwick of Guernsey under Statutory Instrument 1991, Numbers 998, 1710 and 1709 respectively, directly or via the Department for Science, Innovation & Technology (DSIT) as Ofcom's sponsoring body.

The fees, payments and penalties are reported, with further details provided, within these financial statements in Note 24 to the accounts. During the 2024/25 financial year, Ofcom collected £613.7m (2023/24: £518.5m) on behalf of HM Treasury. Further details can be found in the S400 Accounts. Ofcom retained £151.1m (2023/24: £126.7m) to fund some of Ofcom's core responsibilities, including Spectrum Management and preparatory work for Online Safety. A total of £456.9m was transferred to Government accounts in the financial year.

Additional funds collected on behalf of HM Treasury - breakdown by type of receipt and payment



Pensions

Ofcom provides pension benefits through a defined contribution pension allowance available to all colleagues. The allowance may be used to contribute to the Ofcom defined contribution stakeholder pension plan. Colleagues who joined from legacy regulators when Ofcom was established were entitled to retain membership of one of two defined benefit (DB) pension plans. Both plans are closed to new entrants and benefits accruals ceased on 31 May 2011. From this time, all existing members were provided with access to the Ofcom defined contribution plan. Notes 1(k) and 20 to the accounts provide further detail on this.

The actuarial valuations for both DB schemes, as at the last formal valuation date of 31 March 2024, completed every three years, highlighted a combined funding deficit of £0.4m. The Ofcom Defined Benefit Pension Plan actuarial valuation shows a deficit of £0.4m. The formal valuation dated 31 March 2024 was completed in March 2025. The Ofcom (Former ITC) pension plan valuation liabilities have all been bought in and therefore there is no surplus or deficit.

The defined funded pension scheme surplus of £13.4m and other balance sheet amounts in the accounts are prepared under International Accounting Standard 19 (IAS19). This is an accounting, rather than actuarial valuation and is prepared on a

different basis. A key difference is that the liabilities are discounted in line with the yields on high-quality bonds which, under current market conditions, differ significantly from the approach used for determining Ofcom's contributions. This also reflects the significant movements in financial markets since the date of the actuarial valuations in March 2024.

Ofcom makes cash payments to the Ofcom Defined Benefit Plan and the Ofcom (Former ITC) pension plan on the basis of the actuarial valuations. Cash payments, rather than the amount charged to operating surplus as calculated under IAS19, are included in operating expenditure outturn used to calculate the tariffs charged to stakeholders each year.

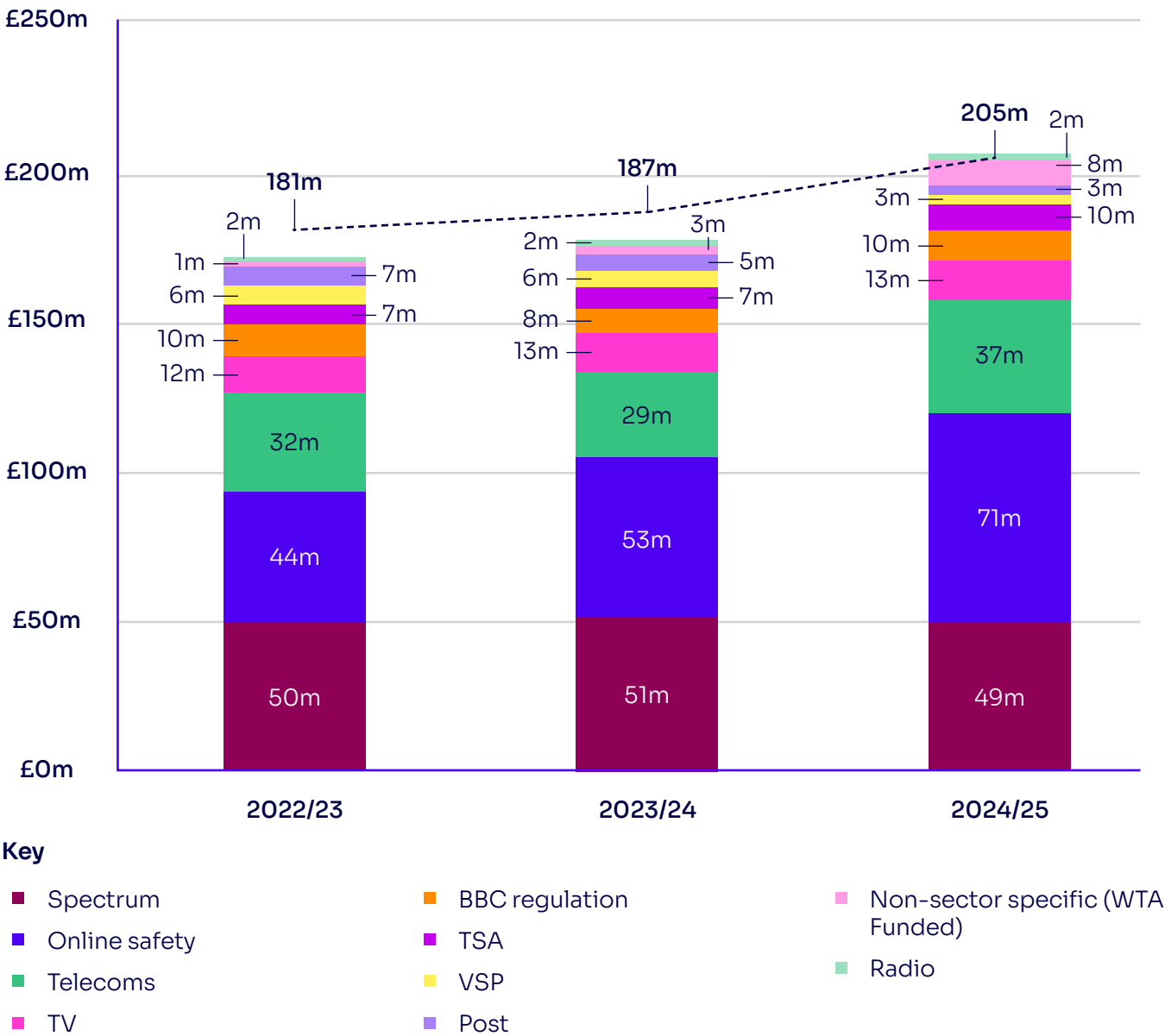
As a consequence of the risk mitigation work between Ofcom and the Trustees and Actuaries of both pension plans, approximately 80% of the plans' liabilities are backed by annuities. As part of the ongoing activity to manage and mitigate risks of the plans, further insurance-backed benefit buy-ins in respect of pensioner members will be considered in the future. A buy-in refers to an insurance policy purchased in the name of the Trustee and held as an asset in the scheme. Ofcom will continue to manage the administration and ongoing payments to members. Additionally, Ofcom determines which liabilities and benefits should be included in the buy-in.

Tariffs

Ofcom published its 2024/25 Tariff Tables on 26 March 2024. Ofcom's core budget remains at the same level as the previous financial year. The overall spending cap was increased by £25.9m to incorporate preparatory work for our new regulatory duties as outlined under the financial performance section on page **112**. These activities were funded by the retention of Wireless Telegraphy Act (WTA) receipts not impacting the stakeholder fees. Further details can be found in the **2024/25 Tariff Tables** on our website.

As shown in Figure A below, except for costs associated with our new responsibilities and the telecoms sector, the overall tariffs for each regulatory sector are broadly in line with the three-year average.

Figure A: Three year funding trend



The difference between the budget and funding requirement in each financial year in the chart above, represent prior year adjustments which are incorporated in our fees.

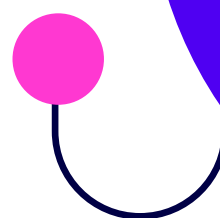
Corporate Responsibility

Ofcom's commitment to corporate responsibility

We are stronger as an organisation when we are connected to the communities in which we work, and we strive to reduce the environmental impact of our operations.

- We wish to play our part in reducing the UK's overall carbon emissions and we adopt and promote sustainable practices wherever we can.

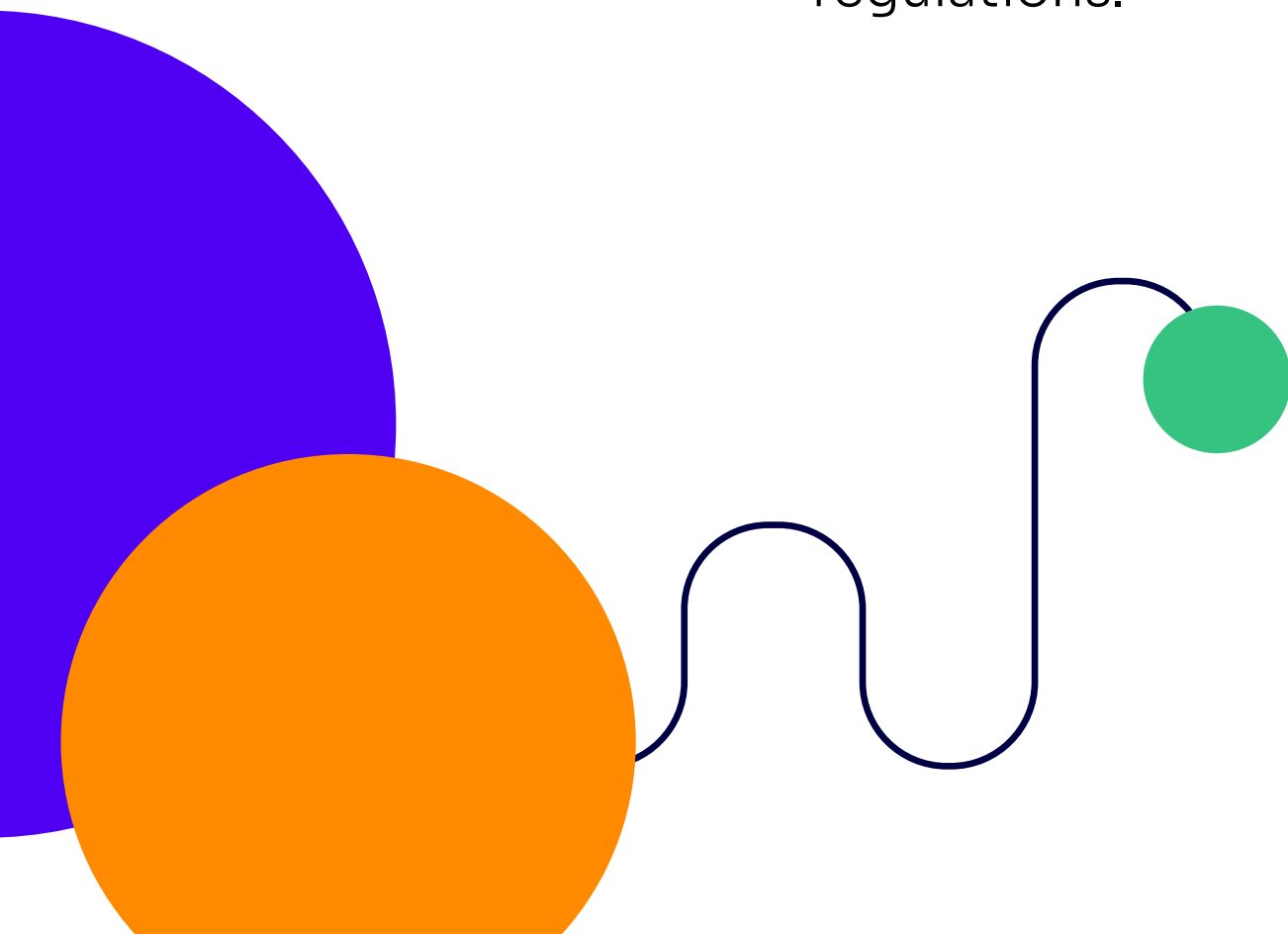
- We have built close links with various schools and institutions to explain the work we do and the opportunities we offer. We run highly sought-after work experience, apprenticeship and internship schemes, as well as an established graduate recruitment programme.



- We support our colleagues in making a difference to local communities, particularly in the cities where we have our main offices – Belfast, Cardiff, Edinburgh, London and Manchester.

Environmental policy

Our Environmental Management System is ISO 14001-accredited, ensuring a structured approach to improving environmental performance. We actively manage our carbon footprint, enhance energy efficiency and minimise waste across our offices. Through responsible procurement and sustainable practices, we ensure compliance with relevant regulations.



Schools and institutions

We offer regular work experience placements at Ofcom, as well as carrying out school outreach work with a specialist social mobility partner, Visionpath. This helps us to identify, coach and support young people in taking the first step in their career, including applying for our apprenticeship programmes.

In April 2024, we supported ten students from lower-income households to take part in EY Foundation's Tech Futures paid work-experience programme, which gives young people the opportunities, experiences and support to help them

begin careers in our industry. In summer 2024 our Economics team ran a work experience programme in London and Edinburgh, providing eight students from socially diverse communities with the opportunity to learn more about the Economics profession at Ofcom. The Economics team also hosted two A-level insight days in London for more than 70 students from three schools in socially-diverse communities. Five other students took part in a day of work-shadowing an Economics colleague.

In 2024, we renewed our partnerships with Evenbreak, a not-for-profit disability job board and career

support service run by disabled people; Job Oppo, a veterans employment community in the UK; and ReciteMe, a supplier of provide cloud-based assistive technology that helps make websites more inclusive for people with disabilities, language barriers and situational challenges. We also continued partnerships with the Growth Company, and Tech Vets, a not-for-profit programme designed to help UK veterans, service leavers, reservists and their families transition into tech careers. We have introduced a new job board, Diversity Jobs Group, which advertises its roles on ten different platforms to support diverse shortlists in our hiring process.

In September 2024, we were awarded Bronze status with the Defence Employer Recognition Scheme (ERS). The ERS recognises commitment and support from UK employers for defence personnel. The scheme comprises bronze, silver and gold awards for employers who support those who serve or have served in the Armed Forces, and their families.

We have an ongoing programme to increase gender and ethnic diversity in our science, technology, engineering and mathematics roles. We hosted a Women in Tech event with BT, VMO2 and Vodafone in support of the Women in Tech pledge.

Graduates

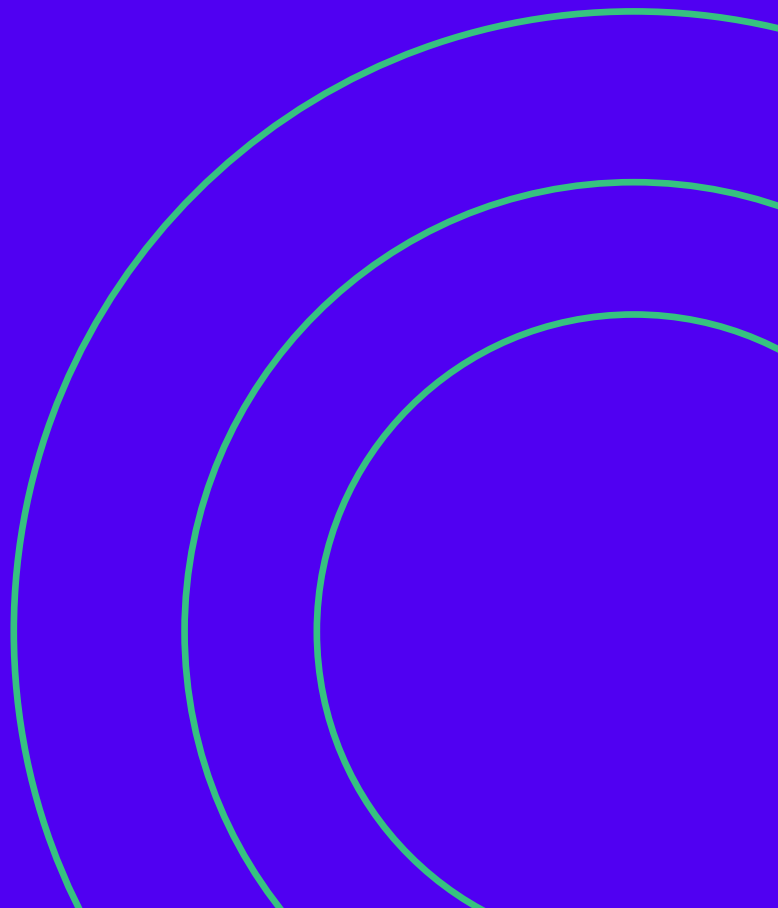
Ofcom recruited 26 new graduates for our annual intake onto the graduate programme. Working with specialist recruitment and assessment partners enabled us to recruit high-calibre graduates from diverse backgrounds across our programme pathways – including policy, economics, data and analytics, finance, data science and spectrum engineering. While on the two-year programme, graduates can develop a broad range of technical and behavioural skills in their chosen area, building on their existing knowledge, skills and experience.

Apprenticeships

We continued our partnership with Visionpath to deliver an apprenticeship programme targeted at recruiting socially-disadvantaged school leavers. After several months of schools outreach, skills bootcamps and mentoring, in April 2024 we conducted an assessment with the aim of filling five policy apprenticeship roles. The selected students joined Ofcom in September 2024, enrolling onto Kent University's Policy Officer Level 4 apprenticeship, alongside their role in teams across Strategy and Research, Online Safety, Broadcasting and Media and Spectrum Groups.

In October, we launched the programme for the fourth year, with outreach in around 20 schools. Here we engaged with more than 200 students from lower socioeconomic backgrounds. As part of this programme, we delivered two-day skills bootcamps to build workplace skills and help our candidates identify and harness their strengths. Each candidate had a mentor at Ofcom for three months to help them make informed choices about their career. From this programme we are aiming to recruit 11 apprentices onto pathways including policy, economics, spectrum assurance, compliance and facilities. They will join us in September 2025.

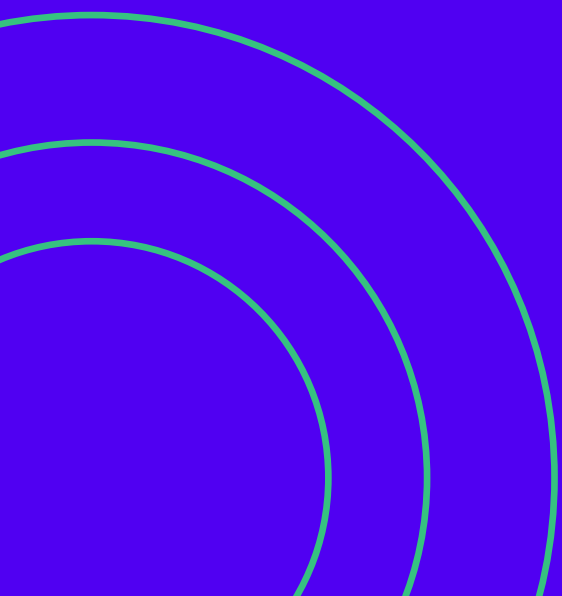
As well as school leaver apprentices, we currently have more than 30 existing colleagues enrolled onto apprenticeships to gain additional skills such as professional qualifications from the Chartered Institute of Management Accountants, the Chartered Institute of Personnel and Development and Senior Leaders MBA.



Internships

In 2024 we were proud to take part in the 10,000 Black Interns programme for the third year, alongside the 10,000 Able Interns programme in its inaugural year. These initiatives seek to offer internships to black and disabled university students and graduates. We offered 26 students from these programmes an eight-week paid summer internship at Ofcom,

as well as an additional three internships in Economics. During the programme, interns have the opportunity to work on a range of projects across Ofcom, as well as undertake further learning and development activities. Interns are encouraged and supported to apply for any internal vacancies, including in our graduate programme, with four of our September 2024 intake of graduates having previously been on an internship with us.



Modern slavery

Ofcom continually reviews its policies and practices to tackle the serious issue of modern slavery. We assess our contracts to identify risks and, if any are found, we will work with our suppliers to monitor and manage them effectively. We publish an annual modern slavery statement to demonstrate how we deliver against these commitments.

Volunteering

We support our colleagues in giving back to the community. Our volunteering leave can be used flexibly to enable colleagues to offer their services in a variety of ways, including working as magistrates, supporting young people in academic settings, and community volunteering.



Sustainability report

In line with the Greening Government Commitments 2021-2025 (GGC), Ofcom is committed to reducing the impact of our operations on the environment.

Ofcom recognises the importance of climate-related risks and opportunities, and we are committed to transparently disclosing how climate considerations are integrated into our governance processes. HM Treasury has introduced a three-year phased plan from 2023/24, for public bodies that fall within the scope of the Greening Government Commitments, to align

sustainability reporting with the Task Force on Climate-related Financial Disclosures (TCFD) criteria. We have reported on climate-related financial disclosures consistent with HM Treasury's TCFD-aligned disclosure application guidance, which interprets and adapts the framework for the UK public sector. We have complied with all recommended disclosures around:

- Governance.
- Risk Management.
- Metrics and Targets.

This is in line with the central government’s TCFD-aligned disclosure implementation timetable. We plan to make disclosures for Strategy in future reporting periods in line with the central government implementation timetable.

Phased implementation with mandatory requirements (on comply or explain basis)



Climate-related risk management

Ofcom operates an ISO 14001-accredited Environmental Management System (EMS) to manage its environmental impacts and ensure compliance with relevant regulations, including the TCFD requirements.

Climate-related risks are considered as part of Ofcom's enterprise risk-management framework, with regular assessments to determine their materiality. Given the nature of Ofcom's regulatory functions and operations, these risks are not currently

classified as principal risks. However, Ofcom continues to monitor climate-related risks and integrates relevant considerations into its governance and operational processes.

As part of our business planning process, we consider risks and opportunities relating to climate and sustainability and reflect them in our plan of work. When considering risks to Ofcom strategy, we will set out whether, or to what extent, there are climate-related or sustainability-related risks.

Governance

The responsibility for climate and sustainability considerations is performed by the Health, Safety and Environmental Committee (HSEC) and Operations Board. The HSEC and Operations Board reviews Ofcom’s environmental performance. On behalf of the Board, the Risk and Audit Committee, with input from the HSEC, considers and approves the environmental targets and monitors progress towards them.

We have adopted the Greening Government Commitments (GGC), which have challenging sustainability targets. In 2024/25 our overall CO₂ emissions had fallen

by 34% compared to the 2017/18 baseline, despite an increase in headcount of 81% driven by additional regulatory duties over the same period. Most of this increase was not foreseeable when we originally adopted the targets. Although we have not met the 58% target for overall emissions, CO₂ emissions per full-time-equivalent (FTE) staff member, on a like-for-like basis, have fallen by 60% compared to 2017/18 baseline.

Table 5: Change in FTE and carbon emissions

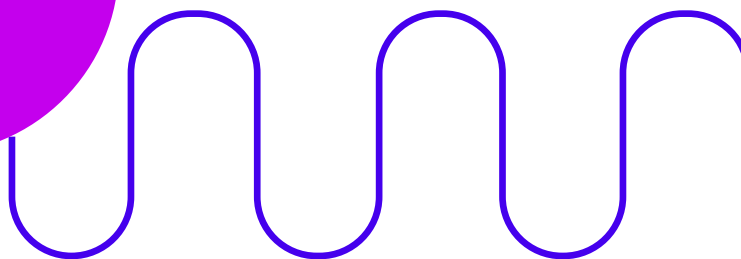
| Ofcom | 2017/18 | 2024/25 | % change |
|----------------------------|---------|---------|----------|
| tCO ₂ e | 1,728 | 1,248 | (34%) |
| FTE | 893 | 1,632 | 81% |
| tCO ₂ e per FTE | 1.93 | 0.77 | (60%) |

Reporting on sustainability in the future

Sustainability is central to how we operate. We have continually reduced the carbon footprint of activities that have the most significant impact on the environment, through measures including energy-efficient operations, ultra-low emission vehicles, promoting digital working methods and sending zero waste to landfills.

We operate a formally-accredited environmental policy, which helps us to take a more systematic approach to improving our environmental performance, calculating our environmental footprint and looking for opportunities to improve. This includes:

- Following the agreed Environmental Policy, demonstrating our commitment to improving Ofcom's environmental performance.



- Following a 'Plan-Do-Check-Act' cycle, which is at the heart of all ISO management system standards, to improve all our systems, procedures and processes.
- Identifying the environmental aspects of our activities which we can control and influence, as well as their potential impacts on the environment.
- Determining relevant legislation and requirements. By working within this framework, we assess the things that work well, while refining those that do not.
- Establishing measurable objectives and targets consistent with the objectives of our policy.
- Determining clear planning actions to meet our objectives and ensure that we are compliant with all our obligations.
- Empowering colleagues to contribute to Ofcom's progress on our carbon impact, and hold the organisation to account, via our Green Champions programme.

Melanie Dawes

Dame Melanie Dawes DCB

Chief Executive and
Accounting Officer

7 July 2025

Our progress against Othe 2024/25 targets is shown below. We are pleased to report that our carbon emissions from estate energy use and fuel (scope 1 & 2) reduced by 68%, meeting our target for the year. Our full sustainability data is included in Annex 6 to this report.

| | | Target | 2024/25 progress |
|---|---|--------|--|
| Mitigating climate change: working towards net zero by 2050 | Headline target: Overall Emission Reduction Target | 58% | 34% |
| | Headline target: Direct Emission Reduction Target (scope 1 only) | 33% | 68% |
| | Sub-target: Government car fleet to be ultra-low emission vehicles (ULEV) by 31 December 2022 | 25% | 7% |
| | Sub-target: Government car and van fleet to be fully zero emissions at the tailpipe by 31 December 2027. | 100% | It is not currently feasible for Ofcom to have a fully zero emissions at the tailpipe fleet. |
| | Sub-target: Reduce the emissions from domestic business flights | 30% | 11% |
| | Sub-target: Report the distance travelled by international business flights | | This is reported through the Annex 6 to this report. |

Target 2024/25 progress

| | | | |
|--|--|-----|---|
| Minimising waste and promoting resource efficiency (across all Ofcom locations) | Headline target: Reduce the overall amount of waste generated | 15% | 37% |
| | Sub-target: Reduce the amount of waste going to landfill to less than 5% of overall waste | 5% | 100% |
| | Sub-target: Increase the proportion of waste which is recycled to at least 70% of overall waste | 70% | 57% |
| | Sub-target: Remove consumer single use plastic (CSUP) | | 34% |
| | Sub-target: Measure and report on food waste by 2022, for estates with over 50 FTE and or over 500m2 floor area offering a food service | | This is reported through the Annex 6 to this report. |
| | Sub-target: Reduce government's paper use by at least | 50% | 98% |
| Reducing our water use (across all Ofcom locations) | Headline target: Reduce water consumption | 8% | 37% |
| | Sub-target: Ensure all water consumption is measured | | It is only possible to measure Ofcom water usage at the sites that are not landlord operated. |

Accountability report

This section sets out how we are managed and governed.

Section B





Governance and Accountability

Governance overview, by Lord Grade of Yarmouth, Chairman

I am pleased to present our corporate governance report for 2024/25, having completed just over three years as Chair of Ofcom. This report details how Ofcom approaches governance, including the operation of the Board and the Board Committees.

This year, Ofcom approved its second Three-Year Business Plan. This plan underpins our approach to operational matters, including budgeting, and also informs policy priorities and the creation of each annual Plan of Work.

After taking on formal powers and duties

under the Online Safety Act, this year we began to introduce new requirements on technology companies to comply and established the Online Information Advisory Committee. As a Board, we continue to ensure Ofcom carries out its duties in this new and vital part of our remit.

This year saw the Media Bill achieve Royal Assent, allowing us to update our approach to broadcast regulation in the streaming environment. We have consulted in detail on our approach to implementing our new duties and to support the best outcomes for viewers and listeners.

Ofcom's work supports economic growth in a number of fields. We believe this should go hand in hand with good regulation that promotes the interests of citizens and consumers. We have sought to foster investment and innovation across our sectors, such as by underpinning continued investment in fibre networks, releasing spectrum for new commercial uses and making our regulatory approach proportionate for the companies and sectors we cover, from the largest to the smallest.

We have published a new draft framework for fixed telecoms regulation, the Telecoms Access Review, which will continue our ten-year strategy of promoting competition and investment in fibre

broadband. This in turn will lead to more choice and competitive prices for telecoms customers. We have also proposed reforms to the postal service that seek to put it on a sustainable footing, while protecting the services that matter to postal users.

The Board provides oversight of work by the Executive. It also champions Ofcom's independence – a vital aspect of our regulation – and oversees our accountability to Parliament. We continue to engage with Parliamentarians in a variety of ways and colleagues appeared at several select committees. We attended formal events such as APPG meetings and hosted an informal drop-in event at Parliament. We responded to

over 200 letters from Parliamentarians and met several MPs to discuss issues that fall within our remit.

Ofcom regulates for all of the UK and its nations, and the Board continued its tradition of holding one of its meetings in one of the devolved nations. This year the Board visited Belfast and took the opportunity to attend Stormont, as well as meeting with industry stakeholders from across Northern Ireland.

To further understand the new and evolving nature of the industries we regulate, the Board held workshops on due impartiality, enforcement and supervision of the Online Safety Act, economic regulation and age verification, as well as receiving briefings on a range of other subjects during the year. At our annual Board strategy day, we looked

at major trends across the telecoms, media and technology sectors and examined how Ofcom contributes to economic growth.

Board members attended eight informal lunches with colleagues from across Ofcom during the course of the year. The Board values these opportunities to meet colleagues, increase our understanding of Ofcom's culture and learn more about how our teams are delivering our programme of work.

Good governance continues to be a high priority for Ofcom, and this year we carried out a review of our arrangements in this area. We found the governance structure to be working well but we approved some changes to financial delegation levels, in order to reflect inflationary increases over the past decade.

I am pleased to welcome two new Non-Executive Members to the Ofcom Board. Richard Allan joined in November 2024 with a background in communications and technology policy, expanding Ofcom's expertise in our regulated sectors. Richard has become the new Chair of our Online Information Advisory Committee. Tamara Ingram, our new Deputy Chair, joined in December 2024, bringing an industry background and further consumer focus to Ofcom.

Natalie Black also joined the Board in November 2024, following her appointment as Group Director for Network and Communications. She brings wide experience of government and the global economy at senior levels and will help ensure we continue to deliver our programme effectively.

Towards the end of this year, Lindsey Fussell stepped down from the Board having been a member for over four years, and at Ofcom for nine. She had held a variety of senior positions, including Interim Group Director for Online Safety, Group Director for Network and Communications and Interim Group Director for Corporate Services. Her contribution to the Board and to Ofcom has been invaluable, and I am hugely grateful for the contribution she has made. My thanks also go to Dame Melanie Dawes, the Board, Senior Management and all Ofcom colleagues for their continuing support to me in my role as Chair.

Michael Grade, Chair
Lord Grade of Yarmouth

Governance statement

This Governance Report summarises Ofcom's governance arrangements. This includes the composition of our Board, how our framework operates in practice (including our governance structure and Board roles and responsibilities) and our main areas of focus in 2024/25.

Our governance

As a statutory corporation, Ofcom's principal governance compliance requirements are set out in the relevant legislation (primarily, the Office of Communications Act (2002), the Communications Act (2003), the Broadcasting Acts (1990 and 1996), the Competition Act (1998), the Enterprise Act (2002), the Wireless Telegraphy Act (2006), the Postal Services Act (2011), the Digital

Economy Act 2010 and 2017, the Telecommunications (Security) Act (2021), the Online Safety Act (2023), the Media Act (2024) and any other relevant supplementary legislation or Orders thereto) which determines matters such as the purposes of the organisation and the appointment of our Members.

Ofcom's Board Members are also subject to the **Code of Conduct for Board Members of Public Bodies**, as well as Ofcom's own Code of Conduct. Our overall corporate governance approach is informed, but not bound by, the **2018 UK Corporate Governance Code**.

How our approach is informed by the 2018 UK corporate governance code and where we depart

We seek to apply the principles and provisions of the UK Code as far as is possible, and appropriate, for a Statutory Body. Examples of how our approach has been informed by the principles of the UK

Code include:

- **Board Leadership & Purpose:** our Board has set clear strategy and values and is able to satisfy itself that these and its culture are aligned. Our Board, which is made up of a majority of Non-Executive Members, provides independent thinking and objective challenge to how we deliver our strategic aims.
- **Division of Responsibilities:** the Chair of our Board provides strategic leadership of the Board. Our Non-Executive Members are independent of management and free of any business or other relationships which could materially interfere with them exercising their judgement. However, should special

circumstances arise, appropriate action is taken to ensure that independence is maintained.

- **Audit, Risk and Internal Control:** our Risk and Audit Committee oversees the structures and processes in place to manage our risks and ensure that appropriate controls are in place.
- **Remuneration:** our Remuneration Report sets out how we ensure that our remuneration policies and practices support our strategic aims and that the remuneration we pay to staff supports Ofcom's ability to deliver for consumers and citizens.

However, there are some areas where it is not possible for the UK Code to be followed. In

those circumstances we have sought to continue to follow the spirit of the UK Code as far as appropriate. An example is in respect of appointments to our Board: our Chair and most Non-Executive Members are appointed by the Secretary of State for Science, Innovation and Technology (DSIT), and three non-executives are appointed by the Scottish Parliament, Welsh Parliament and Northern Ireland Assembly. Our People Committee annually reviews the structure, size and composition of the Board and we work with DSIT and the devolved Governments to support their recruitment campaigns and succession planning.

The role of a Senior Independent Director is fulfilled by the Deputy

Chair and, though our non-executive directors are not subject to annual re-election, an annual review of non-executive director performance is undertaken.

As a Statutory Body we do not hold annual general meetings. However, we consult annually on our Plan of Work and on major regulatory policy proposals to ensure the voices of our stakeholders are heard.

The UK Corporate Governance Code was updated in January 2024 and the new provisions will apply from our next report in 2025/26.

Our Board: Activities & Purpose

The Board is responsible for setting the strategic direction and risk appetite of the organisation and is

the ultimate decision-making body for matters of Ofcom-wide strategic, regulatory or reputational significance. Effective governance facilitates the delivery of Ofcom's purpose and strategy and is particularly important as Ofcom's remit grows. The Board is committed, through its governance framework, to appropriate decision making at the correct level within Ofcom, as well as making sure there is accountability and long-term value in how we fulfil our purpose of furthering the interests of consumers and citizens. The Board has adopted and implemented a bespoke Corporate Governance Framework which contains a statement of governance principles that guide the activities of the Board. This covers

key responsibilities of the Board and matters reserved for the Board's decision and includes the following:

- Approval of Ofcom's annual Plan of Work and long-term objectives.
- Approval of Ofcom's overall strategic regulatory policy framework.
- Approval of Ofcom's annual budget, overall financial policy and Financial Authorities Framework.
- Approval of Ofcom's annual report and accounts.
- Risk management, internal controls and compliance.
- Undertaking a formal regular review of the Board's own performance and that of Board Committees and individual Members.

Board appointments

Appointments to our Board are made in line with the UK's public appointments processes. The Chair and the majority of the Non-Executive Members of the Board are appointed by the Secretary of State for Science, Industry and Technology, for periods of four years. The Scotland Member, Wales Member and Northern Ireland Member are appointed by Scottish Ministers, the Welsh Government and the Department for the Economy respectively, following consultation with the Secretary of State. Where Board members with specific broadcasting experience are sought, the Secretary of State for DSIT delegates responsibility for appointing that member to the Secretary of State

for DCMS.

Executive Members of the Board are appointed by the Chair and the Non-Executive Members of the Ofcom Board, with the Chief Executive's appointment requiring approval by the Secretary of State for DSIT. We recognise that the composition of the Board is not fully representative of the UK population. As above, we continue to work with DSIT and the devolved Governments to align future recruitment with our strategic commitment to be a diverse and inclusive organisation. Having a Board that is representative of the different perspectives within our society will allow us to make the best decisions for all UK citizens and consumers. During the year we have appointed two new Non-Executive Board

members and one Executive member who, between them, have a wide range of expertise that will assist us to fulfil our duties.

Board roles

The Chair

The Chair of the Board is responsible for chairing and providing leadership of the Board. Other responsibilities include:

- Leading the Board in formulating Ofcom's strategy for discharging our statutory duties.
- Encouraging high standards of propriety.
- Providing an assessment of the performance of individual Board Members.
- Ensuring the Ofcom Board meets regularly throughout the year

and that minutes of meetings accurately record decisions taken.

- Representing the views of Ofcom externally.

Non-Executive Board Members

Our Board has a majority of Non-Executive Board Members, all of whom bring extensive and varied experience. This ensures a good balance of skills is available to Ofcom in carrying out our work, in addition to establishing the policy and strategic direction including the resourcing framework for the operation of Ofcom.

The Chief Executive

The Board has delegated responsibility for the day-to-day running of Ofcom to the Chief Executive and her team. The Policy and Management Board

(PMB) has been set up to act as the executive committee for the management of Ofcom and the performance of its regulatory functions, and consists of the Chief Executive, Group Directors, and the Directors for Finance and People and Culture. The PMB ensures that the strategy and policies agreed at Board level are effectively communicated and implemented across Ofcom. The wider Senior Management Team plays a broader day-to-day leadership role across the organisation.

The Permanent Secretary for DSIT has designated the Chief Executive as Ofcom's Accounting Officer. This appointment carries duties of responsibility in respect of regularity, propriety, value for money and good financial management,

and the safeguarding of public funds. The Chief Executive has specific responsibilities for ensuring compliance with the terms of the Framework Document with DSIT. She must also ensure that proper accounting records are maintained, and she must sign the accounts.

As a Member of the Board, the Chief

Executive has to ensure that her accountability responsibilities do not conflict with her responsibilities as a Board Member. The Chief Executive may be called upon by the Committee of Public Accounts and other Parliamentary Committees to give evidence on the discharging of her duties.



Board Members

Lord Grade of Yarmouth CBE



Chair and Non-Executive Board Member
People Committee Member

Appointed to the Ofcom Board
as Chair on 1 May 2022

Michael has had a long career in broadcasting, encompassing London Weekend Television, the BBC, ITV and Channel 4. He has chaired the BBC, ITV and Pinewood/Shepperton Film Studios. He is co-founder of the GradeLinnit company, which produces for the theatre.

He is Chairman of the Arora Group's Heathrow Expansion Advisory Board and of Imagineear, which provides digital displays

for museums, galleries and live attractions. He has been Chairman of Ocado, First Leisure Corporation, Camelot, the Charity Fundraising Regulator and Bradford's Media Museum and was a member of the former Press Complaints Commission and a trustee of the Science Museum.

Michael Grade sits in the House of Lords as a non-affiliated Peer. His Peerage was created in January 2011.

Tamara Ingram OBE



Deputy Chair, Non-Executive Board
Member and People Committee Member

Appointed to the Ofcom Board
on 2 December 2024

Tamara has had an extensive career across advertising, marketing, and digital communication spanning over 35 years.

She has held several leadership positions in the creative industries and was Global Chair of Wunderman Thompson until 2020. She has also served as Global Chief Executive Officer of J. Walter Thompson, Chairman and CEO of Grey, and CEO of McCann Worldgroup and Saatchi & Saatchi in London.

She is currently a Non-Executive Director of Marks and Spencer Group plc and Chairman

of the health charity, Asthma + Lung UK. She is also a Non-Executive Director at Intertek Group plc, Reckitt Benckiser Group plc, and Marsh & McLennan Companies.

Tamara is also a business coach focusing on leadership. She is currently Chair of the Almeida theatre and was previously Chair of the fundraising committee for the Royal Court, and a Non-Executive Director of the Sage Group plc and Serco Group plc. She was awarded an OBE for her contribution to tourism as Chair of Visit London in 2012.

Lord Allan of Hallam



Non-Executive Board Member and Chair of the Online Information Advisory Committee

Appointed to the Ofcom Board on 1 November 2024

Richard has nearly 30 years' experience in the development of communications and technology policy.

He has been an unelected Member of the House of Lords since 2010, after being created a life peer, and became a non-affiliated member on 2 October 2024 before taking up his role at Ofcom.

He started his professional career with the NHS, as a Systems Developer for Avon FHSA. Between 1997-2005 he was the Member of Parliament for Sheffield Hallam and was Chair of the Information Select

Committee until 2001. He became Director Public Policy at Cisco Systems in 2005, leading work on all telecoms policy issues with politicians and regulators. Between 2009-2019 he worked at Facebook (now Meta) as VP Public Policy, leading a large team of policy experts and acting as a senior decision maker on sensitive policy questions.

He currently holds Non-Executive Board roles with New Automotive and the Centre for Public Data. Former Non-Executive Board roles include the European Digital Media Observatory, the Power of Media Taskforce and the Sheffield City Trust.

Karen Baxter



**Non-Executive Board Member
(Board Member for Northern Ireland)
and Risk and Audit Committee Member**

Appointed to the Ofcom Board on 28 March 2022

Karen has a distinguished 30-year policing career, retiring as Commander from the City of London Police in 2020, where she had oversight for the most serious financial investigations in the United Kingdom.

She began her service as an officer in Northern Ireland and has extensive experience across a wide range of complex investigations including safeguarding, homicide, counter-terrorism, serious and organised crime. As a result, she has a strong understanding of the unique needs of communities living in Northern Ireland.

In 2020 Karen joined UK Finance as Managing Director for Intelligence Strategy, reviewing the use of intelligence and threat of online harm across the financial sector. In September 2022 Karen joined the Financial Conduct Authority as Director of Enforcement, Intelligence and Specialist Support. In this role, Karen leads specialised functions, including intelligence and digital forensics supporting activity across the breadth of the FCA's Enforcement and Market oversight Division.

Dr Angela Dean



Non-Executive Board Member, Chair of the Risk and Audit Committee and People Committee Member

Appointed to the Ofcom Board on 30 September 2018

Angela is currently Chair of York Museums Trust. She has been non-executive director of a number of not-for-profit organisations including Chair of International House Trust, Vice Chair of the Council of King's College London, trustee of the National Lottery Heritage Fund and a member of the Museums, Archives and Libraries Council. She has been a Senior Independent Panel Member for Public Appointments.

Angela's executive career was in international finance, mainly as a Managing Director of Morgan Stanley where she headed its global technology research team. She was a member of the Working Group of the United Nations Global Compact for corporate social responsibility issues in investment.

Bob Downes



**Non-Executive Board Member
(Board Member for Scotland), Content
Board Member and People Committee Member**

Appointed to the Ofcom Board on 1 February 2018

Bob is Chair of the Central Market Agency in Scotland, an independent non-executive director with KUBE Networks in Glasgow and previously the Chairman of the Scottish Environment Protection Agency. He also chaired the Commission for Communications

Regulation's Independent Oversight Body in Ireland until 2024 which oversaw an enhanced Regulatory Governance Model by Eir. Bob is an advisor to a number of small technology businesses. He has a background in telecommunications, arts and culture organisations and with business and technology universities.

Ben Verwaayen



**Non-Executive Board Member
and Chair of the People Committee**

Appointed to the Ofcom Board on 30 September 2018

Ben is currently a General Partner at investment fund Keen Venture Partners and holds various Board positions, including at Akamai in the US and Renewi Ltd, a major player in the circular economy in the BeNeLux and the UK. He is a former Chief

Executive of BT, KPN in the Netherlands, and Alcatel Lucent. He has also served as a Chairman of Endemol, and as a Board Member of AkzoNobel in the Netherlands and of the mobile operator Bharti Airtel in India.

Will Harding

Non-Executive Board Member and
Chair of the Online Information Advisory
Committee

Appointed to the Ofcom Board on 3 October 2022



Will has almost 30 years' experience in the media industry. He spent five years at BBC Worldwide where he worked across the BBC's commercial and international operations.

He later helped to launch ask.com in the UK before becoming Commercial and Operations Director of Sky's new media business. He joined GCap Media plc in 2006 as Group Strategy Director. Following acquisition by Global Media & Entertainment Ltd, he was appointed Chief Strategy Officer and joined the main Global board. During

his time at Global, he established the Global Academy, a state school for young people from all backgrounds wanting to start a career in the creative industries. Will stood down from the Global board in December 2020.

Since 2021 he has been a Non-Executive Director of Primedia, the leading Africa-focused media and advertising group, and was a Trustee of the Baker Dearing Educational Trust from 2021 to 2024. He became a Trustee of the Education and Employers charity in 2024.

Sir Clive Jones



Non-Executive Board Member
(Board Member for Wales), Chair of the
Content Board and Chair of the Election Committee
Appointed to the Ofcom Board on 12 February 2024

Born and brought up in the South Wales Valleys, Clive Jones spent most of his working life at ITV as a journalist, producer and editor with YTV and TV-AM and later as CEO of both Central Television and the Carlton Television Group. He also served as Managing Director of the ITV Network and was the first CEO of ITV News and Regions, following the creation of ITV plc. He trained as a journalist with the Yorkshire Post after graduating from the London School of Economics.

Clive also chairs Sightsavers, the UK's sight loss charity and is the Ombudsman for the National Council for the Training of Journalists.

He chaired the Runnymede Trust, the race equality think tank, the Disasters Emergency Committee, was on the board of S4C and its commercial arm S4C Masnachol for six years and is a former chair of both the Wales IP Fund and National Theatre Wales.

Executive Board Members

Dame Melanie Dawes



Executive Board Member and Chief Executive
Appointed to the Ofcom Board on 2 March 2020

Prior to joining Ofcom, Melanie was Permanent Secretary at the Ministry of Housing, Communities and Local Government (2015-2020) and held senior roles across the Civil Service, working in partnership across the public and private sectors.

She started her career as an economist and spent 15 years at the Treasury, including as Europe Director. She was Director General of the Economic and Domestic

Affairs Secretariat at the Cabinet Office between 2011 and 2015, and prior to that she served on the Board of HMRC as Head of Business Tax and as a Tax Commissioner.

Melanie has held non-executive roles including with the consumer body Which?. She is a Patron of the Patchwork Foundation, which promotes the participation of under-represented young people in democracy.

Natalie Black OBE



Executive Board Member and Group Director, Networks and Communications

Appointed to the Ofcom Board on 11 November 2024

Before joining Ofcom, Natalie was the UK's first His Majesty's Trade Commissioner for Asia Pacific, where she led the UK's trade strategy and operations across 15 countries.

In the UK, Natalie was Deputy Head of the Prime Minister's Policy Unit where she oversaw the AI Review (2017) and established and led the first cross-government Online Harms Unit. Natalie has over 10 years' experience in cyber-security and led the National Cyber Security Programme as Deputy

Director and Director of the Office of Cyber Security in the Cabinet Office after joining the Civil Service from London 2012, where she was Chief of Staff to the Director of Security.

Natalie is a Visiting Professor in Practice at the London School of Economics and a World Economic Forum Young Global Leader. She was previously a trustee of Bletchley Park and co-founded GBxAsia (now British Tech Advisers) to support collaboration between the UK and Asian tech ecosystems.

Members who left during the year

Lindsey Fussell



Executive Board Member and Group
Director for Networks and Communications

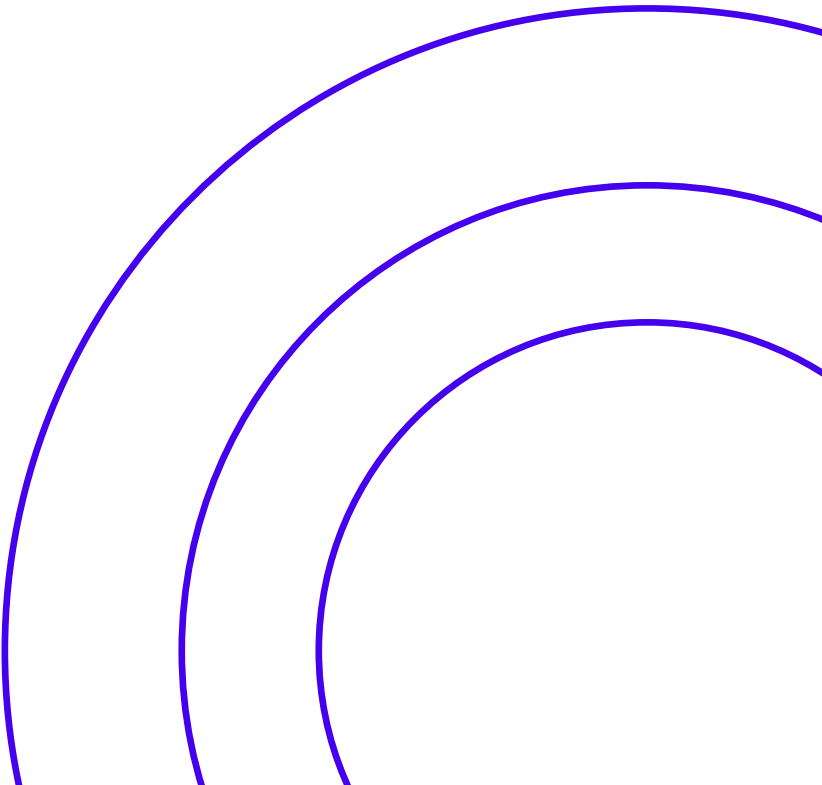
Appointed to the Ofcom Board in December 2020

Lindsey Fussell joined in Ofcom in 2016 and was Interim Group Director for Online Safety from September 2024. This followed four years as Group Director for Network and Communications where she led Ofcom's work in the telecoms and postal sectors.

Before joining Ofcom, Lindsey held a range of senior leadership roles in the Civil Service. She was Public Services Director at HM Treasury, where she led on

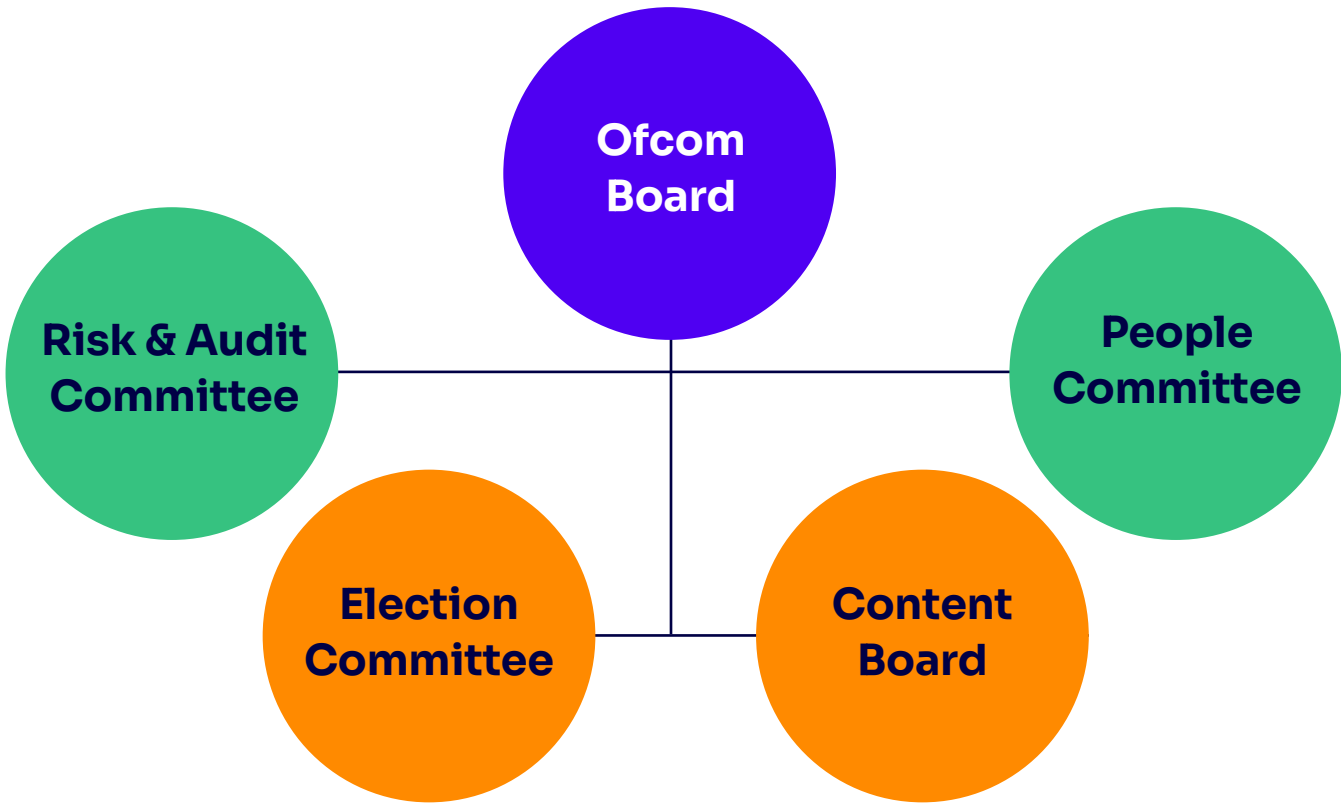
devolution, education and culture, defence and criminal justice, and was responsible for delivering key aspects of the 2013 and 2015 Spending Reviews. She is a non-executive director (Sufficiently Independent Director) for NGED, National Grid's electricity distribution network for Wales, the South-West and the Midlands.

Lindsey resigned from the Ofcom Board on 14 March 2025.



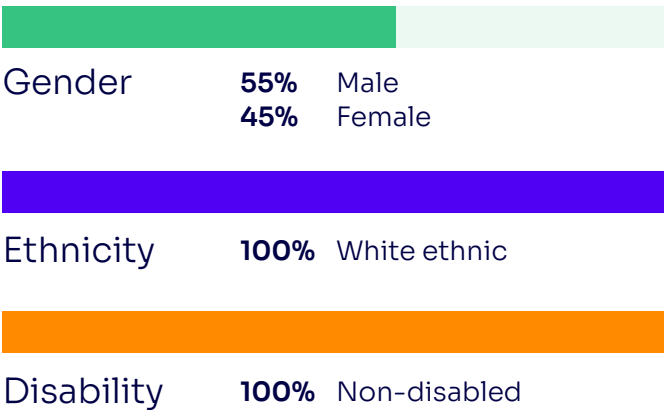
Governance at a glance

Board Committes



The Policy and Management Board (PMB) has been set up to act as the executive committee for the management of the organisation and the performance of its regulatory functions. It is chaired by the CEO.

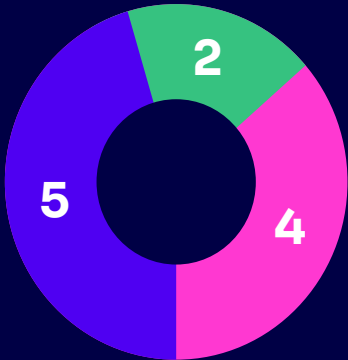
Ofcom Board Diversity (at 31 March 2025)



Ofcom Board tenure in role

Key

- Under three years
- Three to five years
- Five years plus



Attendance at the Board during the 2024/25 financial year

| Attendee | Number of meetings attended (ten meetings were held during the year) |
|------------------------------|---|
| Michael Grade (Chair) | 10 |
| Tamara Ingram (Deputy Chair) | 3 (out of 3) |
| Richard Allan | 4 (out of 4) |
| Karen Baxter | 10 |
| Natalie Black | 4 (out of 4) |
| Melanie Dawes | 10 |
| Angela Dean | 10 |
| Bob Downes | 10 |
| Lindsey Fussell | 10 |
| Will Harding | 10 |
| Clive Jones | 10 |
| Ben Verwaayen | 10 |

Lindsey Fussell left Ofcom on 14 March 2025. Tamara Ingram joined the Board on 2 December 2024. Natalie Black joined the Board on 11 November 2024. Richard Allan joined the Board on 1 November 2024.

Management information

Our Board and Board Committees are provided with regular management information to enable them to review Ofcom's performance and capability. This includes regular performance and finance reports, review of delivery against Ofcom's Budget and Plan, review on the delivery of Ofcom's Strategy and Plan of Work, the strategic risk register and risk policies, and other corporate data.

Board administration

The administration of the Board is the responsibility of the Corporation Secretary, who maintains and keeps up to date the main procedures and policies of the Board, corporate records and the terms of reference of our Board Committees and Matters Reserved for the Board. The Corporation Secretary also maintains and keeps under review Ofcom's Corporate Governance Framework (including the Delegations of Authority and Board Committee terms of reference) and, in consultation with the Finance Director, the Financial Authorities Framework.

The Board had ten scheduled meetings during the year. The scheduled meetings were held each month, with the exception of August and January. The Board also undertakes a Strategy Session each October, where medium- to long-term strategy is examined and discussions take place on strategic and material issues. The Board papers relevant to the agenda of each Board and Board Committee meeting are distributed to Board and Committee Members, as appropriate, approximately one week in advance of the meeting via a secure digital portal.

Our Board: Activities

The following chart shows how the Board allocated its agenda during the reporting period.

| | |
|--|-----|
| Corporate governance, including risk management and legal issues | 14% |
| Strategy and business planning | 23% |
| Internet and post we can rely on | 18% |
| Media we trust and value | 18% |
| We live a safer life online | 11% |
| Enabling wireless services in the wider economy | 9% |
| Strengthening Ofcom, partnerships, skills and capability | 6% |



Examples of some of the activities undertaken by the board

Corporate Governance, including risk management and legal issues

Annual Report and Accounts 2024/25

Review and update Ofcom's corporate governance framework

Appointments to Ofcom's Board, panels and committees

Updates from the Chair of the Risk and Audit Committee

Updates from the Chair of the People Committee

Review of risk policies and strategic risk register

Review of litigation

Review of enforcement

Regular finance and people management information packs

Modern slavery statement 2024

Board and Committee annual evaluation 2024/25

Annual health and safety report 2024

Strategy and business planning

Reviews of delivery against the 2023/24 Plan of Work
Plan of Work and budget 2024/25, including Ofcom's
strategic organisational priorities

Three-Year Business Plan 2025-28

Financial resilience in Ofcom's regulated sectors

Regulation and economic growth

Communications strategy 2024/25

Media Literacy strategy

Internet and post we can rely on

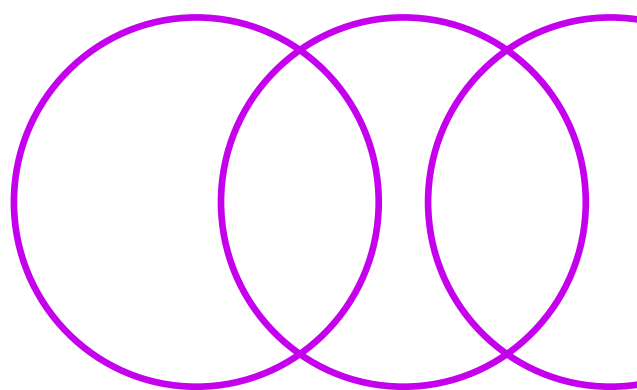
Telecoms Access Review 2026-2031

Mobile merger and mobile market review

Consultation on the Postal Universal Service
Obligation

Telecoms Security Act report

Cyber Security and Resilience Bill



Media we trust and value

Public Service Media Review

Regulatory approach to Content Standards during the General Election

Work of the Content Board

Media Act implementation programme

BBC programme

Channel 4 relicensing

We live a safer life online

Illegal Harms Codes of Practice

Children's Access Statement

Age assurance

Guidance on women and girls' online safety

Protection of children

Online Safety roadmap and strategy

Establishment of Online Information Advisory Committee

Enabling wireless services in the wider economy

Spectrum programme updates

Space programme

Upper 6 GHz proposals

Strengthening Ofcom, partnerships, skills and capability

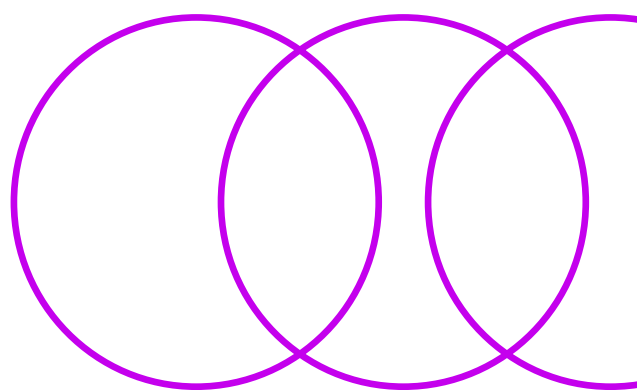
Ofcom's Agility programme

Estates strategy

Data transformation strategy

Digital Regulation Co-operation Forum digital hub

Communications Consumer Panel/Advisory
Committee for Older People updates



Keeping the Board informed

Ofcom is committed to the ongoing development of its Board Members, and we recognise the need to continually evolve knowledge to enable Members to effectively fulfil their duties. All newly appointed Board Members are provided with a comprehensive and bespoke induction programme on joining Ofcom, which includes meetings with each Group Director and members of their teams. The induction also includes Members' duties and Board procedures, internal control processes, strategy and planning, measures used to monitor performance and the Risk Management Policy and the Internal and External Audit.

In addition, the Board receives presentations and briefings on different aspects of Ofcom's Plan of Work throughout the year.

Board performance and effectiveness review

Each year, the Board conducts an effectiveness review to evaluate the performance of the Board and Board Committees. The 2024/25 review was internally facilitated. The last externally facilitated review was undertaken in 2021/22 and, since this was three years ago, the Board reviewed whether it would be appropriate to hold an externally facilitated review in 2024/25, as recommended by the Corporate Governance Code. After careful consideration, the Board decided to defer the external evaluation until

2025/26, due to the timing of several new appointments to the Board and the desire for the external evaluation to take place when Board members had attended a number of meetings and could give fully informed feedback.

The Board considered the outcomes of the 2024/25 review and its recommendations at its March 2025 Board meeting and agreed key areas of priority and focus for 2025/26 financial year. The review concluded that Ofcom's governance arrangements continue to work well.

Areas that were rated highly included encouragement of open discussion, balanced contributions and constructive challenge, relationships between Board members, quality of support from the organisation, and

information received by the Board.

The Board noted that some gaps in non-executive expertise exist, particularly in Spectrum, where notwithstanding the regular and high-quality briefings from the Executive in this area, it was felt that the Board did not have as deep an understanding as was the case in other areas of Ofcom's regulation. While the Board was pleased that new appointments had strengthened its knowledge and experience, particularly in online safety, it was still the case that it lacked ethnic diversity, and it was hoped that this could be addressed in future appointments.

Further areas for focus identified through the review included:

- Reviewing the format of papers to ensure risk issues are explored more fully within the body of the report.
- Spending time on forward agendas to ensure items are prioritised correctly given Ofcom's expanding remit.
- Hearing directly from involved parties.

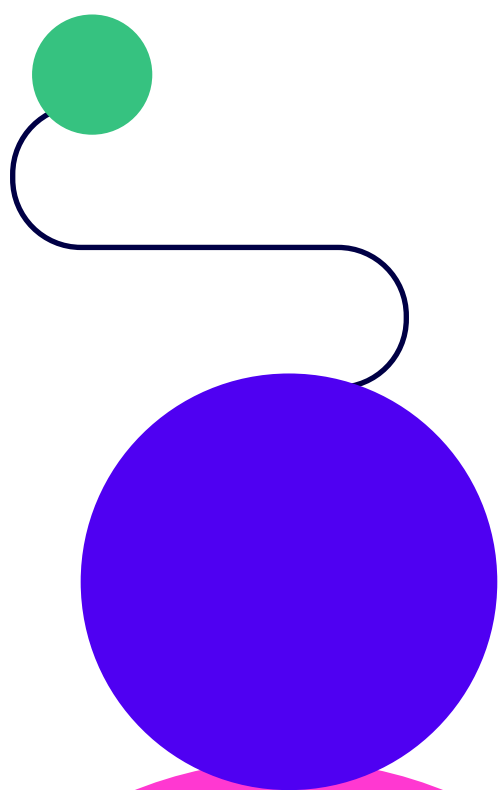
Conflicts of interest

It is essential that Ofcom maintains its reputation for impartiality, integrity and high professional standards. Ofcom is subject to the Code of Conduct for Board Members of Public Bodies and, in support of this, Ofcom has established a Code of Conduct for Board Members that contains provisions regarding Members' interests. The Board Code of Conduct is reviewed annually as part of the review of the Corporate Governance Framework.

Ofcom manages, sensibly and appropriately, potential conflicts of interest that Board Members may have, or that might arise from time to time, to ensure that the actions of Members do not bring into question Ofcom's impartiality and

objectivity. Members must also ensure that their conduct accords with the 'Seven Principles of Public Life'.

Ofcom maintains a Register of Members' interests which is reviewed annually. Between annual declarations, Members are required to notify the Corporation Secretary when their interests change, so that the Register can be amended accordingly and, where necessary, any potential conflicts can be raised with the Chair and/or the full Ofcom Board. This supports our ability to maintain a current record of Members' interests and relevant information which is published on Ofcom's website.



Board Committees and Statutory Boards

In the exercising of Ofcom's duties under the relevant legislation, the Board delegates certain responsibilities to the Executive within Ofcom and certain responsibilities to Board Committees, in accordance with clearly defined authorities and terms of reference.

Ofcom also has a number of other bodies with a governance or advisory role to the Board. The activities and main functions of these committees and bodies are described on below.

The Risk and Audit Committee

The Risk and Audit Committee is comprised of the following Non-Executive Members of the Board: Angela Dean (Chair), Karen Baxter, and Will Harding. The Chair of the Ofcom Board, the Chief Executive, the Chief Operating Officer, the Finance

Director, the Financial Controller, the Head of Risk Management and Insurance, and the Deputy Corporation Secretary are invited to attend Committee meetings, as are the Internal and External Auditors.

The Risk and Audit Committee's responsibilities include, among other things, risk management and internal control systems, including reviewing the effectiveness of those systems. The full role and responsibilities of the Risk and Audit Committee, together with the Committee's activities during the reporting period, are set out in the Report of the Chair of the Risk and Audit Committee on pages **208**.

The People Committee

The People Committee is comprised of the following Non-Executive Members of the Ofcom Board: Ben Verwaayen (Chair), Angela Dean, Bob Downes, Michael Grade, Tamara Ingram. The principal purpose of the People Committee is to provide an early, long-term and strategic perspective on Ofcom's People and Workforce-related areas and to periodically evaluate (in consultation with the Chief Executive) and challenge (where appropriate) the progress of Ofcom's People and Culture Strategy. The Committee seeks assurance from Ofcom management that there are effective measures and plans in place for talent management, talent development and succession planning, performance management, culture and values and colleague engagement and other people-related areas to support Ofcom's performance,

skills and expertise.

The People Committee also sets the overarching principles and parameters of performance and the remuneration policy across Ofcom and considers and approves individual terms and conditions of service, including the remuneration arrangements of the Chief Executive, Group Directors and other key colleagues. The Committee oversees the process of appointments of Executive Board Members and other Group Directors of the Senior Management Team and approves the succession plans for the Ofcom Board, the Senior Management Team and critical colleagues. The People Committee met three times during 2024/25 in addition to considering and agreeing a range of issues by correspondence between formal meetings.

The Election Committee

Section 333 of the Communications Act 2003 requires Ofcom to ensure that party political broadcasts (including party election broadcasts) and referendum campaign broadcasts are included in every licensed public service television channel, every local digital television programme service, and every national (i.e. UK-wide, commercial) analogue radio service, and their digital simulcast services.

Unresolved disputes between any licensee and any political party, concerning the length, frequency, allocation or scheduling of broadcasts are brought to Ofcom for resolution. The Ofcom Board has delegated the adjudication on such disputes to the Election Committee. The Election Committee also has delegated authority to make decisions on complaints in relation to the standards

set by Ofcom about due impartiality in programmes broadcast during an election or referendum period.

The Committee consists of up to five members. The Chair of the Election Committee is Clive Jones, who was appointed by the Ofcom Board in April 2024. Committee members are selected from the Content Board and/or Ofcom, as decided by the Chair of the Committee, with a quorum of three members (two of whom need to be Content Board Members).

The Content Board

The Content Board is set up under Section 12(1) of the Communications Act 2003. The Content Board fulfils an advisory role for the Ofcom Board on content-related aspects of decisions or matters reserved for the Board.

During 2024/25 the Content Board continued its work to

understand, analyse and champion the voices and interests of the viewer, the listener and citizen. It examined issues where the citizen interest extends beyond the consumer interest, including a focus on the public interest. Members considered and provided input to Ofcom's policy development at its formal meetings, sometimes in subgroups or individually. In addition, Members continued to assist Ofcom to set and enforce quality and standards for television and radio.

At the end of the reporting period, the Content Board was made up of the following Non-Executive Members: Clive Jones (Chair), Dekan Apajee, Simon Bucks, Bob Downes, Will Harding (from 30 April 2024), Peter Horrocks, Peter MacMahon (from 1 January 2025), Maria McCann, Ruth McElroy, Yolisa Phahle (from 1 January 2025), Kim Shillinglaw and Executive Members: Alison Marsden and Cristina Nicolotti Squires.

Leavers during the year: Maggie Cunningham and Stephen Nuttall were members of the Content Board, until 30 September 2024 and 9 December 2024 respectively.

The Board met six times in 2024/25.



The Advisory Committees for the Nations

Section 20 of the Communications Act 2003 requires Ofcom to establish Advisory Committees for each of the UK nations. The function of each Committee is to provide advice to Ofcom about the interests and opinions, in relation to communications and postal matters, of people living in parts of the UK for which the Committee has been established. In addition to the appointed Members of the Advisory Committees, the Ofcom Board Member, the Content Board Member and the Communications Consumer Panel (CCP) Member for the respective nations attend the Advisory Committee meetings as observers.

The role of the National Advisory Committees, together with those of the Nations' Members of the Content Board and the Communications Consumer Panel, is valuable in helping Ofcom take into account specific issues in the devolved nations of the UK in our policy formulation and implementation.

The Advisory Committees each met four times in 2024/25. Information on the areas of focus for each of the Advisory Committees during the year can be found [**on our website**](#). At the end of the reporting period the Advisory Committee Members and observers were:

Advisory Committee for England

Members: Paula Carter (Chair), Aaqil Ahmed, Caroline Gardner, Edleen John and Mauro Mortali.

Observers: Angela Dean (Ofcom Board), Dekan Apajee (Content Board) and Robert Hammond (CCP from 1 February 2025).

Leavers during the year: Grant Davis was a Member of the Advisory Committee for England until 31 January 2025. Richard Spencer (CCP) was an observer until 30 November 2024.

Advisory Committee for Northern Ireland

Members: Colm Murphy (appointed Chair from 10 March 2025), Jackie Neill, Aodhan O'Donnell, Paul Wickens and Michael Wilson.

Observers: Karen Baxter (Ofcom Board), Maria McCann (Content Board), Carrie Matchett (CCP – from 1 February 2025).

Leavers during the year: Carrie Matchett was Chair of the Committee until 31 January 2025. Rick Hill (CCP) was an observer until 31 May 2024. Matchett was Chair of the Committee until 31 January 2025. Rick Hill (CCP) was an observer until 31 May 2024.

Advisory Committee for Scotland

Members: Elizabeth Partyka (Chair), Ashe Hussein, Jessica McBeath, Caroline Di Stefano (from 1 June 2024), Polly Tolley and Cameron Speirs (from 1 June 2024).

Observers: Bob Downes (Ofcom Board) and Peter MacMahon (Content Board from 1 January 2025).

Leavers during the year: Stephen Speirs was a member until 30 April 2024. Amanda Britain (CCP) and Maggie Cunningham (Content Board) were both observers until 30 April 2024 and 30 September 2024 respectively.

Advisory Committee for Wales

Members: Aled Eirug (Chair from 1 August 2024), Angharad Evans, Karen Lewis, Amanda Rees and Geraint Strello.

Observers: Clive Jones (Ofcom Board), Ruth McElroy (Content Board) and Rachel Burr (CCP).

Leavers during the year: Robert Andrews was Chair of the Committee until 16 May 2024 and a general member until 23 September 2024.

The Communications Consumer Panel and the Advisory Committee on Older and Disabled People

Section 16 of the Communications Act 2003 requires Ofcom to establish a Consumer Panel. The Communications Consumer Panel (CCP) represents the interest of consumers, citizens and microbusinesses in communications. It provides advice that is robust and independent but, at the same time, pragmatic and constructive. Ofcom shares information and ideas with the CCP at the early stages of policy development, allowing us to provide advice to ensure that the consumer voice is taken into account from the outset.

The Advisory Committee on Older and Disabled People (ACOD) advises Ofcom about communications

sector issues relating to older and disabled people.

To take advantage of the synergy between the CCP and ACOD, and to avoid potential duplication, cross membership of the two bodies was established in 2012. The remits of the bodies, however, remain unchanged.

Independent of Ofcom, the CCP consists of up to twelve experts, including representatives from Scotland, Wales, Northern Ireland and England, with experience in many different fields. Further information can be found at communicationconsumerpanel.org.uk.

At the end of the reporting period the members of the Communications Consumer Panel and ACOD were Helen Froud (Chair), Rachel Burr (Member for Wales), Carrie Matchett (Member for Northern Ireland) (from 1 February 2025), Professor Judith Clifton, Lenna Cumberbatch, Grant Davis (from 1 February 2025), Dr Michelle Goddard, Robert Hammond (as member for England from 1 February 2025), Rhian Johns (from 1 February 2025), David Warburton-Broadhurst (from 1 February 2025) and Michael Wardlow. At the time of writing a recruitment process was underway to appoint a Member for Scotland.

Leavers during the year: Rick Hill (Chair and Member for Northern Ireland) until 31 May 2024,

Kay Allen (Industry Forum Representative / General Member) until 30 November 2024, Amanda Britain (Member for Scotland) until 30 April 2024 and Richard Spencer (Member for England) until 30 November 2024.

The Communications Consumer Panel and ACOD met formally eleven times in 2024/25. The Panel and ACOD continued their work to strengthen the voices of consumers, citizens and microbusinesses in communications. Focusing on their strategic priorities of universal availability

of communications services as a right for all, excellent standards of service and of customer service, and listening to the consumer voice, the Panel has delivered a wide-ranging programme of expert policy advice, research inputs and extensive stakeholder engagement across the UK.

Key interventions have included wide-ranging engagement with Ofcom and consumer bodies on the affordability of communications services, working closely with Ofcom, central and devolved government departments and industry on the VOIP switchover programme and rural connectivity, advising Ofcom and industry on the implications for consumers of 2G and 3G switch off, and engagement with Ofcom and Royal Mail on the future of postal services regulation. The Panel's jointly-commissioned research with Ofcom, looking into better inclusion of disabled consumers and those with long-term conditions, has been shared and used widely. The Panel's rural research has been followed by two

additional projects on the challenges faced by urban consumers and micro-businesses. The Panel now has a remit to advise on behalf of consumers, citizens and micro-businesses in regard to Online Safety and is working with Ofcom and stakeholders to shape its role in this area. Having previously worked closely with the Phone-paid Services Authority Limited's (PSA) consumer panel on the protection of consumers from premium rate service problems, the Panel will work closely with Ofcom to cover this remit of day-to-day regulation of PRS.

The Ofcom Spectrum Advisory Board

The Ofcom Spectrum Advisory Board (OSAB) was established in 2004 to provide independent advice to Ofcom on strategic spectrum management issues.

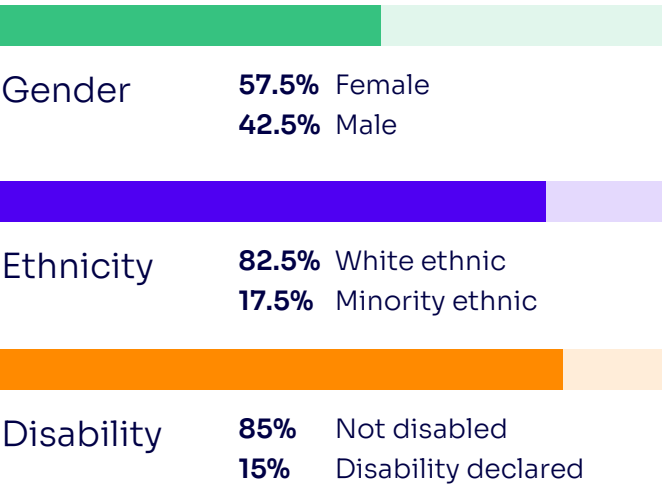
Further information can be found [on our website](#).

At the end of the reporting period, the Members of OSAB were Gavin Young (Chair), Wassim Chourbaji, Professor Mischa Dohler, Peter Hadinger, Dr Robert Pepper, Ros Singleton, Alastair Davidson, Dr Abhaya Sumanasena, Dimitra Simeonidou, Kirsty McBeath, Graham Louth, Dr Philip Kalmus, Raj Sivalingham (DSIT) (ex-officio Member) and Cristina Data (ex officio Member).

OSAB met three times in 2024/25.

Diversity

The diversity of our wider Non-Executive population across the Content Board, National Advisory Committees and the Communications Consumer Panel/ ACOD at the end of the reporting period was as follows:



Policy and Management Board

The Policy and Management Board (PMB) has been set up to act as the executive committee for the management of the organisation and the performance of its regulatory functions.

The PMB is chaired by the CEO and made up of Group Directors, the People, Culture and Workplace Director and the Finance Director. The Corporation Secretary attends and other senior executives attend by invitation. The Policy and Management Board met nine times in 2024/25.

PMB membership over the reporting period was as follows:

| Name | Role |
|--------------------------------|---|
| Dame Melanie Dawes DCB | Chief Executive |
| Luisa Affuso | Chief Economist, Group Director Economics and Analytics |
| Martin Ballantyne | General Counsel, Group Director Legal |
| Natalie Black CBE ⁶ | Group Director, Network and Communications |
| Oliver Griffiths ⁷ | Group Director, Online Safety |
| Cristina Nicolotti Squires | Group Director, Broadcasting and Media |
| Melissa Tatton CBE | Chief Operating Officer, Group Director Corporate |
| Jessica Hill | People, Culture & Workplace Director |
| Atif Moghal ¹⁸ | Interim Finance Director |
| Yih-Choung Teh | Group Director, Strategy and Research |
| David Willis | Group Director, Spectrum |

PMB members who left during the year:

| | |
|----------------------------------|--|
| Gill Whitehead ⁹ | Group Director, Online Safety |
| Lindsey Fussell ¹⁰ | Interim Group Director, Online Safety |
| David Clarkson MBE ¹¹ | Interim Group Director, Network and Communications |
| Aneen Blackmore ¹² | Finance Director |
| Jessie Peramal ¹³ | Finance Director |

Our Senior Management Team

Our Senior Management Team fulfils a wider day-to-day leadership role across Ofcom and consists of all Group Directors, the Public Policy Director, People, Culture & Workplace Director and Communications Director.

Diversity

⁶ From 11 November 2024

⁷ From 17 March 2025

⁸ From 12 December 2024

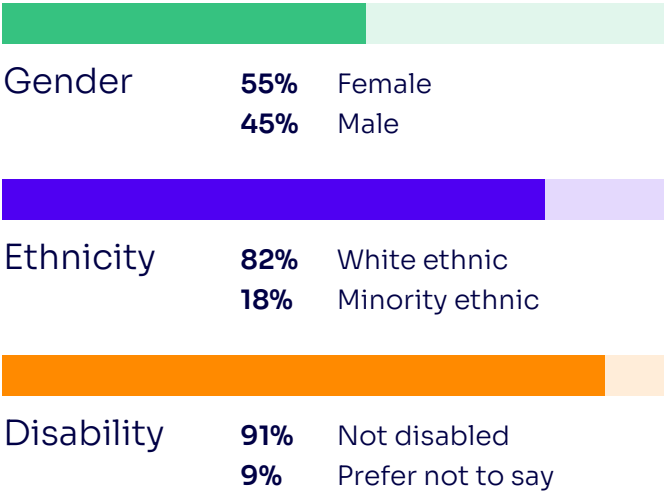
⁹ Until 15 September 2024

¹⁰ Until 14 March 2025. (Lindsey Fussell took on the role of Interim Group Director, Online Safety on 16 September 2024. Prior to that she was Group Director, Networks and Communications).

¹¹ From 1 April 2024 to 31 December 2024

¹² Until 31 May 2024

¹³ 9 July 2024 to 11 December 2024



Accountability

Under the Office of Communications Act 2002, the Board is required to prepare a Statement of Accounts for each financial year. This conforms to the Accounts Direction issued by the Secretary of State for Science, Innovation and Technology. The Board is also responsible for sending a copy of the Statement of Accounts to the Comptroller and Auditor General of the National Audit Office. The Statement of Accounts is prepared, as far as applicable, in accordance with the Companies Act 2006 and the International Financial Reporting Standards

(IFRS) as well as the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), and on an accruals basis. It must give a true and fair view of the state of affairs of Ofcom as at the end of the financial year and of its income and expenditure, recognised gains and losses and cash flows for the financial year.

In addition, Ofcom's Annual Report and Accounts is sent to DSIT which lays copies of it before both Houses of Parliament and in Scotland, Wales and Northern Ireland. The Board is responsible for

ensuring that proper records are maintained, which disclose accurately, at any time, the financial position of Ofcom, and enable it to ensure that the Statement of Accounts complies with the Communications Act 2003. In addition, the Board is responsible for safeguarding Ofcom's assets and therefore for taking reasonable steps for the prevention and detection of fraud and other irregularities.

How Ofcom manages the public funds we receive, and our relationship with DSIT in this regard, is set out in the Framework Document.

The Board confirms that in preparing this Statement of Accounts it has observed the relevant accounting and disclosure requirements, applied suitable accounting policies on a consistent basis, made judgements and estimates on a reasonable basis, followed applicable accounting standards and prepared the Statement of Accounts on a going concern basis.

Transparency

Ofcom continues to review our publication scheme and to make a wide range of information readily accessible on our website. Wherever possible, Ofcom makes the data we collect and create available to the public following open data principles. Ofcom's open data is available in one public portal on our website and on the data.gov.uk portal, alongside datasets from all central Government departments and many other public sector bodies and local authorities.

During 2024/25, Ofcom responded to 447 requests (459 requests in 2023/24) for information under the Freedom of Information Act 2000 and the Environmental Information Regulations 2004. Where we held relevant information, we provided all, or part of the information requested in 84.6% of cases. Information is only withheld if it is exempt from disclosure under legislation.

During 2024/25, Ofcom also received 55 Subject Access Requests under the Data Protection Act 2018 (64 requests in 2023/24). Where we held relevant information, we provided this.

Engagement

Ofcom aims to take into account the views of a wide range of interested parties when making policy decisions. In addition to engaging with the CCP/ACOD, the Content Board and the National Advisory Committees, we also engage with other national regulatory authorities (including via participation in the UK Regulators' Network and the Digital Regulation Co-operation Forum), European Institutions and global bodies. This also ensures that decisions taken are practical, proportionate and reflect the interests of citizens and consumers in the UK.

Consultation also plays an important role in Ofcom's decision making. It allows those who could be affected by or concerned about a particular issue to give us their views before we decide on a particular course of action.

Consequently, Ofcom consults publicly on all our major strategic priorities before making decisions. Details about Ofcom's method of consultation, and the consultations that took place during 2024/25, are set out in Ofcom's Regulatory Principles section on page **100** in the Performance Report.

Physical and personal security arrangement

The current threat level set by the Joint Terrorism Analysis Centre (JTAC) and MI5 for terrorism in Great Britain and in Northern Ireland is substantial, meaning an attack is likely. During 2024/25, Ofcom amended its Security Strategy to align it with the Government Functional Standard for Security. As part of this work, it was identified that risk appetite for Personnel Security should be included within our Risk Appetite Statement. Ofcom engaged with Government Security Advisers to conduct bespoke security related site surveys to assess the current protective measures; additional assessments will determine the potential risk to Ofcom and its assets and any

additional control measures that may be required.

The Ofcom Board risk appetite statement for Health & Safety and Security is set as “Minimal”. Threat assessments to ISO27001 standards are carried out on a continual basis, using external consultancy and internal audit. This maintains a consistent approach to physical and personal security management, including risk to individuals of harm both physically and online.



Personnel security

We have introduced an Employment Screening Policy outlining the pre-employment checks that are carried out for new starters and internal promotions, including criminal records and social media checks. Targeted criminal records checks have been carried out for existing colleagues in specific roles, where they handle sensitive data.

A personnel security policy was put in place in May 2025 to outline all the measures we take to ensure Ofcom is safe from insider threat.

Major incident/disaster recovery/business continuity planning

Throughout 2024/2025, Ofcom continued to demonstrate resilience in the face of disruptive challenges to the organisation. Our robust

incident management and business continuity plans have proved effective in protecting our operations, ensuring continued service delivery.

Our Business Continuity Management system is aligned to best practice and we have conducted regular risk assessments and undertaken testing and exercises to validate our plans. We remain committed to keeping under review and enhancing as required our incident management and business continuity approach to protect our operations and safeguard our stakeholders' interests.

Ofcom's Senior Management Team remains committed to Business Continuity Management, and our proactive approach to managing risk enables us to be prepared for any future challenges.

Information security

Our commitment to information and cybersecurity remains paramount. We continue to prioritise vigilance and resilience to safeguard our information assets and digital infrastructure against an array of potential threats.

Given our expanded public profile and remit, we recognise the heightened risk of being targeted by a diverse range of malicious actors.

Specifically, the proliferation of sophisticated cyber threats, such as ransomware attacks, distributed denial-of-service (DDoS) assaults, and social engineering schemes, poses significant challenges to our security posture. In response to these multifaceted threats, we have implemented a comprehensive suite

of security measures, including robust access controls, encryption protocols, and intrusion detection systems. Additionally, we conduct regular threat assessments, leveraging threat intelligence feeds and scenario-based simulations to identify emerging risks and vulnerabilities proactively.

We have bolstered our incident response capabilities to ensure swift and effective responses in the event of a security breach. This includes establishing clear escalation protocols, conducting regular tabletop exercises, and fostering collaboration with law enforcement agencies and industry partners to facilitate threat mitigation and information sharing. Through these concerted efforts, we remain steadfast in our commitment

to upholding the confidentiality, integrity, and availability of Ofcom's critical information assets in the face of evolving information and cyber threats.

We investigated 53 breaches of data protection during the year, none of which were reportable to the Information Commissioner's Office (ICO). We have retained our certification to the international standard for information security management (ISO27001).

Whistleblowing policy and hotline

Our whistleblowing policy is reviewed annually to ensure it remains fit for purpose and aligned with best practice guidance. We have designated Whistleblowing Officers, and we also use an externally hosted and administered

whistleblowing hotline that allows colleagues to make anonymous disclosures.

Public interest disclosure

The Public Interest Disclosure Act 1998 gives legal protection to employees against being dismissed or penalised by their employers as a result of disclosing information which is considered to be in the public interest. Ofcom is a 'prescribed person' as defined under the Public Interest Disclosure (Prescribed Persons) Order 2014. As such, individuals working outside Ofcom, but in a sector we regulate, may contact Ofcom if they have concerns about possible wrongdoing at their own organisation. During 2024/25 Ofcom received 54 disclosures under the Public Interest Disclosure Act 1998.

Statement of Accounting Officer's responsibilities

The accounts are prepared on an accruals basis and give a true and fair view of the state of affairs of the organisation and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, as the principal Accounting Officer, I am required to:

- Observe the Accounts Direction issued by the Secretary of State for Department for Science, Industry and Technology, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis.
- Make judgements and estimates on a reasonable basis.
- State whether applicable accounting standards have been followed, and disclose and explain any material departures in the accounts.
- Prepare the accounts on a going concern basis.
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Secretary of State for Department for Science, Industry and Technology has designated the Chief Executive as Ofcom's Accounting Officer.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding Ofcom's assets, are set out in Managing Public Money published by HM Treasury.

I take personal responsibility for the Annual Report and Accounts and confirm that they are as a whole, fair, balanced and understandable, as are

any judgements used to determine this view.

As the Accounting Officer, I have taken all the necessary steps to make myself aware of any relevant audit information and to establish that Ofcom's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Melanie Dawes

Dame Melanie Dawes DCB
Chief Executive and
Accounting Officer

7 July 2025

The report of the Chair of the Risk and Audit Committee

During 2024/25, the Committee maintained our focus on Ofcom’s performance against its budget, and on budget drafting for the first year of Ofcom’s new three-year Plan of Work and the presentation of financial reporting. The Committee oversaw the embedding of the strategic risk register, which was updated in 2024. In addition to regular risk register updates, at each of its meetings the Committee received a deep dive into one of the six strategic risks. The Committee took a particular interest in information and data management, and welcomed the engagement with the Executive on how this could be strengthened at Ofcom.

Attendance of Members during 2024/25

The Committee met five times in 2024/25. The Members of the Committee during 2024/25 and their attendance is set out below:

| | Number of meetings |
|---------------------|--------------------|
| Angela Dean (Chair) | 5 |
| Karen Baxter | 5 |
| Will Harding | 5 |

Overview

On behalf of the Ofcom Board, I am pleased to provide an overview of the operation and scope of the Risk and Audit Committee for the financial period ended 31 March 2025.

The Committee has responsibility, on behalf of the Ofcom Board,

for oversight of the appropriateness and effectiveness of Ofcom's risk management, risk governance, internal systems and controls and financial statements. The Committee maintains the relationship with the National Audit Office (NAO), Ofcom's external auditors, including a review of its fees and the scope of its audit of Ofcom's financial statements. This covers their assessment of the risks of material misstatement and material irregularity, its independence, resources and the effectiveness of the audit process. The Committee also works with Ofcom's internal audit provider to establish an Annual Plan for the audit of specific areas of Ofcom, and then monitors the progress

and outcomes of those reviews.

The Non-Executive Members of the Committee are independent and are considered to have the relevant skills and experience at a senior level. I was appointed Chair of the Risk and Audit Committee in 2018 and, in addition to my experience as a financial analyst, I have been chair or member of numerous Audit and Risk Committees and Finance Committees, including Chair of the Audit and Risk Committee of the National Lottery Heritage Fund & National Heritage Memorial Fund.

The Committee schedules private sessions annually with the Finance Director and the Head of Risk Management and Insurance, in addition to the internal audit provider and the NAO. As part of my role as Chair of the Committee, I met regularly with the NAO and the internal audit provider in the reporting period, without Ofcom management being present. Both the internal audit provider and the NAO have direct access to me in the event that they wish to raise anything which they feel is not appropriate to raise directly with Ofcom management.

Committee activities

The Committee operates under formal terms of reference, which are reviewed annually,

and which are set out in Ofcom's Corporate Governance Framework. The Committee's Terms of Reference [can be found here](#).

The work of the Committee follows an agreed annual work programme, with the Committee allocating its time in 2024/25 as follows:

- Financial reporting and related matters.
- Annual report and accounts.
- Governance, including updates to Committee Terms of Reference and the Financial Authorities Framework.
- Risk management.
- Internal audit.
- External audit.
- Corporate security (including cyber, ICT, physical, personal and

personnel security).

- Other (e.g. litigation, bribery and fraud, information and data management, and environmental targets).

How our approach is informed by the UK Corporate Governance Code

The Committee is committed to discharging its responsibilities with transparency and integrity. In addition to the appointed Members of the Committee, the following have standing invitations to attend Committee meetings:

- **Ofcom:** Ofcom Chair, Chief Executive, Finance Director, Financial Controller, Head of Risk and Insurance Management, Group Director Corporate, Deputy Corporation Secretary.

- **National Audit Office (NAO):** representatives of Ofcom's External Audit Team.
- **Deloitte:** representatives of Ofcom's Internal Auditor.

Financial statements and accounting policies

In conjunction with Ofcom management, the internal audit provider and the NAO, the Committee reviewed the Financial Statements and associated documentation to establish if these were free from material misstatement and prepared in accordance with the applicable financial reporting framework. The Committee also challenged the judgements made by Ofcom management and the assumptions and estimates on which they

were based.

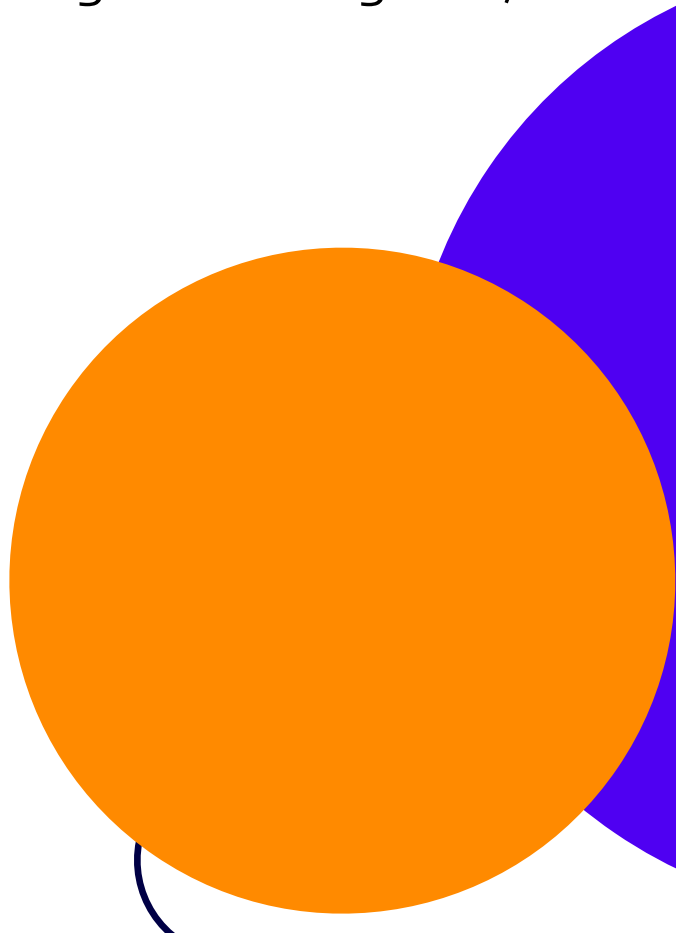
During the year, the Committee considered Ofcom's financial accounting policies and the accounting assumptions applied to the results, including the assessment undertaken at the year end.

The risk and control framework and risk management

Risk management is an important part of Ofcom's internal control framework and encompasses both strategic and operational risks within a Risk Management Policy, which is reviewed and approved annually by the Committee and the Chief Executive, as the Accounting Officer. The existing internal control and risk management framework was in place for the reporting

year and includes business continuity, financial controls and mechanisms to ensure compliance with laws and regulations. To ensure that our Risk and Control Management Framework is effective and aligned to our requirements, a review of our Risk Management Framework is undertaken periodically.

During 2024/25, the Committee oversaw the work undertaken to embed the updated Strategic Risk Register,

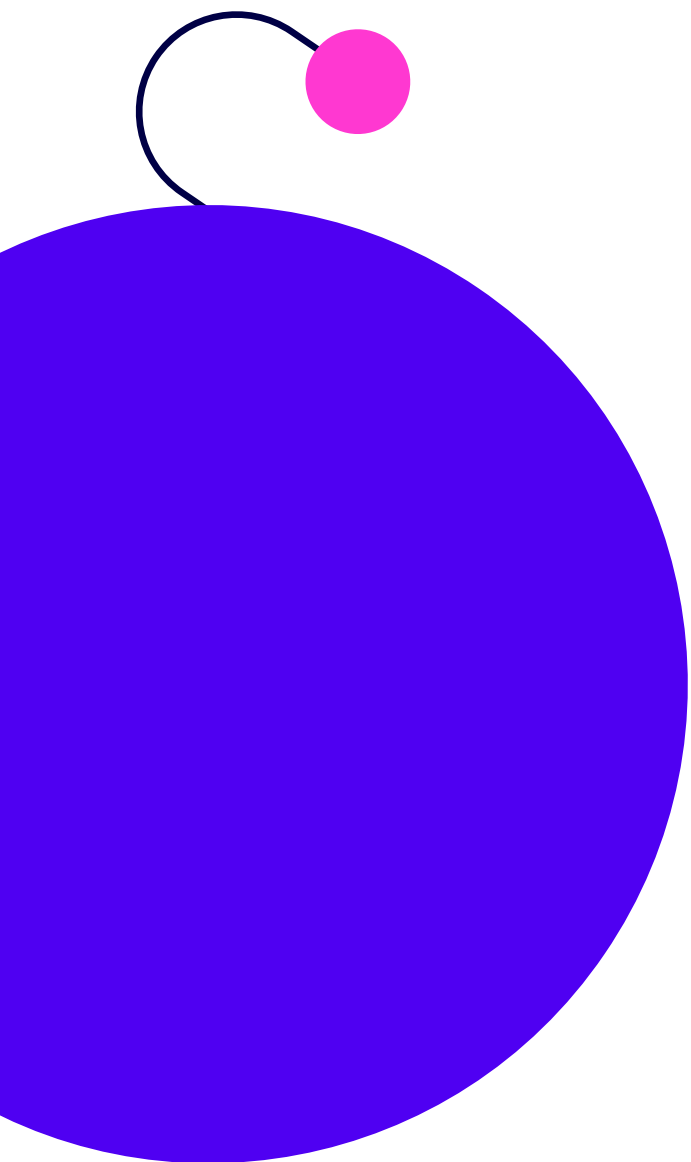


which was approved in May 2024. In May 2025, the Committee considered, and approved for submission to the Ofcom Board, an updated Risk Appetite Statement and an updated Risk Management Policy. Both were subsequently approved by the Ofcom Board.

An oral update on matters considered by the Committee is provided to the subsequent Ofcom Board meeting and any changes to risk ratings are approved for onward submission to the Board by the Committee. In addition, the Committee conducted a deep dive on a strategic risk at most meetings.

Deep dives undertaken by the Committee in 2024/25

- Managing our regulatory environment
- Sound financial management
- People and culture
- Effectively responding to changes in technology, markets and consumer behaviour



Internal controls

Responsibility for operating and monitoring the internal control system is delegated by the Ofcom Board to specific individuals and committees. The Committee receives an update on any control breaches at each meeting. The Committee reported to the Board on the effectiveness of Ofcom's internal control systems. A description of the organisation's system of internal control is included in the Corporate Governance Report on page **210**.

In 2024/25 the Committee met the Finance team to test the assumptions and controls behind the budget-planning process, to provide assurance to the Board. The Committee monitored progress

against the agreed budget and reviewed the draft budget for the first year of Ofcom's new three-year Plan of Work before submission to the Board. This provided the Board with assurance around Ofcom's commitment to offer value for money.

Further assurance is provided by the work carried out by specialist teams across Ofcom, including the Security Committee, the Information and Data Governance Steering Group, the Health, Safety, and Environmental Committee and the Business Continuity Group. The Policy Framework, which is reviewed annually, sets out appropriate governance route for approval of Ofcom's internal policies and provides further assurance to the Committee.

Corporate security

The Committee continued to oversee Ofcom's preparedness against cyber threats and other threats to its secure networks, in particular the Committee sought assurance that Ofcom's mitigations and preparedness for cyber-attacks were effective and appropriate.

The Committee continued to receive updates at each meeting on cyber, physical, information, personal and personnel security to ensure that work continued to be aligned with the requirements of the security standard ISO 27001.

Annual Internal Audit plan and focus of reviews in 2024/25

The reviews undertaken as part of the Internal Audits comprised a risk-based programme of work across a range of key

control areas, discussed with management and approved by the Committee on a half yearly basis. The Committee received quarterly reports from the internal audit provider on the progress of its audits, final internal audit reports (including Ofcom management's response to the findings where appropriate) and the progress made in addressing any issues identified during the audits.

Areas of Internal Audit covered during 2024/25

- Staff wellbeing and vetting.
- Payroll.
- Fixed telecoms – market reviews.
- Broadcast licensing.
- Spectrum management systems.
- Information and data management.

Other areas of review

Ofcom's Whistleblowing, Fraud and Anti-Bribery Policies are reviewed by the Committee in December of each year. The Whistleblowing policy covers all of the necessary matters required under the Public Interests Disclosure Act 1998. This policy has been communicated to all colleagues who have been reminded that they can raise matters anonymously with Ofcom's whistleblowing hotline provider. There have been no cases of whistleblowing referred and/or reported since the annual review conducted in December 2024.

The Committee also received reports on:

- Ofcom's Corporate Governance Framework.
- Financial Authorities Framework (prior to Board approval being sought).
- Ofcom's organisational resilience.
- Ofcom's accounting policies.
- Ofcom's Treasury Management Policy.
- Information governance annual update.
- Health and Safety Annual Report (prior to Board approval being sought).
- Ofcom's Environmental Management System and environmental objectives and targets.



Reporting to the Board

As Chair of the Risk and Audit Committee, I provide regular updates to the Board on the main issues discussed at Committee meetings. The Board welcomed the full review of Ofcom's risk register and the work that had been undertaken.

Committee performance and effectiveness

An internally facilitated review of the Committee's performance and effectiveness was conducted as part of the Board Evaluation Review. The outcome was positive, with no average score below '4.2 out of 5 - very good'. The highest scoring area was the encouragement of open discussion, balanced contributions and constructive challenge,

which received '4.7 out of 5'. The quality of information provided in relation to risk, internal audit reports and external audit reports was again rated as 'very good'. The quality of the financial reporting received by the Committee received an average score of '4.5 out of 5 - very good', an improvement from '3.8 out of 5 - good' in 2023/24. The Committee will continue to work with the Executive to build on the strengths and identify opportunities for improvement.



Angela Dean

Chair of the Risk and Audit Committee

1 July 2025

Report of the Chair of the People Committee

Overview

On behalf of the Ofcom Board, I am pleased to provide an overview of the operation and scope of the People Committee for the financial period ended 31 March 2025.

The Committee has responsibility, on behalf of the Ofcom Board, for providing an early, long-term and strategic perspective on senior People issues and to review and evaluate the progress of Ofcom's People and Culture strategy. A key piece of work has been the review and approval of Ofcom's new Pay Framework, a significant milestone in the overall strategy.

Attendance of Members during 2024/25

The Committee met three times in 2024/25.
The Members of the Committee during 2024/25 and their attendance is set out below:

| | Number of meetings |
|-----------------------|--------------------|
| Ben Verwaayen (Chair) | 3 |
| Angela Dean | 3 |
| Bob Downes | 3 |
| Michael Grade | 3 |
| Tamara Ingram | 1 |

All Members were in attendance for the meetings held while they were a Member of the Committee.

Committee activities

The Committee operates under formal terms of reference, which are reviewed annually, and which are set out in Ofcom's Corporate Governance Framework. The Committee's Terms of Reference [can be found here](#).

The work of the Committee follows an agreed annual work programme, with items for discussion including the following:

- Approving the Pay Framework and Pay Policy.
- Reviewing succession planning for Board members and senior colleagues.
- Approving performance and pay reviews for senior colleagues.
- Approving the distribution of the pay budget for colleagues.
- Setting Chief Executive objectives for 2024/25.
- Approving the release of the bonus for colleagues on the achievement of agreed objectives.
- Reviewing findings of the annual Colleague Survey.
- Noting the annual Gender, Ethnicity and Disability Pay Gap report.

How our approach is informed by the UK Corporate Governance Code

The People Committee's membership consists of independent non-executive members and the Chair of Ofcom, who was considered independent on appointment. It is chaired by a non-executive member. Its terms of reference include the approval of the Pay Policy for all colleagues, the pay and bonuses for senior colleagues and the overall bonus award. The Committee also approves the objectives against which success will be measured and the bonus unlocked. This has helped ensure that all colleagues' incentives are in line with the delivery of Ofcom's overall strategy

and purpose, a key aspect of the Corporate Governance Code.

The Committee is committed to discharging its responsibilities with transparency and integrity. In addition to the appointed Members of the Committee, the Chief Executive, People and Culture Director, Chief Operating Officer and Corporation Secretary have standing invitations to attend Committee meetings.



Ben Verwaayen
Chair of the People Committee

1 July 2025

Our employees

Introduction

Ofcom continues to develop the skills we need now and for the future. Many of our roles are unique to Ofcom, offering our employees the chance to develop new skills and career paths.

Our employees come from a range of backgrounds and bring a mix of commercial and industry experience to enable effective regulation. We seek to recruit talent from across the nations and regions of the UK, and we have increased our out-of-London headcount so that more than 25% of colleagues now work outside the city.

Our approach to career and performance management combines a focus on excellence with support for our colleagues. We provide training for all Career and Performance Managers and other colleagues who have a supervisory role, including disability confident and inclusive leadership training. This strengthens the quality of our leadership and helps us attract, grow, and retain the talent needed to fulfil our responsibilities and deliver high standards across our remit.

Diversity and inclusion

Ofcom serves the whole UK, so it is essential that we represent its nations, regions and communities. Our five-year diversity and inclusion strategy, launched in 2021, aims to achieve:

- A workforce that is representative of the UK.
- An inclusive culture.
- Fair processes, systems, and policies.
- Personal responsibility for diversity and inclusion.
- Leaders who are role models.
- Stronger connections to the communities we serve.

The strategy is founded on Ofcom's five longstanding values: excellence, collaboration, agility, empowerment and respect. Our inclusive recruitment approach aims to draw on the widest possible pool of talented candidates. Our external recruitment partnership enables us to measure our progress and provides support for hiring managers. As a result, we have already achieved our initial target of 16% of senior people coming from minority-ethnic backgrounds by 2026. In 2024/25, we exceeded our gender hiring target, with 62% of our senior roles filled by women.

Our employees

In addition, we have strong diversity and inclusion partnerships and policies for early careers, workplace adjustments and hiring processes, with equality impact assessment processes throughout all of our HR policies.

Supporting colleague wellbeing

Our Thrive@Ofcom wellbeing programme continues to focus on supporting colleagues' wellbeing. All staff have access to benefits covering physical, mental and financial wellbeing. These are complemented by our employee policies, which seek to support colleagues in work through all life events and situations.

Our aim is to treat people who are unwell with compassion and fairness and, where possible, provide them with support to help them recover and attend work regularly. In 2024/25, 5.3 working days were lost per year per employee (2023/24 = 4.8 days) at Ofcom, in comparison to the civil service average of 7.8 days per year as of end of March 2024.



Monitoring and reporting our progress

We continuously evaluate our policies, practices and processes through data analysis (including external benchmarking data), regular internal reporting and our annual colleague survey. Additionally, we

publish an annual pay gap report. In 2024, we achieved Exemplary status in the Investing in Ethnicity benchmark and obtained Disability Confident Level 3 Leadership status. We also hold Carer Confident Accomplished (Level 2) accreditations.

Table 6: Diversity representation progress

| | Year 1 starting position | Year 4 closing position | End ambition |
|-----------------------|--------------------------|-------------------------|----------------------|
| Senior female | 44% | 48% | Equal balance |
| Senior ethnicity | 11% | 15% | 19% (originally 16%) |
| Disabled (Ofcom-wide) | 12% | 12% | 15% |

Base: All colleagues as at end of March 2025. Senior levels include staff at Principal and senior managers and specialists (SMS) grades.

Involving and consulting colleagues

We aim to ensure that every colleague has a voice, and that our decisions are shaped by a broad range of perspectives. That is an important part of making our regulation effective. We use a mix of formal and informal channels to inform, consult and engage with colleagues across the organisation.

- **Joint Consultative Group** – a bi-monthly meeting bringing together elected colleague representatives from across Ofcom, members of the Colleague Forum, and representatives from our recognised trade union, Prospect.
- **Colleague surveys** – regular, anonymous surveys that invite colleagues to share their views on a wide range of topics linked to our diversity and inclusion strategy. These insights help shape our organisational development priorities.
- **Staff diversity networks** – eight colleague-led networks that support a wide range of communities and inclusion issues.
- **Open forums** – regular opportunities for colleagues to hear from, and speak directly with, the Chief Executive and senior leadership team.
- **Monthly community sessions** – targeted development and communication sessions for our Career and Performance Managers, focused on building skills and strengthening leadership across the organisation.

Employment policies and processes

Our policies and processes are regularly reviewed to make sure they are up to date with employment law, reflect best practice, and meet the needs of Ofcom and our values.

We offer market-leading family leave, such as enhanced maternity and paternity leave, paid time off for carers, and flexible working. We also offer external psychological support for colleagues who may be exposed to distressing content as part of their role, particularly those working in our Online Safety Group, to minimise the risks and ensure they receive the right support.

Employee engagement and turnover

We track levels of employee engagement through an independent annual colleague survey. In June 2024 our overall engagement score was

77% (+2pt compared to the previous year). For 2024/25, our Ofcom-wide gross staff turnover was 9.1%, which is in line with previous years and within our established tolerance level.



Remuneration report

This report has been prepared to be compliant so far as is practicable and appropriate with Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008,

though Ofcom is not required to comply with the regulations.

The approach taken by the Board has been informed by certain principles of the UK Corporate Governance Code and fulfils the requirements of the Government Financial Reporting Manual only where appropriate and applicable. Ofcom is not required to apply the Parliamentary accountability requirements of the FReM in its annual reporting.



Constitution of the People Committee

The People Committee is a sub-committee of the Ofcom Board. It consists of the following Members:

- **Ben Verwaayen**, Chair
- **Angela Dean**
- **Bob Downes**
- **Michael Grade**
- **Tamara Ingram** (joined Ofcom Board and People Committee on 2 December 2024)

The Committee would also normally expect the Chief Executive, the Chief Operating Officer, the People and Culture Director and the Corporation Secretary to attend meetings. Where necessary and appropriate, the People Committee will also take advice and/or obtain services from Ofcom colleagues or specialist external organisations. No individual is present for any discussion about their own remuneration.

Remuneration policy

In setting Ofcom's remuneration policy, the People Committee believes that Ofcom should, with consideration of it being a public body, provide a stable reward framework that will attract and retain the high-calibre people necessary to enable Ofcom to achieve its strategic priorities and to fulfil its statutory remit and responsibilities. Ofcom does not provide a long-term incentive plan scheme for any of its employees, nor does it pay sign-on bonuses.

Components of remuneration

The main components of the remuneration for the Group Directors and the Chief Executive are in line with our approach to all-colleague remuneration which includes basic salary, an all-colleague defined contribution pension scheme and a range of flexible benefits which includes a cash allowance life assurance, group income insurance, private medical insurance, and an annual health check as standard elements.

| |
|--|
| Basic salary |
| Standard and flexible benefits |
| <ul style="list-style-type: none">— Private medical insurance— Life assurance— Group income protection— Annual health check |
| Annual bonus scheme |
| Pension |
| <ul style="list-style-type: none">— All colleague defined contribution scheme— Pension allowance as % of salary |



Basic salary

The basic salary for all colleagues is determined by considering each colleague's responsibilities, skills and experience, together with relevant market benchmarking analysis. All basic salaries are considered annually, and any changes are typically made effective on 1 July each year. We conduct an annual equal pay audit for gender and ethnicity.

Flexible benefits

Ofcom offers a flexible benefits allowance to colleagues based on their grade. The remuneration tables contain both the flexible benefits allowance and benefits in kind. For the benefits in kind, only the value of private medical insurance is included. The total value of group income protection, life assurance and annual health checks is not disclosed under benefits in kind as these are not treated by HM Revenue & Customs as a taxable employment benefit.



Annual bonus scheme

We have an annual bonus scheme in place for all colleagues which awards colleagues if Ofcom achieves its organisational priorities set at the beginning of the year. The People Committee approves the budget, priorities, and awards. The annual bonus is paid in July for the prior financial year. The bonus figure is accrued annually.

Eligible colleagues will receive an award as a fixed amount per grade and on a pro-rated basis.

Pension

Ofcom provides the option of a stakeholder (defined contribution) pension to all. All Ofcom colleagues are provided with a pension allowance, determined as a % of base salary. This can either be invested within one of two pension schemes – the Master Trust and Group Pension Plan (both of which allow deductions to be made via salary sacrifice) or taken as additional salary. No current Non-Executive Member received a pension benefit from Ofcom during the year under review.

Fair pay disclosure (audited)

Ofcom believes in fair pay. We track this through monitoring a fair pay ratio, comparing the highest paid individual in the organisation and the median remuneration of the rest of the organisation. The calculation of, and presentation of, the data is in line with the Government Financial Reporting Manual.

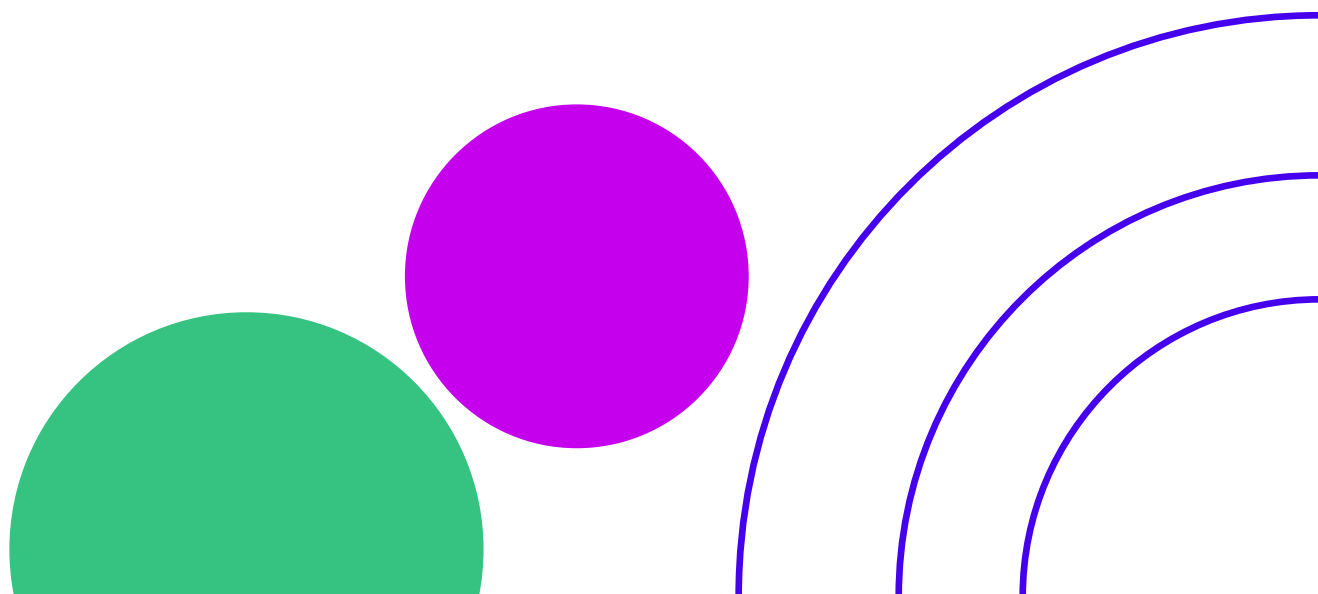
For fair pay disclosures, total remuneration figure is taken as of 31 March annually and includes salary, non-consolidated performance-related pay and benefits-in-kind and excludes pension entitlement allowance and any severance payments. The median remuneration excludes the highest paid individual and is based on annualised, full-time equivalent remuneration as at the end the financial year.

Table 7: Fair pay ratios

| | | 2024/25 | | 2023/24 | |
|--|-------------------------------------|------------------|---------|-------------------|---------|
| % change in the highest paid director | Band of remuneration (£'000) | 380-385 | | 365-370 | |
| | salary and allowances | 4.30% | | 6.43% | |
| | performance pay and bonuses payable | 66.67% | | (29.41%) | |
| % change for all employees | salary and allowances | 0.94% | | 1.89% | |
| | performance pay and bonuses payable | 0.33% | | 5.06% | |
| | 25th percentile | 8.28 | £46,180 | 8.15 | £45,116 |
| Total pay and benefits Pay ratio | Median | 6.01 | £63,664 | 5.87 | £62,658 |
| | 75th percentile | 4.35 | £87,928 | 4.24 | £86,587 |
| Salary and allowance component Pay ratio | 25th percentile | 9.16 | £41,769 | 9.07 | £40,498 |
| | Median | 6.95 | £55,000 | 6.68 | £54,978 |
| | 75th percentile | 4.98 | £76,841 | 4.83 | £76,035 |
| Remuneration range | Total remuneration | £120.8m | | £109.4m | |
| | Range | £23,497-£384,443 | | £21,587 - 368,581 | |

Changes in pay ratios

The 66.67% increase for the highest paid director's bonus is driven by a year-on-year increase from £6,000 to £10,000.



Remuneration tables

Details of the remuneration received by members of the Board, the Content Board and the Group Directors have been audited by the Comptroller and Auditor General and are set out in the following tables and notes.

The tables reflect the remuneration for the part of the year during which individuals were either permanent members of the Board or the Content Board only, or Group Directors.

Those individuals marked with ‘+’ against

their name were in role for only part of financial year 2024/25 or 2023/24.

Where individuals are members of more than one Board or Committee (as set out on page **158**) they appear only once in the remuneration tables.

The Non-Executive Members of the Ofcom Board and Content Board Members received no additional remuneration beyond their fees. The Non-Executive Members of the Ofcom Board additionally have provision of IT equipment if required.

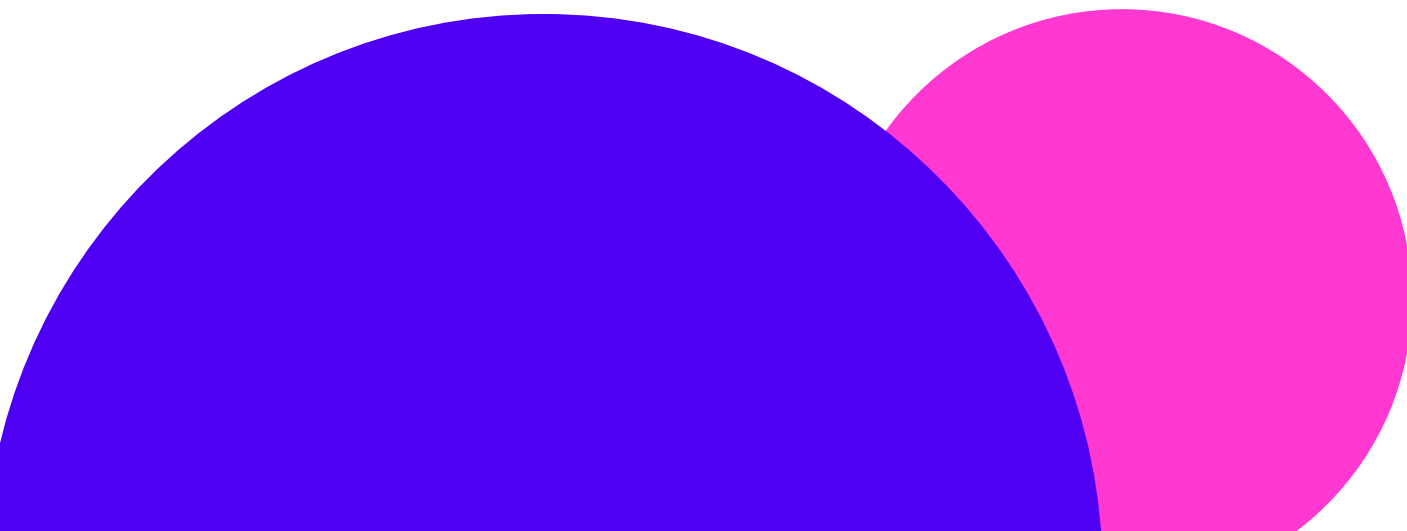


Table 8: Ofcom Non-Executive, Board Member remuneration

| Ofcom Board | Guidance note reference | Fees 2024/25 | Fees 2023/24 |
|-----------------|-------------------------|----------------|----------------|
| Angela Dean | 1 | 42,519 | 42,519 |
| Ben Verwaayen | 1 | 42,519 | 42,519 |
| Bob Downes | 1 | 42,519 | 42,519 |
| Clive Jones + | 1, 2 | 42,519 | 5,905 |
| David Jones + | 1, 2 | - | 32,660 |
| Karen Baxter | 1 | 42,519 | 42,519 |
| Maggie Carver + | 1, 2 | - | 57,826 |
| Michael Grade | 1 | 142,500 | 142,500 |
| Richard Allan + | 1, 2 | 17,716 | - |
| Tamara Ingram + | 1, 2 | 23,333 | - |
| Will Harding | 1 | 42,519 | 42,519 |
| Totals | | 438,663 | 451,486 |

Guidance note 1

The fees for all the Non-Executive Members of the Ofcom Board are fixed in agreement with DSIT for the duration of their appointment.

The fees shown in Table 1 represent the amount paid during the period under review. The fee of the Non-Executives of the Ofcom Board (excluding the Chair and Deputy Chair) has

remained at £42,519 (Chair £142,500, Deputy Chair £70,000) per annum since 1 April 2008.

The values shown represent the full year amount paid, or where appropriate part of the year (+) where the Non-Executive Member left or joined the Ofcom Board.

Guidance note 2

Maggie Carver's term of office as an Ofcom Non-Executive Director and Deputy Chair ended on 29 January 2024.

David Jones's term of office as an Ofcom Non-Executive Director ended on 7 January 2024.

Clive Jones joined as an Ofcom Non-Executive Board Director on 12 February 2024 and the remuneration for

the reporting period of £5,905 was paid in May 2024. The 2023/24 fee in table 8 has been restated to include all elements related to the backpay.

Richard Allan joined as an Ofcom Non-Executive Board Director on 1 November 2024.

Tamara Ingram joined as Ofcom Deputy Chair on 2 December 2024.

Table 9: Ofcom Non-Executive, Content Board Member remuneration

| Ofcom Board | Guidance note reference | Fees 2024/25 | Fees 2023/24 |
|---------------------|-------------------------|----------------|----------------|
| Dekan Apajee | 3 | 16,800 | 16,800 |
| Jonathan Baker + | 3, 4 | - | 8,400 |
| Kim Shillinglaw | 3, 4 | 16,800 | 16,800 |
| Maggie Cunningham + | 3, 4 | 8,400 | 16,800 |
| Maria McCann | 3 | 16,800 | 16,800 |
| Monisa Shah + | 3, 4 | - | 8,400 |
| Peter Horrocks | 3 | 16,800 | 16,800 |
| Peter McMahon + | 3, 4 | 4,200 | - |
| Rachel Coldicutt + | 3, 4 | - | 7,467 |
| Ruth McElroy | 3 | 16,800 | 16,800 |
| Simon Bucks + | 3, 4 | 16,800 | 9,800 |
| Stephen Nuttall + | 3, 4 | 11,582 | 16,800 |
| Tobin Ireland + | 3, 4 | - | 9,800 |
| Yolisa Phahle | 3, 4 | 4,200 | - |
| Totals | | 129,182 | 161,467 |

Guidance note 3

The fees for Non-Executive Members of the Content Board are fixed by Ofcom. The basic fee of the Content Board Members is £16,800 per annum. The values shown represent the full year amount paid, or where appropriate part of the year (+) where the Non-Executive Member left or joined the Ofcom Board.

Guidance note 4

Jonathan Baker left the Content Board on 30 September 2023.

Maggie Cunningham left the Content Board on 30 September 2024.

Monisa Shah left the Content Board on 30 September 2023.

Peter MacMahon joined the Content Board on 1 January 2025.

Rachel Coldicutt left the Content Board on 11 September 2023.

Simon Bucks joined the Content Board on 01 September 2023.

Stephen Nuttall left the Content Board on 09 December 2024.

Tobin Ireland left the Content Board on 31 October 2023.

Yolisa Phahle joined the Content Board on 01 January 2025.

Table 10: Ofcom Executive, Board Member remuneration (2024/25)

| Name | Guidance note reference | Months of reporting period | Total salary paid (full year equivalent where part year worked) £ | Pension/ entitlement allowance £ | Flexible benefits allowance £ | Benefits in kind £ | Annual performance bonus £ | 2024/25 Total remuneration paid £ | 2023/24 Total remuneration paid £ |
|---------------|-------------------------|----------------------------|--|-------------------------------------|----------------------------------|-----------------------|-------------------------------|--------------------------------------|--------------------------------------|
| Melanie Dawes | 5 | 12 | 355,250 | 71,050 | 15,000 | 4,024 | 10,000 | 455,324 | 435,164 |
| Natalie Black | 5, 6 | 5 | 104,107 (265,000) | 15,616 | 5,893 | 552 | - | 126,168 | - |
| Total | | | | | | | | 581,492 | 435,164 |

Performance bonus awarded for FY 2023/24, paid in July 2024.

Table 11: Ofcom Executive member, Content Board remuneration

| Name | Guidance note reference | Months of reporting period | Total salary paid (full year equivalent where part year worked) £ | Pension/ entitlement allowance £ | Flexible benefits allowance £ | Benefits in kind £ | Annual performance bonus £ | 2024/25 Total remuneration paid £ | 2023/24 Total remuneration paid £ |
|----------------|-------------------------|----------------------------|--|-------------------------------------|----------------------------------|-----------------------|-------------------------------|--------------------------------------|--------------------------------------|
| Alison Marsden | 5 | 12 | 164,659 | 24,699 | 15,000 | 4,024 | 4,000 | 212,382 | 207,032 |

Table 12: Ofcom Group Director remuneration

| Name | Guidance note reference | Months of reporting period | Total salary paid (full year equivalent where part year worked) £ | Pension/ entitlement allowance £ | Flexible benefits allowance £ | Benefits in kind £ | Annual performance bonus £ | 2024/25 Total remuneration paid £ | 2023/24 Total remuneration paid £ |
|----------------------------|-------------------------------|-------------------------------------|--|---|--|--------------------------|-------------------------------------|--|--|
| Luisa Affuso | 5 | 12 | 255,526 | 38,329 | 15,000 | 4,024 | 6,000 | 318,879 | 310,752 |
| Martin Ballantyne | 5 | 12 | 255,526 | 38,329 | 15,000 | 4,024 | 6,000 | 318,879 | 306,844 |
| Yih-Choung Teh | 5 | 12 | 248,338 | 37,251 | 15,000 | 4,024 | 6,000 | 310,613 | 301,212 |
| Cristina Nicolotti-Squires | 5 | 12 | 272,578 | 40,887 | 15,000 | 4,024 | 1,000 | 333,489 | 54,435 |
| David Willis | 5 | 12 | 250,451 | 37,568 | 15,000 | 3,219 | 6,000 | 312,238 | 301,839 |
| Melissa Tatton | 5 | 12 | 253,438 | 38,016 | 15,000 | 3,219 | 6,000 | 315,673 | 300,473 |
| Oliver Griffiths + | 5,6 | 0.4 | 11,567 (265,000) | 1,735 | 655 | - | - | 13,957 | - |
| Total | | | | | | | | 1,923,728 | 1,575,555 |

Table 13: Interim Group Directors and leavers during the reporting period: 2024/25

| Name | Guidance note reference | Months of reporting period | Total salary paid (full year equivalent where part year worked) £ | Pension/ entitlement allowance £ | Flexible benefits allowance £ | Benefits in kind £ | Annual performance bonus £ | 2024/25 Total remuneration paid £ | 2023/24 Total remuneration paid £ |
|-------------------|-------------------------|----------------------------|--|-------------------------------------|----------------------------------|-----------------------|-------------------------------|--------------------------------------|--------------------------------------|
| Gillian Whitehead | 5,7 | 9 | 335,430 (305,235) | 34,115 | 11,250 | 2,976 | 6,000 | 389,770 | 364,735 |
| Lindsey Fussell | 5,7 | 12 | 351,928 (273,921) | 39,093 | 14,345 | 4,024 | 6,000 | 415,391 | 329,847 |
| David Clarkson | 5,7 | 4 | 293,872 (200,277) | 9,104 | 5,000 | 794 | - | 308,769 | - |
| Total | | | | | | | | 1,113,930 | 694,582 |

Guidance note 5

The total annual remuneration is shown for Ofcom executives who are, or were, Group Directors for the reporting period 2024/25. This figure is remuneration entitled to for the reporting period so will be less than the full year equivalent if a full year was not worked as a Group Director.

The total annual remuneration includes basic salary, annual performance bonus, flexible benefits allowance, a percentage of basic salary paid as a pension allowance and taxable benefits in kind reflecting the cost to Ofcom of the provision of private medical insurance for each executive.

Guidance note 6

Natalie Black joined Ofcom as a Group Director, Network and Communications and Executive Board member on 11 November 2024.

Oliver Griffiths joined Ofcom as a Group Director, Online Safety on 17 March 2025 and the remuneration for the reporting period of £13,957 was paid in April 2025.

Guidance note 7

The amounts shown in Table 13 above are pro-rated for the period the Directors were employed in the 2024/25 financial year.

Gillian Whitehead left her role as Ofcom Group Director, Online Safety on 31 December 2024 and the total salary includes an ex-gratia amount of £30,000.

Lindsey Fussell left her roles at Ofcom as Interim Group Director, Online Safety on 14 March 2025 and the total salary includes an ex-gratia amount of £91,307.

David Clarkson completed his SMT position as Interim Group Director, Networks & Communications on 31 December 2024. The total salary includes an ex-gratia amount of £95,000 for early termination of employment and a further £50,000 for post-termination restrictions.

Table 14: Annual Total Remuneration costs for all Ofcom Executives in reporting period

| | Total actual salary paid | Pension/ entitlement allowance | Flexible benefits allowance | Benefits in kind | Annual performance bonus | 2024/25 Total remuneration paid | 2023/24 Total remuneration paid |
|-------|--------------------------|--------------------------------|-----------------------------|------------------|--------------------------|---------------------------------|---------------------------------|
| | £ | £ | £ | £ | £ | £ | £ |
| Total | 3,152,670 | 425,792 | 157,143 | 38,928 | 57,000 | 3,831,533 | 2,912,333 |

The table above is an arithmetic total of the tables 10-13 above.

The bonus paid to Group Directors and the Chief Executive represents 2.8% of the total bonus paid in 2024/25 to all colleagues.

Exceptional payments

There were no advances or loans given to staff earning more than £100,000 during the reporting period (2024/25).

Off-payroll arrangements

Ofcom makes use of temporary staff to supplement the resourcing of its work where shortfalls arise due to unexpected circumstances and to help manage the pressure on its staff during peak periods of work.

Ofcom also, from time to time, engages individuals to provide specialist commercial, digital, technical or project management expertise. As part of the engagement process, Ofcom considers whether or not these individuals are subject to off-payroll legislation.

Highly paid off-payroll worker engagements at 31 March 2025 earning £245 per day or greater.

| | |
|---|----|
| No. of temporary off-payroll workers engaged | 24 |
| Of which number that have existed:: | |
| For less than one year at time of reporting | 22 |
| For between one and two years at time of reporting | - |
| For between two and three years at time of reporting | 1 |
| For between three and four years at time of reporting | - |
| For four or more years at time of reporting | 1 |

Source: Analysis of finance and outsourced partner data

All highly paid off-payroll workers engaged at any point during the year ended 31 March 2025, earning £245 per day or greater.

| | |
|---|-----------|
| <u>No. of temporary off-payroll workers engaged</u> | <u>40</u> |
| <u>Of which:</u> | |
| <u>Not subject to off-payroll legislation</u> | <u>30</u> |
| <u>Subject to off-payroll legislation and determined as in-scope of IR35</u> | <u>0</u> |
| <u>Subject to off-payroll legislation and determined as out-of-scope of IR35</u> | <u>10</u> |
| <u>Of which</u> | |
| <u>No. of engagements reassessed for compliance or assurance purposes during the year</u> | <u>0</u> |
| <u>Of which: No. of engagements that saw a change to IR35 status following review</u> | <u>0</u> |

There were no off-payroll engagements of Board members or senior management with significant financial responsibility between 1 April 2024 and 31 March 2025.

Expenditure on consultancy

Ofcom spent £947k on consultancy in 2024/25, representing less than 0.5% of Ofcom's total expenditure. Use of consultancy is limited to bespoke advice and expertise required for Ofcom to fulfil its statutory duties and its scope is specific and timebound. Consultancy is commissioned where external skills are not available internally, but where a longer-term need for such skills is anticipated, Ofcom seeks to recruit permanently. Key areas of consultancy spend in 2024/25 include Online Safety, Economics, Policy and Strategy and Corporate.

Contract of employment

The Chief Executive has a notice period of 12 months. No other Executive Member of the Ofcom Board or other Ofcom colleague has a contract of employment containing a notice period exceeding nine months.

The Non-Executive Members are all on fixed-term appointments with a time commitment to Ofcom of up to three days per week (except for the Chair who commits up to three days a week and the Deputy Chair who commits up to two and a half days a week).

Compensation for early termination

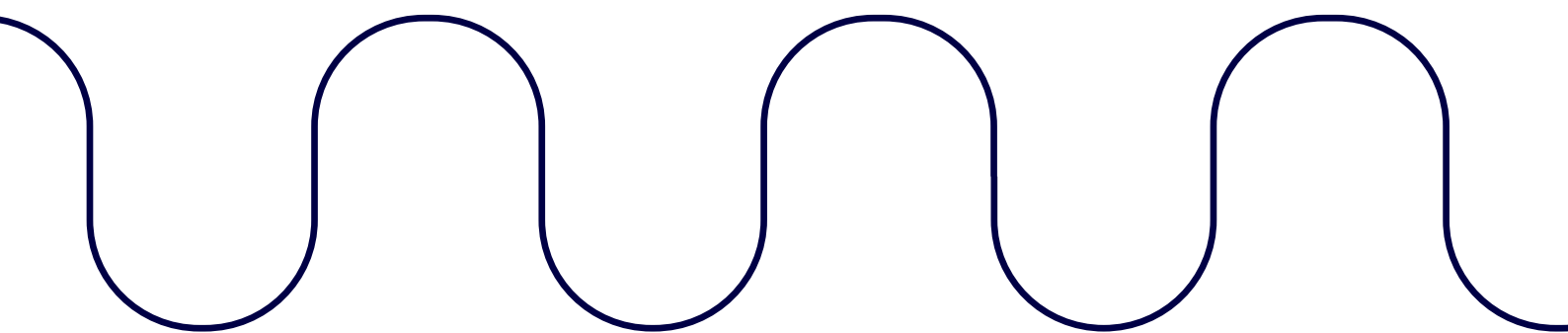
The arrangements for early termination of a contract of employment for an Executive Member of the Ofcom Board, or Group Directors, are decided by the People Committee and will be made in accordance with the contract of employment of the relevant Executive Member or Group Director. Across all colleagues we have a policy in place where no ex-gratia payments in relation to early termination exceed £95,000. Each contract of employment provides for a payment in lieu of notice on early termination at Ofcom's discretion.

Non-Executive Members have no entitlement to compensation in the event of early termination.

Guidance note 7 on page **247** includes the ex-gratia payments made to Gillian Whitehead, Lindsey Fussell and David Clarkson in 2024/25.

Outside directorships

Details of our approach to conflicts of interest including outside interests for Non-Executives and Colleagues is referenced in the Governance section of the Annual Report and Accounts.



Losses and special payments (audited)

In accordance with managing public money, Ofcom is required to disclose individual losses and special payments over £300,000. There were no losses or special payments that require disclosure in 2024/25 (2023/24: nil).

On behalf of Ofcom,

Melanie Dawes

Dame Melanie Dawes DCB

Chief Executive and
Accounting Officer

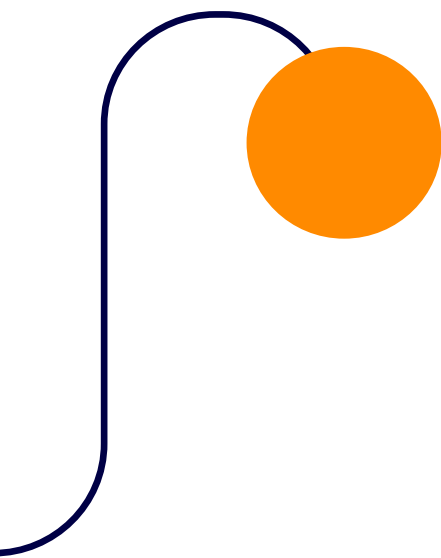
1 July 2025



Ben Verwaayen

Chair of the People
Committee

1 July 2025



The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament, Scottish Parliament, Senedd Cymru and Northern Ireland Assembly

Opinion on financial statements

I certify that I have audited the financial statements of the Office of Communications for the year ended 31 March 2025 under the Office of Communications Act 2002.

The financial statements comprise the Office of Communications:

- Statement of Financial Position as at 31 March 2025;
- Statement of Comprehensive Net Income, Statement of Cash Flows and Statement of Changes in Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Office of Communications' affairs as at 31 March 2025 and its surplus after tax for the year then ended; and
- have been properly prepared in accordance with the Office of Communications Act 2002 and Secretary of State directions issued

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2024. I am independent of the Office of Communications in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK.

My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Office of Communications' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt

on the Office of Communications' ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

Other Information

The other information comprises information included in the Annual Report but does not include the financial statements and my auditor's certificate thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise

explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that

fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Office of Communications Act 2002.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the Office of Communications Act 2002; and
- the information given

in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Office of Communications and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting

records have not been kept by the Office of Communications or returns adequate for my audit have not been received from branches not visited by my staff; or

- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration Report to be audited is not in agreement with the accounting records and returns; or

the Governance

Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Board and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Board and Accounting Officer are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed

- for his audit;
- providing the C&AG with unrestricted access to persons within the Office of Communications from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the Office of Communications Act 2002;
- preparing the annual report, which includes the Remuneration Report, in accordance with Secretary of State directions issued under the Office of Communications Act 2002; and
- assessing the Office of Communications's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Office of Communications will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Office of Communications Act 2002.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered

material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Office of Communications' accounting policies.
- inquired of management, the Office of Communications' head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation

relating to the Office of Communications' policies and procedures on:

- » identifying, evaluating and complying with laws and regulations;
- » detecting and responding to the risks of fraud; and
- » the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Office of Communications' controls relating to the Office of Communications' compliance with the Office of Communications Act 2002.
- inquired of management, Office of Communications' head of internal audit and those charged with governance whether:

- » they were aware of any instances of non-compliance with laws and regulations;
- » they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Office of Communications for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under

ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Office of Communications framework of authority and other legal and regulatory frameworks in which the Office of Communications operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Office of Communications. The key laws and regulations I considered in this context included the Office of Communications Act 2002, employment law, pensions legislation and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Risk and Audit Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;

- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain sufficient appropriate evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies

Comptroller and Auditor General
July 2025

National Audit Office
157-197 Buckingham
Palace Road
Victoria
London
SW1W 9SP

Financial Statements

This section sets out our financial statements and notes to the accounts for the financial year ended 31 March 2025.





Statement of income and expenditure

For the year ended 31 March 2025

| | Notes | 2024/25 £'000 | 2023/24 £'000 |
|--|--------|------------------|------------------|
| Income | 3 | 210,733 | 188,972 |
| Spectrum clearance income | 3 | 262 | 1,179 |
| Total income | | 210,995 | 190,151 |
| Staff costs | 4 | (138,490) | (127,149) |
| Other operating expenditure | 6 | (70,477) | (62,645) |
| Spectrum clearance expenditure | 4, 6 | (262) | (1,179) |
| Total operating expenditure | | (209,229) | (190,973) |
| Operating surplus/(deficit) | | 1,766 | (822) |
| Finance income | 14 | 215 | 65 |
| Finance costs | 17, 18 | (833) | (816) |
| Pension interest income | 20 | 486 | 509 |
| Surplus/(Deficit) before tax for the year | | 1,634 | (1,064) |
| Taxation | 7 | - | - |
| Surplus/(Deficit) after tax for the year | | 1,634 | (1,064) |

The accounting policies and notes on pages 272-350 form part of these financial statements.

Statement of comprehensive net income

For the year ended 31 March 2025

| | Notes | 2024/25 £'000 | 2023/24 £'000 |
|---|-------|------------------|------------------|
| Surplus/(Deficit) after tax for the year | | 1,634 | (1,064) |
| Other comprehensive income/(expenditure) | | | |
| Remeasurement on pensions | 20 | 1,024 | (1,829) |
| Total comprehensive income/(expenditure) | | 2,658 | (2,893) |

The accounting policies and notes on pages 272-350 form part of these financial statements.

Statement of financial position

As at 31 March 2025

| | Notes | As at 31 March 2025 £'000 | As at 31 March 2024 £'000 |
|---|-------|---------------------------------|---------------------------------|
| Non-current assets | | | |
| Property, plant and equipment | 8 | 14,644 | 14,000 |
| Right-of-use assets | 9 | 25,019 | 33,227 |
| Intangible assets | 10 | 149 | 109 |
| Trade and other receivables: non-current assets | 12 | 2,093 | 874 |
| Lease receivables: non-current assets | 14 | 3,747 | 1,387 |
| Retirement benefit assets | 20 | 13,371 | 10,564 |
| Total non-current assets | | 59,023 | 60,161 |
| Current assets | | | |
| Trade and other receivables: current assets | 11 | 13,468 | 14,877 |
| Lease receivables: current assets | 14 | 794 | 233 |
| Cash and cash equivalents | 13 | 20,353 | 8,270 |
| Total current assets | | 34,615 | 23,380 |
| Total assets | | 93,638 | 83,541 |
| Current liabilities | | | |
| Trade and other payables: current liabilities | 15 | 35,187 | 23,404 |
| Lease liabilities: current liabilities | 17 | 5,342 | 4,774 |
| Provisions for liabilities and charges: current liabilities | 18 | 734 | 13 |
| Total current liabilities | | 41,263 | 28,191 |
| Non-current liabilities | | | |
| Trade and other payables: non-current liabilities | 16 | 970 | 1,215 |
| Lease liabilities: non-current liabilities | 17 | 26,654 | 31,939 |
| Provisions for liabilities and charges: non-current liabilities | 18 | 99 | 97 |
| Retirement benefit liabilities | 20 | 655 | 760 |
| Total non-current liabilities | | 28,378 | 34,011 |
| Total liabilities | | 69,641 | 62,202 |
| Assets less liabilities | | 23,997 | 21,339 |
| Equity | | | |
| Reserves | | 23,997 | 21,339 |
| Total equity | | 23,997 | 21,339 |

The accounting policies and notes on pages **272–350** form part of these financial statements.
These financial statements were approved by the Board on 7 July 2025.

Michael Grade

Lord Michael Grade

Chair

Melanie Dawes

Dame Melanie Dawes DCB

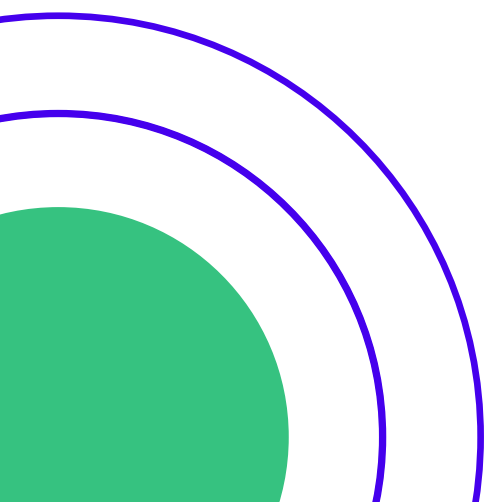
Chief Executive and Accounting Officer

Statement of changes in equity

For the year ended 31 March 2025

| | Notes | Reserve £'000 |
|--|-------|------------------|
| Balance as at 1 April 2023 | | 24,232 |
| Changes in equity for 2023/24 | | |
| Remeasurement on pensions | 20 | (1,829) |
| Deficit for the year | | (1,064) |
| Total comprehensive expenditure for 2023/24 | | (2,893) |
| Balance as at 31 March 2024 | | 21,339 |
| Changes in equity for 2024/25 | | |
| Remeasurement on pensions | 20 | 1,024 |
| Surplus for the year | | 1,634 |
| Total comprehensive income for 2024/25 | | 2,658 |
| Balance as at 31 March 2025 | | 23,997 |

The accounting policies and notes on pages **272–350** form part of these financial statements.



Statement of cash flows

For the year ended 31 March 2025

| | Notes | 2024/25 £'000 | 2023/24 £'000 |
|---|-------|------------------|------------------|
| Cash flows from operating activities | | | |
| Operating surplus/(deficit) | SoI&E | 1,766 | (822) |
| Adjustments for non-cash transactions | | | |
| Depreciation | 8 | 3,141 | 3,159 |
| Depreciation of right-of-use assets | 9 | 4,791 | 5,015 |
| Amortisation | 10 | 59 | 45 |
| (Gain)/Loss on disposal of non-current assets | 6 | 126 | (3) |
| Decrease/(Increase) in trade and other receivables | 11,12 | 190 | (1,107) |
| Increase/(Decrease) in trade and other payables | 15,16 | 11,538 | (3,513) |
| Increase/(Decrease) in provisions | 18 | 705 | (13) |
| Decrease in retirement pension | 20 | (1,402) | (470) |
| Net cash inflow from operating activities | | 20,914 | 2,291 |
| Cash flows from investing activities | | | |
| Purchases of property, plant and equipment | 8 | (3,795) | (1,973) |
| Purchases of right-of-use assets | 9 | - | (87) |
| Purchases of intangible assets | 10 | (99) | - |
| Proceeds from sale of non-current assets | 6 | 7 | 5 |
| Net cash outflow from investing activities | | (3,887) | (2,055) |
| Cash flows from financing activities | | | |
| Receipt for lease receivables | 14 | 644 | 285 |
| Payments of lease liabilities | 17 | (5,588) | (5,647) |
| Net cash outflow from financing activities | | (4,944) | (5,362) |
| Increase/(Decrease) in cash and cash equivalents in the year | | 12,083 | (5,126) |
| Cash and cash equivalents at beginning of year | | 8,270 | 13,396 |
| Increase/(Decrease) in cash and cash equivalents in the year | | 12,083 | (5,126) |
| Closing net funds | 13 | 20,353 | 8,270 |

The accounting policies and notes on pages **272–350** form part of these financial statements.

Statements and notes to the accounts

For the year ended 31 March 2025

1. Basis of presentation and principal accounting policies

The Office of Communications (Ofcom) is a statutory corporation that provides a broad range of regulatory services and is domiciled in the United Kingdom. The financial statements of Ofcom for 31 March 2025 have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as well as interpretations issued by the International Financial Reporting Interpretations

Committee (IFRIC) in conformity with the requirements of the Companies Act 2006.

These financial statements have been prepared on a going concern basis under the historical cost convention, except for the revaluation of certain non-current assets and financial instruments that are measured at revalued amounts or fair value, if any, under the accounts direction from the Department for Science, Innovation and Technology (DSIT).

Amounts in the financial statements are stated in pounds sterling, to the nearest thousand,

which is the functional currency of Ofcom.

a. Adoption of new and revised standards

Certain new standards, amendments, and interpretations to existing standards, listed below, have been published but do not have any material impact on the financial statements of Ofcom. The standards and statements below relate to the current accounting period. For Ofcom, the transition dates were at the start of the financial year on 1 April 2024. These amendments have no impact on our figures for the financial year ended 31 March 2025.

- Amendments to IAS 1 (Classification of Liabilities as Current or Non-current, applicable to annual periods beginning on or after 1 January 2024). This clarifies that the classification of liabilities as current or non-current should be based on rights that exist at the end of the reporting period.
- Amendments to IAS 1 (Non-current Liabilities with Covenants, applicable to annual periods beginning on or after 1 January 2024). This clarifies that only those covenants with which an entity must comply on or before the end of the reporting period affect the classification of a liability as current or non-current.
- Amendments to IFRS 16 (Lease Liability in a Sale and Leaseback, applicable to annual periods beginning on or after 1 January 2024). This specifies requirements relating to measuring the lease liability in a sale and

leaseback transaction after the date of the transaction.

- Amendments to IAS 7 and IFRS 7 (Supplier Finance Arrangements, applicable to annual periods beginning on or after 1 January 2024). This requires an entity to provide additional disclosures about its supplier finance arrangements.

Other new standards, amendments, and interpretation to existing standards, listed below, have been published but do not have any material impact on the financial statements of Ofcom and these relate to future accounting periods.

- Amendments to IAS 21 (Lack of Exchangeability Amendments to IAS 1, applicable to annual periods

beginning on or after 1 January 2025). This requires a consistent approach to assessing whether a currency is exchangeable and, when it is not, to determining the exchange rate to use and the disclosures to provide.

- Amendments to IFRS 9 and IFRS 7 (Amendments to the Classification and Measurement of Financial Instruments, applicable to annual periods beginning on or after 1 January 2026). This clarifies how contractual cash flows on financial assets with environmental, social and governance (ESG) and similar features should be assessed when determining if they are consistent with a basic lending arrangement and, hence, whether they

are measured at amortised cost or fair value. Clarifies the date on which a financial asset or financial liability can be derecognised when settlement is via an electronic cash transfer. Requires additional disclosures for certain equity investments and financial investments with contingent features.

- Annual Improvements to IFRS (Accounting Standards Volume 11, applicable to annual periods beginning on or after 1 January 2026). These are minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments, IFRS 10 Consolidated

Financial Statements and IAS 7 Statement of Cash Flows.

- IFRS 18 (Presentation and Disclosure in Financial Statements, applicable to annual periods beginning on or after 1 January 2027). This introduces new requirements for classification of income and expenditure in specified categories and presentation of defined subtotals in the statement of income and expenditure, enhanced guidance and requirements for more useful aggregation and disaggregation of information in the primary financial statements and in the notes; and additional disclosures about management-defined performance measures related to the statement of income

and expenditure.
Supersedes IAS
1 Presentation of
Financial Statements.

b. Income recognition

Income comprises of the fair value of the consideration received or receivable in the ordinary course of Ofcom's activities. Income is shown net of value-added tax, returns, rebates and discounts. Ofcom recognises income when the amount can be reliably measured, and it is probable that future economic benefits will flow to the entity.

The implication of adopting IFRS 15 directly has been assessed, however given the nature of Ofcom's activities and that IFRS 15 relates to commercial organisations it was not considered fully appropriate. Accordingly,

International Accounting Standard (IAS) 8(10) has been applied to adapt IFRS 15 to Public Sector context, to develop an accounting policy that provides information that is relevant and reliable. In doing so, the definition of a contract has been broadened to include legislation and regulation.

IFRS 15 Revenue from Contracts with Customers has a five-stage model for the recognition of income from contracts with customers.

The core principle was to recognise income so that it depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services. Ofcom

considered the five-step process and determined no change to the income recognition approach:

- Ofcom's regulatory activities are carried out at a sector level and thus not specific to individual customers except for the BBC. Ofcom is required by the statute to raise income from each of the sectors it regulates such that it covers the costs to be incurred by Ofcom in regulating that sector together with a proper apportionment of Ofcom's 'common costs' to each of those sectors. Therefore, legislation provides the enforceability on both parties to enable Ofcom to recover its costs from stakeholders.
- The performance obligations relate to the underlying work to be undertaken by Ofcom as regulator of the Communications sector, and as set out in the published Annual Plan. The performance obligations are satisfied when Ofcom has carried out its regulatory duties.
- In each financial year, Ofcom is required to balance its costs with its income. To ensure income reflects costs to the appropriate sector, costs are allocated to sectors/ stakeholders in line with the Statement of Charging Principles.
- Ofcom updates the estimated income to represent faithfully the circumstances present at the end of the financial year and the changes in circumstances during the financial year; and publishes the fees and charges for the

year ahead in the tariff tables.

- Thus, income is calculated and recognised in the year the performance obligations (costs) are incurred, based on cost recovery as set out in the Ofcom budget and adjusted for any under or over recoveries from the previous year. These are accounted for respectively as accrued income in assets and deferred income in liabilities, as there is little or no uncertainty surrounding the recoverability of accrued income, and the reimbursement of deferred income reported on the Statement of Financial Position.
- Income is also recognised for those costs where fees and charges cannot be

raised to stakeholders, primarily for the cost of spectrum management through the retention of Wireless Telegraphy Act (WTA) licence fees in accordance with S401 of the Communications Act 2003 and the Statement of Funding Principles.

- Ofcom's income recognition policy is appropriate and in line with the requirements of IFRS 15 as adapted through IAS 8(10) and HM Treasury's interpretation for the Public Sector.

Ofcom's sources of income are grant-in-aid, WTA receipts retention, stakeholder income and other income such as rental income.

Grant-in-aid from DSIT

Grant-in-aid is provided from DSIT for the funding of the 700MHz clearance programme. This programme oversees the clearance (including mitigation of potential interference) of the UHF 700MHz band. Clearance is undertaken by third parties who are funded by way of capital grants that have been considered and approved in principle by the Spectrum Clearance and Awards Programme Management Board (SCAP-MB), with final approval by HM Treasury.

The grant recipients for the programme request funding from Ofcom once the grant conditions have been satisfied. For awarded grants, Ofcom will only pay monies for actual costs incurred and will recognise the costs on

agreement to pay the recipient the requested funds.

WTA receipts retention

Fees are payable to Ofcom in relation to our spectrum management function. Following the enactment of the Digital Economy Act 2017, Ofcom may retain such sums to fund its general spectrum management functions, as well as to meet the costs of undertaking its other functions for which it cannot otherwise levy fees and charges. As agreed with both HM Treasury and DSIT, WTA receipts will also be used to fund preparatory work for new duties including Online Safety. The monthly retention amount is determined by the planned expenditure for these functions. Income recognition

is on an accrual basis with any over or under recovery adjusted for in the following month's retention amount.

Stakeholder income

Networks and services, postal services administrative fees

These fees are charged to stakeholders in the networks and services and postal services who operate under a non-licenced regime but fall within Ofcom's regulatory powers. These charges are a combination of both planned expenditure for our regulatory work as set out in the Plan of Work and prior year adjustments. This income is accounted for on an accrual basis. Following finalisation of costs at year end, income in excess of the cash expenditure is

classified as deferred income and presented on the Statement of Financial Position as a payable. Conversely, cash expenditure in excess of income received is classified as accrued income and presented on the Statement of Financial Position as a receivable at the end of the reporting date. Any over or under recovery is reflected in the following financial year's costs.

Broadcasting licence fees

Income from broadcasting licence fees represents the amount invoiced to holders of broadcasting licences for our planned regulatory works including any prior year adjustments. This income is accounted for on an accrual basis. Income in excess of the

cash expenditure in the broadcasting's sector is classified as deferred income and presented on the Statement of Financial Position as a payable. Cash expenditure in excess of income received is classified as accrued income and presented on the Statement of Financial Position as a receivable at the end of the reporting date. Any over or under recovery is reflected in the following financial year's costs.

Application fees

For practical reasons, we charge fixed fees for discrete regulatory activities within the control of individual stakeholders (for example, a broadcasting licence application) or where relevant turnover is not an appropriate basis for charging (for example, community

radio). These fees are non-refundable and accordingly, recorded as revenue on receipt of the stakeholder application. However, any under or over recovery is offset against the total sector's costs in the following year. For example, if the total expenditure for radio applications exceeds the revenue from the applications, the under recovery will be included in the total radio regulatory costs to be recovered from radio licence fee payers.

Networks and Information Systems (NIS)

Income from NIS stakeholders represents the amounts due from designated operators of essential services for our regulatory work. This income is accounted for on an accrual basis. As per the NIS regulations,

this income is recovered in arrears; thus, the cash expenditure is classified as accrued income and presented on the Statement of Financial Position as a receivable at the end of the reporting date.

Other income

Non-statutory income is accounted for on an accruals basis and is matched with the expenditure towards which it contributes.

Ofcom is required by legislation to produce a statement of income received, income outstanding, likely to be paid or recovered, and the costs in respect of its regulatory functions. This is shown in Note 2 to the financial statements, thus providing transparency on Ofcom's deferred and accrued income per sector.

c.MG Alba

In accordance with Section 210 of the Communications Act 2003 and Section 183 of the Broadcasting Act 1990, the sums paid by the Scottish Ministers to Ofcom are subsequently paid by Ofcom to the Gaelic Broadcasting Fund managed by MG Alba. As a result, this is not reflected in Ofcom's financial statements.

d. Receipts collected by Ofcom within the scope of Section 400 of the Communications Act 2003

Under Section 400 of the Communications Act 2003, Ofcom is required to collect fees and payments.

The income collected is from five main sources:

- WTA licence fees.
- Government

Department spectrum fees.

- Financial Penalties.
- Additional Payments from television and radio licensees.
- Geographic Numbering.

The income collected (excluding that retained under the Digital Economy Act 2017) was passed to the UK Consolidated Fund at HM Treasury, the Department of Finance and Personnel – Northern Ireland (DFPNI) and to the Treasuries of the Isle of Man, the Bailiwick of Jersey and the Bailiwick of Guernsey under Statutory Instrument 1991, Numbers 998, 1710 and 1709 respectively, directly or via DSIT as Ofcom's sponsoring body.

Ofcom prepares a separate set of financial statements to 31 March each year for the purposes of Section 400 of the Communications Act 2003 which are laid before Parliament.

Thus, no receipts, payments or related Statement of Financial Position items are made in Ofcom's Financial Statements in respect of Section 400 related transactions, unless payments and fees have been collected and deposited into Ofcom's main bank account at the end of the reporting date.

e. Property, plant, and equipment

Property, plant, and equipment include the purchase of new assets and extensions to, enhancements to, or replacement of, existing assets.

Where property, plant and equipment qualify for recognition as an asset, it is initially measured at its cost. The minimum capitalisation threshold is £2,500 and property, plant and equipment is recorded at cost or deemed cost, less accumulated depreciation, and any impairment losses. Capitalisation thresholds are applied to individual items unless it is more appropriate to apply the criteria to an aggregated value. For example, fixed computer hardware such as servers, firewalls and network switches used in offices are capitalised. Whereas, low value, short-life moveable IT equipment is expensed, as Ofcom has no control over the physical environment or manner in which usage takes place.

Any additional costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Ofcom and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

For subsequent measurement of all its property, plant, and equipment, Ofcom follows the cost method, as permitted under IAS 16 Property, Plant and Equipment.

Property, plant, and equipment are depreciated on a straight-line basis, at rates estimated to write off their book values over their estimated useful lives as follows:

| Leasehold Improvements | Period of the Lease |
|----------------------------|---------------------|
| Fixtures and Fittings | 7 years |
| Office and Field Equipment | 4 to 7 years |
| Computer Hardware | 3 to 5 years |
| Vehicles | 5 years |



Depreciation is charged to the Statement of Income and Expenditure from the month following that in which an asset is brought into service. The assets’ residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

Assets under construction represent costs incurred in developing tangible assets. Upon completion, these assets will be transferred to the relevant asset class and depreciated according to the accounting policy.

f. Right-of-use assets and lease liabilities

For any new contracts, Ofcom considers whether a contract is or contains a lease. A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.’ To apply this definition Ofcom assesses whether the contract meets three key evaluations, which are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to Ofcom.
- Ofcom has the right to obtain substantially all the economic

benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.

- Ofcom has the right to direct the use of the identified asset throughout the period of use. Ofcom assesses whether it has the right to direct ‘how and for what purpose’ the asset is used throughout the period of use.

At lease commencement date, Ofcom recognises right-of-use asset and lease liability excluding VAT on the Statement of Financial Position. Right-of-use assets are measured at cost, which is made up of the initial measurement of the lease liability, an estimate of any costs to dismantle and remove the asset at the end

of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received) up to the end of or extension of lease, whichever is later, or up to termination of lease if any.

Ofcom depreciates the right-of-use assets on a straight-line basis at rates estimated to write off their book values from the month in which an asset is brought into service, to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Ofcom also assesses the right-of-use asset for impairment when such indicators exist.

The minimum capitalisation threshold is £2,500 and right-of-use assets are recorded at total costs of the leased contract, less accumulated depreciation, and any impairment losses. Capitalisation thresholds are applied to individual items unless it is more appropriate to apply the criteria to an aggregated value.

After initial measurement, the carrying amount of the right-of-use asset is adjusted by the same amount as the adjustment to the carrying value of the lease liability. There is no immediate gain or loss, but the revised cash flows will impact the Statement of Income and Expenditure over the remaining term of the lease. Exceptions to this principle are

when a reduction in the carrying value of the lease liability is greater than the carrying value of the related right-of-use asset at the point of remeasurement, in which case the asset is reduced to nil and the excess is recognised in the Statement of Income and Expenditure, and in many cases where a lease modification decreases the scope of an existing lease. Revaluation of right-of-use assets, if any, will be recognised in the revaluation reserve.

Ofcom measures the lease liability at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily available or in accordance with HM Treasury rate of 4.81 per cent for calendar year

2025 (4.72 per cent for calendar year 2024).

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), and if any, the variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

After initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset,

or the Statement of Income and Expenditure if the right-of-use asset is already reduced to zero.

Ofcom has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expenditure in the Statement of Income and Expenditure.

Liability for leases not yet commenced to which Ofcom is committed to, is recorded on the Statement of Financial Position only from the date of a signed lease agreement.

Initial direct costs

These are the incremental costs of obtaining a lease that would not have been incurred if the lease had not been obtained. These might include costs such as finder's fees, commissions to agents for establishing the lease and up-front fees. Ofcom has incurred such costs because of signing new leases during the year and these have been added to the right-of-use assets in the financial statements.

Use of hindsight

An entity may use hindsight in determining the lease term if the contract contains options to extend or terminate the lease. It is available only when an entity follows a modified retrospective approach. A key benefit of a

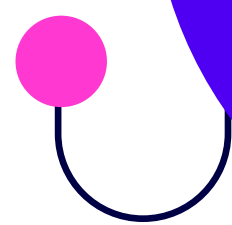
modified retrospective approach is that an entity can transition its operating leases using information as at the date of initial application.

Subleases

IFRS 16 Leases requires an intermediate lessor to classify subleases as a finance lease or an operating lease as follows:

- If the head lease is a short-term lease, the sublease is classified as an operating lease.
- Otherwise, the sublease is classified with reference to the right-of-use asset arising from the head lease, rather than with reference to the underlying asset.
- Derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognises the net investment in the sublease.
- Recognises any difference between the right-of-use asset and the net investment in the sublease in the Statement of Income and Expenditure as (Gain)/Loss on disposal of non-current assets.
- Retains the lease liability relating to the head lease in the Statement of Financial Position, which represents the lease payments owed to the head lessor.

Ofcom has classified its subleases as finance lease and therefore:



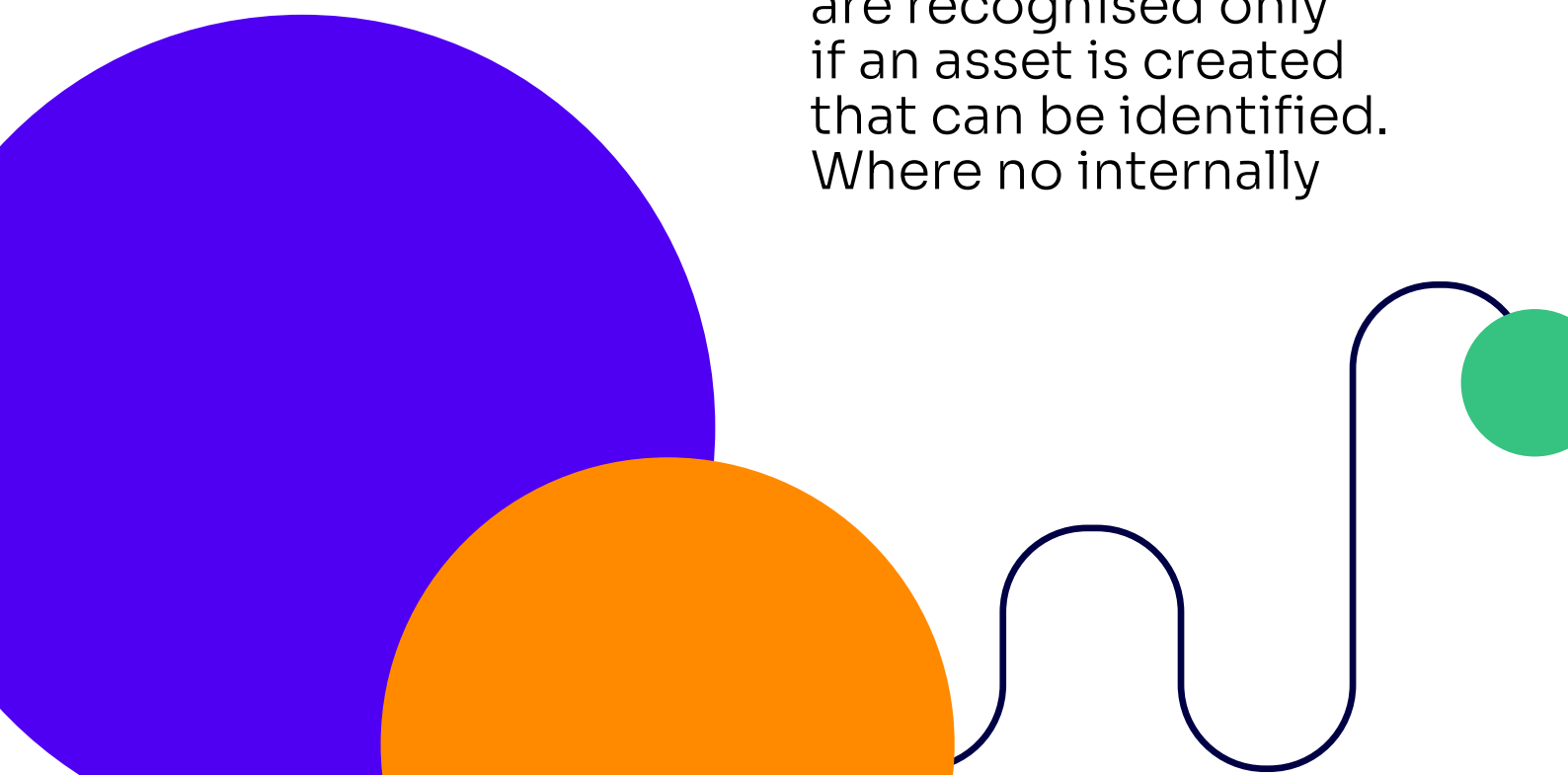
During the sublease, Ofcom as the intermediate lessor, recognises interest expense on the head lease (lease liability) and finance income on the sublease in the Statement of Income and Expenditure.

g. Intangible assets

After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment losses as per IAS 38 Intangible

Assets. Expenditure capitalised includes the costs of software applications, related licence fees, and the information technology which relates to the development of our core systems. The minimum capitalisation threshold is £2,500. Capitalisation thresholds are applied to individual items unless it is more appropriate to apply the criteria to an aggregated value.

Internally generated intangible non-current assets, such as computer software, are recognised only if an asset is created that can be identified. Where no internally



generated intangible asset can be recognised, development cost is recorded as an expenditure in the period in which it is incurred.

Any additional costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Ofcom and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

Amortisation of capitalised intangible asset is charged to the Statement of Income and Expenditure on a straight-line basis, from the month following that in which an asset is brought into service, over the estimated useful life of the asset

of 3 to 5 years. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Systems under development comprise of costs incurred in developing software, which will replace some of the current applications. Upon completion, these assets will be transferred to the relevant asset class and amortised according to the accounting policy.

Gains and losses on disposals are recognised within '(Gain)/Loss on disposal of non-current assets' in the 'Other operating

expenditure' note per the Statement of Income and Expenditure.

h. Impairment of property, plant and equipment, intangible assets, and right-of-use assets

At each reporting date, the carrying value of non-current assets are reviewed to determine if there is some indication that the carrying value of the assets may have been impaired as per IAS 36 Impairment of Assets.

An asset's carrying amount is written down immediately, as an impairment loss, to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

On adoption of IFRS 16, all impairment and onerous leases across existing leased

properties were remeasured to take account of the impact of the change in accounting for leases on the measurement of impairments. No changes in the underlying assumptions were made during this remeasurement.

Material impairments are disclosed separately in the notes to the Statement of Income and Expenditure and the Statement of Financial Position. Assets that suffered impairment are reviewed for reversal of the impairment at each reporting date.

i. Financial instruments

Trade and other receivables

Trade receivables are amounts due from stakeholders for licences, fees, and charges. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are non-interest bearing and recognised initially at fair value less any write off for impairment. Gains and losses on subsequent measurement are recognised as fair value entirely in the Statement of Income and Expenditure.

Prepayments are payments which have

been made, but the benefits of which have not been consumed.

Accrued income – see Note 1(b) income recognition.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and amounts due to the Consolidated Fund. Interest income receivable on cash and cash equivalents is recognised as it is earned.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is

due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are non-interest bearing and recognised initially at fair value.

Other payables represent money owing to third parties at the reporting date.

Deferred income – see Note 1(b) income recognition.

Financial risks and impairment of financial instruments

IAS 32 Financial Instruments: Presentation requires disclosure of the role which financial instruments have had during the year in creating or changing

the risks an entity faces in undertaking its activities. Ofcom has no significant exposure to liquidity, interest rate, or currency risks. Because of the nature of activities and the way in which Ofcom is financed, it is not exposed to the degree of financial risks faced by commercial business entities.

Moreover, financial instruments play a limited role in creating or changing risk as compared to listed companies to which IAS 32 applies. Ofcom has limited powers to borrow or invest surplus funds. Financial assets and liabilities that are generated by day-to-day operational activities do not change the risks facing Ofcom in undertaking its activities.

The adoption of IFRS 9 Financial Instruments

has no material impact to Ofcom's results. Ofcom's trade receivables or contract assets have no significant financing component nor exposure to credit risks, with any under recovery of stakeholder fees each year to be recovered through the following years' tariffs. Ofcom has assessed the loss allowance at initial recognition at an amount equal to lifetime expected credit loss, and the outcome was immaterial. Therefore, to ensure this remains the same throughout the life of the receivable, Ofcom continues to appraise the robustness of its monthly credit control and impairment of financial assets, if any, at the end of each financial year.

j. Employee benefits

Pensions

Ofcom has a range of pension plans which include a defined contribution plan, two defined benefit plans and an unfunded plan.

Defined contribution scheme

A defined contribution plan is a post-employment benefit under which Ofcom pays contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Obligations under Ofcom's defined contribution scheme are recognised within staff costs as an expenditure in the Statement of Income and Expenditure as incurred. New employees may join the stakeholder pension

scheme, which is a defined contribution scheme.

Defined benefit plans

A defined benefit plan is a post-employment benefit where the benefits its members are entitled to are pre-determined by a formula. Ofcom's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned during their membership of the plan. That benefit is discounted to determine its present value, and the fair value of plan assets is deducted. The discount rate is the yield at the reporting date on high quality bonds that have maturity dates approximating the terms of Ofcom's

obligations and that are denominated in the same currency in which the benefits are expected to be paid. The calculation is performed annually by a qualified actuary using the projected unit credit method.

When the calculation results in a benefit to Ofcom, the recognised asset is limited to the present value of any future refunds. Actuarial gains and losses are recognised in other comprehensive income/(expenditure) within the Statement of Comprehensive Net Income/(Expenditure) in full in the period in which they occur. Interest income and costs, and administration costs of the defined benefit plans are recognised in the Statement of Income and Expenditure in the current period.

Ofcom participates in two defined benefit pension schemes which relate to staff that transferred to Ofcom from legacy regulators. These schemes are closed to new members and following consultation with Plan members have been closed for future accrual as from 1 June 2011.

The Ofcom Defined Benefit Pension Plan provides benefits that are broadly equivalent to the Principal Civil Service Pension Scheme (PCSPS). The second scheme is the Ofcom (Former ITC) Staff Pension Plan. This is a multi-employer scheme with Ofcom, S4C, S4C Masnachol and the Advertising Standards Authority (ASA) as participating employers, the financial statements represent Ofcom's share of the assets and liabilities. The

assets of both schemes are held in separately administered trusts.

IAS 19 Employee Benefits requires that, where a scheme is in surplus according to the IAS 19 assumptions, the surplus can only be recognised on the Statement of Financial Position if an economic benefit is "available" to it because of the surplus.

Unfunded schemes

Ofcom also has liabilities in respect of pension payments to two former Chairmen of the Independent Television Commission, one former Chairman of the Radio Authority and two former Directors General of The Office of Telecommunications. These unfunded benefits are accounted for under IAS 19 via a provision in the Statement of Financial Position equal

to the actuarial value of these liabilities.

Colleagues leave liability

Under IAS 19 all costs must be recorded as an expenditure as soon as the obligation to pay employees arises. This includes the cost of any untaken leave as at the year end.

Colleagues who have completed five years of continuous service are entitled to a paid sabbatical of five weeks and thereafter accrue one week for each additional year of service subject to a maximum of ten weeks.

An accrual, based on management's best estimates using current salary data, is included as part of accruals. As from 1 January 2008, this benefit was withdrawn for new employees.

k. Provisions

Provisions for early retirement and legal provisions are recognised when:

The severance package for some colleagues who transferred to Ofcom on their old Civil Service terms and conditions of employment are provided from the date of early retirement until retiring age. The colleague receives an annual compensation payment equal to the preserved pension which is paid by monthly instalments in arrears like a pension. It begins to accrue on the day immediately following the date of retirement and continues until the preserved pension comes into payment, when it stops.

Ofcom has a present legal or constructive obligation as a result of past events and for

estimated third party legal costs and damages in respect of challenges to regulatory decisions of Ofcom where it is judged probable that these will be payable; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

1. Foreign exchange

Transactions designated in foreign currencies are translated into pounds sterling at the rate of exchange prevailing at the transaction date. Monetary assets and liabilities designated in foreign currencies are translated at the rates prevailing at the reporting date with the resulting profit or loss recognised in the Statement of Income and Expenditure for the year.

m. Current tax

HM Revenue and Customs has ruled that Ofcom's regulatory functions do not constitute a trading business. Consequently, Ofcom is unable to recover VAT on expenditure which it incurs as part of its regulatory activities.

Corporation Tax is assessable on interest

received, and in respect of rental income.

n. Segmental analysis

A segment is a distinguishable component of the organisation that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment) and is subject to risks and rewards that are different from those of other segments. No analysis of Ofcom's turnover from operations by geographical segment or business segment has been presented as all Ofcom's activities are carried out in the UK and within the regulatory sector. However, to meet with the requirements of the Communications Act 2003 to provide

information on costs and fees, Note 2 to these financial statements presents the Statement of Income and Expenditure for the year under review by sector.

o. Areas of judgement and key sources of estimation uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities and the reported amounts of income and expenditure during the reporting period. Actual results could differ from these estimates. Information about such judgements and estimations is contained in the accounting policies or the notes to the financial statements, and the key

areas are summarised below.

The areas of judgement that have the most significant effect on the amounts recognised in the financial statements are as follow:

- Legal provisions – accounting policy (k)
- Income recognition and assessment of unbilled income – accounting policy (b)

The sources of estimation uncertainty that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- Estimation of liabilities for pensions and other post-retirement benefits – accounting policy (j)
- Judgement about whether a contract contains a lease (f)

2. Sectoral analysis

The analysis below refers to income by sector for the year ended 31 March 2025, together with attributable costs. This is prepared in accordance with the Communications Act 2003 and Postal Services Act 2011 and not in terms of IFRS 8 Operating Segments, as per the accounting policy Note 1(n).

| | Spectrum Management | Spectrum Clearance | Satellite Filings | Network and Information Services | Networks and Services | Broadcasting | Online Safety | Postal Regulation | Other regulatory activities | 2024/25 Total | 2023/24 Total |
|---|---------------------|--------------------|-------------------|----------------------------------|-----------------------|-----------------|-----------------|-------------------|-----------------------------|------------------|------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Income | | | | | | | | | | | |
| Licence, regulation and administration fees | - | - | 438 | 24 | 43,281 | 23,072 | - | 4,549 | 401 | 71,765 | 67,495 |
| Application fees | - | - | - | - | 220 | 195 | - | - | - | 415 | 222 |
| Grant-in-aid (GIA) | - | 262 | - | - | - | - | - | - | - | 262 | 1,356 |
| WTA receipts retention | 54,018 | - | - | - | - | - | 73,922 | - | 23,280 | 151,220 | 123,035 |
| Accrued/(Deferred) income | (1,754) | - | 314 | 644 | (7,254) | 2,491 | (2,762) | (145) | (5,715) | (14,181) | (3,258) |
| Operating income | 52,264 | 262 | 752 | 668 | 36,247 | 25,758 | 71,160 | 4,404 | 17,966 | 209,481 | 188,850 |
| Other income | 133 | - | 2 | 2 | 97 | 69 | 191 | 12 | 166 | 672 | 658 |
| Interest receivable | 201 | - | 3 | 3 | 148 | 105 | 290 | 18 | 74 | 842 | 643 |
| Total (Cash income) | 52,598 | 262 | 757 | 673 | 36,492 | 25,932 | 71,641 | 4,434 | 18,206 | 210,995 | 190,151 |
| Adjustment to operating expenditure | (334) | - | (5) | (5) | (245) | (174) | (481) | (30) | (240) | (1,514) | (1,301) |
| Other costs | (52,264) | (262) | (752) | (668) | (36,247) | (25,758) | (71,160) | (4,404) | (17,966) | (209,481) | (188,850) |
| Total (Cash operating expenditure) | (52,598) | (262) | (757) | (673) | (36,492) | (25,932) | (71,641) | (4,434) | (18,206) | (210,995) | (190,151) |
| Surplus on cash costs basis | - | - | - | - | - | - | - | - | - | - | - |
| Comparative costs by sector | | | | | | | | | | | |
| Year ended 31 March 2025 | (52,598) | (262) | (757) | (673) | (36,492) | (25,932) | (71,641) | (4,434) | (18,206) | (210,995) | - |
| Year ended 31 March 2024 | (52,970) | (1,179) | (860) | (383) | (35,526) | (24,019) | (54,631) | (4,960) | (15,623) | (190,151) | - |

The table on page **303** is prepared on an adjusted cash basis, which includes capital expenditure and actual contributions to pension schemes, but excludes depreciation and amortisation. In accordance with Ofcom's accounting policies, as set out in Note 1(b) to these accounts, grant-in-aid and WTA receipts retention are allocated and matched to costs in the year to which they relate.

Licence and administrative fees: These are set based on Ofcom's estimated

cash costs. Where, in the current year, income exceeds expenditure, the surplus is rebated to the relevant stakeholders. Conversely, where expenditure exceeds income, the resulting deficit is recovered from stakeholders, in line with Ofcom's Statement of Charging Principles.

Spectrum Clearance: Ofcom claimed £67k in grant-in-aid from DSIT during 2024/25 to support the final phase of the Spectrum Clearance programme, following delays in decommissioning the temporary mast at

Emley Moor, which was completed by 31 March 2025. As at year-end, there is no remaining grant-in-aid balance (2023/24: £177k).

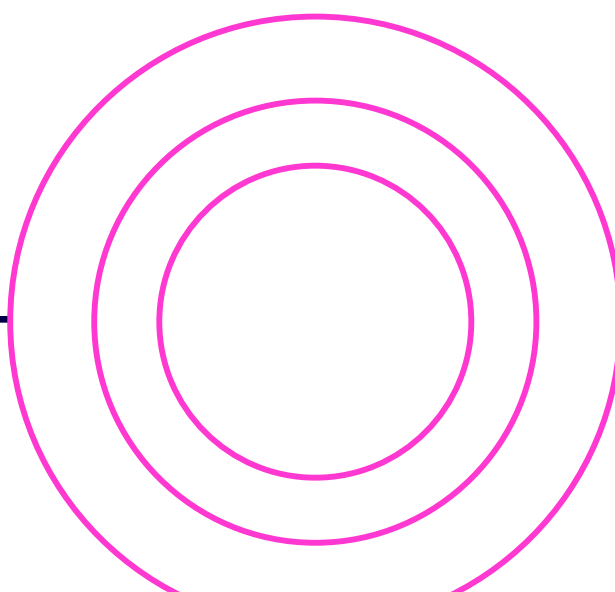
Broadcasting: This includes licence fees charged to Ofcom's licensed broadcasters, as well as the charge to the BBC in relation to its regulatory responsibilities.

Online Safety:
Expenditure increased during the year, reflecting the completion of preparatory work ahead of the regime's go-live in March 2025.

Other regulatory activities comprise:

- Expenditure in respect of duties for competition enquiries, public interest test activity, nuisance calls, consumer protection, and the costs of our telecom security duties; WTA receipts are used to fund these cost categories.
- Regulation of Premium Rate Services (PRS).
- Adjudicator income.
- Commercial activities including spectrum interference work.
- Rental income from sub-letting surplus properties' space.

Following the transfer of day-to-day regulation of PRS to Ofcom, we received £396k from PSA which was offset against the sector's regulatory cost of £135k in 2024/25. The balance of £261k will be used to offset the fees in 2025/26.



Reconciliation from operating expenditure to final operating costs out-turn

| | Notes | 2024/25 £'000 | 2023/24 £'000 |
|--|-------|------------------|------------------|
| Operating expenditure – Statement of Income and Expenditure | | 209,229 | 190,973 |
| Adjustments in respect of pension asset and liability | | 1,311 | 386 |
| Capital expenditure less depreciation and amortisation | 8,10 | 694 | (1,231) |
| Right-of-use assets depreciation | 9 | (4,791) | (5,015) |
| Lease receivables | 14 | (644) | (285) |
| Lease payments | 17 | 5,588 | 5,647 |
| Other adjustments | | (392) | (324) |
| Cash operating expenditure | | 210,995 | 190,151 |
| Spectrum Clearance | 4,6 | (262) | (1,179) |
| International Telecommunication Union (ITU) Subscription | | (2,891) | (2,826) |
| Non-operating income | | (1,514) | (1,301) |
| Finance operating costs out-turn | | 206,328 | 184,845 |

Other adjustments reflect the movement in year of non-cash related matters.

Non-operating income includes higher bank interest received, attributed to a rise in interest rates.

As required by both the Communications Act 2003 and Postal Services Act 2011, the table below shows cash received during the financial year and the amount outstanding for the Network and Services, Broadcasting and Post sectors.

| | Cash received in 2024/25 £'000 | Amount outstanding £'000 |
|-----------------------|--------------------------------------|--------------------------------|
| Sectors | | |
| Networks and Services | 40,533 | 247 |
| Broadcasting | 24,261 | 54 |
| Post | 3,792 | - |
| Total | 68,586 | 301 |

3. Income

| | Ofcom £'000 | Spectrum Clearance £'000 | Total 2024/25 £'000 | Ofcom £'000 | Spectrum Clearance £'000 | Total 2023/24 £'000 |
|---|----------------|--------------------------------|---------------------------|----------------|--------------------------------|---------------------------|
| Grant-in-aid from DSIT | | | | | | |
| Spectrum Clearance | - | 262 | 262 | - | 1,179 | 1,179 |
| Total grant-in-aid | - | 262 | 262 | - | 1,179 | 1,179 |
| WTA receipts retention | | | | | | |
| Spectrum Management | 52,264 | - | 52,264 | 52,649 | - | 52,649 |
| Online Safety | 71,160 | - | 71,160 | 54,281 | - | 54,281 |
| Ex-post Competition | 246 | - | 246 | 1,506 | - | 1,506 |
| Nuisance Calls | 1 | - | 1 | 26 | - | 26 |
| Consumer Protection | - | - | - | 1 | - | 1 |
| Video Sharing Platform | 3,680 | - | 3,680 | 4,031 | - | 4,031 |
| Public Interest Test | 5 | - | 5 | 270 | - | 270 |
| Telecoms Security Duties | 7,298 | - | 7,298 | 6,649 | - | 6,649 |
| Network and Information Systems | 261 | - | 261 | 267 | - | 267 |
| HFSS | 489 | - | 489 | 277 | - | 277 |
| Media Act | 3,442 | - | 3,442 | 920 | - | 920 |
| Media Ownership | 236 | - | 236 | 848 | - | 848 |
| DRCF AI Advisory Service | 1,011 | - | 1,011 | - | - | - |
| DMCC Act | 47 | - | 47 | - | - | - |
| Premium Rate Services | 984 | - | 984 | 620 | - | 620 |
| Satellite Filings | 752 | - | 752 | 854 | - | 854 |
| Total WTA receipts retention | 141,876 | - | 141,876 | 123,199 | - | 123,199 |
| Stakeholder income | | | | | | |
| Networks and Services administrative and application fees | 36,247 | - | 36,247 | 35,298 | - | 35,298 |
| Broadcasting Act licence and application fees | 25,630 | - | 25,630 | 23,631 | - | 23,631 |
| Postal Regulation | 4,404 | - | 4,404 | 4,928 | - | 4,928 |
| Video on Demand | 128 | - | 128 | 234 | - | 234 |
| Networks and Information Systems | 668 | - | 668 | 381 | - | 381 |
| PRTS Stakeholder Funded | 265 | - | 265 | - | - | - |
| Sublease income other | 153 | - | 153 | 144 | - | 144 |
| Other income | 1,362 | - | 1,362 | 1,157 | - | 1,157 |
| Total stakeholder income | 68,857 | - | 68,857 | 65,773 | - | 65,773 |
| Total income | 210,733 | 262 | 210,995 | 188,972 | 1,179 | 190,151 |

Broadcasting Act licence and application fees include the charge to the BBC in relation to BBC regulatory responsibilities.

Spectrum Clearance income has been presented separately from core Ofcom income in order to provide a more meaningful comparison between the years.

4. Staff costs

| | Ofcom £'000 | Spectrum Clearance £'000 | Total 2024/25 £'000 | Ofcom £'000 | Spectrum Clearance £'000 | Total 2023/24 £'000 |
|---|----------------|--------------------------------|---------------------------|----------------|--------------------------------|---------------------------|
| Staff costs, including fees paid to Board Members, were: | | | | | | |
| Salaries and benefits | 113,210 | - | 113,210 | 104,145 | - | 104,145 |
| National Insurance costs | 13,057 | - | 13,057 | 11,761 | - | 11,761 |
| Pension costs | 11,445 | - | 11,445 | 10,299 | - | 10,299 |
| Restructuring costs | 778 | - | 778 | 944 | - | 944 |
| Total staff costs | 138,490 | - | 138,490 | 127,149 | - | 127,149 |

Spectrum Clearance costs have been presented separately from core Ofcom staff costs in order to provide a more meaningful comparison between the years.

During the year, 9 (2023/24: 13) employees were seconded to other organisations and thus this credit is included within the staff costs line in the table above.

The restructuring costs in 2024/25 relate to restructuring activities completed in the year for 15 employees (2023/24: 18) and includes costs unpaid at year end relating to 13 employees (2023/24: 6).

More detailed information in respect of the remuneration and pension entitlements of the senior executives and Group Directors is shown in the remuneration report on pages **230–253**.

5. Employee numbers

| | 2024/25 | 2023/24 |
|---|---------|---------|
| The average number of full-time equivalents (FTE) employees | 1,557 | 1,424 |

The number of full-time employees as at 31 March is categorised by management level in the table below. The increase from the previous year is mainly due to additional resources employed for Online Safety duties.

| 31 March 2025 | Total 2024/25 FTE | Total 2024/25 % | Total 2023/24 FTE | Total 2023/24 % |
|------------------------------|-------------------------|-----------------------|-------------------------|-----------------------|
| Administrator | 76 | 5 | 78 | 5 |
| Associate | 461 | 29 | 408 | 28 |
| Senior Associate | 716 | 44 | 648 | 44 |
| Principal | 280 | 17 | 270 | 18 |
| Senior Management Specialist | 75 | 5 | 79 | 5 |
| Total employees (FTE) | 1,608 | 100 | 1,483 | 100 |

Non-Executive Members of the Ofcom Board, Content Board, Advisory Committees and employees seconded to Ofcom are excluded from employee numbers.

6. Other operating expenditure

| | Ofcom £'000 | Spectrum Clearance £'000 | Total 2024/25 £'000 | Ofcom £'000 | Spectrum Clearance £'000 | Total 2023/24 £'000 |
|---|----------------|--------------------------------|---------------------------|----------------|--------------------------------|---------------------------|
| Auditor's remuneration – statutory audit fees | 156 | - | 156 | 136 | - | 136 |
| Auditor's remuneration – Section 400 | 19 | - | 19 | 18 | - | 18 |
| Professional fees | 4,628 | - | 4,628 | 3,530 | - | 3,530 |
| Outsourced services | 15,821 | - | 15,821 | 14,758 | - | 14,758 |
| Audience and consumer research | 9,449 | - | 9,449 | 6,767 | - | 6,767 |
| Technological research and spectrum efficiency projects | 318 | - | 318 | 491 | - | 491 |
| Spectrum Clearance scheme | - | 262 | 262 | - | 1,179 | 1,179 |
| Temporary staff and recruitment | 4,234 | - | 4,234 | 3,707 | - | 3,707 |
| Travel and subsistence | 2,190 | - | 2,190 | 1,994 | - | 1,994 |
| Premises costs | 6,566 | - | 6,566 | 6,912 | - | 6,912 |
| Administration and office expenses | 9,578 | - | 9,578 | 8,215 | - | 8,215 |
| Information and technology costs | 9,240 | - | 9,240 | 7,751 | - | 7,751 |
| Vehicles | 150 | - | 150 | 146 | - | 146 |
| Bad and doubtful debt | 11 | - | 11 | 4 | - | 4 |
| Amortisation | 59 | - | 59 | 45 | - | 45 |
| Depreciation | 3,141 | - | 3,141 | 3,159 | - | 3,159 |
| Depreciation ROU lease assets | 4,791 | - | 4,791 | 5,015 | - | 5,015 |
| (Gain)/Loss on disposal of non-current assets | 126 | - | 126 | (3) | - | (3) |
| Total other operating expenditure | 70,477 | 262 | 70,739 | 62,645 | 1,179 | 63,824 |

Spectrum Clearance costs have been presented separately from core Ofcom other operating expenditure in order to aid transparency and provide a more meaningful comparison between the years. The costs incurred during the year relates to the decommissioning works carried out at the temporary mast site at Emley Moor, which is now completed.

The increases in “Outsourced services” and “Audience and consumer research” are primarily attributed to the growth in Online Safety and new duties under the Media Act.

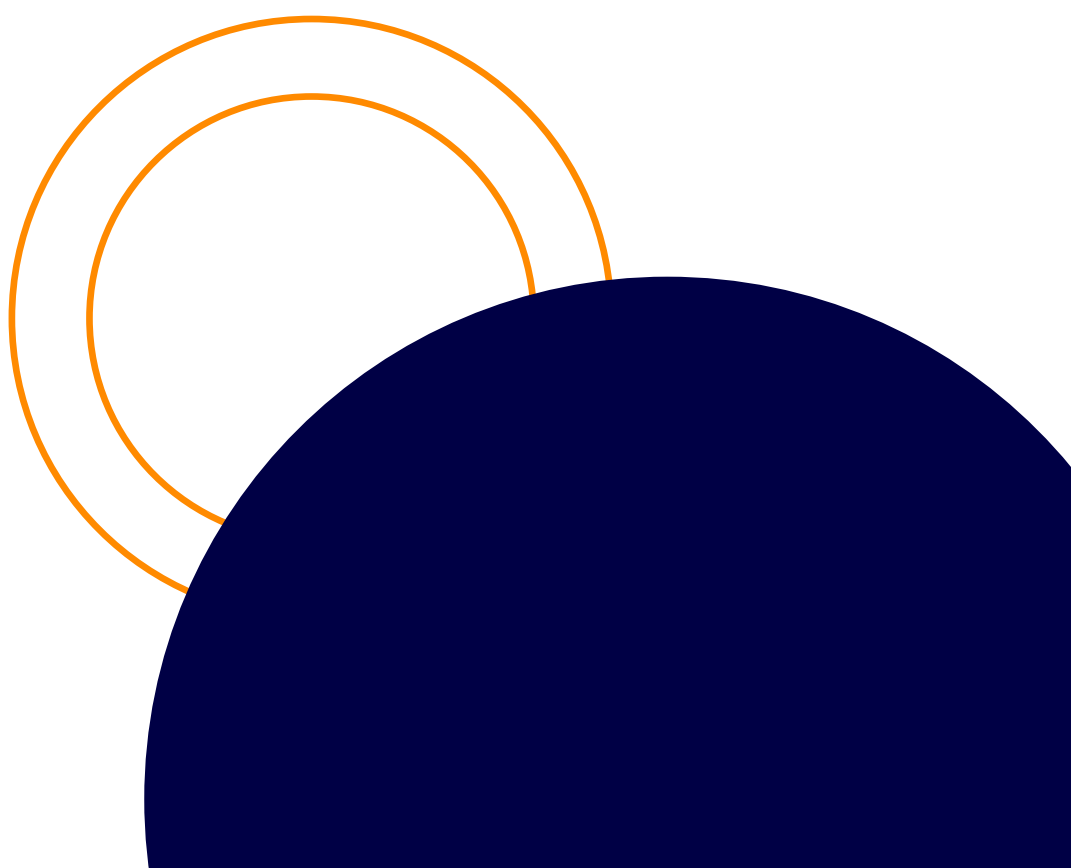
The increase in “Information and technology costs” is mainly due to higher license fees from an increased headcount in Online Safety during the year.

A provision was made in “Professional fees” for a legal case in this financial year.

7. Taxation

| | 2024/25 £'000 | 2023/24 £'000 |
|--|------------------|------------------|
| Reconciliation of tax charge | | |
| Surplus/(Deficit) before tax for the year | 1,634 | (1,064) |
| Tax on profit at the UK standard rate of Corporation Tax of 25% (2023/24: 25%) | 409 | (266) |
| Tax effect of: | | |
| Income not subject to tax | (52,492) | (47,316) |
| Expenses not subject to tax | 52,340 | 47,804 |
| Decrease to brought forward tax losses | (257) | (222) |
| Tax charge | - | - |

At the reporting date, Ofcom had unutilised tax losses available for offset against future taxable income of £9,239k (2023/24: £10,267k). No deferred tax asset is recognised in respect of these losses as it is not probable that sufficient taxable income will arise against which the losses can be utilised.



8. Property, plant and equipment

| | Leasehold improvements £'000 | Fixtures and fittings £'000 | Office and field equipment £'000 | Computer hardware £'000 | Vehicles £'000 | Assets under construction £'000 | Total £'000 |
|--|------------------------------------|-----------------------------------|--|-------------------------------|-------------------|---------------------------------------|----------------|
| Cost | | | | | | | |
| At 1 April 2023 | 9,996 | 2,238 | 14,772 | 3,648 | 736 | 988 | 32,378 |
| Additions during year | 231 | 11 | 262 | - | - | 1,469 | 1,973 |
| Disposals | (107) | (15) | - | (500) | (26) | - | (648) |
| Transfers | 715 | - | 540 | 610 | - | (1,865) | - |
| At 31 March 2024 | 10,835 | 2,234 | 15,574 | 3,758 | 710 | 592 | 33,703 |
| Additions during year | 345 | 375 | 5 | 35 | - | 3,035 | 3,795 |
| Disposals | - | (65) | (112) | (234) | (28) | - | (439) |
| Transfers | 271 | 56 | 503 | 85 | 35 | (950) | - |
| Cost at 31 March 2025 | 11,451 | 2,600 | 15,970 | 3,644 | 717 | 2,677 | 37,059 |
| Depreciation | | | | | | | |
| At 1 April 2023 | 3,557 | 1,304 | 9,594 | 2,003 | 734 | - | 17,192 |
| Charge for the year | 906 | 294 | 1,129 | 828 | 2 | - | 3,159 |
| Disposals | (107) | (15) | - | (500) | (26) | - | (648) |
| At 31 March 2024 | 4,356 | 1,583 | 10,723 | 2,331 | 710 | - | 19,703 |
| Charge for the year | 935 | 287 | 1,102 | 811 | 6 | - | 3,141 |
| Disposals | - | (56) | (112) | (233) | (28) | - | (429) |
| Accumulated depreciation at 31 March 2025 | 5,291 | 1,814 | 11,713 | 2,909 | 688 | - | 22,415 |
| NBV 31 March 2025 | 6,160 | 786 | 4,257 | 735 | 29 | 2,677 | 14,644 |
| NBV 31 March 2024 | 6,479 | 651 | 4,851 | 1,427 | - | 592 | 14,000 |

Equipment purchased for the Spectrum Clearance and Awards programme has been included in Ofcom's asset registers under Field Equipment.

9. Right-of-use assets

Ofcom leases of assets include buildings, vehicles and office equipment. Information about leases for which Ofcom is a lessee is presented below.

| | Buildings £'000 | Vehicles £'000 | Others £'000 | Total £'000 |
|--|--------------------|-------------------|-----------------|----------------|
| Cost | | | | |
| At 1 April 2023 | 53,076 | 598 | 125 | 53,799 |
| Additions during year | 2,573 | 8 | - | 2,581 |
| Disposals | (341) | (22) | (11) | (374) |
| At 31 March 2024 | 55,308 | 584 | 114 | 56,006 |
| Additions during year | 12 | - | 44 | 56 |
| Disposals | (7,832) | (25) | - | (7,857) |
| Cost at 31 March 2025 | 47,488 | 559 | 158 | 48,205 |
| Depreciation | | | | |
| At 1 April 2023 | 17,837 | 230 | 69 | 18,136 |
| Charge for the year | 4,874 | 118 | 23 | 5,015 |
| Decreases | (341) | (20) | (11) | (372) |
| At 31 March 2024 | 22,370 | 328 | 81 | 22,779 |
| Charge for the year | 4,662 | 107 | 22 | 4,791 |
| Decreases | (4,359) | (25) | - | (4,384) |
| Accumulated depreciation at 31 March 2025 | 22,673 | 410 | 103 | 23,186 |
| NBV 31 March 2025 | 24,815 | 149 | 55 | 25,019 |
| NBV 31 March 2024 | 32,938 | 256 | 33 | 33,227 |

During the financial year, Ofcom extended the leases for the Wraysbury mast site and its printing facilities. Additionally, Ofcom disposed of the remaining space on the 4th floor of its London office, thereby transferring all the risks and benefits associated with that space to the subtenant.

10. Intangible assets

| | Software licences £'000 | Information technology £'000 | Systems under development £'000 | Total £'000 |
|--|-------------------------------|------------------------------------|---------------------------------------|----------------|
| Cost | | | | |
| At 1 April 2023 | 4,378 | 12,355 | 90 | 16,823 |
| Disposals | - | (2) | - | (2) |
| Transfers | 4 | 86 | (90) | - |
| At 31 March 2024 | 4,382 | 12,439 | - | 16,821 |
| Additions during year | - | - | 99 | 99 |
| Disposals | (30) | (27) | - | (57) |
| Cost at 31 March 2025 | 4,352 | 12,412 | 99 | 16,863 |
| Amortisation | | | | |
| At 1 April 2023 | 4,378 | 12,291 | - | 16,669 |
| Charge for the year | 1 | 44 | - | 45 |
| Disposals | - | (2) | - | (2) |
| At 31 March 2024 | 4,379 | 12,333 | - | 16,712 |
| Charge for the year | 1 | 58 | - | 59 |
| Disposals | (30) | (27) | - | (57) |
| Accumulated amortisation at 31 March 2025 | 4,350 | 12,364 | - | 16,714 |
| NBV 31 March 2025 | 2 | 48 | 99 | 149 |
| NBV 31 March 2024 | 3 | 106 | - | 109 |

11. Trade and other receivables: current assets

| | As at 31 March 2025 £'000 | As at 31 March 2024 £'000 |
|--|---------------------------------|---------------------------------|
| Trade receivables | 531 | 804 |
| Other receivables | 71 | 80 |
| Prepayments | 8,953 | 7,199 |
| Staff loans and advances | 80 | 36 |
| Accrued Income - Stakeholder | 2,532 | 2,487 |
| Accrued Income - WTA Receipts | 1,301 | 4,271 |
| Total trade and other receivables: current assets | 13,468 | 14,877 |

The increase in Prepayments was mainly due to renewal of various annual software maintenance and subscriptions contracts towards the end of the financial year.

The decrease in 'Accrued income - WTA Receipts' is due to reduced Ex-post Competition and Media Ownership activities this financial year.

12. Trade and other receivables: non-current assets

| | As at 31 March 2025 £'000 | As at 31 March 2024 £'000 |
|--|---------------------------------|---------------------------------|
| Accrued Income - Stakeholder | 2,093 | 874 |
| Total trade and other receivables: non-current assets | 2,093 | 874 |

The increase is mainly due to the unforecasted legal costs within the broadcasting sector.

13. Cash and cash equivalents

| | As at 31 March 2025 | As at 31 March 2024 |
|--|------------------------|------------------------|
| | £'000 | £'000 |
| Commercial banks and cash in hand | 20,353 | 8,270 |
| Total cash and cash equivalents | 20,353 | 8,270 |

All activities and cash balances relating to Licence Fees and Penalties are separated from the Ofcom accounts and are disclosed in the Section 400 accounts.

The increase is due to higher income received which will be allocated for regulatory duties across Networks and Services, Online Safety and other regulatory services.

14. Lease receivables

A maturity analysis of lease payments receivable based on undiscounted gross and discounted net cash flows for rent due on the sublet of part of the London building is reported in the table below:

| | As at 31 March 2025 | As at 31 March 2024 |
|---|------------------------|------------------------|
| | £'000 | £'000 |
| Maturity analysis – contractual cash flows: undiscounted | | |
| Year 1 | 991 | 289 |
| Year 2 | 1,012 | 296 |
| Year 3 | 1,031 | 302 |
| Year 4 | 1,052 | 308 |
| Year 5 | 1,073 | 314 |
| More than five years | - | 319 |
| Total lease receivables: undiscounted | 5,159 | 1,828 |
| Finance income for sublease | (618) | (208) |
| Total lease receivables: discounted | 4,541 | 1,620 |

| | As at 31 March 2025 | As at 31 March 2024 |
|--|------------------------|------------------------|
| Amounts recognised in the Statement of Financial Position | £'000 | £'000 |
| Lease receivables: current assets | 794 | 233 |
| Lease receivables: non-current assets | 3,747 | 1,387 |
| Total lease receivables: discounted | 4,541 | 1,620 |

| | As at 31 March 2025 | As at 31 March 2024 |
|--|------------------------|------------------------|
| Amounts recognised in the Statement of Income and Expenditure | £'000 | £'000 |
| Interest on lease receivables (included in finance income) | (215) | (65) |
| Income from sub-leasing right-of-use assets (included in income) | (153) | (144) |
| Amounts recognised in the Statement of Cash Flows | | |
| Total cash inflow for sublease | 644 | 285 |

During this financial year, Ofcom entered into a new sub-lease arrangement for the remaining space on the 4th floor of its London office. This added a discounted lease receivable amount of £3,350k to the Statement of Financial Position for the year. Leases are discounted at a single nominal rate for leases, which for the full 2025 calendar year is 4.81 per cent (2024: 4.72 per cent).

The lease contract substantially transfers all the risks and benefits for using the space from Ofcom to the subtenant. This means that contractually, the right-of-use asset can only be used by the subtenant and they must return the property to its original state at the end of the sublease. In addition to the rent paid to the subtenant, other associated maintenance and running expenses will also be recharged to them. There is no impact on the terms and conditions of the original lease between Ofcom and the landlord and Ofcom will continue to meet its obligations to the landlord.

15. Trade and other payables: current liabilities

| | As at 31 March 2025 | As at 31 March 2024 |
|--|------------------------|------------------------|
| | £'000 | £'000 |
| Trade payables | 1,890 | 1,029 |
| Other payables | 95 | 1,177 |
| Value added tax payable | 116 | 210 |
| Accruals | 11,395 | 9,539 |
| Deferred Income - Stakeholder | 8,472 | 4,745 |
| Deferred income - Grant-in-aid | 1 | 177 |
| Deferred income - WTA Receipts | 13,218 | 6,527 |
| Total trade and other payables: current liabilities | 35,187 | 23,404 |

The decrease in other payables primarily resulted from life assurance benefits that were received from the insurance company last year and paid to the beneficiaries during this year.

The increase in accruals is due to higher costs for Advertising Standards Authority duties under Less Healthy Foods (LHF), AI Digital Hub contingent resources, and national insurance premiums for employee health benefits and performance awards.

The increase in 'Deferred Income - Stakeholder' is due to lower activity and late income receipts after the 2024/25 tariff setting, especially in the Networks and Services sector.

The decrease in 'Deferred income - Grant-in-aid' results from the completion of the spectrum clearance programme this financial year, with the remaining balance related to Community Radio.

The increase in 'Deferred income - WTA Receipts' is primarily due to the actual spend being lower than forecasted, particularly in the Media Act and Online Safety sectors.

16. Trade and other payables: non-current liabilities

| | As at 31 March 2025 | As at 31 March 2024 |
|--|------------------------|------------------------|
| | £'000 | £'000 |
| Deferred Income – Stakeholder | 970 | 1,215 |
| Total trade and other payables: non-current liabilities | 970 | 1,215 |

The decrease is due to the actual spend for this financial year being higher within the broadcasting sector.

17. Lease liabilities

A maturity analysis of lease liabilities based on undiscounted gross cash flows is reported in the table below:

| | Buildings | Vehicles | Other | As at 31 March 2025 | As at 31 March 2024 |
|---|---------------|------------|-----------|------------------------|------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Maturity analysis - contractual cash flows: undiscounted | | | | | |
| Less than one year | 5,926 | 106 | 24 | 6,056 | 5,584 |
| One to five years | 23,992 | - | 30 | 24,022 | 24,151 |
| More than five years | 4,601 | - | - | 4,601 | 10,470 |
| Total lease liabilities: undiscounted | 34,519 | 106 | 54 | 34,679 | 40,205 |

Ofcom does not face a significant liquidity risk with regard to our lease liabilities.

| | As at 31 March 2025 | As at 31 March 2024 |
|---|------------------------|------------------------|
| Amounts recognised in the Statement of Financial Position | £'000 | £'000 |
| Lease liabilities: current liabilities | 5,342 | 4,774 |
| Lease liabilities: non-current liabilities | 26,654 | 31,939 |
| Total lease liabilities: discounted | 31,996 | 36,713 |

Leases are discounted at a single nominal rate for leases, which for the full 2025 calendar year is 4.81 per cent (2024: 4.72%, 2023: 3.51%, 2022: 0.95%, 2021: 0.91%, 2020: 1.27%). Leases that transitioned to IFRS 16 prior to January 2020 and in the 2019 calendar year are discounted at prior year discount rate of 1.99%, in accordance with HM Treasury direction.

Each lease generally imposes a restriction that, unless there is a contractual right for Ofcom to sublet the asset to another party, the right-of-use asset can only be used by Ofcom. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to purchase the underlying leased asset outright at the end of the lease, or to extend the lease for a further term. Ofcom is prohibited from selling or pledging the underlying leased assets as security. For leases over buildings, Ofcom must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, Ofcom must insure right-of-use assets and incur maintenance fees on such assets in accordance with the lease contracts.

| | As at 31 March 2025 | As at 31 March 2024 |
|--|------------------------|------------------------|
| | £'000 | £'000 |
| Amounts recognised in the Statement of Income and Expenditure | | |
| Interest on lease liabilities (included in finance costs) | 815 | 811 |
| Expenditure relating to short-term leases (included in other operating expenditure) | 18 | 5 |
| Expenditure relating to leases of low-value assets (included in other operating expenditure) | 21 | 27 |
| Amounts recognised in the Statement of Cash Flows | | |
| Total cash outflow for leases | (5,588) | (5,647) |

18. Provisions for liabilities and charges

| | Early retirement | Legal | Total |
|--|------------------|------------|------------|
| | £'000 | £'000 | £'000 |
| At 1 April 2023 | 118 | - | 118 |
| Discount unwound and changes in rate (included in finance costs) | 5 | - | 5 |
| Utilised in year | (13) | - | (13) |
| At 31 March 2024 | 110 | - | 110 |
| Discount unwound and changes in rate (included in finance costs) | 18 | - | 18 |
| Utilised in year | (15) | - | (15) |
| Provision made | - | 720 | 720 |
| Total provisions as at 31 March 2025 | 113 | 720 | 833 |

| Analysis of expected timing of cashflows | Early retirement | Legal | Total |
|---|------------------|------------|------------|
| | £'000 | £'000 | £'000 |
| Current | | | |
| Less than one year | 14 | 720 | 734 |
| Total current | 14 | 720 | 734 |
| Non-current | | | |
| One to five years | 53 | - | 53 |
| More than five years | 46 | - | 46 |
| Total non-current | 99 | - | 99 |
| Total provisions as at 31 March 2025 | 113 | 720 | 833 |

The provision for early retirement of £113k (2023/24: £110k) is for Annual Compensation Payments which is part of the severance package for some colleagues who transferred to Ofcom on their old Civil Service terms and conditions of employment.

Provisions are calculated in accordance with the requirements of IAS 37 Provisions, Contingent Liabilities and Contingent Assets. Provisions for early retirement are discounted by 2.40% (2023/24: 2.45%) per annum in accordance with HM Treasury direction; all other provisions with a time boundary of 1 to 5 years are discounted by the short-term discount rate of 4.03% (2023/24: 4.26%) and for provisions with a time boundary of 5 to 10 years the medium-term rate of 4.07% (2023/24: 4.03%).

Ofcom's regulatory decisions are subject to appeal, which may result in liabilities for legal costs. To address this, Ofcom has made provisions in the financial statements for costs that are probable and quantifiable. Consequently, provisions for associated legal costs have been included in this financial year.

19. MG Alba

In accordance with Section 210 of the Communications Act 2003 and Section 183 of the Broadcasting Act 1990, the Scottish Ministers paid £13,430k (2023/24: £13,525k) to Ofcom. The sums have not been reflected in Ofcom's financial statements as these are subsequently paid by Ofcom to the Gaelic Broadcasting Fund under the management of the Seirbheis nam Meadhanan Gàidhlig (MG Alba). MG Alba prepares separate reports and financial statements to 31 March each year. These are sent by Ofcom to the Secretary of State for Scotland and Scottish Ministers to be laid before the Scottish Parliament.

20. Retirement benefit obligations

Ofcom has a range of pension schemes which include a defined contributions plan, defined benefit plans and unfunded plans.

a. Defined contribution plan – stakeholder pension plan

Ofcom's primary means of providing pension benefits to its colleagues is by contributing to a stakeholder pension plan. Employer contributions of £10,746k were made in the year ended 31 March 2025 (2023/24: £9,674k). There is also a defined contribution section in the Ofcom Defined Benefits Pension Plan. However, this is now closed and no further contributions are being made to this arrangement.

b. Defined benefit pension plans

Ofcom operates two defined benefit pension plans, although both closed to future accrual on 1 June 2011:

- The Ofcom Defined Benefit Pension Plan was established on 29 December 2003. The employer contribution made to the Ofcom Defined Benefit Pension Plan for the year ending 31 March 2025 was £3k in relation to Plan expenses (2023/24: £3k). Employer contributions of £760k were transferred from the Feeder Trust account to the Ofcom Defined Benefit Pension Plan in the year ending 31 March 2025 (2023/24: £360k).

- The Ofcom (Former ITC) Staff Pension Plan which Ofcom jointly participates in with three other organisations, S4C, S4C Masnachol and the Advertising Standards Authority (ASA). The employer contribution made to the Ofcom (Former ITC) Staff Pension Plan for the year ending 31 March 2025 was £7k in relation to Plan expenses (2023/24: £7k). Employer contributions of £214k were transferred from the Feeder Trust account to the Ofcom (Former ITC) Staff Pension Plan in the year ending 31 March 2025 (2023/24: £197k).

Both of these Plans are managed by a Board of Trustees that is independent of Ofcom.

Ofcom's cash contributions to these two plans are determined in accordance with the Pensions Act 2004. This requires a significantly more prudent measure of the liabilities than IFRS. Pensions Act 2004 funding valuations with an effective date of 31 March 2024 were completed for both defined benefit plans and, unlike under IFRS, showed a combined deficit of £0.4m.

Contribution schedules were agreed with the Trustee of both plans as a result of these valuations. Under the new schedules Ofcom is expected to contribute £726k to the two defined benefit plans over the next 12 months to cover Plan expenses.

In addition, Ofcom agreed to pay £400k by 31 March 2025 to cover deficit reduction contributions for the Ofcom Defined Benefit Pension Plan. This contribution was paid from the Feeder Trust on 25 March 2025. Ofcom also reimburses the Plans for pension related levies.

Ofcom operates a Feeder Trust account, which is incorporated within the Pension Scheme Assets. Funds transferred to and held in the trust account can only be paid into one of the two defined benefit pension plans and are not able to be used for any other purpose. The Ofcom Feeder Trust is the mechanism by which Ofcom sets aside funds in order to make future contributions and to meet the running costs of its two defined benefit pension plans,

the Ofcom Defined Benefit Pension Plan and the Ofcom (Former ITC) Staff Pension Plan.

Funds transferred to the Ofcom Feeder Trust are recognised in the financial year in which the transfer is made but these funds may then be used in future periods. Monies retained in the Feeder Account can only be used for funding the pension plans in accordance with the schedule of contributions for each Plan or by an ad hoc payment approved by Ofcom in respect of a particular project (such as a risk reduction exercise) as well as meeting the running costs of the plans.

Ofcom contributed, for the year ended 31 March 2025, £2,000k into the Feeder Trust (2023/24: £1,000k). The balance of the Feeder Trust as at 31 March 2025 was £9,763k

(2023/24: £8,363k).

Ofcom is also responsible for meeting the unfunded pension liabilities for former Chairmen of the Independent Television Commission and the Radio Authority as well as former Directors General of Telecommunications. The pension provision is unfunded, with the benefits being paid as they fall due and guaranteed by Ofcom. There is no fund, and therefore no surplus or deficit. Actuarial advice has been sought to ensure that the provision is set at a realistic level.

Guaranteed Minimum Pensions equalisation

Following the High Court ruling in the Lloyds Bank case on 26 October 2018, which determined that schemes must adjust benefits so as to equalise Guaranteed Minimum Pensions (GMPs) between men and women, Ofcom made an allowance for the potential impact of this at 31 March 2019. This was allowed for as a past service cost in the Statement of Income and Expenditure. An allowance of £284k was made in respect of the Ofcom (Former ITC) Staff Pension Plan and an allowance of £14k was made in respect of the Ofcom Defined Benefit Pension Plan. The Plans' Trustees continue to progress equalising GMPs. The ultimate cost of this will not be known until they have been fully

equalised (which is likely to be a number of years away).

For the 2025 year-end, an allowance of 0.02% / 0.14% of the Defined Benefit Obligation for the Defined Benefit Plan / ITC Plan respectively has been made for GMP Equalisation. This is consistent with the allowance made at the previous year-end.

GMP equalisation of Historic Values

On 20 November 2020 the latest High Court judgement on GMP equalisation in relation to transfer value payments was made. It concluded that historic transfers since 17 May 1990, which contained GMP accrued after this date, will need to be equalised. An analysis has not been undertaken to establish the potential liability for the

Plans as a result of the latest ruling as there has been relatively limited transfer value activity in the past and therefore the additional liability in relation to any historic transfer values is not expected to be material.

Deed of Amendment 2018

An additional past service cost of £377k was allowed for in the Defined Benefit Plan at the 31 March 2019 year end. This was as a result of a Deed of Amendment which was executed in respect of the Ofcom Defined Benefit Plan on 28 July 2018. As a result of these rule amendments, the benefits of some pensioner members had to be recalculated, leading to an increase in their benefits. As a result of revised calculations as part of this exercise, the total adjustment

increased in FY22 and £500k was recognised on the Statement of Financial Position at 31 March 2022.

The revised pension amounts following this exercise were included in the membership data used for the Plans' actuarial valuations at 31 March 2024 (which have been used as a starting position for the 31 March 2025 IAS disclosures). The benefit is not yet insured so the IAS 19 uplift to pensions (of £0.3m) has not been allowed for within the value of the buy-in asset.

Past service cost

There has been an ongoing historic issue with a current pensioner member in the ITC Plan with purchasing added years. Upon investigating the matter, the Trustee agreed (in July 2024) to allow for the added years purchased which increased the member's pension by c.£1k p.a. This has led to an increase in the Defined Benefit Obligation for the ITC Plan which has been allowed for as a past service cost of £15k within the Statement of Income and Expenditure at 31 March 2025.

Potential changes to RPI

The UK Statistics Authority (UKSA) has advised that it intends to change the Retail Price Index (RPI), by 2030 at the latest, to bring it in line with CPIH

(the Consumer Prices Index including owner-occupiers' housing costs).

The Government carried out a public consultation on the matter during 2020, covering the timing and methodology used in any change. The results of this consultation were released on 25 November 2020. It concluded that RPI will be reformed to be in line with the CPIH with the transition taking place during 2030, and that no compensation would be paid to index-linked gilt holders. In response to this announcement, the derivation of RPI and CPI inflation assumptions were reviewed at 31 March 2021. Ofcom will continue to consider the outcome of the consultation to set the inflation assumptions used to determine the accounting defined benefit obligation (DBO)

at 31 March 2025.

Ofcom has determined that the market-implied RPI inflation curve remains a reasonable basis for estimating long term future RPI-linked pension increases at 31 March 2025, including the changes in the RPI index to CPIH, and the derivation of the RPI inflation assumption at 31 March 2025 has remained consistent with prior years. For the derivation of the CPI assumption, Ofcom has determined that it is appropriate to maintain the approach adopted at the previous year end, resulting in an RPI-CPI differential of 0.55% at 31 March 2025, taking into account the DB plans' characteristics and membership profiles.

Virgin Media vs NTL Pension Trustees II Limited

In June 2023, the High Court judged that amendments made to the Virgin Media scheme were invalid because the scheme's actuary did not provide the associated Section 37 certificate necessary. If upheld, the High Court's decision could have wider ranging implications, affecting other schemes that were contracted-out on a salary-related basis, and made amendments between April 1997 and April 2016. The case was subsequently reviewed by the Court of Appeal in July 2024 which upheld the High Court's decision.

The next steps remain uncertain and there is still potential for overriding government legislation to be introduced. As a result, Ofcom has identified the benefit amendments which may be impacted by the Virgin Media case and will work with the Trustees of the Plan should a full review of the deeds of amendment prove to be necessary, in order to assess the potential implications for Ofcom's accounts in detail.

As detailed investigations have not yet been carried out, Ofcom considers that the amount of any potential impact on the DBO cannot be measured with sufficient reliability. Therefore, no allowance for this case has been made in the calculation of the DBO. Ofcom will revisit this at the 2026 year-end.

Summary of Ofcom's defined benefit pension obligations

The amounts recognised in the Statement of Financial Position are as follows:

| | Defined benefit pensions funded | Unfunded pensions liability | Total retirement benefits | Defined benefit pensions funded | Unfunded pensions liability | Total retirement benefits |
|--|---------------------------------|-----------------------------|---------------------------|---------------------------------|-----------------------------|---------------------------|
| | 31 March 2025 | 31 March 2025 | 31 March 2025 | 31 March 2024 | 31 March 2024 | 31 March 2024 |
| Funded status, end of year | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| - Benefit obligation in respect of deferred members | (31,434) | - | (31,434) | (45,696) | - | (45,696) |
| - Benefit obligation in respect of pensioner members | (137,889) | (655) | (138,544) | (146,248) | (760) | (147,008) |
| Total benefit obligations | (169,323) | (655) | (169,978) | (191,944) | (760) | (192,704) |
| Fair value of plan assets | 182,694 | - | 182,694 | 202,508 | - | 202,508 |
| Funded status | 13,371 | (655) | 12,716 | 10,564 | (760) | 9,804 |

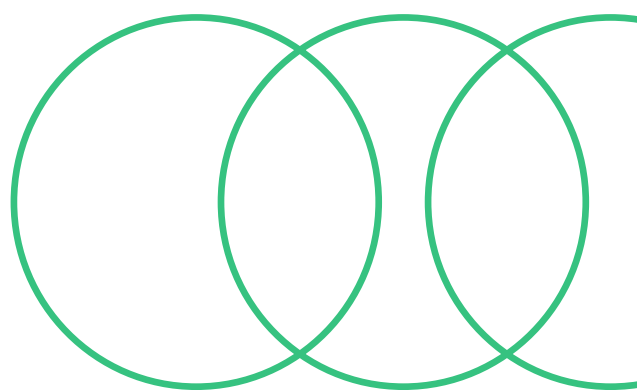
IAS 19 requires that, where a scheme is in surplus according to IAS 19 assumptions, the surplus can only be recognised on the Statement of Financial Position if an economic benefit is available to Ofcom as a result. All of the surplus in the funded arrangements can be recognised as it can be recovered by Ofcom.

Changes over the year to 31 March 2025

| | Defined benefit obligation | Assets | Funded pension | Unfunded pension | Total pensions |
|--|----------------------------------|-----------------|-------------------|---------------------|-------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Opening value as at 1 April 2024 | (191,944) | 202,508 | 10,564 | (760) | 9,804 |
| Administration expenses | - | (684) | (684) | - | (684) |
| Service cost | (15) | - | (15) | - | (15) |
| Interest income/(cost) | (8,992) | 9,513 | 521 | (35) | 486 |
| Employer contributions | - | 2,010 | 2,010 | - | 2,010 |
| Benefits paid from scheme assets | 13,255 | (13,255) | - | - | - |
| Benefits paid directly by Ofcom | - | - | - | 91 | 91 |
| Benefits paid total | 13,255 | (13,255) | - | 91 | 91 |
| Remeasurements | | | | | |
| Actuarial gains/(losses) | 18,373 | (17,398) | 975 | 49 | 1,024 |
| Closing value as at 31 March 2025 | (169,323) | 182,694 | 13,371 | (655) | 12,716 |

Changes over the year to 31 March 2024

| | Defined benefit obligation | Assets | Funded pension | Unfunded pension | Total pensions |
|--|----------------------------------|-----------------|-------------------|---------------------|-------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Opening value as at 1 April 2023 | (203,964) | 215,422 | 11,458 | (804) | 10,654 |
| Administration expenses | - | (624) | (624) | - | (624) |
| Interest income/(cost) | (9,561) | 10,106 | 545 | (36) | 509 |
| Employer contributions | - | 1,010 | 1,010 | - | 1,010 |
| Benefits paid from scheme assets | 12,713 | (12,713) | - | - | - |
| Benefits paid directly by Ofcom | - | - | - | 84 | 84 |
| Benefits paid total | 12,713 | (12,713) | - | 84 | 84 |
| Remeasurements | | | | | |
| Actuarial gains/(losses) | 8,868 | (10,693) | (1,825) | (4) | (1,829) |
| Closing value as at 31 March 2024 | (191,944) | 202,508 | 10,564 | (760) | 9,804 |



The amounts recognised in the Statement of Income and Expenditure are as follows:

| | Funded pension | Unfunded pension | Total pensions |
|---|----------------|------------------|----------------|
| 31 March 2025 | £'000 | £'000 | £'000 |
| Service cost | (15) | - | (15) |
| Interest income/(cost) | 521 | (35) | 486 |
| Defined benefit credit/(cost) recognised in income and expenditure | 506 | (35) | 471 |
| Administration expenses | (684) | - | (684) |
| Net income/(cost) recognised in income and expenditure | (178) | (35) | (213) |

The amounts recognised as Other Comprehensive Income are as follows:

| | Funded pension | Unfunded pension | Total pensions |
|---|----------------|------------------|----------------|
| 31 March 2025 | £'000 | £'000 | £'000 |
| Gains/(losses) on benefit obligations due to changes in financial assumptions | 14,489 | 49 | 14,538 |
| Gains/(losses) on benefit obligations due to changes in demographic assumptions | 1,701 | - | 1,701 |
| Gains/(losses) on benefit obligations as a result of member experience | 2,183 | - | 2,183 |
| Total gains/(losses) arising on benefit obligations | 18,373 | 49 | 18,422 |
| Gains/(losses) on plan assets | (17,398) | - | (17,398) |
| Net gains/(losses) | 975 | 49 | 1,024 |

Ofcom and the Plans' Trustees have implemented a number of steps to provide protection against events that cause a deterioration in the funding positions. In particular, annuity policies meet the benefit payments of pensioner members in both Plans and all non-pensioner members in the ITC Plan. However, movements in market conditions can still have an impact on the funding positions particularly on the DB Plan.

The amounts recognised in the Statement of Income and Expenditure are as follows:

| | Funded pension | Unfunded pension | Total pensions |
|---|----------------|------------------|----------------|
| 31 March 2024 | £'000 | £'000 | £'000 |
| Interest income/(cost) | 545 | (36) | 509 |
| Defined benefit credit/(cost) recognised in income and expenditure | 545 | (36) | 509 |
| Administration expenses | (624) | - | (624) |
| Net income/(cost) recognised in income and expenditure | (79) | (36) | (115) |

The amounts recognised as Other Comprehensive Expenditure are as follows:

| | Funded pension | Unfunded pension | Total pensions |
|---|----------------|------------------|----------------|
| 31 March 2024 | £'000 | £'000 | £'000 |
| Gains/(losses) on benefit obligations due to changes in financial assumptions | 1,169 | (4) | 1,165 |
| Gains/(losses) on benefit obligations due to changes in demographic assumptions | 9,929 | - | 9,929 |
| Gains/(losses) on benefit obligations as a result of member experience | (2,230) | - | (2,230) |
| Total gains/(losses) arising on benefit obligations | 8,868 | (4) | 8,864 |
| Gains/(losses) on plan assets | (10,693) | - | (10,693) |
| Net gains/(losses) | (1,825) | (4) | (1,829) |

Ofcom and the Plans' Trustees have implemented a number of steps to provide protection against events that cause a deterioration in the funding positions. In particular, annuity policies meet the benefit payments of pensioner members in both Plans and all non-pensioner members in the ITC Plan. However, movements in market conditions can still have an impact on the funding positions particularly on the DB Plan.

The major categories of Quoted Prices' plan assets are as follows:

| | | Total 31 March 2025 £'000 | Total 31 March 2024 £'000 |
|---------------------------------------|---------|---------------------------------|---------------------------------|
| Global equities (not currency hedged) | Level 2 | - | 3,654 |
| Global equities (currency hedged) | Level 2 | - | 3,765 |
| Index linked gilts | Level 2 | 709 | 1,093 |
| Diversified growth fund | Level 2 | - | 4,986 |
| Liability driven investment portfolio | Level 2 | 26,696 | 16,105 |
| Annuities | Level 3 | 144,571 | 163,939 |
| Cash and cash equivalents | Level 1 | 10,718 | 8,966 |
| Total | | 182,694 | 202,508 |

Ofcom and the Plans' Trustees have implemented a number of steps to reduce the level of investment risk. In particular, both main defined benefit plans hold annuity policies that largely eliminate risk in respect of most members and the Ofcom Defined Benefit Pension Plan has a strategy in place that will increase the allocation to lower risk assets that better match liabilities, such as gilts and bonds, when it is affordable to do so.

Principal economic assumptions at the date of the Statement of Financial Position:

| | 31 March 2025 (%) | 31 March 2025 (%) | 31 March 2024 (%) | 31 March 2024 (%) |
|---|----------------------|----------------------|----------------------|----------------------|
| | DB Plan | ITC Plan | DB Plan | ITC Plan |
| Discount rate | 5.75 | 5.55 | 4.85 | 4.85 |
| Retail Price Inflation | 3.15 | 3.30 | 3.20 | 3.35 |
| - Future pension increases (RPI max 5%) | 2.95 | 3.05 | 2.95 | 3.05 |
| - Future pension increases (CPI max 3%) | 2.05 | 2.15 | 2.05 | 2.10 |

The Ofcom pension plan is composed of two separate plans and the principal demographic assumptions at the date of the Statement of Financial Position are as follows:

| Expected lifetime of a member aged 60 who is... | DB Plan Currently aged 40 | DB Plan Currently aged 60 | ITC Plan Currently aged 40 | ITC Plan Currently aged 60 |
|---|------------------------------|------------------------------|-------------------------------|-------------------------------|
| - Male | 28 | 27 | 28 | 27 |
| - Female | 31 | 29 | 31 | 29 |

Sensitivity to changes in principal assumptions used

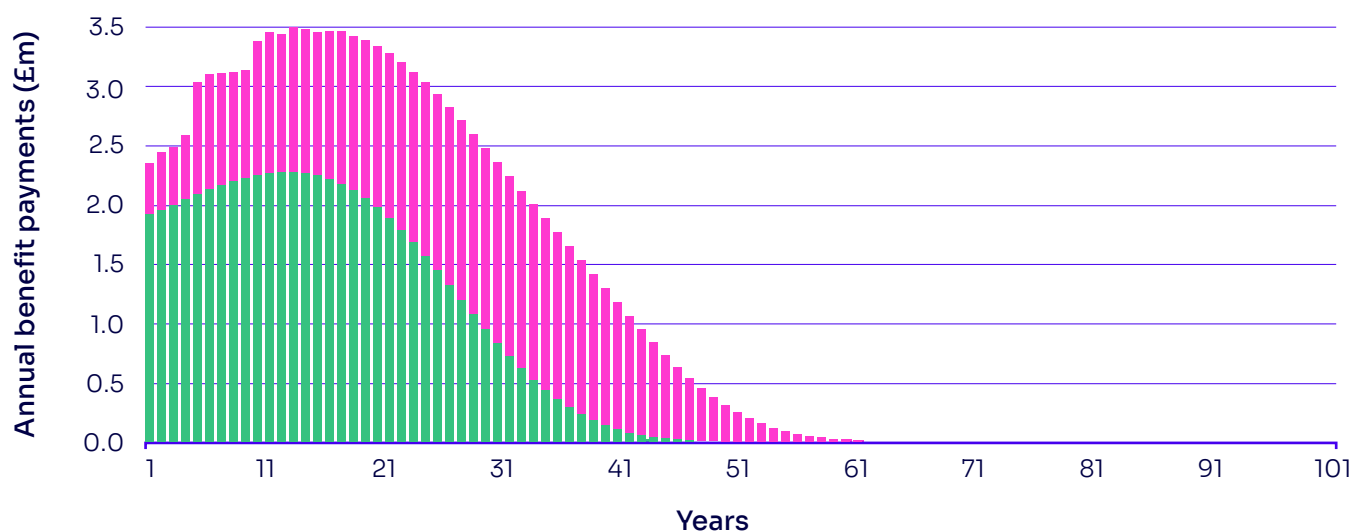
| Change in assumption | Impact on | | | | | |
|--|-----------------------------|--------------------|-----------------------|-----------------------------|--------------------|-----------------------|
| | DB Plan | | | ITC Plan | | |
| | Defined benefit obligations | Assets | Funded status surplus | Defined benefit obligations | Assets | Funded status surplus |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Discount rate | | | | | | |
| Increases by 0.50% | decrease by £2,673 | decrease by £3,017 | decrease by £344 | decrease by £5,082 | decrease by £5,082 | No change |
| Decreases by 0.50% | increase by £2,947 | increase by £3,350 | increase by £403 | increase by £5,500 | increase by £5,500 | No change |
| Retail Price Inflation | | | | | | |
| Increases by 0.50% | increase by £2,670 | increase by £3,058 | increase by £388 | increase by £4,451 | increase by £4,451 | No change |
| Decreases by 0.50% | decrease by £2,395 | decrease by £2,755 | decrease by £360 | decrease by £4,089 | decrease by £4,089 | No change |
| Expected lifetime of a member aged 60 | | | | | | |
| Increases by 1 year | increase by £1,421 | increase by £904 | decrease by £517 | increase by £5,960 | increase by £5,960 | No change |
| Decreases by 1 year | decrease by £1,421 | decrease by £904 | increase by £517 | decrease by £5,960 | decrease by £5,960 | No change |

Liability profile of defined benefit plans

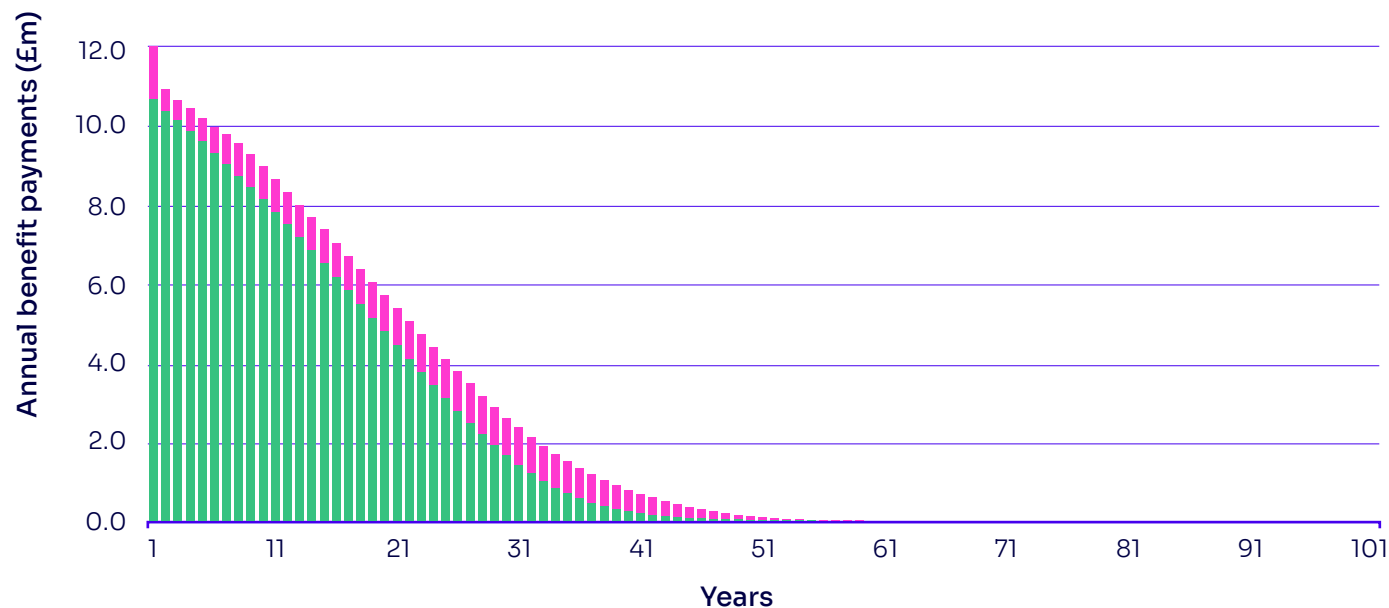
The charts illustrate the expected benefits payable by the respective Plans as at 31 March 2024.

The expected future benefit payments are calculated based on a number of assumptions including future inflation, retirement ages, benefit options chosen and life expectancy and are therefore inherently uncertain.

The actual benefit payments in a given year may be higher or lower, for example if members retire sooner or later than assumed or take a greater or lesser cash lump sum at retirement.

Ofcom Defined Benefit Pension PlanKey: ■ Deferred ■ Pensioner & Dependants

The duration (average term to payment) of the Plan's liabilities is 13 years

Ofcom (Former ITC) Staff Pension PlanKey: ■ Deferred ■ Pensioner & Dependants

The duration (average term to payment) of the Plan's liabilities is 9 years

21. Financial instruments

Ofcom has no significant exposure to liquidity, interest rate or currency risks. IAS 32 Financial Instruments, specifies the presentation for financial instruments, requiring disclosure of the role they have had during the year in creating or changing the risks an entity faces in undertaking its activities. Because of the nature of its activities and the way in which Ofcom is financed, it is not exposed to the degree of financial risk faced by business entities.

Moreover, financial instruments play a limited role in creating or changing risk as compared to listed companies to which IAS 32 mainly applies. Ofcom has very limited powers to borrow or

invest surplus funds. Financial assets and liabilities that are generated by day-to-day operational activities do not change the risks facing Ofcom in undertaking its activities.

There is no material difference at the reporting date between the fair value and the carrying value of financial assets and liabilities.

As permitted by IAS 32, receivables and payables which mature or become payable within 12 months of the reporting date have been omitted from this assessment.

22. Related parties

Ofcom does not consider that its regulatory and licensing role creates

the relationship of a related party between itself and licence holders as defined by IAS 24 Related Party Disclosures.

Members of the Board have not declared any interests prejudicial to their functions as a Member of Ofcom. There were no transactions between Ofcom and its Members other than remuneration as disclosed separately in the remuneration report.

The Secretary of State for DSIT was regarded as the controlling related party of Ofcom under the terms of the Office of Communications Act 2002 for the year ending 31 March 2025.

Details of all grant-in-aid revenue from DSIT are provided in Notes 2, 3, 11 and 15 of these financial statements.

A defined contribution pension scheme and two defined benefit pension schemes are operated. One of the two defined benefit schemes (both closed to future accruals) has a related party of S4C. Refer to Note 20 for further disclosure.

Ofcom claimed £67k in grant-in-aid for Spectrum Clearance this financial year, due to delays in the final phase of the programme, specifically the decommissioning of the temporary mast at Emley Moor, which is now complete. At 31 March 2025, there is no remaining balance for grant-in-aid paid by DSIT for Spectrum Clearance (2023/24: £177k).

No other related party transactions were entered into during the financial year.

23. Capital commitments

As at 31 March 2025 there were capital commitments of £235k relating to purchase of 5 vehicles £201k and field equipment £34k (2023/24: £35k relating to purchase of a vehicle).

24. Receipts transferred to/from the Consolidated Fund

In accordance with Section 400 of the Communications Act 2003, Ofcom remitted £34,494k (2023/24: £8,630k) of Broadcasting Act Additional Payments, Geographical Numbering and Fines to the Consolidated Fund.

In accordance with Section 401 of the Communications Act 2003, Ofcom retained £151,117k (2023/24: £126,657k) of WTA receipts to fund its relevant expenditure which include Spectrum Management.

WT Act 2006 license fees of £422,411k (2023/24: £344,812k) were remitted to DSIT for transfer to the Consolidated Fund.

25. Contingent liabilities

In June 2023, the High Court ruled that pension benefits amendments made to the Virgin Media scheme were invalid due to the absence of the necessary Section 37 certificate. Consequently, a contingent liability may arise in the event of any potential impact on the DBO. Refer to Note 20 for further disclosure.

26. Events after the reporting period

In accordance with the requirements of IAS 10 Events after the Reporting Period, post year end events are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General. No events have occurred after the reporting period. Going concern

The future financing of Ofcom's liabilities will be covered through annual sector tariffs from regulated stakeholders and the retention of Wireless Telegraphy Act (WTA) receipts collected under the Section 400 accounts. The funds retained by Ofcom will support spectrum-related activities and other non-tariff funded

activities, as outlined in Section 401 of the Communication Act 2003. Ofcom's strategic plan and spending cap for the next three years (2025/26 to 2027/28) have been formally approved by HMT and DSIT in March 2025. Therefore, it is appropriate to adopt a going concern basis for the preparation of these financial statements.

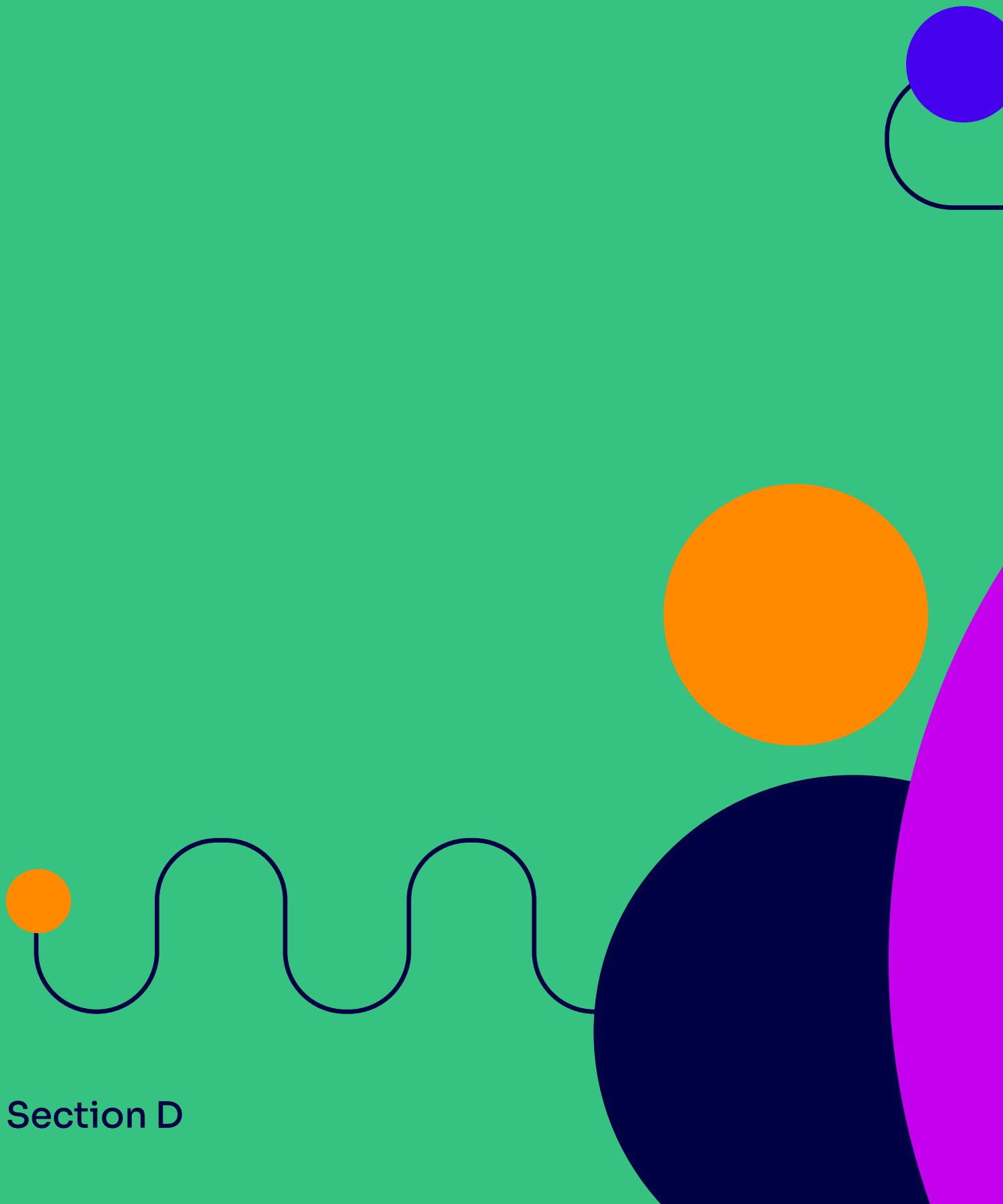
27. Going concern

The future financing of Ofcom's liabilities will be covered through annual sector tariffs from regulated stakeholders and the retention of Wireless Telegraphy Act (WTA) receipts collected under the Section 400 accounts. The funds retained by Ofcom will support spectrum-related activities and other non-tariff funded activities, as outlined in Section 401 of the Communication

Act 2003. Ofcom's strategic plan and spending cap for the next three years (2025/26 to 2027/28) have been formally approved by HMT and DSIT in March 2025. Therefore, it is appropriate to adopt a going concern basis for the preparation of these financial statements.



Annex





A1 Regulatory statements

List of statements published in 2024/25, including regulatory impact on stakeholders

Key to regulatory statements

| | | | | | | | |
|----------|----------------------------|----------|-----------------------------|----------|-----------------------------|----------|--------------------|
| A | Increased / new regulation | B | Mixed / no change / ongoing | C | Streamlined / co-regulatory | D | Reduced regulation |
|----------|----------------------------|----------|-----------------------------|----------|-----------------------------|----------|--------------------|

Broadcasting

| | |
|----------|--|
| B | Statement: Ensuring the quality of TV and on-demand access services |
| B | Statement: Analogue Radio Technical Code |
| B | Statement: Request to change Key Commitments for B Radio (Farnborough) |
| B | Statement: BBC Scotland channel news provision |
| B | Statement: Proposed changes to the conditions included in digital television additional service licences |
| B | Statement: Renewing the co-regulatory arrangements for broadcast, on demand and video-sharing platform advertising |
| B | Statement: Channel 4 licence renewal |
| B | Statement: Six Nations Rugby Union Championship 2025 (Listed events) |
| B | Statement: Small-scale DAB coverage change: Stirling & Falkirk |
| D | Statement: Community Radio - future approach to Key Commitments |

Spectrum

| | |
|----------|---|
| A | Statement: Notice of proposals to make the Wireless Telegraphy (Licence Charges) (Amendment) Regulations 2024 |
| A | Statement: Notice of Ofcom's final draft of the Wireless Telegraphy (Licence Award) Regulations 2025 |
| A | Statement: Decision to make a Limitation Order and amend the Mobile Trading Regulations |
| B | Statement: Enabling mmWave spectrum for new uses |
| B | Statement: NSLComm Ltd application for non-geostationary earth station network licence |
| B | Statement: Starlink Internet Services Limited (SpaceX) - application for a variation of gateway licence |
| B | Statement: Improving mobile connectivity from the sky and space |
| B | Statement: Increasing use of the 27.5-30 GHz and 32 GHz bands |
| D | Statement: Amazon Kuiper Services Europe SARL application for a non-geostationary earth station network licence |

Telecoms

| | |
|----------|---|
| A | Statement: Tackling scam calls – expecting providers to block more calls with spoofed numbers |
| B | Statement: Electronic Communications Code of practice |
| B | Statement: Prohibiting inflation-linked price rises |
| B | Statement: Future of telephone numbers – Statement on revenue sharing |
| B | Statement: Network and Service Resilience Guidance |

Premium Rate Services

| | |
|----------|---|
| B | Statement: The future regulation of phone-paid services |
| B | Statement: The future regulation of phone-paid services: Statement on changes to General Conditions C2.11 and C2.12 |

Online Safety

| | |
|----------|--|
| A | Statement: Protecting people from illegal harms online |
| A | Statement: Age Assurance and Children's Access |
| B | Statement: Online Safety Information Guidance |

Other

| | |
|----------|--|
| B | Statement: Ofcom's three-year media literacy strategy |
| B | Statement: Principles for media literacy by design |
| B | Statement: Ofcom's general policy on information gathering |
| B | Statement: Ofcom's Plan of Work 2025/26 |

Ofcom statements published in 2024/25 where the earlier consultation included an impact assessment

Protecting children from harms online

BBC Scotland channel news provision

Starlink Internet Services Limited (SpaceX) - application for a variation of gateway licence

Proposal to apply Code powers to Sunningdale Solutions Limited

UEFA European Football Championship Finals Tournament 2024 and 2028

Listed Events - Rugby League Challenge Cup Final 2024-26

Proposal to apply Code powers to UK Fibre Networks (York) Ltd

Proposal to apply Code powers to Vale Communications Infrastructure Limited

Proposal to apply Code powers to Frogfoot Networks Limited

Optimal use of 3.9 GHz spectrum

Ofcom's three-year media literacy strategy

Draft transparency reporting guidance

Proposal to apply Code powers to Quantum Communications Limited

Proposal to apply Code powers to Skyline Networks and Consultancy Limited

Amazon Kuiper Services Europe SARL application for a non-geostationary earth station network licence

Channel 4 Licence Renewal

Proposal to apply Code powers to JSM Group Services Limited

Proposal to apply Code powers to LF HOLDCO 2 LTD

Expanding spectrum access for fixed links in the 32 GHz band

Review of ADR in the telecoms sector

Proposal to apply Code powers to Theia Infrastructure Limited

Proposal to apply Code powers to Solas Fibre Limited

Online Safety - fees and penalties

Proposal to apply Code powers to Liberty Global Management Services 1 Limited

Proposal to apply Code powers to Liberty Global Management Services 2 Limited

Proposal to apply Code powers to Liberty Global Management Services Operations Limited

Proposal to apply Code powers to Countryside Fibre Limited

Illegal harms further torture and animal cruelty

Proposal to apply Code powers to Network Planning Solutions

Notice of proposals to amend the Wireless Telegraphy (Spectrum Trading) Regulations 2012

Proposal to apply Code powers to Step Telecoms UK Limited

Proposal to apply Code powers to Gigaloch Limited

Proposal to apply Code powers to Pulse Fibre Limited

General procedures for investigating breaches of broadcast licences: Consultation on revising the procedures

Global Titles and Mobile Network Security

Designation of television selection services
- principles and methods for Ofcom's recommendations

Local commercial radio licence renewals

Proposal to apply Code powers to SICOM Ltd

Online Safety Information Guidance

Optimal use of 3.9GHz spectrum – Additional option

Ofcom's general policy on information gathering

Review of Annual Licence Fees

Updating Wireless Telegraphy Licence Exemptions

Proposal to apply Code powers to Shire Fibre Limited

Revised Guidance for Public Service Broadcasters on Commissioning Codes of Practice

Update of Northern Ireland Equality Scheme

Business messaging - Review of the A2P SMS termination market

Review of the universal postal service and other postal regulation

Designation of Radio Selection Services – principles and methods for Ofcom’s recommendations

Small-scale DAB coverage change: Stirling & Falkirk

Proposal to apply Code powers to Rocket Fibre Limited

Designation of Public Service Broadcaster Internet Programme Services

Statement of Programme Policy and Statement of Media Content Policy guidance

Expanding access to the 6 GHz band for commercial mobile and Wi-Fi services

Award of the 1492-1517 MHz spectrum for mobile services

Consultation on draft Guidance: A safer life online for women and girls

Notice of Ofcom’s proposal to make regulations for mmWave spectrum

Consultation on Technology Notices

Proposal to apply Code powers to Metro Technologies Ltd

Proposal to apply Code powers to Frontier Networks Limited

Future authorisation of the 1900–1920 MHz band

Promoting competition and investment in fibre networks: Telecoms Access Review 2026–31

Enabling satellite direct to device services in Mobile spectrum bands

Online Safety Research undertaken in 2024/25

| Project overview | Policy area | End date |
|---|-----------------------------|-------------------------|
| Q1 2024/25 | | |
| 1 Evaluation in Online Safety: A discussion of hate speech classification and safety measures: Discussing the existing literature on the effectiveness of a variety of safety measures applied by some online platforms at reducing hate speech online | Illegal harms | Published 12 April 2024 |
| 2 Online safety research agenda: Sets out Ofcom's areas of interest for future research in the online safety space to inspire the wider research and academic community | Academic engagement | Published 15 April 2024 |
| 3 Online Experiences Tracker Wave 4: Recurring programmatic survey. Robust quantitative data measuring the prevalence, impact and character of positive and negative online experiences for UK internet users aged 13+ | Online use and attitudes | Published 16 April 2024 |
| 4 Adults' Media Use and Attitudes (Adults' Media Literacy Tracker): Recurring programmatic survey. The annual adults' media use and attitudes report provides evidence on media use, attitudes and understanding, and how these change over time, among UK adults aged 16 and over | Online use and attitudes | Published 19 April 2024 |
| 5 Children's Media Use and Attitudes (Children and Parents' Media Literacy Tracker): Recurring programmatic quantitative survey. This report looks at media use, attitudes and understanding among children and young people aged 3–17. It also includes findings on parents' views about their children's media use, and how parents of children and young people aged 3–17 monitor and manage their children's use | Online use and attitudes | Published 19 April 2024 |
| 6 Adults' Media Lives: Recurring programmatic qualitative research. Ofcom's Adults' Media Lives study was set up in 2005 to provide a small-scale, rich and detailed qualitative complement to Ofcom's quantitative surveys of media literacy. The project follows the same 20 individuals over time, and interviews them on camera each year about their media habits and attitudes | Online use and attitudes | Published 19 April 2024 |
| 7 Children's Media Lives: Recurring programmatic qualitative research. The Children's Media Lives project follows, as far as possible, the same group of 21 children aged 8 to 17, conducting filmed interviews each year to learn about their media habits and attitudes. This research began in 2014 as a way of providing a small-scale, rich and detailed qualitative complement to Ofcom's quantitative surveys of media literacy | Online use and attitudes | Published 19 April 2024 |
| 8 Testing Prompts to encourage users to check content controls: Technical checks analysis and write up of online experiment testing the impact of timing and message content on whether users review and update their sensitive content settings | MSOM | Published 19 April 2024 |
| 9 Using Behavioural Insights to Engage Children with User Support Materials: Testing different behavioural techniques to encourage children to access age-appropriate user support materials designed to improve online safety (via a help centre) during the sign-up process of a mock social media platform | Efficacy of safety measures | Published 5 May 2024 |

| | Project overview | Policy area | End date |
|------------|---|-----------------------------|----------------------------|
| 10 | <u>Children's screen time</u> : Data tables from a Quick Poll conducted to understand children's attempts to reduce screen time and any prompts they received to return back to a platform | Protection of children | Published 8 May 2024 |
| 11 | <u>Child Development Stages Review</u> : This review builds Ofcom's understanding of children and young people's (CYP) development stages, and how this interacts with their online decision making and behaviour | Protection of children | Published 8 May 2024 |
| 12 | <u>Children's online 'user ages' (wave 2)</u> : An estimate of the proportion of children who have a false 'user age' on their online profile, making them appear older than they actually are | Protection of children | Published 8 May 2024 |
| 13 | <u>Children's Attitudes to Reporting Content Online</u> : Qualitative text-based focus group research that explores children's attitudes to and experiences of reporting potentially harmful content online | Protection of children | Published 8 May 2024 |
| 14 | <u>Behavioural insights to empower social media users</u> : Trialling how platform choice architecture affects use of content controls among adult users | Efficacy of safety measures | Published 21 May 2024 |
| Q2 2024/25 | | | |
| 15 | <u>Generative AI – Deepdive on Red Teaming</u> : Exploring the effectiveness of red teaming as a method to help online services to identify harmful content, e.g. abusive language or eating disorder content | Efficacy of safety measures | Published 23 July 2024 |
| 16 | <u>Generative AI – Deepdive on Deepfake Detection</u> : Exploring how deepfake detection can be used to identify synthetic pornography, fraud and foreign interference | Efficacy of safety measures | Published 23 July 2024 |
| 17 | <u>Quick poll – Deepfakes (older teenagers and adults)</u> : Explores internet users' (16+) encounters with content they suspect to be deepfakes | Efficacy of safety measures | Published 23 July 2024 |
| 18 | <u>Quick poll – Deepfakes (8–15 year-olds in Great Britain)</u> : Explores child internet users' (8–15) encounters with content they suspect to be deepfakes | Efficacy of safety measures | Published 23 July 2024 |
| 19 | <u>Promoting user engagement with Terms and Conditions</u> : Using online randomised control trial to test the effectiveness of different behavioural techniques in increasing users' engagement with Community Guidelines and investigating the impact of this engagement on subsequent interactions with content | Efficacy of safety measures | Published 30 July 2024 |
| 20 | <u>Using Behavioural Insights to Engage Children with User Support Materials</u> : Investigating how service design can be used to influence online behaviours and engage children (13–17 years) with user support materials | Efficacy of safety measures | Published 30 July 2024 |
| 21 | <u>VSP API Pilot 2 – Effectiveness of labelling content on Twitch</u> : An ex-post analysis of Twitch's change to their mature content labelling process | Video sharing platforms | Published 2 September 2024 |

| | Project overview | Policy area | End date |
|------------|---|--------------------------|-----------------------------|
| 22 | UK General Election and Opinion Formation Survey: An Online Research Panel Quick Poll to understand how the electorate consumed news online in relation to the general election | Online use and attitudes | Published 12 September 2024 |
| 23 | Understanding Online Choices, Preferences, and Welfare: Discussing how online intermediaries – such as social media, retail, and gaming platforms – shape user behaviour through choice architecture | Online use and attitudes | Published 17 September 2024 |
| Q3 2024/25 | | | |
| 24 | A feasibility study of using Wellbeing metrics to evaluate outcomes in Online Safety: A discussion paper on how wellbeing metrics could be used to evaluate the success of the Online Safety Act alongside additional metrics | Online use and attitudes | Published 8 October 2024 |
| 25 | Online Experiences Tracker Wave 6: Recurring programmatic survey. Robust quant data measuring the prevalence, impact and character of positive and negative online experiences for UK internet users aged 13 | Online use and attitudes | Published 15 October 2024 |
| 26 | Day in Life interventions (BI trial): Behavioural insights trial to assess users' understanding of use of personal data on social media platforms. Tests the messages that people see (whether the message about what data is being collected is more or less salient; whether the implications of the data collected are spelt out or not) and whether data sharing is mandatory (share all data or not) or granular (choose which data to share) | Media literacy | Published 12 November 2024 |
| 27 | Understanding misinformation: an exploration of UK adults' behaviour and attitudes: Research conducted to help inform Ofcom's media literacy duty to heighten public awareness and understanding of the nature and impact of misinformation and disinformation online, as well as ways to mitigate exposure to such information | Mis/disinformation | Published 27 November 2024 |
| 28 | Online Nation 2024: Our annual report looks at what people are doing online, how they are served by online content providers and platforms, and their attitudes to and experiences of using the internet | Online use and attitudes | Published 28 November 2024 |
| 29 | Quick poll – Cloud storage, messaging and online marketplaces: Usage and activities undertaken on cloud storage, messaging and calling services and online marketplaces | Online use and attitudes | Published 28 November 2024 |
| 30 | Quick poll – Generative AI (older teenagers and adults): Whether internet users (16+) used generative AI tools – and if so, what they use them for, how much they trust the information and how they feel about the potential impact to society | Online use and attitudes | Published 28 November 2024 |
| 31 | Quick poll – Generative AI 2024 (8–15 year-olds in Great Britain): Whether child internet users (8–15) used generative AI tools – and if so, what they use them for, how much they trust the information and how they feel about the potential impact to society | Online use and attitudes | Published 28 November 2024 |
| 32 | Children's Online User Ages (Wave 3): Quantitative survey to investigate the % of children with a profile age on a social media site/app different to their actual age (ages 8–17) | Online use and attitudes | Published 28 November 2024 |

| | Project overview | Policy area | End date |
|------------|--|-------------------------|----------------------------|
| 33 | <u>VSP Tracker wave 5 and 6:</u> Recurring quantitative survey about experiences of video sharing platforms | Video sharing platforms | Published 28 November 2024 |
| 34 | <u>Consulting children on proposed safety measures against online grooming:</u> Participatory workshops with children aged 13–17 to understand what views children have about Ofcom’s proposed mitigations to protect against online grooming | Media literacy | Published 16 December 2024 |
| 35 | <u>Online communications among children and young people:</u> Studying the pathways to online grooming and the factors that influence children’s decision-making processes. Understanding their experiences of interactions with different services | Protection of children | Published 16 December 2024 |
| Q4 2024/25 | | | |
| 36 | <u>Adults Media Literacy Tracker:</u> Media literacy – Adults’ surveys, media use, attitudes and understanding among the 16+ adult population of the UK | Media literacy | Published 20 January 2025 |
| 37 | <u>Children and Parents Media Literacy Tracker:</u> Data which measures children aged 3–17’s use of different online apps and sites and other types of media, their understanding and attitudes, and parental concerns and moderation | Media literacy | Published 29 January 2025 |
| 38 | Children’s online ‘user ages’ Wave 4: This survey estimates the proportion of children who have a false ‘user age’ on their online profile, making them appear older than they actually are | Protection of children | Published 31 March 2025 |



A2 Enforcement Activity

Ofcom's Enforcement Team handles a range of issues across the sectors we regulate, including Telecommunications, Video Sharing Platforms, Post, and Network Security and Resilience. These issues encompass anti-competitive behaviour, breaches of regulatory rules and regulatory disputes. Table 1 shows the total number of formally opened investigations handled by the team. Table 2 shows the overall number of issues considered, with the

majority being closed on an administrative priority basis or because formal action was not deemed an appropriate response. This reflects the picture as at 31 March 2025.

More details of individual cases being investigated under the investigations programme are set out in Ofcom's Competition and Enforcement Bulletin available at: www.ofcom.org.uk/about-ofcom/latest/bulletins/competition-bulletins.

Open investigations and programmes

| Regulated sector | Total handled | Total opened | Total closed | Ongoing activity (as at 31/3/2025) |
|-------------------------|---------------|--------------|--------------|------------------------------------|
| Telecoms | 11 | 5 | 5 | 6 |
| Network Security | 1 | - | - | 1 |
| Post | 1 | - | 1 | - |
| Video Sharing Platforms | 5 | 3 | 5 | - |
| Online Safety | 3 | - | - | 3 |
| | 21 | 8 | 11 | 10 |

Total issues considered in the Enforcement Team

| Regulated sector | Open cases as at 1 April 2024 | New cases opened in year | Cases closed in year | Ongoing activity (as at 31/3/2025) |
|------------------|-------------------------------|--------------------------|----------------------|------------------------------------|
| Telecoms | 15 | 28 | 23 | 5 |
| Post | 0 | 0 | 0 | 0 |
| Online Safety | 2 | 5 | 5 | 0 |
| | 17 | 33 | 28 | 5 |

A3 Broadcasting complaints, cases and sanctions

Ofcom has a statutory duty under the Communications Act 2003 to establish procedures for the handling and resolution of complaints from listeners and viewers about radio and television programmes broadcast on services licensed by us, and also S4C. We also have a duty under the BBC Charter and Agreement to set procedures to handle and resolve complaints referred to us about the BBC's television, radio and on-demand programmes. We also enforce content standards on UK-based video on demand services.¹⁴

All complaints are important to Ofcom as they help us to

understand whether a broadcaster or on-demand service provider may be failing to comply with our rules.

As well as launching investigations following the assessment of complaints, we can also do so on our own initiative. We handle complaint-led and self-initiated investigations under the same procedures.

Individual complaints received by Ofcom are assigned to cases. A case is opened when Ofcom is assessing a specific programme or issue and may consist of one or more complaints. In the period under review, a total of 72,442 standards complaints were closed, which led to 9,408 cases assessed.

Content standards

Complaints about content standards are handled under Ofcom’s [Procedures for investigating breaches of content standards for television and radio](#). Complaints about BBC content standards are handled under Ofcom’s [Procedures for investigating breaches of content standards on BBC broadcasting services and BBC on demand programme services](#).

Initial assessment of complaints

Based on an initial assessment of the complaint, and in most cases a consideration of the related television or radio content, Ofcom will consider whether there may have been a breach of the Broadcasting Code (or other Ofcom codes). If not, Ofcom will decide not to investigate further and publishes this decision in its [Broadcast and On Demand Bulletin](#).

A total of 9,408 cases (72,442 complaints) were assessed in this way during the reporting period.

Complaints and cases assessed by year

| Type | Complaints | Cases |
|----------|------------|--------|
| 2024/25 | 72,442 | 9,408 |
| 20243/24 | 69,807 | 9,957 |
| 2022/23 | 36,908 | 8,725 |
| 2021/22 | 99,562 | 11,932 |
| 2020/21 | 142,660 | 11,778 |

¹⁴ Under the statutory framework these are known as “on-demand programme services”.

Investigations

If a case raises potential issues under our rules, we will investigate the matter further to decide whether a breach of the Broadcasting Code (or other Ofcom codes) has occurred. An investigation may consist of one or more related cases involving the same broadcaster.

Of the 9,603 cases, we referred 36 cases for investigation under our

rules in the reporting period.

In this financial year we concluded 57 investigations.¹⁵ Of the 57 investigations we concluded, 31 were launched before 2024/25. The other 26 were launched and completed within 2024/25.

Complaints, cases and investigations by key Broadcasting Code issue¹⁶

| Type | Complaints | Cases | Investigations | Breaches |
|----------------------|------------|-------|----------------|----------|
| Offence | 44,210 | 4,591 | 14 | 1317 |
| Harm | 40,844 | 4,565 | 7 | 7 |
| Due Impartiality | 21,732 | 1,715 | 21 | 4 |
| Protection of minors | 2,413 | 685 | 15 | 1418 |
| Other ¹⁹ | 3,465 | 1,716 | 14 | 8 |

Outcome of investigations:

- 33 investigated cases resulted in breaches of the Broadcasting Code (or other Ofcom codes) being recorded.
- 4 investigated case were resolved.²⁰
- 4 investigated cases were not in breach of the Code.
- 16 investigated cases were discontinued.²¹

In addition, 5 investigated cases resulting in breaches in 2023/24 were subsequently withdrawn this year.²²

We aim to complete those cases we take forward for investigation within 50 working days. In the period between 1 April 2024 and 31 March 2025, Ofcom completed investigations on average within 71.6 working days. This was due to the procedural and legal complexity of many of the cases we investigated.

¹⁵ An investigation may complete over more than one financial year depending on factors such as when it was launched and the complexity of the investigation.

¹⁶ The total complaints and cases for each year are slightly higher in this table than the figures in Figure 1 due to an overlap in the way cases are categorised in our case management system.

¹⁷ All of these breaches were linked to offensive language.

¹⁸ 13 of these breaches were linked to offensive language.

¹⁹ Other case types include commercial references, charity appeals and advertising minutage.

Fairness and Privacy

Fairness and Privacy complaints relate to unjust or unfair treatment in programmes, or unwarranted infringements of privacy in programmes (or in connection with the obtaining of material included in them).

These complaints are made by individuals or organisations participating in or otherwise directly affected by programmes as broadcast, or in the making of programmes.

Complaints about fairness and privacy are handled under Ofcom's Procedures for the consideration and adjudication of Fairness & Privacy complaints.

Fairness and privacy complaints about BBC television, radio and on demand programmes are handled under

Ofcom's Procedures for the consideration and adjudication of Fairness and Privacy complaints on BBC broadcasting services and BBC on demand programme services.

In 2024/25, we considered 196 Fairness and Privacy complaints.

Entertained decisions

Ofcom aims to assess and decide whether to entertain Fairness and Privacy complaints within 25 working days of receipt of the complaint and any further information requested from the complainant. In the period between 1 April 2024 and 31 March 2025, Ofcom assessed and decided whether to entertain Fairness and Privacy complaints on average within 20.6 working days.

Adjudications

If a Fairness and Privacy complaint is entertained by Ofcom, we will investigate the matter to decide whether a breach of the Broadcasting Code has occurred. A final adjudication will be taken after all relevant evidence and material has been considered.

A total of 14 complaints were adjudicated upon in the period under review. Of these:

- 3 complaints were upheld.
- 8 complaints were not upheld.
- 3 complaints were withdrawn or discontinued.

Ofcom aims to complete the consideration and adjudication of Fairness and Privacy complaints within 90 working days of the complaint being entertained. In the period between 1 April 2024 and 31 March 2025, Ofcom completed the consideration and adjudication of Fairness and Privacy complaints on average within 82.8 days.

²⁰ A 'resolved' outcome may be used in cases, for instance, where a broadcaster has taken immediate and appropriate steps to remedy a breach. In such cases, Ofcom may consider it appropriate to record a breach as 'resolved' rather than 'in breach'. A 'resolved' finding is held on record and may be taken into account should there be further compliance concerns regarding a particular broadcaster.

²¹ This included six investigations relating to our due impartiality rules that were discontinued following the quashing of two related decisions by the High Court on 28 February 2025.

²² All five breach decisions were recorded against the same licensee, GB News, and concerned our rules on due impartiality. On 28 February 2025, the High Court quashed two of these breach decisions. Subsequently, on 13 March 2025, Ofcom withdrew these decisions and the three related breach decisions.

Sanctions

Where Ofcom decides that a broadcaster has breached the Broadcasting Code or other Ofcom code, and it considers the breach or breaches to be serious, deliberate, repeated and/or reckless, it may consider whether to impose a statutory sanction on the broadcaster.

Ofcom has a range of sanctions available, including to: issue a direction not to repeat a programme or advertisement; issue a direction to broadcast a correction or a statement of Ofcom's findings; impose a financial penalty;²³ shorten or suspend a licence (for some categories of licence); and revoke a licence (not applicable to the BBC, S4C or Channel 4).

During the period between 1 April 2024 and 31 March 2025, Ofcom imposed the following statutory sanctions:

- GB News Limited in respect of its service GB News – a financial penalty of £100,000, and directions to broadcast a statement of Ofcom's findings and not repeat the programme.²⁴
- Word Network Operating Company Inc in respect of its service The Word Network – a financial penalty of £150,000, and directions to broadcast a statement of Ofcom's findings and not repeat the programme.²⁵

BBC content standards and investigations

Complaints about BBC programmes are considered under a ‘BBC First’ complaints framework. This means that if a viewer or listener has a complaint about something they have seen or heard in a BBC television, radio or on-demand programme, they must normally complain to the BBC in the first instance.²⁶ The complainant can refer their complaint to Ofcom if they are dissatisfied with the BBC’s response or if the BBC fails to respond in a timely manner.

A complaint can also be referred if the complainant considers that the imposition by Ofcom of a sanction against the BBC may be appropriate.

During the last year, we received and assessed 2,201 complaints covering a range of standards issues for BBC content. Of these:

- 2,044 were referred to the ‘BBC First’ approach.
- 157 went through our BBC Standards process.

There was a total of 1,251 cases, 1,101 of which were ‘BBC First’ and 150 of which went through our BBC Standards process, none of which raised issues warranting further action by Ofcom.

²³ All financial penalties imposed by Ofcom are held in an account with Government Banking Services (GBS) for the benefit of the Exchequer. Funds are transferred to the HM Treasury GBS account for direct use by the Exchequer or distributed to relevant Consolidated Funds. Ofcom neither receives financial benefits from nor makes use of any financial penalties received.

²⁴ [Decision – GB News Limited, 31 October 2024](#). GB News Limited is challenging the Breach Decision by judicial review, which we are defending. Ofcom will not enforce this sanction decision until those proceedings are concluded.

²⁵ [Decision – Word Network Operating Company Inc, 11 March 2025](#)

²⁶ The ‘BBC First’ complaints framework does not apply to Fairness and Privacy complaints about BBC content.

BBC online material

Under the BBC's Charter and Agreement, set by Government and Parliament, the BBC is responsible for the editorial standards of its online material. Ofcom has a responsibility to consider and give an opinion on whether the BBC has observed relevant editorial guidelines in its online material.²⁷ Online material means content on the BBC's website and apps, such as articles, images and videos, and is defined in the Ofcom BBC Online Arrangement. The definition does not extend to the BBC's social media content, and it does not include programmes on the BBC iPlayer and BBC Sounds which must comply with Ofcom's Broadcasting Code rules.

Between 1 April 2024 and 31 March 2025 we

assessed and closed a total of 58 complaints about the BBC's online material.

A further 255 complaints about BBC online material were referred to the BBC under the 'BBC First' approach or found to be outside of our remit. Ofcom aims to make an initial assessment of these complaints within 15 working days. In the period between 1 April 2024 and 31 March 2025, Ofcom assessed complaints on average within 11.7 working days.

Over the last year we concluded two investigations involving BBC Online material:

- In June we issued an Opinion on whether the BBC has observed its own Editorial Guidelines in the content of an online article about allegations that

the broadcaster, Al Jazeera, had failed to address staff complaints of inappropriate behaviour taking place at its headquarters in Doha, Qatar. The article was published on 17 October 2022. Ofcom's Opinion was that the BBC observed "Section Three: Accuracy", "Section Six: Fairness" and "Section Fifteen: Conflicts of Interest" of the BBC's Editorial Guidelines.²⁸

- In June we also issued an Opinion on whether the BBC observed its own Editorial Guidelines in the content of an online article reporting on the online safety measures in place on the OnlyFans website. The article was published on 27 October 2022. Ofcom's Opinion

was that the BBC observed Sections 4 ("Impartiality") and Section 6 (Fairness to Contributors and Consent) of the BBC's Editorial Guidelines.²⁹

The Government's Mid-Term review of the BBC recommended that Ofcom is granted full enforcement powers in relation to BBC Online Material. Subject to the publication of a revised BBC Framework Agreement, Ofcom will commence the process of drawing up and consulting on a BBC Online Material Code, which will broadly reflect the different sections of the Broadcasting Code.³⁰

²⁷ We handle complaints about the BBC's online material under Ofcom's [Procedures for handling complaints relating to BBC online content](#).

²⁸ [Ofcom Bulletin for complaints about BBC online material](#), Issue number 46, 3 June 2024.

²⁹ [Ofcom Bulletin for complaints about BBC online material](#), Issue number 46, 3 June 2024

³⁰ [BBC Mid-Term Review](#), January 2024

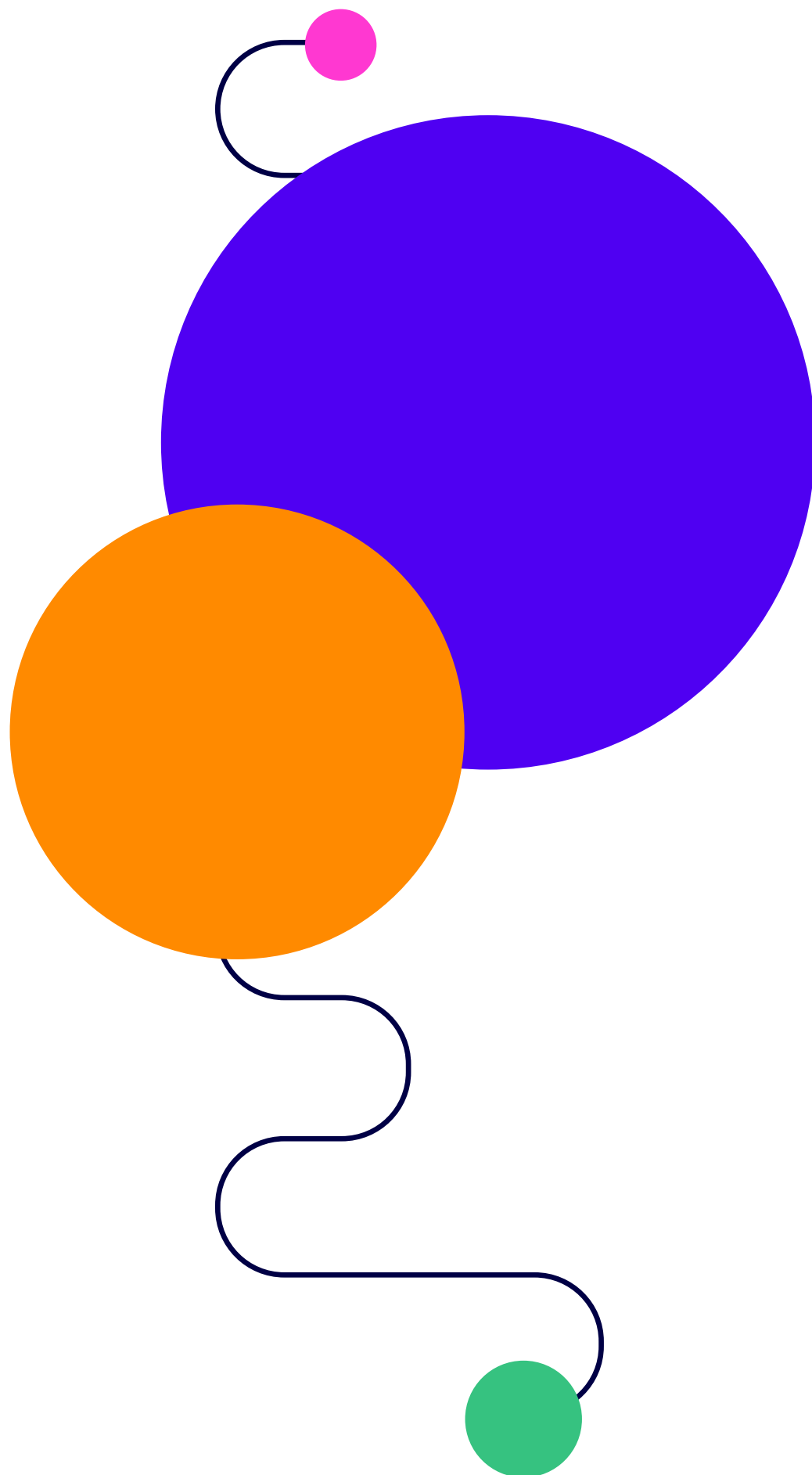
On-demand programme services

We also consider complaints about content standards on notified on-demand programme services (“ODPS”)³¹ under Ofcom’s Procedures for investigating breaches of rules for on demand programme services. In 2024/25, we assessed 1,233 complaints, which led to 630 cases about ODPS content. This year Ofcom also concluded an investigation opened in 2023/24, finding a service to be in breach of the ODPS rules on prohibited material.

In May 2024, the Media Act received Royal Assent.³² It includes details of a new framework for Video On Demand (“VOD”) regulation. The legislation gives Ofcom powers to draft and enforce a new VOD Code similar to the Broadcasting Code which will be applicable to “Tier 1” providers, to be designated by the Secretary of State. Ofcom will also continue its ongoing duty to assess audience protection measures on VOD services.

³¹ With the exception of public service ODPS provided by the BBC, which are subject to the Broadcasting Code, ODPS that are notified to Ofcom must comply with a set of Statutory Rules which are separate to the Broadcasting Code.

³² Media Act, May 2024



A4 Spectrum Assurance and Compliance

Key performance indicator

Main Activities

| Work Programme Activity/Incident | April 24–March 25 | April 23–March 24 |
|---|-------------------|-------------------|
| Complaints of Interference received ³³ | 1,710 | 1,723 |
| Checking radio system licence compliance ³⁴ | 3,393 | 3,177 |
| Fixed Penalty Notices Issued ³⁵ | 42 | 18 |
| Prosecutions for criminal spectrum activity ³⁶ | 0 | 1 |

Quality of Service Targets for Complaints of Interference Received

| Key Performance Indicator | Case Priority | Target | Target Achieved | |
|---|---------------|-----------------|-------------------|-------------------|
| | | | April 24–March 25 | April 23–March 24 |
| Time to First Visit: | 1 | 8 hours | 100% | 100% |
| The time taken from reporting a complaint of interference to the time our engineer arrives on site to diagnose the problem (for those cases where a field visit is required). | 2 | 18 hours | 100% | 100% |
| | 3 | 2 working days | 100% | 99% |
| | 4 | 5 working days | 100% | 99% |
| | 5 | 15 working days | 100% | 99% |
| | 6 | No target | | |
| Resolution: | 1 | 2 calendar days | 100% | 100% |
| The time taken from reporting a complaint of interference to the time the customer is advised that the case is resolved. | 2 | 3 calendar days | 100% | 100% |
| | 3 | 6 working days | 98% | 99% |
| | 4 | 20 working days | 97% | 97% |
| | 5 | 40 working days | 99% | 99% |
| | 6 | 60 working days | 100% | 99% |

A5 Spectrum licensing

Category A

Licences that involve no frequency assignment, site clearance or international co-ordination and have a 7-day KPI

| Licence Type | Licences issued Apr 2024– Mar 2025 | Licences issued Apr 2023– Mar 2024 | Total on issue as of 31 March 2025 | Total on issue as of 31 March 2024 |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Business Radio Light – Simple UK (no base station) | 1,711 | 1,727 | 15,600 | 14,820 |
| Business Radio Simple Site | 1,181 | 977 | 9,424 | 8,926 |
| Business Radio Suppliers Light | 103 | 90 | 1,228 | 1,154 |
| Fixed Wireless Access (5.8 GHz) | 39 | 51 | 338 | 347 |
| GNSS Repeater | 14 | 14 | 429 | 414 |
| Police and Fire | 0 | 1 | 122 | 121 |
| Subtotal for Business Radio products | 3,048 | 2,860 | 27,141 | 25,782 |
| Aeronautical Licences (light aircraft and transportable) | 1,790 | 1,960 | 12,048 | 12,558 |
| Radar Level Gauge | 0 | 0 | 124 | 124 |
| Subtotal for Aero and Radar products | 1,790 | 1,960 | 12,172 | 12,682 |
| PMSE Shared | 3,199 | 3,554 | 5,447 | 5,271 |
| Total for all licences with 7-day KPI | 8,037 | 8,374 | 44,760 | 43,735 |
| Avg. KPI for Category A (90% in 7 days) | 99% | | | |

³³ Cases of interference reported by the public and businesses.

³⁴ Work carried out by Ofcom to ensure licence conditions are adhered to or unlicensed use is not taking place.

³⁵ Fixed Penalty Notices (FPN) are usually issued instead of initiating legal proceedings. Failure to pay a FPN can lead to legal action.

³⁶ Prosecutions in relation to Pirate Radio or failure to pay FPNs.

Licences that involve no frequency assignment, site clearance or international co-ordination and have a 10-day KPI.

| Licence Type | Licences issued Apr 2024–Mar 2025 | Licences issued Apr 2023–Mar 2024 | Total on issue as of 31 March 2025 | Total on issue as of 31 March 2024 |
|--|-----------------------------------|-----------------------------------|------------------------------------|------------------------------------|
| Amateur & Ship | 14,339 | 14,869 | 313,152 | 303,898 |
| Avg. KPI for Category A- Amateur & Ship) (90% in 10 days) | 100% | | | |
| Total for all Category A | 22,376 | 23,243 | 357,912 | 347,633 |
| Avg. KPI for all Category A | 100% | | | |

Category B

Licences that involve frequency assignment, but no site clearance or international co-ordination and have a 42-day KPI.

| Licence Type | Licences issued Apr 2024–Mar 2025 | Licences issued Apr 2023–Mar 2024 | Total on issue as of 31 March 2025 | Total on issue as of 31 March 2024 |
|--|-----------------------------------|-----------------------------------|------------------------------------|------------------------------------|
| Automatic Identification System | 64 | 46 | 555 | 497 |
| Coastal Station Radio (International) | 6 | 18 | 373 | 387 |
| Coastal Station Radio (UK) | 7 | 7 | 292 | 309 |
| Coastal Station Radio (Marina) | 15 | 21 | 374 | 384 |
| Coastal Station Radio (Training School) | 48 | 59 | 699 | 657 |
| Maritime Radio (Suppliers & Demonstration) | 4 | 1 | 67 | 63 |
| Maritime Nav aids and Radar | 18 | 17 | 162 | 148 |
| Differential Global Positioning System | | 0 | 4 | 5 |
| Shared Access (Low Power) | 250 | 127 | 519 | 422 |
| Shared Access (Medium Power) | 217 | 218 | 534 | 420 |
| Business Radio Technically Assigned | 1,599 | 1,524 | 20,954 | 21,564 |
| Business Radio Area Assigned | 18 | 26 | 422 | 426 |
| Coastal Station Radio (UK) Area Defined | 1 | 7 | 13 | 17 |

| Licence Type | Licences issued Apr 2024– Mar 2025 | Licences issued Apr 2023– Mar 2024 | Total on issue as of 31 March 2025 | Total on issue as of 31 March 2024 |
|---|--|--|---|---|
| Coastal Station Radio (Internat'l) Area Defined | 2 | 0 | 11 | 9 |
| Ground Probing Radar | 30 | 26 | 260 | 241 |
| Scanning Telemetry | 1 | 1 | 27 | 27 |
| Self-co-ordinated links | 12 | 16 | 140 | 138 |
| Subtotal for Business Radio products | 2,282 | 2,114 | 25,406 | 25,714 |
| Aero Ground Station³⁷ | 190 | - | 1,653 | - |
| PMSE coordinated | 37,388 | 36,703 | 2,353 | 2,284 |
| Total for Category B | 39,860 | 38,817 | 29,412 | 27,998 |
| KPI for Category B | 92% | | | |

³⁷ There is no KPI for Aero ground station licences as we work with the CAA to confirm before the licence is issued.

³⁸ The numbers for Aero ground station licences for previous years is not available but will be updated in future.

Category C

Licences that require frequency assignment, and site clearance and/or international co-ordination and have a KPI of 90% completed in 42 days (just fixed link and satellite licences) or 100% in 60 days for all CAT C licences.

Includes licences and authorisations for outside broadcasts and programme-making and special events.

| Licence Type | New licences issued Apr 2024–Mar 2025 | New licences issued Apr 2023–Mar 2024 | Total on issue as of 31 March 2025 | Total on issue as of 31 March 2024 |
|---|---------------------------------------|---------------------------------------|------------------------------------|------------------------------------|
| Fixed Links | 1,438 | 1,935 | 17,576 | 18,224 |
| Satellite (Permanent Earth Station) | 6 | 6 | 99 | 104 |
| Satellite (Permanent Earth Station) | 60 | 28 | 83 | 81 |
| Satellite (Earth Station Network) | 8 | 9 | 61 | 63 |
| Satellite (Non-Fixed Earth Station) | 3 | 0 | 15 | 15 |
| Satellite (Non-Geostationary Earth Station) | 3 | 1 | 9 | 7 |
| Innovation and Research Licence | 413 | 401 | 669 | 410 |
| Demonstration and Trial Licence | 349 | 224 | 413 | 165 |
| Total for Category C | 2,280 | 2,604 | 18,925 | 19,069 |
| Avg KPI for Category C (90% in 42 days) | 97% | | | |
| 100% in 60 days | 99% | | | |

Mobile and wireless broadband licences

Licences issued through spectrum auction or award processes.

| Licence Type | New licences issued Apr 2024– Mar 2025 | New licences issued Apr 2023– Mar 2024 | Total on issue as of 31 March 2025 | Total on issue as of 31 March 2024 |
|---|--|--|---------------------------------------|---------------------------------------|
| Spectrum Access: 412–414 MHz | 0 | | 1 | 1 |
| Spectrum Access: 700 MHz | 0 | 0 | 3 | 3 |
| Spectrum Access: 800 MHz, 2.6 GHz | 0 | 0 | 6 | 6 |
| Public Wireless Networks: 900, 1800 MHz | 0 | 0 | 4 | 4 |
| Spectrum Access: 1452–1492 MHz | 1 | 0 | 3 | 2 |
| Spectrum Access: 1785 MHz, Northern Ireland | 0 | 0 | 0 | 0 |
| Spectrum Access: 2100 MHz | -3 | 0 | 1 | 4 |
| Spectrum Access: 2.3 GHz | 0 | 0 | 1 | 1 |
| Spectrum Access: 3.4–3.6, 3.5, 3.6, 3.6–3.8 GHz | 3 | 0 | 16 | 13 |
| Spectrum Access: 3.9 GHz | 0 | 0 | 1 | 1 |
| Spectrum Access: 10, 28, 32, 40 GHz | 8 | 0 | 22 | 14 |
| Spectrum Access Offshore | 1 | 1 | 14 | 13 |
| Spectrum Local Access | -2 | 0 | 27 | 29 |
| Spectrum Access: Channel Tunnel33 | -1 | 0 | 1 | 2 |
| Total for Mobile and Wireless broadband | 7 | 1 | 100 | 93 |

Channel Islands and Isle of Man licences

Licence applications made via local Regulators.

| Licence Type | New licences issued | New licences issued | Total on issue as of | Total on issue as of |
|--|---------------------|---------------------|----------------------|----------------------|
| | Apr 24 – Mar 25 | Apr 23 – Mar 24 | 31 March 25 | 31 March 24 |
| Public Wireless Network: 800, 900, 1800, 2100, 2600 MHz, Channel Islands and Isle of Man | 0 | 0 | 30 | 30 |
| Spectrum/Wireless Access: 3.4, 3.6, 10, 28 GHz, Channel Islands and Isle of Man | 0 | 5 | 9 | 9 |
| Total for Channel Islands and Isle of Man | 0 | 5 | 39 | 39 |

Digital dividend spectrum licences

DOR GI Licences issued through spectrum award processes.

| Licence Type | New licences issued | New licences issued | Total on issue as of | Total on issue as of |
|--|---------------------|---------------------|----------------------|----------------------|
| | Apr 24 – Mar 25 | Apr 23 – Mar 24 | 31 March 25 | 31 March 24 |
| Public Wireless Network: 800, 900, 1800, 2100, 2600 MHz, Channel Islands and Isle of Man | 0 | 0 | 1 | 1 |
| Spectrum/Wireless Access: 3.4, 3.6, 10, 28 GHz, Channel Islands and Isle of Man | 0 | 0 | 1 | 1 |
| Total for Channel Islands and Isle of Man | 0 | 0 | 2 | 2 |
| | | | | |
| Total number of licenses – all categories | 64,523 | 64,670 | 406,390 | 394,833 |

A6 Sustainability

Greenhouse gas emissions, 2017/18 to 2024/25

| | | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|--|------------------------|--------------|--------------|--------------|------------|------------|------------|--------------|--------------|
| Non-Financial Indicators (tonnes CO₂e) | Emissions for scope 1 | 400 | 327 | 185 | 108 | 115 | 140 | 148 | 133 |
| | Emissions for scope 2 | 809 | 528 | 308 | 189 | 172 | 398 | 340 | 292 |
| | Emissions for scope 3 | 519 | 555 | 594 | 7 | 57 | 347 | 674 | 719 |
| | Total emissions | 1,728 | 1,410 | 1,087 | 304 | 344 | 885 | 1,162 | 1,144 |
| Related energy consumption | Fleet Fuel (litres) | 73,659 | 64,710 | 62,665 | 35,465 | 35,406 | 57,175 | 58,578 | 51,195 |
| | Gas (kWh) | 1,014,202 | 802,709 | 120,016 | 95,613 | 148,858 | 41,671 | 90,344 | 83,322 |
| | Electricity (kWh) | 2,103,652 | 1,720,333 | 1,112,349 | 747,108 | 809,159 | 2,059,489 | 1,759,447 | 1,507,758 |
| Related business travel data (km) | Air - domestic | 581,902 | 537,247 | 725,261 | - | 50,324 | 284,544 | 569,197 | 515,128 |
| | Air - international | 1,617,386 | 1,776,192 | 1,680,572 | 653 | 108,509 | 1,062,786 | 1,758,892 | 2,118,110 |
| | Rail or underground | 1,793,809 | 1,784,741 | 2,000,504 | 13,146 | 437,355 | 1,109,722 | 1,277,695 | 1,603,332 |
| | Road travel | 244,308 | 220,376 | 254,311 | 32,544 | 68,955 | 247,452 | 274,043 | 169,790 |
| Financial indicators (£'k) | Fleet Fuel | £94k | £90k | £85k | £43k | £49k | £98k | £88k | £75k |
| | Gas | £25k | £27k | £11k | £12k | £12k | £8k | £13k | £10k |
| | Electricity | £340k | £287k | £158k | £128k | £146k | £909k | £997k | £688k |
| | Business Travel | £706k | £743k | £838k | £5k | £139k | £660k | £998k | £1,118k |

Scope 1 – This covers direct consumption of gas and oil, and fuel consumption from Ofcom's fleet cars. Gas consumption data across all years cover Ofcom's main offices in London, Belfast, Birmingham, Edinburgh, Haydock (closed 2018) and Livingston (closed

2017). Ofcom pays for petrol and diesel fuel for its fleet cars using fuel cards, and consumption is recorded and monitored monthly. Fuel consumption from our fleet cars is largely dependent on demand for our enforcement services.

Scope 2 – This covers electricity supplies to Ofcom’s offices. Electricity data across all years cover Ofcom’s main offices in London, Baldock, Belfast, Birmingham, Cardiff, Edinburgh, Haydock (closed 2018), Warrington, Manchester and some remote monitoring direction-finding sites around the UK. Electricity consumption is dependent on weather conditions.

Scope 3 – Business travel financial data have been obtained from our reporting system and include travel by all colleagues regardless of where they are located. We have converted rail travel financial data into distances using guidance from the Carbon Trust Standard, and road travel financial data into distances using data from expense claims for mileage. Air travel data have been obtained directly from our business travel provider, and categorised into domestic and international flights as per Defra flight distance guidance. Rail or underground data is largely UK-based, with some international travel.

Waste minimisation and management

Waste consumption data for all years relate to Ofcom's main office in London. Accurate waste consumption data is not available for other Ofcom offices, but the associated waste disposal costs have been included. From June 2017 waste cost is included in our service charge. Our managing agent operates on a 'zero waste to landfill' basis, and all waste is recycled or incinerated with energy recovery, none of which is hazardous.

| | | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|--|---|---------------|----------------|---------------|----------------|----------------|----------------|----------------|----------------|
| Non-Financial Indicators (tonnes) | Total waste | 183 | 198 | 183 | 69 | 161 | 72 | 142 | 191 |
| | Total to landfill | - | - | - | - | - | - | - | - |
| | Total recycled | 125 | 71 | 125 | 38 | 79 | 21 | 55 | 108 |
| | Total composted | - | - | - | 3 | 0 | 15 | 41 | 38 |
| | Total incinerated with energy recovery | 58 | 127 | 58 | 28 | 82 | 36 | 46 | 45 |
| Financials | Waste | £7,004 | £43,805 | £7,004 | £12,470 | £27,569 | £26,949 | £25,440 | £34,232 |

Finite resource consumption

Water data across all years cover Ofcom's main offices in London, Baldock, and Birmingham. Water charges for other offices are included in the service charge and therefore cannot be analysed.

| | | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|--|-------------------------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Non-Financial Indicators (tonnes) | Water consumption (m3) | 9,379 | 13,988 | 18,874 | 6,375 | 13,075 | 20,842 | 9,469 | 5,890 |
| | Paper reams | 3,915 | 2,579 | 2,446 | 23 | 16 | 168 | 183 | 85 |
| | A3 reams | 50 | 127 | 106 | 0 | 1 | 9 | 6 | 3 |
| | A4 reams | 3,865 | 2,452 | 2,305 | 23 | 15 | 159 | 177 | 82 |
| | A5 reams | - | - | 35 | - | - | - | - | - |
| Financials | Water | £6,929 | £19,583 | £23,321 | £14,820 | £25,049 | £35,851 | £16,288 | £10,132 |



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