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Telecoms & Media

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COMMUNICATIONS POLICY

Regulatory and institutional structure

Summarise the regulatory framework for the communications sector. Do any foreign ownership restrictions apply to communications services?

Communications law and regulation in the United Kingdom is principally founded on the Communications Act 2003 (CA 2003). This legislation implemented several EU laws aimed at harmonising, simplifying and increasing the usability of telecoms regimes across all EU member states. The Electronic Communications and Wireless Telegraphy (Amendment etc) (EU Exit) Regulations 2019 and the Broadcasting (Amendment) (EU Exit) Regulations 2019 were made on 12 February 2019 and came into force on 31 January 2020, both of which amended certain deficiencies within CA 2003 and addressed implications of Brexit. Additionally, the United Kingdom implemented Directive (EU) 2018/1972 (the European Electronic Communications Code) (EECC) through the Electronic Communications and Wireless Telegraphy (Amendment) (European Electronic Communications Code and EU Exit) Regulations 2020, which were made on 2 December 2020 and came into force on 21 December 2020. The EECC replaced the previous EU authorisation directives, but the authorisation regime remained largely unchanged.

CA 2003 grants authority to the Office of Communications (Ofcom), the UK's national regulatory authority for communications. The role of Ofcom is to set and enforce regulatory rules in all sectors for which it is responsible and, along with the Competition and Markets Authority (CMA), to promote fair competition across the industry by enforcing competition laws. As part of Ofcom's regulatory principles, Ofcom must take the least intrusive approach to intervention and will only do so where the intervention would be evidence-based, proportionate, consistent and transparent.

Although Ofcom is accountable to Parliament, the Department for Culture, Media and Sport, is the UK government department with overall responsibility for developing the telecoms regulatory framework within the United Kingdom. Ofcom is restricted to acting within the powers conferred on it by Parliament.

Ofcom's 2025–2026 Plan of Work outlines four main priorities for the coming year, and how the delivery of such priorities will be supported by various projects and programmes that Ofcom will run during the course of 2025–2026. These four areas are:

- 'Internet and post we can rely on' – including ensuring that UK consumers have access to high-quality full-fibre and gigabit-capable networks, along with appropriate security and resilience measures to protect such demand. A particular note was given to how this aligns with the Telecoms Access Review 2026–2031 (TAR 2026–2031), that is going to conclude in 2025 and will set the regulatory framework for the communications sector in the UK during the period 2026–2031, and how ensuring the availability of digital infrastructure is central to this;
- 'Media we trust and value' – including ensuring continued access to broadcast and on-demand media, along with appropriate protections against harmful content being presented on such platforms. A particular note was given to ensuring access to trusted, duly accurate and duly impartial broadcast news;
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'We live a safer life online' – including establishing the foundations of the regime imposed under the Online Safety Act 2023 (OSA), and starting to put in place the additional regulatory requirements for those that fall under 'categorised services' under OSA. A particular note was given to ensuring that, within this framework, children are appropriately protected online; and

- 'Enabling wireless in the UK economy' – including ensuring that radio spectrum remains an enabler for wireless services in the UK, not only in the commercial market, but also in the public sector (for emergency services, armed forces, etc). A particular note was given as to how this will involve meeting greater demand in the market, and that Ofcom will appropriately apply flexible authorisation processes and encourage a greater degree of sharing between users.

The Ofcom Plan of Work broadly aligns with the UK government's Draft Statement of Strategic Priorities for online safety, published on 20 November 2024, which outlined the following priorities for 2025: safety by design; transparency and accountability; agile regulation; inclusivity and resilience; and technology and innovation. What we see then, are overlapping themes of safety in content, resilience of infrastructure and the applicability of agile regulation in order to encourage an active and competitive market.

The UK government implemented a ban on the purchase of Huawei 5G equipment by UK operators (after 31 December 2020) and a requirement that all Huawei equipment be removed from 5G networks (by the end of 2027) through the Telecommunications (Security) Act 2021 (TSA 2021), which came into effect on 1 October 2022. TSA 2021 replaced sections of CA 2003 and provides for a duty to take security measures, allowing for the UK government to prohibit or restrict communications providers from using goods, services or facilities on national security grounds. There are also new duties on the provider to inform users of a security compromise.

The implementation of the powers under TSA 2021 involved the UK government marking Huawei with a 'Designation Notice' on 13 October 2022, and simultaneously releasing an accompanying 'Designated Vendor Direction', that was both published online and directly sent to 35 public communications providers. This contained a series of 12 specific requirements around the use of the goods and services of the 'Designated' Huawei group.

Ofcom published a follow up statement on 12 December 2022, which outlined the procedures it expects to follow in carrying out its monitoring and enforcement activities under CA 2003, as amended by TSA 2021. The statement contains general guidance about which security compromises providers would be expected to report to Ofcom and how to do so. Further to this, the UK government then published the 'Monitoring direction' that it had issued to Ofcom on 31 October 2023, which outlined the specific role and duties that had been assigned to Ofcom in order to enforce the Huawei 'Designated Enforcement Direction' under TSA 2021. In particular, this noted how certain public communications providers had been designated as 'Relevant Service Providers', and that Ofcom was now responsible for obtaining regular reporting information from said providers in order to ensure ongoing compliance with the 'Designated Vendor Direction'.

The National Security and Investment Act 2021 (NSIA 2021), which came into effect on 4 January 2022, reformed the UK government's ability to scrutinise foreign investment in, among other things, the communications and data infrastructure sectors. If an acquisition of a company falls within communication or data infrastructure (two of the 17 sectors called

out in NSIA 2021) then NSIA 2021 may apply, granting the Cabinet Office (acting through the Investment Security Unit) powers to scrutinise and review the transaction if one of the 'mandatory filing' trigger events occurs where a threshold of 25, 50 or 75 per cent of votes or shares in a qualifying entity is hit or passed through, or where there is the acquisition of voting shares that prevent the passage of a resolution governing the affairs of the qualifying entity. A voluntary NSIA 2021 filing is also potentially required where material influence is acquired over a qualifying entity, or control acquired of a qualifying asset. A telecoms service provider could fall within the definition of a qualifying entity if it is carrying on activities in the United Kingdom or supplying goods and services to the United Kingdom. If NSIA 2021 applies, companies must either make a mandatory notification or can make a voluntary notification to the Investment Security Unit. The Secretary of State will review the transaction and can either approve, approve with conditions or prohibit the entities from completing the acquisition.

On 21 May 2024, the UK government published updated guidance and resources related to NSIA 2021, including a new 'section 3 statement' on the exercise of the call-in power and guidance on compliance and enforcement. Key updates include:

- Section 3 statement: An updated statement outlines when the Secretary of State is likely to exercise the power to call in acquisitions for scrutiny, detailing the factors considered to protect national security.
- Guidance on compliance and enforcement: New guidance provides information on compliance with NSIA, including notices, orders, offences, and enforcement actions, emphasising the importance of adherence to the Act.
- Notifiable Acquisition Regulations: The first statutory review of the Notifiable Acquisition Regulations has been completed, with findings published to refine the system.
- Call for evidence response: The government has responded to a call for evidence, outlining future work to enhance the effectiveness of NSIA.
- Market guidance: Additional information is provided on the application of NSIA to the higher education sector and other topics, ensuring clarity for stakeholders.
- Outward Direct Investment: New guidance notes that NSIA may apply to outward direct investment by UK investors, expanding the scope of scrutiny.

On 19 December 2024, the UK government published its first statutory review of the notifications that are applicable under NSIA 2021. In its conclusions, it noted that it felt the system was currently working well and that its objectives were being met, but did conclude that it would continue to keep these notifications under review.

Law stated - 1 May 2025

Authorisation/licensing regime

Describe the authorisation or licensing regime.

The general authorisation regime under CA 2003 makes no distinction between fixed, mobile and satellite networks and services. All electronic communications networks (ECNs), electronic communication services (ECSs) and associated facilities (AFs) fall under the

scope of CA 2003, irrespective of the means of transmission. Moreover, under the general authorisation regime, there is no requirement for specific licensing of ECNs, ECSs and AFs, provided they comply with Ofcom's General Conditions.

The broad definition of ECNs to include any transmission system for the conveyance of signals between a transmitter, a medium and a receiver, by use of electrical, magnetic or electromagnetic energy, is in line with the EU's overarching principle of technology neutrality. Equally widely defined, an ECS is an internet access service that has as its principal feature the conveyance of signals through an ECN, excluding content services (the provision of material such as information or entertainment). Under CA 2003, an AF is a facility, element or service that is, or may be, used to enable the provision of an ECN or ECS or other services on that network or service, or supports the provision of such services.

ECNs or ECSs can provide networks or services to the public without the need for prior authorisation from Ofcom where they have complied with the General Conditions of Entitlement (the General Conditions). ECNs or ECSs may, however, need a licence in relation to the particular network or service that they are operating.

The General Conditions continue to receive regular updates from Ofcom, and a copy of the most recent unofficial consolidated version can be found on its website, along with a log of changes and accompanying statements that explain any historical amendments. The most recent edition of the unofficial consolidated version of the General Conditions was published on 22 April 2025, which reflects recent changes to General Condition B.1 in order to implement bans on 'Global Title' leasing arrangements, or the use of 'Global Titles' that have already been created from sub-allocated numbers, that were coming into force that day.

There are currently 17 General Conditions in force, the majority of which must be complied with by all ECNs and ECSs. The remainder apply in more limited circumstances, such as for public pay telephones. Under CA 2003, Ofcom has the power to amend or revoke any of the General Conditions as appropriate. For example, in the recent update on 1 February 2025, Ofcom removed references to the Phone-Paid Services Authority and modified the language of Conditions C2.11 and C2.12, along with the overarching definitions, to reflect the fact that Ofcom has taken over the regulation of premium rate phone services in accordance with the Regulation of Premium Rate Services Order 2024 (PRS Order).

In the smaller number of cases where an ECN or ECS is subject to specific conditions, Ofcom will notify that provider of the fact that those conditions are to be imposed. The General Conditions apply to ECNs irrespective of whether a provider owns or rents some or all of the network in question. The ECS will generally be the entity with a direct contractual relationship with the end user, or the reseller or other intermediary in the case of a wholesale provider. Ofcom provides further guidelines on which organisations will fall within these categories.

ECSs expressly include internet access services, interpersonal communications services (differentiated into number-based or number-independent) and services consisting wholly or mainly in the conveyance of signals. Number-independent interpersonal communications are not subject to the General Conditions as they 'do not benefit from the use of public numbering resources and do not participate in a publicly assured interoperable ecosystem'.

Entities using radio spectrum, such as mobile network operators or satellite service providers, will require the grant of a licence from Ofcom under the Wireless Telegraphy Act 2006 (WTA 2006). Each grant will detail the specific frequency, use, fees and duration

of the licence. Some services, such as receive-only earth stations, may not fall within the scope of the WTA 2006 licence condition, but still require Ofcom to authorise any such use under a scheme of recognised spectrum access. Operators of set-top boxes that convert signals for viewing will also need an operating licence under the Broadcasting Act 1996. The use of certain frequencies in the radio spectrum for short-range devices, such as alarms and radio frequency identification equipment, is exempt from the need to obtain licences. On 17 January 2025, Ofcom launched a consultation on updating and changing the relevant equipment licence exemptions. The consultation proposes a range of changes that Ofcom primarily groups as either: harmonising conditions for use with other countries; or exemptions that can be identified through Ofcom's own simplification of its programme of work. For completeness, the processes for obtaining licences for amateur users is handled separately, and an upgraded platform for doing so, Licensing Platform Evolution 3 (LPE-3) was launched on 7 April 2025.

Ofcom's approach to spectrum award is to allow the market as much flexibility in how the spectrum is used without assigning it to a particular technology or application. While spectrum licences are most commonly awarded via auction, Ofcom can design these in such a way as to ensure that there is the greatest possible competition within the market. In March 2022, Ofcom released its Spectrum Roadmap, which was subsequently updated on 10 November 2022, to outline the work that Ofcom plans to do to deliver on the strategy to manage the UK's spectrum. There are three key themes:

- network evolution and divergence;
- accelerating innovation and sharing with spectrum 'sandboxes'; and
- better data for better spectrum management.

The UK's latest auction by Ofcom was for spectrum to service 5G in April 2021. Ofcom has since announced in 2024 that it is planning to auction further licences to use spectrum in the 25.1–27.5 GHz and 40.5–43.5 GHz bands in certain parts of the country, primarily to enable the use of new services, including 5G mobile services. Following the CMA's approval of the Vodafone and H3G merger in December 2024, Ofcom announced that it was planning to host these auctions in September 2025, and published an updated version of the process guidance for such in March 2025.

Licence duration

Licences issued by Ofcom under WTA 2006 have varying durations depending on the type of licence granted. The mobile 3G licences granted in 2000 were subject to a fixed term of 20 years. Following the WTA (Directions to Ofcom) Order 2010, and subsequent consultation by Ofcom, mobile licences will continue for an indefinite period but be subject to annual renewal fees. ECNs and ECSs under the general authorisation regime are not subject to licensing requirements and, therefore, there is no set licence duration applicable to the provision of ECNs and ECSs.

On 11 January 2024, Ofcom published its response to the UK government's invitation to review its market-based approach to mobile spectrum management. Amongst other topics, Ofcom was invited to consider its current approach to the duration of licences granted. Following analysis of its own practices and comparison to the practices used in other European countries, Ofcom announced that it was planning on changing its approach, and

that the licences being auctioned in its upcoming September 2025 auction will be for a fixed term of 15 years, and will then be reallocated.

Modification of licences

Although ECNs and ECSs will not be subject to any direct licence modification, under CA 2003 Ofcom may impose changes to the General Conditions or specific conditions from time to time. CA 2003 requires that Ofcom publish a notice, outlining the proposed changes and justifying its reasons for these, providing a period for proposals from those providers affected of not less than one month. Variations to significant market power (SMP) conditions are subject to additional requirements, including that Ofcom must consider all representations made to it about the proposal and have regard to every international obligation of the United Kingdom as notified to it by the Secretary of State. Licences under WTA 2006 may be varied by Ofcom providing written notice to the licence holder or publishing a general notice to all holders of a class of licence.

Fees

Under the Digital Economy Act 2017 (DEA 2017), Ofcom is entirely funded through industry fees and charges. Communications service providers (with a revenue of more than £5 million) must pay a fee based on 0.0788 per cent of relevant turnover for the year ending 31 December 2023. Operators that have Code powers under the Electronic Communications Code (conferring benefits such as not having to apply for a street works licence to install certain equipment) must also pay an annual fee to Ofcom. The charge for 2025–2026 is £1,000. Operators must also pay a one-off charge of £10,000 for Ofcom's cost of dealing with the application for Code powers.

Radio communications

Ofcom has the power under WTA 2006 to set fees concerning wireless telegraphy licences, other than for those awarded by auction. Under WTA 2006, Ofcom can prescribe administered incentive pricing, allowing for fees to be set at above administrative costs to encourage efficient use of the spectrum. Ofcom must set out the fees through published regulations. Ofcom can either update existing regulations or publish new ones. Most recently, the Wireless Telegraphy (Licence Charges) Regulations 2020 came into force on 21 October 2020.

On 13 December 2024, Ofcom launched a formal review of its annual licence fees, and laid out proposals for revised fees for licence holders in the 900, 1,800 and 2,100 MHz spectrum. This included reducing the fees charged for licence holders in the 900 and 1,800 MHz spectrum by 21 per cent, and increasing the fees charged for licence holders in the 2,100 MHz spectrum by 12 per cent, resulting in a net reduction of fees paid of circa £40 million. The closing date for responses to these proposals was 7 March 2025, and Ofcom is planning to release a statement in response in Q3 of 2025.

Television and radio

Ofcom also charges licence fees for the radio and television sectors. The percentage of annual turnover payable varies according to the turnover of the operator or the operator is charged a flat fee, depending on the particular licence that they hold.

Public wi-fi

The Investigatory Powers Act 2016 (IPA 2016) applies to public Wi-Fi providers, which may result in them being required to retain and disclose communications data to authorities.

Law stated - 1 May 2025

Flexibility in spectrum use

Do spectrum licences generally specify the permitted use or is permitted use (fully or partly) unrestricted? Is licensed spectrum tradable or assignable?

In its 2022 Spectrum Roadmap Management Strategy statement, Ofcom highlighted the importance of providing as much flexibility as possible in spectrum licence conditions to liberalise the rights of the licensee, allowing that user to re-purpose the use of its spectrum without needing to seek a licence variation.

Ofcom's 2022 statement set out three access licences for the use of spectrum. First is a Technically Assigned licence that allows Ofcom to coordinate the individual assignment of frequencies within the band. This will be granted where various users apply to use the same spectrum and where failure to coordinate licensed users may result in harmful interference. Second are light licences that are available on request and do not require any assignment or coordination by Ofcom, which will be available where there is limited risk of interference between different users. Finally, there are block-assigned licences that provide access to a block of specific spectrum within a geographical area, and licensees then manage spectrum use within the block. These are generally awarded by auction. Defining interference parameters remains an important tool for allowing licence owners to understand how they can use their own network and the possible interference levels they may experience.

Alternatively, there is the licence exemption for radio equipment if its installation or use is not likely to result in undue interference to other radio equipment. A user will not need a licence if their device complies with specified technical parameters, which means that most mass-market consumer devices are licence exempt.

Spectrum trading

Spectrum trading is allowed in the United Kingdom, with the prior consent of Ofcom only required for the trading of mobile licences. The laws governing such trading are:

- WTA 2006;
- the Wireless Telegraphy (Spectrum Trading) Regulations 2012; and
- the Wireless Telegraphy (Mobile Spectrum Trading) Regulations 2011 (the Mobile Trading Regulations).

The parties to the transfer must notify Ofcom with certain information about the trade before Ofcom can then publish a notice setting out information on the trade and basic details about the licence. For mobile transfers, Ofcom must consent to the transfer, possibly giving further directions to the parties. Certain types of partial transfers are also permissible under the Mobile Trading Regulations, although these may be restricted to limit the number of available licences in the band. Ofcom produced its guidance on spectrum trading in March 2020, which provides further details.

On 31 October 2024, Ofcom launched a consultation paper that included proposed changes to Ofcom's existing spectrum trading and register rules. Amongst other things, this outlined proposed changes that would extend the ability to transfer rights and obligations through spectrum trading to include 'shared access' licences and 'point-to-point fixed links' licences, within certain frequency bands and under certain circumstances. Ofcom has announced that any new rules will come into force 21 days after its final statement is published – anticipated to be some time in Spring 2025.

Law stated - 1 May 2025

Ex-ante regulatory obligations

Which communications markets and segments are subject to ex-ante regulation? What remedies may be imposed?

Ofcom has powers to impose ex-ante regulations on markets where that market is found not to display effective competition. Under these ex-ante regulatory powers, Ofcom may impose certain SMP conditions on a communications provider where that provider is deemed to have SMP such that it can dominate a market, namely, it has a position of economic strength affording it the power to behave to an appreciable extent independently of competitors, consumers and customers. The EECC requires that Ofcom carries out market reviews to establish the level of competition before any SMP regulation can be imposed. If a market is found effectively competitive (namely, no operator has SMP), taking into account changing market conditions, no regulation can be imposed. Ex-ante regulation must be removed when the market has become effectively competitive. In 2002, the European Commission published guidance on how national regulatory authorities (NRAs) should approach imposing SMP conditions on a provider. These were updated in 2018 to reflect the changes to EU competition law generally as well as changes to the telecoms sector.

Under the EU framework, the European Commission identified the set of markets in which ex-ante regulation may be warranted. In its Recommendation on Relevant Markets, adopted on 21 December 2020, only the following markets were identified:

- wholesale local access provided at a fixed location (to ensure access-based competition in the broadband mass market); and
- wholesale dedicated capacity (which is mainly relevant for business use requiring a higher quality of connectivity).

As the UK NRA, Ofcom is required to carry out SMP assessments and review and report on existing SMP determinations every five years. Since 31 December 2020, Ofcom's decision-making concerning SMP markets and related conditions is no longer subject to EU oversight.

The current position on SMP markets in the United Kingdom is as follows.

Business connectivity markets

On 28 June 2019, Ofcom published the final statement and concluded that it will continue to regulate what Openreach can charge providers to use their leased-line networks and imposed requirements on Openreach for repairs and installations. Openreach will also be required to give competitors in certain areas physical access to its fibre-optic cables.

Physical infrastructure market

On 28 June 2019, Ofcom decided on regulation that will allow all telecoms providers access to Openreach's network of underground ducts and telegraph poles.

Wholesale fixed telecoms market (Hull)

The Ofcom consultation published in July 2020 setting out regulation plans for five years from April 2021, including proposals to remove regulation from the wholesale fixed analogue exchange line, integrated services digital network 2 and 30, wholesale call origination and wholesale broadband access markets. Regulation to remedy KCOM's SMP will continue.

Wholesale fixed telecoms market

The Ofcom statement published on 18 March 2021 continues to allow all network operators access to Openreach's network of underground ducts and telegraph poles. Depending on local competition, Openreach may continue to be required to provide wholesale access to its network or be subject to a cost-based charge control. Ofcom did not impose price caps on full-fibre connections provided by Openreach.

On 26 March 2024, Ofcom initiated a review that will apply to the UK fixed telecoms markets from April 2026 until March 2031, known as the TAR 2026–2031. On 20 March 2025, Ofcom published for consultation its initial set of policy proposals for the UK fixed telecoms market for this period of five years. As part of this pack, in volume 2, Ofcom outlined its proposed approach for market definition and SMP assessment as part of this process, with the proposed remedies (in the event of finding an SMP) outlined in volumes 3–6. Entities have until 12 June 2025 to respond. Ofcom has noted that it will consider all the feedback received in response to this consultation, before publishing a statement containing its final decisions in early 2026.

Wholesale voice market

The Ofcom statement published on 30 March 2021 states the decision to deregulate wholesale call origination and remove mobile donor conveyance charges price cap, although these continue to be required to be set at cost. Regulation and charge controls on mobile call termination and wholesale call termination were retained. New internet protocol interconnection regulations were introduced.

Law stated - 1 May 2025

Structural or functional separation

Is there a legal basis for requiring structural or functional separation between an operator's network and service activities? Has structural or functional separation been introduced or is it being contemplated?

In 2005, BT gave binding undertakings to Ofcom under the Enterprise Act 2002 (EA 2002) under which it agreed to implement a functional separation of its network division – Openreach – from the rest of the BT group. Organisational boundaries and information barriers comprised the basis of this functional separation, with Openreach obliged to deliver products providing access to the first-mile infrastructure to all communications providers on a non-discriminatory basis.

The status and operation of Openreach was reviewed in 2016 with Ofcom considering proposals, including retaining functional separation with increased independence of Openreach's governance, along with stricter access and quality requirements for Openreach (following several criticisms levelled at BT alleging abuse of the Openreach monopoly, underinvesting in the UK's broadband infrastructure and charging high prices with correlating poor customer service). Following Ofcom's announcement of its intention to file a formal notification to the European Commission to commence the separation process, in March 2017, BT Group agreed to implement a legal separation of Openreach from the BT group. On 31 October 2018, Ofcom published a notice confirming that BT was released from its EA 2002 undertakings given in respect of Openreach. Ofcom continues to monitor Openreach's strategic independence to ensure that the separation is operating in practice. If Ofcom is not satisfied that this separation does not work, a further option would be a structural separation that would see Openreach being completely separated from the BT Group.

Ofcom published its most recent such Annual Monitoring Report on 11 September 2024. In this report, though Ofcom noted that it had received some reported breaches of the voluntary commitments made by BT in 2017 regarding the strategic independence of Openreach from the BT Group, it had not seen enough evidence to warrant opening any new formal investigations during the relevant period. Indeed, Ofcom noted that it had continued to see evidence that these commitments were continuing to work as intended, and that they were well-established and well-embedded throughout both BT and Openreach.

Furthermore, following Ofcom's open letter to industry associated with Openreach's fibre build in 2022, Ofcom reiterated in this latest Annual Monitoring Report that it had found no evidence that Openreach was targeting competitors or making decisions that were not commercially rational.

In this report, Ofcom also noted that it had finished its own investigation into Openreach's compliance with quality of service standards for certain markets in 2022/2023; and that though it had found that Openreach was in breach of three of the standards that Openreach had been directed to meet in that period, Ofcom had decided not to impose a financial penalty given broader consideration of the particular circumstances and the steps taken by Openreach to comply with quality of service standards.

Law stated - 1 May 2025

Universal service obligations and financing

Outline any universal service obligations. How is provision of these services financed?

The law on universal service provision is partly derived from Directive 2009/136/EC (Universal Service Directive), which was incorporated into the EECC and implemented in the United Kingdom on 21 December 2020. Under the Electronic Communications (Universal Service) Order 2003, BT and KCOM, the designated Universal Service Providers in the United Kingdom, must comply with conditions aimed at ensuring the provision of universal service. The obligations include:

- special tariff schemes for low-income customers;
- reasonable geographic access to public phone boxes;
- a connection to the fixed network (including functional internet access); and
- the provision of a text relay service for customers with hearing impairment.

DEA 2017 established a power for the Secretary of State to include a broadband universal service obligation (USO) for a legally binding minimum level of broadband service with a connection of at least 10Mbps download speed and upload speeds of at least 1Mpbs by giving each household and business a new legal right to demand an affordable broadband connection up to a reasonable cost threshold. This was implemented through the Electronic Communications (Universal Service) (Broadband) Regulations 2018, which came into force on 4 December 2018. Ofcom designated BT and KCOM (in Hull) as the universal service providers to which broadband conditions are to apply. With the Broadband Delivery UK programme having brought fixed-line superfast broadband to more than 96 per cent of the United Kingdom, the 2018 USO is geared towards achieving the final 4 per cent.

Customers have the right to request an affordable broadband connection from BT or KCOM including requesting an upgraded connection should it not reach a download speed of 10Mbps and an upload speed of 1Mbps. If customers only have access to a service that is priced over £56.20 per month, there is the right to request a universal service connection.

The relevant provider will have 30 days from the request to confirm whether the customer is eligible. The customers will be eligible if their property does not already have access to affordable broadband and is not due to be connected by a publicly funded scheme within 12 months. The costs of providing connection will be paid for up to £3,400. If the required work costs more, the customers will have an option to either pay the additional costs or seek an alternative solution outside the universal service. Customers will pay the same price as anyone else on the same package, and this will be no more than £56.20 a month. Most people will get a connection within 12 months, but it may take up to 24 months.

The Electronic Communications (Universal Service) (Costs) Regulations 2020, which came into force on 15 June 2020, set out how universal service providers BT and KCOM will be compensated, including Ofcom rules for assessing the extent of the financial burden associated with the provision of universal services.

Law stated - 1 May 2025

Number allocation and portability

Describe the number allocation scheme and number portability regime in your jurisdiction.

Under retained EU law, end users have a right to keep their original telephone number when switching communications providers. Under its powers under CA 2003, Ofcom has laid out the conditions for number portability under General Condition B3. An end user's original service provider must provide them with a porting authorisation code in the shortest possible time when requested. The end user may then pass this code to a new provider and the porting must then take place within one business day.

In relation to mobile customers they can leave their network by sending a short, free text message without needing to call their existing provider. Ofcom has also banned mobile providers from charging for a notice period that runs after the switch date.

If a customer's request to port their number is being frustrated, the old provider will be put on notice and will have up to five days to resolve any issues. If it fails to do so, the customer has the right to trigger the process that will enable their new provider to override this obstacle. The customer will need to submit a complaint on Ofcom's website, which will be assessed by an independent industry panel.

Ofcom introduced a 'One Touch Switch' (OTS) process which established revised processes that residential landline and broadband customers should use as well as changes to the information service providers must give residential customers when they want to switch. The OTS process was due to be applicable from April 2023, and after some implementation delays, it formally launched on 12 September 2024 (albeit, with a further six-week transition period). Ofcom announced in an industry letter on 11 October 2024 that it would terminate the use of the interim notification of Transfer (NoT+) service at the end of the six-week transition period (24 October 2024), following which it will investigate individual operators for breaches of the OTS process requirement.

In addition, Ofcom and the Office for Telecommunications Adjudicator (OTA2), who had been brought on board to help with this transition to the OTS, conducted a joint review on matching under the new system. In this review, though they noted that there was good performance in some areas, Ofcom and OTA2 identified further areas of improvement. In a follow- up industry letter on 2 December 2024, Ofcom shared the findings of this review and directed relevant entities to improve their compliance as a matter of urgency. Following this, Ofcom announced on 31 January 2025 that it had sent an information request to certain operators to open an investigation into the industry's failure to implement OTS by the original deadline of 3 April 2023, in a potential breach of C7.18–C7.27 of Ofcom's General Conditions.

Law stated - 1 May 2025

Customer terms and conditions

Are customer terms and conditions in the communications sector subject to specific rules?

As well as any service contracts in the communications sector being subject to general unfair terms legislation (eg, the Consumer Rights Act 2015), part C of the General Conditions by Ofcom imposes consumer protection conditions. Condition C1 imposes minimum information provision requirements in consumer contracts, including a maximum initial

duration of two years and conditions for termination. One of the matters to be disclosed includes details of prices and tariffs, which is further extrapolated under Condition C2. Under this condition, all operators must make available clear and up-to-date information on their prices and tariffs, as well as on their standard terms and conditions of access to, and use of, publicly available telephone services.

Condition C4 and CA 2003 further require that dispute resolution mechanisms provided by the communications provider or otherwise are accessible to their domestic and small business customers (namely, businesses with 10 or fewer employees). The two dispute resolution schemes approved by Ofcom for this purpose are the Ombudsman Services and the Communication and Internet Services Adjudication Scheme.

Ofcom has set out a number of fairness rules that require providers to (among other things):

- provide clear and honest information to prospective broadband customers concerning a minimum guaranteed speed before they commit to a contract;
- compensate broadband and landline customers when they experience difficulties and delays in receiving the service;
- inform customers before their contract comes to an end and explain their best available deal (including those available to new customers); and
- allow mobile phone customers to switch provider with a text message.

Any terms that are deemed to be unfair will not be binding on consumers and Ofcom has a duty to consider any complaint that it receives from a consumer about unfair standard terms and conditions. Under Part 8 of the EA 2002, Ofcom has enforcement powers against sellers and suppliers who breach consumer protection legislation.

In determining whether customers are treated fairly by communications service providers, Ofcom will consider the following aspects:

- how providers treat their customers throughout the customer journey;
- who is being harmed;
- the extent of the harm;
- the importance of the service; and
- whether the service depends on risky new investment.

Ofcom also publishes guidance on treating vulnerable consumers fairly. The latest version was adopted in September 2022 and, influenced by the cost-of-living crisis at the time, four key areas were revised to include additional good practice measures. These areas were:

- engagement with customers and proactively emphasising the support providers offer;
- strengthening links to the free debt advice sector;
- measures taken by providers to effect payment; and
- social tariffs, whereby in essence, communications providers should assist those who are facing financial hardship in a more proactive way.

As a recent example of its powers being implemented to protect consumers, Ofcom issued a statement on 17 January 2025 that noted that it amended the General Conditions in order to ban telecoms and pay TV providers from including inflation-linked or percentage-based mid-contract price rises in the terms of new agreements. This included amendments to C1 and the definitions under the General Conditions.

Law stated - 1 May 2025

Net neutrality

Are there limits on an internet service provider's freedom to control or prioritise the type or source of data that it delivers? Are there any other specific regulations or guidelines on net neutrality?

The principle of net neutrality was enshrined into law by Regulation (EU) No. 2015/2120 (the 2015 EU Roaming and Open Internet Access Regulation) (the 2015 Regulation) (implemented in the United Kingdom by the Open Internet Access (EU Regulation) Regulations 2016 – necessary for designating Ofcom as the UK national regulatory authority), which prohibits discrimination, interference or paid prioritisation affecting end-user access. It includes transparency rules requiring internet access services to publish information on any traffic management measure that could affect end users (in terms of quality, privacy and data protection), as well as information on fair use policies, actual speeds, data caps and download limits (among others). It further requires Ofcom to monitor and enforce the rules.

In October 2023, Ofcom issued guidance on net neutrality and open internet regulations. The guidance allowed internet service providers (ISPs) to offer premium quality retail packages and provided clarity on the development of 'specialised services' with the advent of 5G and full fibre networks, which could include real-time communications, virtual reality, and driverless vehicles. The guidance further clarified the use of traffic management measures by ISPs to maintain good service quality and addressed zero-rating offers, where data used by certain websites or apps does not count towards a customer's overall data allowance, stating that such offers will generally be allowed.

Ofcom published its latest Annual Monitoring Report on Net Neutrality compliance in January 2025. The report highlights significant improvements in internet access services, with gigabit-capable broadband now available to 83 per cent of residential premises and 5G coverage reaching 90 per cent of areas outside premises. It notes that Ofcom's monitoring and reporting efforts continue to support ISP compliance with net neutrality rules, which aim to ensure equal and non-discriminatory treatment of internet traffic. The report summarises Ofcom's 2023 review, which concluded that net neutrality has generally worked well, supporting consumer choice and enabling content providers to deliver services effectively. It also provides revised guidance for ISPs to innovate and manage networks more efficiently. The review found that while traffic volumes have been growing, ISPs have managed this growth without impacting service quality, and network congestion has been limited.

In 2024, Ofcom reviewed the implementation of its 2023 updated guidance by gathering information from major UK ISPs, covering data from January 2023 to September 2024. The assessment found improved internet access quality, with expanded gigabit-capable

broadband coverage and increased speeds. Traffic management tools were used sparingly, indicating a need for more dynamic approaches. Retail offers complied with regulations, focusing on data allowance and speed, while specialised services were underutilised. Ofcom plans to continue annual reporting and may adjust data requirements to enhance net neutrality and network efficiency.

Ofcom's future monitoring approach will involve gathering data on network performance, traffic management policies, and the services offered by ISPs. This data will be used to assess compliance with net neutrality rules and will be included in future reports. The report also discusses the use of specialised services, zero-rating practices, and the treatment of terminal equipment by ISPs, ensuring that these practices do not infringe on end-user rights. See the Ofcom website for more information.

The 2015 Regulation now applies as retained EU law, as amended by the Open Internet Access (Amendment etc) (EU Exit) Regulations 2018 to address issues arising from the United Kingdom exiting the European Union and provide for amendments such as removing references to 'national regulatory authority', 'common rules' and requirements for Ofcom to follow requirements set by the European Commission and the Body of European Regulators for Electronic Communications (BEREC). Following Brexit, Ofcom does not need to implement the BEREC guidelines but still considers them in compliance reviews where appropriate.

Law stated - 1 May 2025

Platform regulation

Is there specific legislation or regulation in place, and have there been any enforcement initiatives relating to digital platforms?

Ofcom's remit covers the following platforms:

- digital terrestrial television;
- digital audio broadcasting;
- radio; and
- video-on-demand (VOD) services.

Any other digital platforms are subsequently only subject to general competition law and sector-specific regulations.

Competition

The complex nature of digital platforms and the difficulties in understanding their competitive effects has led the UK government and the CMA to take a flexible and case-by-case approach to policing digital platforms.

The CMA published a report of its online platforms study in July 2020, recommending the implementation of a new pro-competition regulatory regime. The report proposed that a Digital Markets Unit (DMU) should be empowered to enforce a code of conduct to govern online platforms with market power and make pro-competitive interventions to tackle sources of market power. The government responded in November 2020, accepting

the CMA's findings and commissioning the Digital Markets Taskforce to provide advice on the code of conduct. The DMU was established within the CMA on 7 April 2021 to focus on operationalising and preparing for the new regulatory regime. The Digital Markets, Competition and Consumers Bill received Royal Assent on 24 May 2024 and is now an Act of Parliament (law), with the regime coming into force on 1 January 2025. On 11 January 2024, the CMA published an overview of how it intended to implement the new digital markets competition regime provided for under Part 1 of the Digital Markets, Competition and Consumers Act 2024 (DMCCA), including the outcomes the CMA seeks to achieve and a set of 11 principles underpinning how it will carry out its new role. On 7 January 2025, the CMA published a press release which set out its initial plans as the new digital markets competition regime came into force. The CMA plans to initiate strategic market status (SMS) investigations in three digital activity areas within the first six months. The DMCCA empowers the CMA to designate firms with SMS and impose conduct requirements to benefit UK consumers and businesses. The CMA commits to a transparent and proportionate implementation. Investigations into Apple and Google's SMS designation began in January 2025, and a third investigation is expected in the first half of the year. Each investigation will be completed within nine months, with consultations on conduct requirements running concurrently.

Spectrum management

On 11 November 2024, Ofcom published the Information Memorandum for the award of licences in the 25.1–27.5 and 40.5–43.5 GHz bands, providing details for parties considering bidding in the auction regarding the relevant spectrum, licence terms, and the award process. This was part of Ofcom's broader strategy to make 6.25 GHz of spectrum available for mobile services globally, enhancing 5G deployment in Europe. Ofcom has decided to implement new regulations, namely the Wireless Telegraphy (Limitation of Number of Licences) Order 2025 and the Wireless Telegraphy (Mobile Spectrum Trading) (Amendment) Regulations 2025, to facilitate the use of the 25.1–27.5 GHz and 40.5–43.5 GHz bands in major towns and cities. The Order proposes to grant a limited number of spectrum access high density licences for high-density areas, while the Regulations will make trading these licences subject to existing mobile spectrum trading regulations. On 5 December 2024, the CMA approved the merger between two major telecom entities. Ofcom reviewed its policy decisions for the mmWave auction and found them appropriate for a three-player market, deciding not to impose additional competition measures. Preparations for the auction are underway, with applications to be accepted in September 2025 and the principal stage beginning in October 2025. On 20 March 2025, Ofcom updated the process guidance for the auction, streamlining the timeline for withdrawals, bidder packs, and additional deposits. The Auction Regulations timeline and other procedural details were also updated. Additionally, on 14 January 2025, Ofcom opened applications for shared access licences in the 26 GHz band, with subsequent updates to the mmWave Information Memorandum on 8 April 2025 to reflect these changes.

Wider digital regulation

On 6 July 2021, the UK government published its Plan for Digital Regulation, which aims to drive agile regulation, offering clarity and confidence to consumers and businesses. Regulation will be underpinned by three principles:

- actively promoting innovation;

- achieving forward-looking and coherent outcomes; and
- exploiting opportunities and address challenges in the international arena.

The Plan set out a timeline of strategy reviews and consultations that the government intended to undertake across three, six and 12 months, including areas such as artificial intelligence, cybersecurity, media literacy, innovation and national data. The next steps were outlined in June 2022 under the Digital Strategy, a cross-government strategy that sets out the government's agenda for digital policy. The strategy focuses on a number of key areas, including reforming and improving skills and talent provision for the digital economy. In October 2023, the UK government published an updated Outcomes Monitoring Framework against the Plan, building on stakeholder views and new research.

The UK government introduced new legislation for online safety, the OSA in September 2023. The OSA establishes a new regulatory regime to combat illegal and harmful content online, and is the first regulation in the UK to specifically target providers of online platforms and search services by requiring them to actively monitor content through their platforms to ensure user safety.

On 18 March 2024, the UK government introduced its Digital Development Strategy 2024–2030, focusing on inclusive, responsible, and sustainable digital transformation. The strategy's four objectives were digital transformation, inclusion, responsibility, and sustainability. It aimed to reduce the digital divide, enhance infrastructure, establish AI labs, and support women's digital participation, while addressing connectivity, democracy, cybersecurity, and green initiatives, leveraging UK expertise for global development.

In 2025, the UK government implemented its 2021 plan for digital regulation, focusing on enhancing digital governance and efficiency. This included the DMCCA and the OSA, which expanded the powers of the CMA and Ofcom. The DMCCA, effective from 1 January 2025, empowers the CMA to impose conduct requirements on firms with SMS and make 'pro-competitive interventions'. The OSA provides Ofcom with broad powers to enforce online safety compliance.

The UK government aimed to transform into a more efficient digital entity by prioritising user-centric policies, upskilling civil servants, and improving security measures. Additionally, it published its response to the AI White Paper consultation, announced funding for AI research hubs, and outlined a digital development strategy for 2024–2030, including greening government initiatives and reviewing digital technology use in the public sector.

Law stated - 1 May 2025

Next-Generation-Access (NGA) networks

Are there specific regulatory obligations applicable to NGA networks? Is there a government financial scheme to promote basic broadband or NGA broadband penetration?

There is currently no legislation or regulation covering NGA networks in the United Kingdom. Indeed, Ofcom has stated its role is not to provide operators with incentives to make particular investments, but rather to attempt to ensure that the incentives for efficient investment are not distorted as a result of disproportionate regulation.

Pursuant to the undertakings entered into between BT and Ofcom in 2002, BT must allow its competitors access to its virtual unbundled local access points to foster competition over the supply of superfast broadband services to consumers. BT is also required to allow other providers the option of investing in NGA by giving access to its ducts and poles and other physical infrastructures.

In April 2021, the UK government announced the launch of the £5 billion Project Gigabit, in collaboration with Building Digital UK (BDUK) – now an executive agency within the Department for Science, Innovation and Technology (DSIT) – which, in its first phase, will provide more than 1 million hard-to-reach homes and businesses with next-generation gigabit broadband. In an update published in June 2023, it was reported that 76 per cent of UK premises had access to a gigabit-capable connection.

As of April 2024, the latest update on Project Gigabit showed significant progress, with 81 per cent of UK premises having access to gigabit-capable networks. The government is on track to meet the 85 per cent coverage target by 2025, with a broader goal of achieving at least 99 per cent nationwide coverage by 2030.

In December 2024, CityFibre began construction in all Project Gigabit areas, with some customer connections live by year-end. The Scottish government released a revised report on eligible premises for funding, and CityFibre added over 900,000 ready for service premises in 2024. The Gigabit Broadband Voucher Scheme supports connection costs for eligible homes and businesses. BDUK conducts National Rolling Open Market Reviews to gather infrastructure data, with the January 2025 review concluded and evaluations underway. The next review is set for May 2025, ensuring continued progress in enhancing digital connectivity across the UK.

On 26 March 2024, Ofcom launched its review of the regulations that will apply to wholesale telecoms markets from April 2026 until March 2031, which aims to create an environment to promote competition and investment in gigabit-capable broadband. Ofcom expects to publish its final decisions by early 2026.

On 20 March 2025, Ofcom announced its consultation on proposed regulations for fixed telecoms markets from 2026 to 2031, aiming to maintain pro-competition measures and support the full-fibre rollout. The proposals include expanding areas for network competition, strengthening rules on Openreach wholesale deals, introducing price caps for speeds up to 80Mbit/s, and supporting the closure of copper networks. Building on the 2021 regulations, which have led to significant industry progress, the strategy aims to achieve 96 per cent full-fibre coverage by 2027. Ofcom recognises BT's SMP and proposes a regulatory framework to address competition concerns. The consultation will run until 12 June 2025, with decisions expected by March 2026. The proposals also focus on promoting competition, especially in rural areas, protecting consumers, and ensuring a smooth transition from copper to fibre networks, with a view to potentially continuing support beyond 2031 if necessary.

Law stated - 1 May 2025

Data protection

Is there a specific data protection regime applicable to the communications sector?

Regulation (EU) No. 2016/679 (General Data Protection Regulation) (GDPR) governs data protection in the United Kingdom with effect from 25 May 2018. The GDPR generally imposes stringent compliance obligations on both data controllers and data processors, alongside onerous information requirements, to ensure that the personal data of data subjects is afforded an adequate level of protection. The GDPR was implemented into UK law under the European Union (Withdrawal) Act 2018 and the Data Protection Act 2018 (DPA 2018), which received Royal Assent on 23 May 2018 and came into force on 25 May 2018.

The GDPR is complemented by the Privacy and Electronic Communications (EC Directive) Regulations 2003 (as amended) (PECR). The PECR (which implemented Directive 2002/58/EC on privacy and electronic communications) provide for measures such as:

- the safeguarding the security of a service by public ECSs;
- notice requirements, should there be any breaches of security;
- prohibitions on unsolicited or direct marketing communications;
- restrictions on the processing of user identity and location; and
- how long personal data may be held or held without modification.

The Investigatory Powers Act 2016 (IPA 2016) deals with data retention, interception and acquisition of communications data. The powers provided for in this law have been subject to various challenges since its inception. The IPA 2016 was challenged in the courts in November 2018 when a human rights group won the right to a judicial review of Part 4 of IPA 2016, which gives government agencies powers to collect electronic communications and records without reason for suspicion. Following that, the Data Retention and Acquisition Regulations 2018 increased the threshold for accessing communications data to serious crime only and imposed a requirement on authorities to consult with an independent Investigatory Powers Commissioner before requesting data. In July 2019, the High Court dismissed a human rights group's further challenge against IPA 2016 powers on the basis that the IPA 2016 includes several safeguards against the possible abuse of power and was therefore not in breach of the Human Rights Act 1998.

The Investigatory Powers (Amendment) Act 2024, which received Royal Assent in April 2024, introduced targeted amendments to IPA 2016. These changes aimed to address evolving threats from new technologies and sophisticated criminal groups. Key updates included the introduction of notification notices, which required operators to notify the Secretary of State of relevant changes to systems or services, helping to mitigate risks posed by technology that precludes lawful data access.

The Act also emphasised the importance of statutory codes of practice, providing guidance on the use of powers and ensuring safeguards to protect human rights. It introduced new regimes for handling bulk personal datasets, focusing on datasets with low or no expectation of privacy, and established criteria for assessing privacy expectations. Access to third- party bulk personal datasets was also controlled, requiring compliance with data protection laws.

Additionally, the review process for technical capability notices was clarified, ensuring operators had a clear framework for addressing concerns. These changes reflect a balance between enabling effective law enforcement and safeguarding individual rights, ensuring that the UK's investigatory powers remain robust and adaptable to future challenges.

Ofcom also has the responsibility of making sure the UK's telecoms networks are safe and secure, under TSA 2021. Ofcom has the power to monitor and enforce how providers comply with the TSA rules, including fines and enforcing interim steps to address security gaps.

Law stated - 1 May 2025

Cybersecurity

Is there specific legislation or regulation in place concerning cybersecurity or network security in your jurisdiction?

There is no single piece of legislation or regulation in place concerning cybersecurity or network security in the United Kingdom. It is instead covered by several pieces of legislation, such as CA 2003 (as amended by TSA 2021), the Privacy and Electronic Communications Regulations, the GDPR and the Network and Information Systems Regulations 2018 (the NIS Regulations). The NIS Regulations impose cybersecurity and incident reporting obligations on two classes of operator in the United Kingdom:

- relevant digital service providers; and
- operators of essential services (provided they operate in certain sectors and meet threshold requirements).

On 31 May 2023, Ofcom published its updated guidance for the NIS Regulations, including changes to the incident reporting thresholds for the digital infrastructure subsector. Ofcom offers guidance on how communications providers should implement technical and organisational security measures to manage the security risks of public ECNs and ECSs. On 6 September 2024, Ofcom published an updated Network and Service Resilience Guidance for Communications Providers. The guidance aims to enhance network resilience by outlining measures such as designing networks to avoid single points of failure, implementing automatic failover functionality, and setting processes, tools, and training for resilience. It specifically prioritises voice services, especially emergency calls, over other traffic types. Providers are encouraged to inform customers about service reliability and potential risks. While there may be additional costs for providers to amend their infrastructure, the benefits are considered to outweigh these costs. The guidance is flexible, applying to all types of communications networks and services, and providers are expected to consider it in their security duties. Furthermore, Ofcom initiated a Call for Input on power backup for mobile radio access networks, seeking to address potential harms from power outages, particularly in rural areas. The feedback highlighted the need for a broader approach to power backup beyond the telecoms sector. Ofcom plans to further analyse the information to determine if additional resilience measures are needed, working with government and industry to find suitable solutions.

CA 2003 requires public ECN and ECS providers to take appropriate technical and organisational measures to manage the ECNs and ECSs, the focus of which is to minimise the impact of security breaches on end users and the interconnections of public electronic communications networks. CA 2003 also imposes several notification requirements on these providers. TSA 2021 amended the CA 2003 to introduce new, overarching security duties on public ECN and ECS providers, including by taking appropriate measures to identify and reduce the risks of security breaches occurring. The PEC Regulations similarly impose

obligations on public ECSs to ensure that personal data is handled appropriately and subject to appropriate security policies.

Under the UK GDPR, data controllers and data processors must ensure that appropriate technical and security measures are put in place when handling a data subject's personal data. Where transfers are outside of the United Kingdom and are being sent to a country that does not have an adequacy decision given by the UK government, there is a need to have appropriate safeguards in place (eg, 'standard contractual clauses' approved by the UK government), and following the ***Schrems II*** decision (an EU decision but which is followed through UK Information Commissioner's Office (ICO) guidance) this can include requirements for 'supplementary measures' to protect the data. While supplementary measures can be contractual, there may also be requirements to have additional technical, organisational and security measures in place.

In July 2024, the UK government announced the introduction of a Cyber Security and Resilience Bill during the King's Speech, aiming to strengthen the UK's cyber defences and protect critical infrastructure and digital services. On 1 April 2025, the UK government published the Cyber Security and Resilience Policy Statement, detailing the legislative proposals for the Bill. The Bill addresses increasing threats from cyber criminals and state actors targeting essential services like hospitals and government departments and is set to be introduced to Parliament in 2025.

Key measures of the Bill include expanding the regulatory framework to cover more digital services and supply chains, enhancing the powers of regulators, and increasing incident reporting requirements to better understand cyber threats. Additionally, the government is considering further measures, such as bringing data centres into the regulatory framework and empowering the Secretary of State to direct regulated entities and regulators to take action for national security. These measures aim to ensure the regulatory framework can adapt to emerging threats and technological advancements. The Bill is part of the government's broader strategy to secure the digital economy, foster economic growth, and protect public services from cyber threats

Law stated - 1 May 2025

Big data

Is there specific legislation or regulation in place, and have there been any enforcement initiatives in your jurisdiction, addressing the legal challenges raised by big data?

While general data protection legislation applies to big data, no particular UK legislation or regulation covers big data specifically. However, several inquiries have been conducted by UK bodies into the benefits and challenges arising from the exponential growth in the use of big data (and its link to the internet of things). In November 2018, the UK government created the Centre for Data Ethics and Innovation, which aims to assist the UK government with identifying and addressing areas where clearer guidelines or regulation concerning data and data-related technologies are needed. In 2019, the ICO appointed a new role of data ethics adviser whose key task is to contribute to ongoing data ethics discussions.

In its Furman Report, the Digital Competition Expert Panel recognised the importance of data as a competitive tool in the UK's digital market. Specifically, it saw how digital markets

tended towards concentration, with limited degrees of in-market competition, leading to significant barriers to entry because of the accumulation of data by incumbent firms. Some recommendations, therefore, sought to enable greater personal data mobility and systems with open standards. The Panel also encouraged policies of data openness in granting access to non-personal or anonymised data to new market participants. The government accepted the recommendations of the Furman Report and announced the establishment of a new DMU which has a statutory footing following the implementation of the DMCCA on 1 January 2025. The DMU will oversee the new regime for digital markets and monitor compliance with a new enforceable code of conduct to govern the behaviour of platforms funded by digital advertising that are designated as having strategic market status.

The DMCCA introduces significant reforms to UK competition and consumer protection laws, particularly in the digital sphere. As of 8 April 2025, the digital markets and competition law sections of the Act, including Parts 1 and 2, are in force, while the CMA's new direct consumer enforcement powers (Part 3) and consumer protection law updates (Part 4) came into effect on 6 April 2025.

Key elements of the Act include empowering the CMA with new enforcement powers, allowing it to decide on consumer protection law infringements and impose fines without court proceedings. The Act establishes a digital markets regulatory system and enhances consumer protections against issues like 'subscription traps' and fake reviews. It also amends existing competition laws and aims to foster a level playing field for businesses, supporting economic growth by promoting trust and confidence in the market.

The CMA has committed to a framework of proportionality, predictability, process, and pace (the '4Ps') to ensure a supportive regulatory environment. Immediate next steps include opening enforcement cases under the new regime and working with stakeholders to address consumer law advice needs The UK Plan for Digital Regulation includes plans for a review of the National Data Strategy. It intends to work on smart data, transform the use of government data and ensure the security and resilience of data infrastructure. It is planned to legislate powers for the government to mandate participation in smart data initiatives.

Law stated - 1 May 2025

Data localisation

Are there any laws or regulations that require data to be stored locally in the jurisdiction?

There are no data localisation requirements in the United Kingdom. There are, however, rules in the UK GDPR that require personal data transferred outside the United Kingdom to be subject to adequate protection, and where it is not subject to an adequacy decision, appropriate safeguards put in place (eg, 'standard contractual clauses' approved by the UK government), and following the ***Schrems II*** decision (an EU decision but which is followed through UK ICO guidance) this can include requirements for 'supplementary measures' to protect the data. Those supplementary measures can be either contractual or technical and organisational.

Law stated - 1 May 2025

Key trends and expected changes

Summarise the key emerging trends and hot topics in communications regulation in your jurisdiction.

AI regulation in the UK

On 26 March 2024, Ofcom published its strategic approach to AI for the year 2024/25, outlining its commitment to harnessing AI benefits while mitigating associated risks across its regulated sectors, as follows.

- Regulation of AI technologies: Ofcom focuses on the services people use rather than the underlying AI technologies. It assesses AI's impact on its sectors, ensuring that AI-driven technologies comply with regulatory outcomes, such as preventing illegal content and enhancing telecom security.

- Understanding and tackling AI risks: Ofcom has identified key AI risks, including synthetic media, personalisation, and security. It has published draft codes of practice under the online safety regime and engaged in projects to improve transparency and robustness of AI systems.

- Capability to address AI risks: With over 100 technology experts, Ofcom is enhancing its data skills and building strategic partnerships with academic institutions to share knowledge and address AI challenges effectively.

- Cooperation on AI issues: Ofcom collaborates with domestic and international organisations, including the Digital Regulation Cooperation Forum and the Global Online Safety Regulators Network, to address AI-related issues and share best practices.

- Planned AI work: Ofcom's planned AI work includes consulting on codes of practice, researching AI tools for content moderation, and engaging with broadcasters and telecoms providers to understand AI's implications on production costs and security risks

Implementation of the Online Safety Act 2024

Ofcom has released an update on the progress of implementing the OSA, which mandates online service providers to ensure user safety, particularly for children. The OSA imposes legal responsibilities on companies to assess and mitigate risks of harm to UK users, regardless of the company's location.

- Phase One: Illegal Harms. In December 2024, Ofcom published the illegal harms statement, detailing the duties related to illegal content. All relevant service providers were required to complete an illegal content risk assessment by 16 March 2025. Further consultations to enhance the initial codes are planned for spring 2025.

- Phase Two: Child Safety and Protection. Final guidance on age assurance for pornographic content was issued in January 2025, with compliance monitoring

underway. Children's access assessments were required to be completed by April 2025, with risk assessments due by July 2025. Draft guidance on protecting women and girls was published in February 2025, with final guidance expected by the end of 2025.

- Phase Three: Categorisation and Additional Duties. A select group of services will be categorised as category 1, 2A, or 2B, subject to additional requirements for safety and transparency. Ofcom plans to publish a register of categorised services by summer 2025 and issue transparency notices shortly thereafter, with further proposals on additional duties expected by early 2026

Cloud services market probe

Following a reference from Ofcom, which had carried out a market study on cloud services, the CMA independent inquiry group has published provisional findings from its investigation into the UK cloud services market, revealing that competition is not functioning optimally. The inquiry found that the biggest public cloud computing service providers dominate the market, each holding significant shares of customer spend. Significant barriers to entry and technical challenges restrict customers from switching providers, locking them into initial choices. Certain software practices further hinder competition. To address these issues, the CMA is considering using new digital markets powers to designate these major providers with SMS and implement interventions. The inquiry group is consulting on these findings and recommendations, aiming to enhance competition and unlock benefits for UK businesses and the economy.

Ofcom Communications Market Report

Ofcom's annual statistical survey of developments in the communications sector was published in July 2024. The report is now an interactive data portal containing all the major datasets for these markets. Ofcom identified certain key findings in its report, which include the following:

- decreases in the use of traditional communications services have continued;
- the demand for data across fixed and mobile connections continues to grow;
- growth in the use of data has been enabled by continued take-up of faster broadband connections; and
- overall audiovisual revenues were flat, while radio revenues grew.

Ofcom's Proposed Plan of Work 2025/26

On 28 March 2025, Ofcom released its plan of work for 2025/26, along with a strategy outlining how it intends to fulfil its mission of ensuring effective communication over the next three years.

Ofcom's Proposed Plan of Work for 2025/26 focuses on the following telecommunications and media topics:

- fast and reliable internet connections and services for everyone, everywhere;

- sustainable, affordable postal services available across the United Kingdom that meets evolving customer need;
- high-quality media and protection for audiences across the United Kingdom;
- living a safer life online, with platforms incentivised to reduce harms and keep consumers safe; and
- enabling wireless services in the wider economy.

The UK government has confirmed that it intends to designate a new SSP (Statements of Strategic Priorities) for telecommunications, the management of radio spectrum and postal services, and an SSP for online safety matters.

The UK government has published its draft SSP for Online Safety, which covers:

- safety by design;
- transparency and accountability;
- agile regulation;
- inclusivity and resilience; and
- technology and innovation

Ofcom will include a review of what it has done in consequence of the new SSP(s) in its annual report.

This Plan follows a consultation in December 2024 to gain feedback on the proposed plan.

Ofcom's three-year plan for 2025–2028, sets out its longer-term ambitions and priorities:

- internet and post: ensure reliable, high-quality networks and fair consumer treatment, and maintain affordable postal services;
- media: provide diverse, trusted content, and ensure fair competition and audience protection;
- online safety: enhance platform transparency and governance, and design services with user safety in mind;
- wireless economy: manage spectrum access efficiently, and support innovation and international engagement; and
- cross-cutting: support digital market regulation, promote media literacy, and facilitate digital transitions.

Law stated - 1 May 2025

MEDIA

Regulatory and institutional structure

Summarise the regulatory framework for the media sector in your jurisdiction.

Broadcasting is regulated by the legislation set out in the above question with additional regulation from the Broadcasting Act 1990 (as amended by the Broadcasting Act 1996 and the Communications Act 2003 (CA 2003)).

Law stated - 1 May 2025

Ownership restrictions

Do any foreign ownership restrictions apply to media services? Is the ownership or control of broadcasters otherwise restricted? Are there any regulations in relation to the cross-ownership of media companies, including radio, television and newspapers?

Restrictions as to who can hold a broadcasting licence and control a broadcaster are set out in both the 1990 and 1996 Broadcasting Acts; these were revised by CA 2003, which relaxed these provisions. If at any point there is a change in control over the licence or the owner of the licence, they must notify Ofcom, which will ensure that no person disqualified from holding the licence has taken control. Ofcom will also undertake a review to ensure that change of control will not negatively affect the programme content. If Ofcom does believe certain aspects of the programming may change, it could vary the licence.

Those who will be disqualified from holding a broadcasting licence will generally fall under two categories:

- religious or political groups; and
- advertising agencies.

Although religious bodies are generally restricted from holding a broadcasting licence, there are exceptions to this rule. They may own licences for:

- local analogue radio and satellite;
- cable broadcasting;
- local digital sound programme;
- national digital sound programme;
- television restricted service;
- digital programme service; and
- digital additional service licences.

Ofcom also has a duty to ensure that any licence holder is a 'fit and proper person', although there is no further guidance on this in the legislation. In the licence change of control form, Ofcom asks whether any of the new directors, shareholders, members or other relevant individuals have criminal convictions or if they have been declared bankrupt. However, the form notes that this will 'not necessarily prevent' someone from holding a licence. In addition to the above, it is worth noting that the National Security and Investment Act 2021 (NSIA 2021) gives the UK government powers to review investments and intervene in transactions that may give rise to a national security risk. NSIA 2021 introduces a mandatory notification regime that will apply to certain transactions involving entities that carry on activities in one of 17 'sensitive sectors'. 'Communications' has been listed as one of these sensitive

sectors, meaning that acquisitions in this sector may require mandatory notification to the UK government for review. Following a review of the filed notification, the Secretary of State may:

- approve;
- approve with conditions; or
- outright prohibit or unwind the transaction.

Completing an acquisition that requires mandatory notification without approval (and without 'reasonable excuse') is a criminal offence under the new regime.

On 21 May 2024, the UK government published further guidance on how it would interpret the power to give a 'call-in' notice under section 3 of NSIA 2021 (ie, the circumstances under which it will be able to investigate certain dealings in intellectual property where there is a perceived risk of harm to national security). It is anticipated that this will be reviewed (at least) every five years. In this latest guidance, there were not widespread changes made to the understanding of how this power would be applied. Rather, the UK government attempted to consolidate the existing legislation into a more digestible format, and particularly noted that there are three primary risk factors that it will consider when analysing each case on an individual basis: target risk; acquirer risk; and control risk.

Law stated - 1 May 2025

Licensing requirements

What are the licensing requirements for broadcasting, including the fees payable and the timescale for the necessary authorisations?

BBC

The main document that regulates the BBC is the founding charter. The current charter came into force on 1 January 2017 and will end on 31 December 2027. Under the current charter a unitary board was formed to replace the BBC Trust and BBC Executive. The board ensures that the BBC's strategy, activity and output are in the public interest. Also, from 2017, the BBC fell under the remit of Ofcom and the BBC must comply with an operating licence that is set by Ofcom. The most recent licence came into effect in March 2024, and was last amended in August 2024 (where Ofcom approved a reduction in the minimum hours of news required at peak times in Scotland).

Channel 4

The most recent licence for Channel 4 came into effect in January 2025, following a 2023 consultation and 2024 decision by Ofcom. Channel 4 previously operated on a digital replacement licence that replaced its original analogue broadcasting licence in 2004. The 2017 variation to the previous licence provided for the clearance of the 700MHz band for mobile data use by 1 May 2020 (note that the 700MHz DTT Clearance Programme was completed on 20 August 2020).

On 6 December 2023, Ofcom published a consultation on the renewal of Channel 4's licence, which was due to expire on 31 December 2024. The proposals aimed to allow C4C to transition to being a 'digital-first' broadcaster, whilst ensuring continued investment in its UK content and protection of the delivery of the core elements of its output on Channel 4. Following the consultation period through early 2024, Ofcom published its decision regarding a new 10-year broadcast licence for Channel 4 on 15 October 2024. Amongst other changes, this included an acknowledgement of Channel 4's aspiration to transition to being a 'genuinely digital-first public service streamer' by 2030, and an increase in the quotas for productions being outside England to ensure that Channel 4 is supporting the creative economy beyond London and England.

Channels 3 and 5

The most recent licences for both Channels 3 and 5 came into effect in January 2025 and will remain in place until 31 December 2034, following the conclusion of a multi-stage relicensing process by Ofcom. These licences replace Channels 3 and 5's digital replacement licences, which came into effect in 2004 to replace the original analogue Channel 3 and 5 licences. The current licence maintains the regional programming commitments in Channel 3 licences for English regions; and the creation of a more localised Channel 3 news service, which also lowered obligations. These arrangements were originally implemented following Ofcom's approval of ITV's proposals to deliver more tailored regional news, alongside a reduction in other regional programming obligations. Earlier variations made in 2017 addressed technical matters, including the provision for the clearance of the 700MHz band for mobile data use by 1 May 2020 (note that 700MHz DTT Clearance Programme was completed on 20 August 2020). Ofcom published a report in 2022 in anticipation of this new licensing round for the Channel 3 and Channel 5 services.

On 1 March 2024, Ofcom confirmed that it had decided to renew the licences for Channels 3 and 5 for a further 10 years. The formal licences were published on 1 September 2024, and included a review of the financial terms under which the licences were being granted.

Digital television programme services

Other than those provided by Channels 3, 4 or 5, digital television programme services (DTPS) licences cover the provision of television programme services. The broadcasts covered will be in digital form for general reception on a digital television terrestrial multiplex. They will also cover ancillary services such as subtitling.

Digital television additional services licences cover television services text and data services including teletext and electronic programme guides. These are not covered by DTPS licences as they are not considered an ancillary service or digital television programme services. They are broadcast in a digital form on a digital television multiplex.

Television licensable content services

A television licensable content services (TLCS) licence covers services broadcast from a satellite, distributed using an electronic communications network (ECN) or electronic communication service made available by a radio multiplex. Its principal purpose must be

the provision of television programmes or electronic programme guides or both. The service must also be available for reception by members of the public.

Services such as Channels 3, 4 and 5, covered by the other licences outlined in this section, do not require a TLCS licence. Internet services, pure video-on-demand (VOD) services and two-way services, such as videophone, do not require a TLCS licence.

The most recent version of the Ofcom guidance on applying for a TLCS licence was published on 31 January 2025.

A new local television licence regime was created as part of the Local Digital Television Programme Services (L-DTPS) Order 2012. An L-DTPS will have sufficient capacity at its location for one standard-definition digital service on the local multiplex. These are operated on Multiplex L with 29 L-DTPS licences awarded.

Under the Broadcasting Act 1990, Ofcom must not grant a licence to any person unless it is satisfied that the person is a 'fit and proper' person to hold it and is not disqualified by statute from holding the licence. The proposed service cannot be contrary to the standards objectives laid out in CA 2003.

The complete Ofcom tariff table, as regularly updated, is available online. The tariffs for 2025–2026 were published on 28 March 2025.

Radio

Under CA 2003, Ofcom has the authority to regulate the following concerning independent radio services:

- analogue sound broadcasting services at a national or local level;
- radio licensable content services (services provided in digital or analogue form, broadcast from a satellite or via an ECN, for use by the public and consisting of sound programmes);
- additional radio services (a service consisting of the sending of signals for transmission by wireless telegraphy using space capacity within signals carrying any sound broadcasting service);
- digital radio multiplex services;
- digital sound and digital additional sound services at both a national and local level (text and data services not intended to be related to programming); and
- radio restricted services (licences intended to cover small-scale community uses).

Fees, duration and permissible content vary depending on the type of licence to be granted. Ofcom suggests that the easiest way to set up a radio service is to start an online radio station. Ofcom currently does not regulate online-only radio services that, therefore, do not require a licence from Ofcom.

Law stated - 1 May 2025

Foreign programmes and local content requirements

Are there any regulations concerning the broadcasting of foreign-produced programmes? Do the rules require a minimum amount of local content? What types of media fall outside this regime?

CA 2003 contains a limited number of provisions covering the broadcasting of foreign programmes. Regulations set out in Directive 2010/13/EU (Audiovisual Media Services) (as amended by Directive (EU) 2018/1808 and incorporated into the Broadcasting Code), require that where practicable, European production (referred to as European Works) should account for over 50 per cent of the transmission hours of each broadcaster established in that market (subject to certain exclusions).

The amending Directive (EU) 2018/1808 provided, among other things, for an increased European Works content quota for on-demand services, raised from 20 per cent to 30 per cent. The United Kingdom was required to fully implement the amending Audiovisual Media Services Directive despite its exit from the European Union, as the date for implementation (19 September 2020) fell before the end of the Brexit transition period. Despite the UK's exit from the European Union, works produced in the United Kingdom are still considered to fulfil the definition of European Works, as European Works are defined by reference to production by ECTT countries, rather than EU member states. As a result, there may not be a significant downturn in demand for UK-produced works, as they will continue to help fulfil European Works quotas post-Brexit.

Also, the Secretary of State maintains powers under CA 2003 to disallow foreign television and radio should it fall foul of provisions in CA 2003 (eg, those that offend against taste or decency). There are no equivalent foreign restrictions for online and mobile content.

Ofcom also has the power to require local programming to be included in the output of broadcasters where appropriate. An example of this is in Ofcom's inclusion in every Channel 3 licence of a condition requiring a regional channel with programmes targeted at persons living in the area. The BBC's licence (which is also set by Ofcom) also contains quotas to broadcast local and regional programmes.

In March 2023, the UK government published the Media Bill which aimed to give domestic public service broadcasters a more flexible remit for the programmes they produce and show by replacing the 'purposes' and 'objectives' from CA 2003. On 26 February 2024, Ofcom published its roadmap for putting the Media Bill into practice and indicated that it intends to implement the new rules as quickly as possible and estimates that the full implementation programme (including designating relevant services, developing new codes and guidance and necessary changes for licences) will take place in phases over the first two years.

The Media Act 2024, the primary legislation enabling the powers to make the changes envisaged by the Media Bill, received Royal Assent on 24 May 2024. The first related regulations were published under the Media Act 2024 (Commencement No. 1) Regulations 2024 on 15 August 2024, and it is anticipated that the various changes outlined in the Media Bill will continue to be enacted through phased implementation over the course of 2025 and 2026. Ofcom publish regular updates, including an interactive timeline of consultations and proposed implementations of various sections, on their website.

Law stated - 1 May 2025

Advertising

How is broadcast media advertising regulated? Is online advertising subject to the same regulation?

Ofcom's role under CA 2003 is to regulate advertising on broadcast media to ensure advertising rules and standards are met. These rules and standards can be found across several instruments. Primarily, broadcast media must follow the UK Code of Broadcast Advertising (the BCAP Code), which covers misleading advertising, protection of children, harmful and offensive content, a ban on political advertising, and rules on environmental claims, to name but a few. Additional rules are contained in Ofcom's Broadcast Codes, which cover issues such as taste, decency and product placement. Enforcement of the aforementioned rules, while ultimately Ofcom's responsibility, has been largely contracted out to the Advertising Standards Authority and its associated bodies.

One of the key amendments to the Audiovisual Media Services Directive, which were approved by the European Parliament in October 2018, was to introduce new rules concerning the proportion of daily broadcasting time that would be taken up by advertisements. Under the new rules, advertising can take up a maximum of 20 per cent of the daily broadcasting period between 6.00am and 6.00pm, but broadcasters can adjust their advertising slots within this time period so long as they do not exceed the total 20 per cent limit. The new rules also introduce a prime-time window between 6.00pm and midnight, during which advertising will also only be allowed to take up a maximum of 20 per cent of broadcasting time.

Product placement, while allowed in films, series made for television, sports programmes and light entertainment programmes (both foreign and national), is prohibited in news, children's, current affairs, religious and consumer affairs programmes. There are also rules requiring special logos to be shown at the beginning and end of the programme, as well as at the end of each advertising break to signify the use of product placement.

There are strict rules on advertising and product placement in children's television programmes and content available on VOD platforms introduced under the amendment to the Audiovisual Media Services Directive approved in November 2018.

Ofcom released a statement in December 2020, setting out the amendments to the Broadcasting Code and the Code on the scheduling of television advertising (COSTA). These amendments included changes to the rules in the Broadcast Code to reflect revised definitions, and product placement restrictions resulting from the Audiovisual Media Services Regulations.

Online advertising is subject to the Code of Non-broadcast Advertising and Direct and Promotional Marketing (CAP Code), which imposes similar standards and rules. The CAP Code also contains the rules that apply to VOD services. While there are some differences between the codes, the Code of Broadcast Advertising (BCAP Code) states that BCAP works closely with CAP to provide, as is practicable and desirable, a consistent and coordinated approach to standards-setting across non-broadcast and broadcast media.

Following the UK government's consultation on possible options for reform to the regulatory framework for paid-for online advertising in March 2022, the UK government published its formal response to the consultation in July 2023. In that response, the government committed to addressing harmful advertising practices, particularly those affecting children.

As part of this, the Department for Culture, Media and Sport (DCMS) established the Online Advertising Taskforce (OAT). The taskforce was created to deliver a programme of work to help address 'in-scope harms' (eg, illegal advertising or children being served advertising for products and (or) services that it would be illegal for them to purchase).

In November 2023, the UK government published an Action Plan outlining the OAT's key priorities and approach. In this, it was announced that the OAT's remit was being extended for at least another year, with new industry-led working groups that would tackle the following areas: age assurance, gold standard, influencer marketing, information sharing, intermediary and platform principles and research.

Law stated - 1 May 2025

Must-carry obligations

Are there regulations specifying a basic package of programmes that must be carried by operators' broadcasting distribution networks? Is there a mechanism for financing the costs of such obligations?

Under CA 2003, public service broadcasters, including (but not limited to) the BBC, ITV, Channel 4 and Channel 5, must provide PSB channels to all the main distribution platforms. As a result, such channels have a right to be carried on all the main platforms on a free-to-air basis. Ofcom has a responsibility under CA 2003 to review and report on the extent to which the PSBs have fulfilled the purposes of PSB and make recommendations regarding how to maintain and strengthen the quality of PSB in the future, with reviews taking place every five years. The purposes of PSB in the United Kingdom are:

- to provide a variety of programmes on a wide range of subject matters;
- to provide television services that are likely to meet the needs and interests of as many different audiences as practicable (as well as those of the actual available audiences); and
- to maintain high standards in respect of programme content, development and skill, and editorial integrity.

On 17 December 2024, Ofcom announced its review of Public Service Media from 2019–2023. In this, it outlined the proposed scope of this review, along with some underlying data and key trends identified, and laid out the terms of reference of how the review is going to be conducted over the following years. In particular, it was noted that the review will focus on how the continued trend towards online consumption of media is creating increasing pressure on the financial sustainability and future of PSBs. It was announced that this review will consist of two phases, a backwards looking then a forward looking report. These terms of reference included a proposed outline, and Ofcom announced that it is hoping to have all findings published by the end of 2025.

Alongside the decline in viewership of PSB channels, the debate concerning the television licence fee has increased. However, on 29 November 2024, the Secretary of State for the DCMS said that the UK government was committed to upholding the licence fee until the end of the BBC charter period (2027), Amongst other things, the UK government also announced a 'simple payment plan' for those facing financial difficulties.

Regulation of new media content

Is new media content and its delivery regulated differently from traditional broadcast media? How?

New media content is regulated under the same broadcast content rules and legislation as broadcast media, so, for example, internet protocol television services simply require the same licences as they would for the same content offline. Following the Audiovisual Media Services Directive, the United Kingdom (through Ofcom) regulates VOD content and advertising. Rules include several minimum content standards, and on-demand services are subject to the UK Code of Non-Broadcast Advertising, Sales Promotion and Digital Marketing. The amendments made to the Audiovisual Media Services Directive in November 2018 extended its scope to video-sharing platforms in addition to VOD providers.

The Media Act 2024 builds on this framework by introducing a statutory Video-on-Demand Code specifically for larger VOD services, bringing them more in line with the standards expected of traditional broadcasters. This includes regulations on harmful content, age-appropriate ratings, and accessibility features like subtitles, audio descriptions, and sign language. Ofcom is granted the authority under the Act to enforce these standards, which includes imposing fines and mandating content removal when necessary. These reforms are designed to update regulations in response to evolving viewer habits and ensure that major streaming platforms like Netflix and Disney+ adhere to consistent content and safety standards alongside traditional UK broadcasters.

In October 2023, the UK Parliament passed the Online Safety Act (OSA). This applies to providers including search engines, messaging services, websites and online forums and captures not only services based in the United Kingdom but those based elsewhere that target UK users.

The OSA introduces a host of new duties, including obligations to prevent fraudulent advertising, remove illegal and harmful content quickly and implement and enforce age limits, as well as creating new criminal offences. The provisions are wide-ranging but focus on protecting users (in particular children) from online harm.

Ofcom is also granted new responsibilities as the independent regulator for online harms. Under the OSA, Ofcom is given the power to fine companies up to £18 million, or 10 per cent of qualifying revenue, if they fail in their new duty of care.

In light of the OSA, video-sharing platforms are subject to the new communications offences, Ofcom's new information and enforcement powers, and fee notification requirements. Starting from 10th January 2024, all pre-existing video-sharing platforms established in the UK entered a transition phase. Ofcom clarified that during this period, video-sharing platforms will be regulated under both the video-sharing platforms regime and the OSA. However, most duties under the OSA will not be applicable until the transition period concludes. On 19 April 2023 the Secretary of State laid a statutory instrument that set 2 September 2024 as the start of the 'assessment start date'. This gives video-sharing platforms in the transition phase three months to complete their assessment from the date of publication of the associated guidance. It also starts the minimum six- month notice period required to repeal the video- sharing platform regime under the Audiovisual Media

Services Regulations 2020, with the final date to be determined by the UK government in due course.

Law stated - 1 May 2025

Digital switchover

When is the switchover from analogue to digital broadcasting required or when did it occur? How will radio frequencies freed up by the switchover be reallocated?

The UK digital television switchover commenced in 2008 and was completed in 2012. The 600MHz band was auctioned in 2013 and the remaining freed analogue television channels have yet to be allocated.

Under the Digital Economy Act 2010, the Secretary of State was given the power to nominate the digital switchover for radio broadcasting. The UK government set the following criteria to be met before the switchover could commence:

- digital listening must reach 50 per cent of all radio listening (including via television and digital audio broadcasting (DAB));
- national DAB coverage must be equal to analogue coverage; and
- local DAB must reach 90 per cent of the population.

Ofcom's Communications Market Report, published on 30 September 2020, indicated that DAB radio listening had reached 58 per cent. Despite this, the DCMS announced in October 2021 that the digital switchover had been put on pause until at least 2030.

Law stated - 1 May 2025

Digital formats

Does regulation restrict how broadcasters can use their spectrum?

Although licences may set out certain restrictions in terms of information requirements and governing codes or guidance, broadcasting licences are not restrictive in terms of how the spectrum may be used.

Law stated - 1 May 2025

Media plurality

Is there any process for assessing or regulating media plurality (or a similar concept) in your jurisdiction? May the authorities require companies to take any steps as a result of such an assessment?

In line with its statutory obligation to review the operation of the media ownership rules every three years under section 391 of CA 2003, Ofcom released a statement in November 2021 on the future of media plurality in the United Kingdom following a call for evidence in June

2021. In this statement, Ofcom identified three features of the modern UK media landscape that may present a risk to media plurality, but are not captured under the existing regulatory framework, namely:

- online intermediaries and their algorithms control the prominence given to different news sources and stories;
- the basis on which online intermediaries serve news via their algorithms is not sufficiently transparent; and
- consumers do not always critically engage with the accuracy and partiality of online news.

As such, Ofcom has recommended that Parliament updates the current media ownership rules with the objective of promoting plurality, and that the Secretary of State broadens the scope of the existing public interest test for media mergers framework.

The current four broad media ownership rules that Parliament has put in place in the United Kingdom (and that are set out in Ofcom's November 2018 report to the Secretary of State) are set out below:

- the national cross-media ownership rule: this rule prevents a newspaper operator with a 20 per cent or more market share of newspaper circulation from holding a Channel 3 licence or a stake in such a licence of more than 20 per cent, and and prevents the holder of a Channel 3 licence from holding an interest of 20 per cent or more in a large national newspaper operator;
- the Channel 3-appointed new provider rule: this rule requires regional Channel 3 licensees to appoint a single news provider among them;
- the public interest test for media mergers: this test allows the Secretary of State to intervene in a merger involving a broadcaster or newspaper enterprise, where that merger meets certain value or market share requirements. The Secretary of State may choose to issue an intervention notice triggering a review if a merger might result in harm to the public interest; and
- the disqualified persons restrictions: certain bodies or persons must first be approved by Ofcom before holding certain kinds of broadcast licence to prevent undue influence over broadcasting services.

Intervention by the Secretary of State on the grounds of public interest under the EA includes the need for accurate presentation of news and free expression of opinion in newspapers, the need for a plurality of persons who control the media and the need for UK-wide broadcasting that is both of high quality and likely to appeal to a variety of tastes and interests. Where a public interest ground applies, the Secretary of State need not assess as to whether there would be a substantial lessening of competition by the merger (as would otherwise be required).

Detailed guidelines from 2004, by the former Department for Trade and Industry, set out those situations where the Secretary of State may intervene in merger situations involving media organisations, including cross-media mergers (eg, where there is a merger between a newspaper and a Channel 3 or 5 licence holder). The Secretary of State may intervene where the merger involves entities from outside the European Economic Area. The policy is not

for the Secretary of State to intervene where the mergers are related to satellite and cable television and radio services.

In a more recent exercise of these powers, the Secretary of Statue issued a public interest intervention notice concerning the anticipated acquisition of Telegraph Media Group Limited by RB Investco Limited (RBIL) on 26 January 2024. This was in relation to the proposed sale of the Telegraph media group, including the Daily Telegraph newspaper, to RedBird Capital IMI – a joint venture between RedBird Capital and a state-funded enterprise of the UAE. As a result, and alongside concerns over foreign ownership of a UK newspaper, legislation was eventually proposed to amend the 2002 Enterprise Act to allow the UK government to prevent such foreign control over a UK newspaper. As a result, RBIL eventually pulled out of the deal.

In November 2022, Ofcom published a discussion document that considered the role played by online intermediaries in plurality and news consumption. The report suggested the need for regulatory changes to protect media plurality due to the rise of online intermediaries. It proposed tests for potential interventions, including their proportionality, enforceability, and adaptability, and considered which intermediaries and news content should be regulated. In a report published in March 2024, Ofcom set out information on new research on online news that focused on social media, which reflected the concerns identified in the 2022 document. The evidence set out in the report will assist Ofcom with its next review of public service media.

Law stated - 1 May 2025

Key trends and expected changes

Provide a summary of key emerging trends and hot topics in media regulation in your country.

Media Act 2024

The DCMS published the draft Media Bill on 29 March 2023, based on the 2022 white paper 'Up next – the government's vision for the broadcasting sector'. The draft Bill aimed to modernise the CA 2003 and promote UK PSBs and UK radio.

The draft was formally introduced in Parliament late in 2023, and it received Royal Assent on 24 May 2024, becoming the Media Act 2024.

The Act consists of seven Parts, which include provisions around radio licensing and regulation, increased quotas to ensure VOD is accessible to those with disabilities and requirements for smart-speaker platforms to give listeners access to UK radio stations.

The Act introduces provisions to extend the 'prominence' regime – which guarantees a prime spot for PSB channels on electronic programme guides – to VOD services. The current regime is governed by Ofcom's code of practice under the CA 2003 and to the new rules require VOD providers to comply as part of their regulatory obligations.

The Act has updated the regulatory framework for PSBs to make it more flexible. The Act provides greater freedom on how to fulfil the public service remit laid out in the CA 2003. This has been done by updating certain quotas to include VOD as well as linear programming and streamlining purposes and objectives.

The Act introduces new rules for Channel 4 and imposes a new duty on the Channel 4 board to consider its long-term sustainability and secure its ability to meet costs, which must also be included in its annual report to be laid before Parliament. The Act also removes restrictions on Channel 4's involvement in content production – its current status as a 'publisher-broadcaster' limits the channel to content from third parties, but the Act now allows Channel 4 to produce its own content in-house.

The Act also gives Ofcom new powers to regulate VOD (eg, Netflix, Amazon Prime or Disney+), including VOD providers that are based outside of the United Kingdom. This extends Ofcom's jurisdiction and could have significant impact on providers who will be regulated by both the European Union and the United Kingdom simultaneously. Ofcom may enforce a new code to regulate VOD services to the same standards as traditional linear broadcasting, to level the playing field between the two. Ofcom also has accompanying enforcement powers, which would enable them to impose fines of up to £250,000 or 5 per cent of qualifying revenue worldwide.

In February 2024, Ofcom published its roadmap to regulation in relation to the Media Bill, which sets out its implementation plan of each part of the Act. In particular, the plan details proposed timeline for the implementation process for regulation in relation to public service television, listed events, Channel 4, VOD, radio services, and radio selection services.

The first related regulations were made on 15 August 2024, under the Media Act 2024 (Commencement No. 1) Regulations 2024. This marks the beginning of a staggered rollout, with Ofcom publishing ongoing consultation plans, updates, and implementation guidance over the next two years. These materials are available on Ofcom's website and will include codes, updates, and relevant reports.

Online Safety Act 2023

The OSA was passed on 26 October 2023, with Ofcom as the designated regulator to enforce the Act in the United Kingdom. This imposes new duties around social media, online advertising, messaging and search services. Provisions include new communications offences and obligations to prevent fraudulent advertising as well as protections for news publisher content. Since December 2024, certain rules under the OSA particularly those related to illegal content have come into effect. Additional measures to protect children, including the use of age assurance technologies such as facial recognition and email analysis, are expected to be enforced by July 2025, especially for platforms hosting pornographic or age-restricted content.

The majority of duties under the OSA continue to be implemented in phases. Ofcom is finalising its codes of practice following consultations which are subject to the Secretary of State's endorsement. The timeline for the remaining provisions coming into effect will coincide with Ofcom 's guidance and the codes of practice.

Law stated - 1 May 2025

REGULATORY AGENCIES AND COMPETITION LAW

Regulatory agencies

Which body or bodies regulate the communications and media sectors? Is the communications regulator separate from the broadcasting or antitrust regulator? Are there mechanisms to avoid conflicting jurisdiction? Is there a specific mechanism to ensure the consistent application of competition and sectoral regulation?

The Office of Communications (Ofcom) and the Competition and Markets Authority (CMA) have been the bodies responsible for the regulation of the media and communications sectors in the United Kingdom since 1 April 2014.

Ofcom

Aside from its regulatory functions, Ofcom also has competition law enforcement powers, which it holds concurrently with the CMA. These concurrently held powers allow the CMA and sector-specific regulators in their respective areas to enforce the competition law prohibitions contained in the Competition Act 1998 (CA 1998). In Ofcom's case, these concurrency powers are limited to activities concerned with communications matters.

Communications Act 2003 (CA 2003) sets out Ofcom's principal duty of furthering citizen and consumer interests by regulating communications, protecting consumers from harm and by promoting competition. The Secretary of State retains some powers in certain circumstances – for instance, where a merger may raise public interest questions relating to the plurality of the media or if the Secretary of State considers it necessary to remove any concurrency functions.

Ofcom's competition law powers cover the prohibitions against anti-competitive agreements and abuse of a dominant position. These powers are derived from the CA 1998.

In addition to enforcing the competition law prohibitions, Ofcom also has investigative powers over markets by conducting market studies, with the ability to make references to the CMA for an in-depth market investigation, under the Enterprise Act 2002 (EA 2002).

One of Ofcom's competition law functions under CA 2003 is to 'further the interests of consumers in relevant markets, where appropriate by promoting competition'. Both the Enterprise and Regulatory Reform Act 2013 (ERRA 2013) and the government's 2015 Strategic Steer encourage all the concurrent regulatory authorities to coordinate in the exercise of their general competition powers, rather than their purely sector-specific regulatory powers. To facilitate this, ERRA 2013 encourages information-sharing between Ofcom, the CMA and the other regulatory bodies. The UK Competition Network and UK Regulator's Network provide the fora within which this improved coordination can take place such that cases may more effectively be resolved.

CMA

The CMA is the overarching UK competition regulatory body, coordinating competition policy and encouraging consistent enforcement between itself and the sector-specific regulators. The CMA's powers include the ability to act on a case after consultation with the sectoral regulators if the CMA believes that the case would be better tackled centrally, and the ability to withdraw a competition case from a sectoral regulator and progress the case itself.

The legal basis on which the concurrency regime is to be operated is set out in the Competition Act 1998 (Concurrency) Regulations 2014. Details of the relationship between Ofcom and the CMA concerning competition law can be found in the 'Memorandum of understanding between the [CMA] and [Ofcom] – concurrent competition powers' (published on 2 February 2016). The memorandum sets out how the concurrency regulations are to be applied to the Ofcom–CMA relationship. Both will endeavour to reach an agreement as to which body will exercise its concurrent competition powers in any given case, which will include taking into consideration the relative expertise and circumstances of the bodies. On an occasion where a decision is not adequately reached within two months, the CMA 'must notify [Ofcom] that it intends to determine which [of the bodies] is to exercise' their concurrent powers. The concurrency regulations expressly prevent the possibility of 'double jeopardy' (where two regulatory bodies review the same case simultaneously) and also provide for rules regarding case transfers between concurrent regulatory bodies.

The CMA's most recent 'Annual report on concurrency' (published on 24 July 2024) assesses how the concurrency regime has operated between 1 April 2023 and 31 March 2024. The report highlights that the Digital Markets, Competition and Consumers Act 2024 has enhanced the CMA's and sector regulators' concurrent competition powers with improved enforcement tools. It also notes that the new CMA guidance on the application of the Chapter I prohibition on environmental sustainability agreements explains that the CMA can be approached for informal advice on its application. A memorandum of understanding for regulatory coordination was published by the CMA in December 2024, setting out the arrangements by which the CMA and Ofcom will give effect to the provisions in Part 1 of the Digital Markets, Competition and Consumer Act 2024 with regard to regulatory cooperation.

In December 2024, the CMA published its 10-year review of the competition concurrency arrangements in which it sets out its findings and recommendations.

There are three areas where the CMA identified scope for improvement: (1) the sector regulators' capacity for the exercise of their concurrent powers, (2) the priority sector regulators give to Competition Act enforcement, and (3) co-operation between sector regulators and the CMA on markets work. Despite submissions by a minority of stakeholders that the concurrency regime leads to under-enforcement in certain sectors, the CMA is of the opinion that the concurrency model leads to more enforcement in regulated sectors overall compared to a model where the CMA alone exercises competition powers.

CMA panel

If it is reasonably believed that certain characteristics or conduct within a communications market may be harmful to competition, either Ofcom or the CMA can bring a cross-market reference to the attention of an impartial CMA panel – consisting of members not involved with the initial investigations. This panel may then investigate (potentially through a Phase 2 enquiry under EA 2002) and can decide whether it should take action to mitigate, prevent or remedy any adverse competition effect or negative impact on consumers – including higher prices, lower quality, reduced variety of goods or services and stifled innovation. Alternatively, it may recommend another body take remedial action or can instead indicate what type of remedial action needs to take place to rectify any issues that are uncovered.

Law stated - 1 May 2025

Appeal procedure

How can decisions of the regulators be challenged and on what bases?

CA 2003 and the Digital Economy Act 2017 (DEA 2017) outline the appeal mechanisms for Ofcom and CMA decisions concerning electronic communications networks (ECNs), electronic communication services (ECSs) and associated facilities (AFs). Also, CA 2003 offers appeal mechanisms to those wishing to appeal decisions relating to television and radio broadcasting.

ECN, ECS and AF appeal regime

Certain Ofcom decisions may be appealed to the Competition Appeal Tribunal (CAT) on judicial review grounds, namely: illegality, irrationality and unfairness. Decisions taken by the Secretary of State can also be appealed, including decisions concerning networks and spectrum functions, any restrictions or conditions set by regulators on electronic communications, a direction of Ofcom regarding its powers to suspend or restrict electronic communications, or a specific direction under the Secretary of State's powers under the Wireless Telegraphy Act 2006. Under the CAT Rules (2015), where an appeal is made concerning price control matters, the CAT must refer the case to the CMA. The CMA will then deliberate and decide on an outcome under CA 2003.

Schedule 8 of CA 2003 lists certain types of (more legislative type) decisions by the CMA, Ofcom and Secretary of State that are not appealable to the CAT, but rather by way of judicial review to the Administrative Court. These include, inter alia, the instigation of any criminal or civil proceedings, decisions relating to administrative charges orders, the publication of the UK Plan for Frequency Authorisation, recovery of sums payable to Ofcom, giving effect to regulations and imposing penalties.

Before the passage of DEA 2017, the appeal process for appealing Ofcom's decisions was on the merits. It was cumbersome, permitting considerable new evidence and new parties to an appeal. DEA 2017 made substantial alterations to the way an appeal is brought under CA 2003 by attempting to streamline the process of gathering evidence, including the cross-examination of witnesses and experts, and the general treatment of that evidence. The CAT must apply the same principles as would be applied by a court on an application for judicial review. The CAT may dismiss the appeal or quash the whole or part of the decision to which the appeal relates, remitting the matter back to the decision-maker with a direction to reconsider and make a new decision.

Television and radio broadcasting appeal regime

Owing to the changes enacted by DEA 2017, the appeals process for television and radio broadcasting-related decisions is similar to the ECN, ECS and AF appeal regime. Ofcom must have first complied with its powers under the Broadcasting Act 1990 (BA 1990) and have considered, before exercising its BA 1990 powers for competition purposes, whether there is a more appropriate way of proceeding under CA 1998 concerning some or all of the matters in question. A party affected by an Ofcom decision may appeal to the CAT only that part of the decision relating to Ofcom's competition powers under BA 1990. If a party wishes

to appeal any other type of Ofcom decision, this must be done following standard judicial review procedures.

Law stated - 1 May 2025

Competition law developments

Describe the main competition law trends and key merger and antitrust decisions in the communications and media sectors in your jurisdiction over the past year.

Mergers

Vodafone/CK Hutchison

In January 2024, the CMA launched a Phase 1 investigation into the anticipated joint venture between Vodafone UK Limited and Hutchison 3G UK, parent company of Three UK. The CMA's Phase 1 findings suggested that the potential merger of two of the four major UK mobile network operators could lead to increased costs for consumers and a decline in service quality. Both companies are key competitors in the market, with recent substantial network investments, including 5G rollouts. Concerns arose that the merger may result in less motivation among operators to attract customers, reduce prices, or enhance services. The CMA was also concerned about the potential negative effects on smaller 'virtual' network operators which may struggle to negotiate favourable terms due to a smaller pool of host network operators.

On 4 April 2024, the CMA referred the anticipated transaction to a Phase 2 investigation and on 13 September 2024 provisionally found competition concerns as part of its in-depth investigation. The CMA published a remedies working paper in November 2024, which set out the assessment of, and provisional decision on, the appropriate remedy to address the competition concerns identified in the provisional findings. This comprised an eight-year network investment programme and specific customer protections such as time limited price caps for three years.

In February 2025, the CMA gave notice of the proposal to accept final undertakings and invited comments on the same before ultimately accepting the undertakings on 28 March 2025.

CMA Merger Charter and remedies review

The CMA's willingness to clear the Vodafone/CK Hutchison joint venture by accepting novel remedies may have been the first sign of change in the regulator's approach to assess remedies. This is also against the backdrop of the CMA coming under broad political pressure to support and contribute to the overriding national priority of the UK government: economic growth, as underscored by the replacement by the government of the CMA Chair.

On 12 March 2025, the CMA announced that it is seeking comments on its approach to merger remedies, specifically in relation to three areas, including how the CMA approaches

remedies, how remedies can be used to preserve pro-competitive effects of a merger, and how the process of assessing remedies can be made as quick and efficient as possible. On the same day, the CMA published its Mergers Charter, which details principles that the CMA will apply when engaging with businesses during a merger review, and what it expects from businesses in return.

Microsoft/Mistral AI

In early 2024, Microsoft Corporation entered into a partnership with Mistral AI which comprised: (1) introducing Mistral Large (a text generation model) on Microsoft's Azure platform, (2) making Mistral's flagship commercial model and model variants available on Azure, (3) a €15 million investment by Microsoft in convertible bonds issued by Mistral, and (4) the possibility of future collaboration on research and development.

In April 2024, the CMA initiated a process inviting third parties to share their perspectives on whether the collaboration between Microsoft and Mistral complies with UK merger regulations and its potential influence on UK competition. The following month, the CMA announced its decision that the partnership did not qualify for a merger investigation as it did not believe that Microsoft had acquired material influence over Mistral AI's commercial policy through the envisaged collaboration and development opportunities.

Microsoft/Inflection

In March 2024, Microsoft Corporation announced that it had hired almost all of Inflection AI's team and entered into a non-exclusive licensing deal to utilise the Inflection IP. The CMA decided to initiate a Phase 1 investigation in July 2024 due to the overlapping activities between Microsoft and Inflection, being foundation model development and consumer chatbots.

On 4 September 2024, the CMA published its final decision clearing the transaction. The CMA found that, due to lack of material competitive constraint provided by Inflection's solutions, the transaction did not give rise to a realistic prospect of a substantial lessening of competition, and so the merger was free to proceed without further conditions.

Amazon/Anthropic

In August 2024, the CMA launched a merger inquiry into Amazon.com's partnership with Anthropic PBC which resulted in Amazon acquiring certain rights with respect of Anthropic's business. The investment, marking Amazon's second in Anthropic, included agreements for using Amazon Web Services and Amazon's custom chips for operations.

In September 2024, the CMA cleared Amazon's US$4 billion investment in Anthropic, concluding that the deal did not warrant a merger investigation due to Anthropic's limited local revenue and market share in the UK.

Alphabet/Anthropic

The CMA launched a merger inquiry into Alphabet's partnership with Anthropic in October 2024 following an invitation to comment on the transaction from interested parties. Alphabet

invested US$500 million in Anthropic in 2023, and invested a further US$1 billion at the beginning of 2025. The CMA decided that Google did not acquire material influence over Anthropic as a result of the partnership and ultimately found that no further investigations were required.

Microsoft/OpenAI

On 5 March 2025, the CMA announced that the partnership between Microsoft Corporation and OpenAI did not qualify for a merger control investigation after conducting a Phase 1 probe. Microsoft and OpenAI entered into a partnership in 2019, it involved a multi-year, multi-billion-dollar investment and an agreement to collaborate across AI supercomputing and research. Microsoft is the largest investor in OpenAI but its formal governance rights in OpenAI are limited to typical financial investor protections, the day-to-day management of OpenAI is controlled by OpenAI Nonprofit. Microsoft has also been the exclusive supplier of compute infrastructure to OpenAI workloads across research, products and application programming interface services, and benefits from an exclusive licence to OpenAI's IP, including in relation to artificial general intelligence. In light of the available evidence, the CMA did not consider that Microsoft controlled OpenAI's commercial policy, and instead exerts a high level of material influence over that policy – meaning this latest transaction did not bring about a change in the level of control vis-à-vis the position since 2019.

LetterOne loses challenge to NSIA prohibition decision

The High Court of Justice handed down its judgment in the first ever challenge to a UK government decision under the National Security and Investment Act (NSIA 2021) in November 2024. The government's Investment Security Unit initially prohibited the completed acquisition by investment firm, LetterOne, of fibre broadband company, Upp, with LetterOne subsequently bringing a judicial review challenge of the decision.

The High Court ruled that LetterOne must unwind the transaction and sell its 100 per cent stake in Upp. The judgment holds that, for several reasons including LetterOne's five founders being Russian and four of them being subject to UK sanctions for their alleged support for the Russian government, there was a sufficient risk to the UK's national security. This is particularly in the context of Upp's previously stated plans to expand its fibre broadband network across rural UK communities, where national security could be even further undermined. While the judge gave LetterOne limited permission to appeal, the deadline for doing so has since passed.

Markets

Ofcom bans inflation-linked mid-contract price rises

In December 2023, Ofcom proposed a ban on mid-contract price rises linked to inflation, suggesting that any price written into a customer's contract be set out in 'pounds and pence', prominently and transparently, at the point of sale. This rule would prohibit providers from including inflation-linked, or percentage-based, price rise terms in all new contracts. Ofcom consulted on this proposed new requirement and published its final decision in July 2024.

Ofcom's data analysis revealed that as of April 2023, four in 10 broadband customers and over half of mobile customers were on contracts subject to inflation-linked price rises. However, customer awareness and understanding of these terms remained low. Ofcom also received a significant increase in complaints related to price rises between January and October 2023, with many highlighting the uncertainty created by inflation-linked price rises.

BT compliance with the clear and simple information requirement

In January 2023, Ofcom launched an investigation into BT's compliance with the requirement to provide customers with clear and simple contract information before signing up for a new deal. Telecoms providers are required to provide customers with a summary of the main contract terms, including price, length of the contract, and early termination terms, since June 2022. Customers with disabilities can also request documents in an accessible format. Ofcom suspected that BT subsidiaries EE and Plusnet failed to comply with these requirements. The investigation considered whether BT breached the regulator's rules as a result of suspected breaches by each of these subsidiaries. A Confirmation Decision was issued in May 2024 and it was published the following July. Ofcom found that BT failed to provide required contract information and contract summary documents to some new and re-contracting EE and Plusnet customers since June 2022, which constituted a serious breach of the regulator's consumer protection rules. A penalty of £2.8 million was imposed on BT after the 30 per cent discount on the penalty figure of £4 million resulting from BT's admission of liability and its completion of Ofcom's settlement process.

Investigation into Meta's use of data

In August 2024, the CMA announced that it accepted proposals to vary commitments imposed on Meta in late November 2023 relating to competitor advertising data, following a request from the company in April 2024.

The variations, aimed at maintaining competitive fairness without disadvantaging advertisers on Facebook Marketplace, include allowing Meta to apply technical controls more broadly, covering data from all advertising customers rather than limiting them to competitors' data. Consequently, advertisers no longer need to opt-out proactively for their data not to be used, significantly simplifying the data collection process for what is known as 'digital display advertising' (where advertisers pay online companies such as social media platforms to display advertising on the latter's web pages or mobile apps).

Ofcom's industry-wide launch of the One Touch Switch process

12 September 2024 was the industry-wide launch date for the One Touch Switch (OTS) process. This comes after the regulator's previous target of 14 March 2024 proved unattainable and the broadband industry failed to meet the April 2023 deadline for implementing the OTS process. The OTS process is designed to allow customers to switch broadband and landline providers easily and quickly by only needing to contact their new provider to make the change. The new rules require providers to compensate customers if they are left without service for more than one working day and not to charge any notice-period charges beyond the switch date.

Inquiry into mobile browsers and cloud gaming

The CMA published its final report on mobile browsers and the cloud gaming market in March 2025, following its provisional report issued in November 2024. The report found that several mobile browser markets are not working well for consumers and businesses. Of particular concern was Apple's policies on how mobile browsers work on Apple's devices. The inquiry group has confirmed its concerns in all areas but two found in the provisional report. Specific aspects of Apple and Google's choice architecture practices are no longer a concern after Apple released a software update to enable users to switch their default browser, and Google provided evidence relating to prompts used to encourage users to set Chrome as their default browser for Android. No further action was necessary in relation to cloud gaming given that primary concerns have been addressed.

SMS investigation into Google in search and search advertising

The first probe under the new digital markets competition regime is seeking to establish whether Google has strategic market status (SMS) in search and search advertising activities and whether these services are delivering good outcomes for people and businesses in the UK. The CMA published an invitation to comment on 14 January 2025, setting out the scope of its initial SMS investigation and held a series of roundtable events for groups of stakeholders to explore the issues and hear their views. The intervention roadmap sets out the next steps in the investigation, these include but are not limited to further evidence gathering and analysis, a consultation on the proposed decision on the SMS designation, and an opportunity for Google to make oral representations on the proposed designation. The statutory deadline for the issue of the SMS decision notice has been scheduled for 13 October 2025.

CMA investigating SMS in mobile ecosystems

In January 2025, the CMA launched an SMS investigation into Apple and Google in relation to their mobile ecosystems. The regulator will assess the impact on people who use mobile devices and on businesses that develop services or content such as apps for them. The CMA will explore the extent of competition between Apple's and Google's mobile ecosystems and plans to assess the potential barriers that are preventing other competitors from offering rival products and services on Apple's and Google's platforms. The investigation will also encompass any potential exploitative conduct, such as whether Apple or Google are requiring app developers to sign up to unfair terms and conditions to distribute their apps on Apple's and Google's app stores, or whether users are presented with architecture which makes it difficult to make active choices about the apps on their devices. The statutory deadline for both investigations is 22 October 2025.

Mobile radio network services CMA market investigation

On 25 October 2021, the CMA decided to refer the supply of the land mobile radio network services for public safety (and other ancillary services) for a market investigation. In April 2023, the CMA published the final report where it identified the relevant market as the supply of communications network services for public safety and determined that Airwave Solutions and Motorola now possess considerable market power and the competitive dynamics meant that there was an adverse effect on competition in the market for

communications network services for public safety. Given the limited potential for remedies due to criticality of the Airwave Network and the Home Office's dependence on it, the CMA has decided on two main actions. First, a charge control will be imposed on the price for Airwave Network services to mitigate the detrimental effects on customers. Second, the CMA recommends that the Home Office develop and implement a plan for competitive pricing arrangements or regulatory measures for the supply of communications network services by the end of 2029.

On 31 July 2023, the CMA published a final order following its market investigation in October 2021. The CMA decided to impose a charge control on the price for Airwave Network services which limits the price to a level that would apply in a competitive market and will reduce the current price by almost £200 million per year. The charge control will be in effect until December 2029, subject to a review in 2026.

Motorola challenged the CMA's final order, alleging errors in the CMA's evaluation of competition in the relevant market and the profitability of the Airwave Network. However, following a hearing in August 2023, the CAT rejected both grounds of Motorola's appeal. In November 2024, a further challenge was heard by the CAT, all arguments were unanimously dismissed. Motorola then sought permission to appeal the CAT's decision and in January 2025 the Court of Appeal dismissed the grounds of application for permission to appeal the CAT decision, which upheld the CMA's findings.

BT compliance with the clear and simple information requirement

In January 2023, Ofcom launched an investigation into BT's compliance with the requirement to provide customers with clear and simple contract information before signing up for a new deal. Telecoms providers are now required to provide customers with a summary of the main contract terms, including price, length of the contract, and early termination terms, since June 2022. Customers with disabilities can also request documents in an accessible format. Ofcom suspects that BT subsidiaries EE and Plusnet may have failed to comply with these requirements, and the investigation will consider if BT has breached the regulator's rules as a result of suspected breaches by each of these subsidiaries. The investigation is ongoing, and further updates will be provided as more information is gathered.

Cloud services market investigation

On 5 October 2023, Ofcom referred to the CMA the UK cloud services market for an in-depth examination following its market study in October 2022 which identified certain features and practices that hinder customer switching and the use of multiple cloud suppliers. The investigation has revealed that Amazon Web Services and Microsoft are the leading cloud infrastructure providers in the UK, with Google as their closest competitor. While competition has brought benefits such as innovative products and discounts, certain aspects of the market raised concerns.

To address Ofcom's concerns the CMA's investigation was based on the three market features that Ofcom expressed the most concern about, along with the potential impact of software licensing practices on cloud competition. The CMA's investigation scrutinised whether technical barriers and egress fees hinder customers from switching providers or using multiple cloud services, and whether these factors contribute to customer lock-in and

impede competition. Additionally, it examined whether the discount structures of existing providers obstruct market entry and expansion, and whether software licensing practices discourage the use of rival cloud providers.

The CMA published its provisional report on cloud infrastructure services in January 2025 and found that there are 'as-efficient competitors' arising from certain features in the cloud services markets in the UK, and proposes remedies to address the harms to competition that have been identified such as switching costs and barriers to entry for new providers. The proposed remedies focus on appropriately designating SMS when applicable to allow the CMA to take targeted interventions to address competition concerns in the cloud services market.

Ofcom's 2026 wholesale telecoms review

In March 2024, Ofcom initiated a review of the regulations set to govern the UK's wholesale telecoms markets from April 2026 to March 2031. The review is designed to ensure that the UK's broadband infrastructure is future-ready, fostering competition and investment in gigabit-capable broadband to enhance services and consumer choice. Since the last review in 2021, Openreach and several other companies have accelerated the deployment of their next-generation networks. Ofcom anticipates releasing its primary consultation on regulatory proposals in 2025, with final decisions expected by early 2026.

Antitrust/litigation

Class action launched against Vodafone, EE, Three, and O2 over alleged abusive out-of-contract pricing

In December 2023, Justin Gutmann filed an application at the CAT to commence class action proceedings against the UK's four mobile network operators – Three, Vodafone, EE and O2/Telefónica. The class representative alleges that these operators exploited their market dominance by overcharging customers who did not terminate their handset and airtime services contracts after their minimum terms expired. The claim, representing millions of customers, seeks approximately £3 billion in damages for the alleged abusive out-of-contract pricing. In March 2025, Three, Vodafone, EE, and O2 attempted to have the claim thrown out, arguing that the lawsuit is fundamentally flawed. The judgment has yet to be handed down.

EU, UK and US joint statement on competition in generative AI Foundation Models and AI products

A joint international statement supporting competition has been signed by the CMA, the European Commission, the US Federal Trade Commission and the US Department of Justice. The statement, published on 23 July 2024, is aimed at unlocking the opportunities for growth and innovation provided by AI technologies, whilst ensuring fair and open competition.

The three overarching principles for protecting competition in the AI ecosystem stipulated in the joint statement are fair dealing, interoperability and choice which mirror the core principles that already underpin competition rules for digital markets in the EU and UK.

CMA objects to Google's ad tech practices

The CMA published a statement on 6 September 2024 announcing that it had issued a series of objections alleging that Google has abused its dominance in online display advertising to favour its own ad tech services.

The CMA's provisional findings relate to the way in which Google 'self-preferences' its own ad exchange when a page is loading, which harms competition and, as a result, the performance of advertisers and publishers on Google's platforms and services. The CMA alleges that, during the series of auctions and transactions that take place to determine which ads are shown to the user, Google has been 'preferring' its own ad exchange, AdX, to prevent competition from other ad exchanges.

The CMA will now consider representations from Google, and the impacts on the online ad tech market, before reaching a decision.

Apple UK class actions on App Store fees and iCloud service

In October 2024, a £785 million class action in the UK targeting Apple over its App Store fees was cleared for trial, following a ruling from the CAT. The class representative, Sean Ennis, alleged that the tech giant has been abusing its dominant market position by overcharging UK-based app developers, while Apple argued that an aggregate award of damages would be unsuitable given certain proposed class members and developers actually benefit from Apple's alleged conduct.

The CAT published a notice of application to commence collective proceedings submitted by Which? against Apple relating to alleged anti-competitive conduct in its iCloud service in December 2024. The approximately £3 billion claim alleged that Apple abused competition rules by locking millions of consumers into its iCloud service at excessive prices, making it difficult for them to use alternative providers and forcing them to pay more than they would have paid under competitive conditions.

UK and EU announce new Competition Cooperation Agreement

In October 2024, the UK government and the EU formally concluded technical negotiations on the UK-EU Competition Cooperation Agreement (CCA), which brings to an end nearly 18 months of negotiation and which will supplement the overarching UK-EU Trade and Cooperation Agreement. The CCA will allow for greater dialogue and more rigorous enforcement of antitrust issues between the CMA, the European Commission and the national competition authorities of member states.

While the CCA represents the first instance of EU competition authorities collaborating directly with a non-EU member state, there are concerns that it does not go far enough on the UK side as the proposal only covers the CMA but not other regulators. The CCA will now be put before EU governments, the European Parliament and the UK Parliament for scrutiny.

Court of Appeal denies Meta's request to appeal CAT class action decision

In November 2024, the Court of Appeal handed down a judgment denying Meta leave to appeal a circa £2.3 billion data access class action brought by class representative Dr Liza Lovdahl Gormsen, following a February 2024 judgment in the CAT. The opt-out action

alleges that Meta exploited UK Facebook users' personal data outside of the platform in an 'unfair bargain', on the basis that users had no choice but to submit to Meta's collection and processing of their information for the company's ad profit because of its market dominance in social networking. The current class is all UK Facebook users who accessed their Facebook account between 14 February 2016 and 6 October 2023 while in the UK.

Microsoft's cloud fees targeted in UK class action

Microsoft is facing a £1 billion class action in the UK over how it charges customers who buy cloud software services that rival its own Azure platform. The opt-out class action, which was announced in December 2024, alleges that Microsoft is abusing its dominance in computer operating systems and unfairly overcharging business customers if they purchase its Windows Server and use it with the cloud platforms of Microsoft's main rivals, including Amazon, Google and Alibaba.

BT wins first ever collective action

The CAT handed down its judgment for the first opt-out competition collective action to go to trial in the UK in December 2024. The CAT dismissed the £1.3 billion claim brought by the class representative Justin Le Patourel after finding that BT had charged its customers fair prices and had not acted abusively because the prices reflected the value attributed to BT's services by its landline only customers. The CAT focused on evidence relating to the positive BT brand value and high customer satisfaction scores to decide that pricing was adequate despite the fact that BT's prices exceed a competitive cost benchmark.

CMA publishes terms of reference for new Growth and Investment Council

In January 2025, the CMA published the terms of reference for the new Growth and Investment Council which has been established to bring senior stakeholders from business and investor groups together on a regular basis to discuss steps to support effective competition and consumer protection that drives innovation, investment and growth. Among other things, the Council will provide expert knowledge on how the regime can support businesses and investors in the UK, help to identify opportunities for growth in particular sectors in the UK economy, and offer feedback in relation to the CMA's proposed programme of activity as set out in its draft Annual Plan and in relation to its work as reflected in the CMA Annual Report.

CMA issues first fine for anticompetitive behaviour in the UK labour market

The CMA's first fine for anticompetitive behaviour in the UK labour market was issued on 21 March 2025 to sports broadcast and production companies: BT, ITV, IMG, BBC, and Sky. The five companies were found to have exchanged competitively sensitive information about freelance worker fees, including camera operators and sound technicians, which allowed for coordination on pay rates. The fines totalled £4.2 million after the application of discounts for admissions of wrongdoing by BT, IMG, ITV and BBC. Sky was exempt from the financial penalty for alerting the CMA of its involvement before the investigation was launched.

Regulatory

Digital Regulation Cooperation Forum

In July 2020, the CMA, Ofcom and the Information Commissioner's Office (ICO) established the Digital Regulation Cooperation Forum (DRCF) to deliver a step-change in coordination and cooperation between regulators in digital markets. The Financial Conduct Authority – initially an observer member – joined as a full member in April 2021. The DRCF is a non-statutory voluntary network – it does not have a decision-making role and does not provide formal advice or direction to members. Rather, the forum aims to achieve coherent, informed and responsive regulation of the UK digital economy; specifically, the organisations believe that the challenges posed by the regulation of online platforms require a greater level of regulatory cooperation.

On 27 April 2023, the DRCF published its key outputs across the period 2022–2023. It highlighted the CMA-Ofcom joint statement on 'Online safety and competition in digital markets', the publishing of the DRCF Terms of Reference, and the ICO-Ofcom joint statement on interaction between 'Online safety and data protection regimes'.

The DRCF also published its '2024/25 workplan', which set out the organisation's strategic vision for the following three years. The 2025/26 workplan published in April 2025 sets out how the three-year vision is being implemented currently. This vision is steering the long-term aims of the DRCF's annual work package and the plans it is developing and delivering for the years 2025/26 and 2026/27. The key areas of focus in the DRCF's three-year vision include protecting and empowering people online, unlocking digital innovation and economic growth, supporting regulator effectiveness, leading domestic and international discussions, and anticipating future developments.

The Digital Markets, Competition and Consumers Act

The Digital Markets, Competition and Consumers Act 2024 (DMCCA) came into force on 1 January 2025 and became effective on 6 April 2025 after receiving Royal Assent in May 2024. The DMCCA is a piece of UK legislation that aims to promote free and fair competition among businesses, both online and offline, while also protecting consumers from unfair practices. There are three primary areas of focus for the legislation.

First is consumer protection. The Act empowers the CMA to take enforcement action against businesses that use unfair practices to deceive consumers, such as fake reviews, subscription traps, and pressure selling. It also allows the CMA to determine when consumer law has been violated, rather than having to take each case to court, which speeds up the process of protecting consumers and ensuring that fair-dealing businesses are not at a disadvantage. The Act also includes provisions that allow the CMA to fine businesses that break the law up to 10 per cent of their global turnover.

The second is digital markets. The Act established a new regime overseen by the Digital Markets Unit (DMU) within the CMA, which is designed to hold digital firms accountable for their actions and prevent firms with SMS from using their size and power to limit digital innovation or market access. The DMU uses a proportionate approach to regulate digital firms, enabling all businesses to compete fairly in digital markets.

In January 2024, the CMA published an overview of the CMA's provisional approach to implement the new Digital Markets competition regime as proposed by the DMCC. This regime is only applicable to firms identified by the CMA as having SMS in one or more digital activities, after a thorough investigation and public consultation. If a firm is found to be exploiting its SMS, the CMA will intervene with targeted actions. These actions may include imposing conduct requirements, such as preventing SMS firms from favouring their own products, requiring them to allow interoperability with other firms' products, or mandating increased transparency in their algorithms.

Finally, the DMCCA aims to promote competition in the economy more broadly. It gives the CMA stronger investigative and enforcement powers, which allows it to conduct faster and more flexible competition investigations and identify and stop unlawful anticompetitive conduct more quickly.

The DMCCA introduced amendments to the Enterprise Act 2002 to restrict foreign state ownership of UK newspapers. These amendments aim to prevent the influence or control over UK newspaper enterprises. To trigger intervention, the Secretary of State must have a reason to believe that a merger would lead to foreign state control or influence. If this is the case, then a 'foreign state intervention notice' will have to be issued to the CMA.

Updated National Security and Investment Act 2021 guidance

The UK government has continued to provide guidance on the application of NSIA 2021, which imposes mandatory and voluntary notification requirements for certain types of acquisitions that are deemed to raise national security concerns.

In November 2023, the UK government issued a call for evidence on the operation of NSIA 2021, specifically regarding views on the regime's impact on business and investors; whether the scope and requirements of the regime are proportionate and effective; and how well stakeholders understand the regime; and what risks to national security investments may pose.

On 18 April 2024, the UK government published the call for evidence outcome. Within the outcome the UK government announced that it would provide clarity on the areas of the economy that the UK government see risks and publish updated market guidance. In May 2024 a new edition of market guidance was published. It covers changes to the NSIA notification process, new guidance on UK nationals acquiring an entity or asset outside the UK, and changes to guidance for the higher education and research-intensive sectors. In December 2024, the government published its report on the performance of NSIA 2021 since it came into force, concluding that the Notifiable Acquisition Regulations 2021 are generally achieving their objective and are aligned with the government's growth mission.

Law stated - 1 May 2025