

OFFICE OF COMMUNICATIONS ACT 2002

EXPLANATORY NOTES

SUMMARY

3. The Communications White Paper – *A New Future for Communications* (Cm 5010) - published on 12 December 2000, announced the Government's proposals for the reform of the regulatory framework for the communications sector. It sets out in broad terms how the sector should be regulated. Responses to the consultation on the White Paper can be found at www.communicationswhitepaper.gov.uk, together with an Executive Summary of those responses, prepared by independent consultants. At the centre of the White Paper were proposals for the creation of a unified regulator for the communications sector. There are currently 5 bodies or office holders regulating the communications sector. These are the Broadcasting Standards Commission, the Director General of Telecommunications, the Independent Television Commission, the Radio Authority, and the Secretary of State, who has a regulatory role through the Radiocommunications Agency (part of the Department of Trade and Industry). The Government's objective is to replace all of these regulators with one unified regulator, the Office of Communications (OFCOM).
4. In the Queen's Speech on 20 June 2001, Her Majesty announced that a draft Bill (the 'Communications Bill') to create a single regulator for the media and communications industries and reform the broadcasting and telecommunications regulations would be published during the 2001-02 Parliamentary Session. The draft Communications Bill and associated documents, including a document explaining the policy background to the Bill, were published on 7 May 2002. The draft Bill and associated documents can be found at www.communicationsbill.gov.uk A Joint Committee of the House of Lords and House of Commons has been established to undertake pre-legislative scrutiny of the draft Communications Bill.
5. The aim of the Communications Bill will be to create a less complex system of codes and rules which is flexible enough to cope with the pressures of technological change over the long term in this fast-moving sector. This new regulatory regime could not come into effect until after the Communications Bill attained Royal Assent; which itself would be mid-2003 at the earliest. OFCOM would apply and enforce these new codes and rules. Establishing OFCOM, planning and managing the practical transition from the existing five regulators will be a complex task, which will take much time and effort to complete. The Office of Communications Act makes it possible for the Secretary of State to create OFCOM before the main Communications Bill achieves Royal Assent, which should enable regulatory functions to be transferred to OFCOM more quickly thereafter.
6. On 12 October the results of an initial scoping study, undertaken by independent consultants, were published. This study assesses the kind of organisation OFCOM might be and how the complex task of transition might be managed. It notes that the appointment of a Chair and Chief Executive of OFCOM would be a significant step in enabling the more detailed design of policies, and would allow the making of key strategic decisions on such matters as structure, appointments, vision and organisational culture. The proposals represent a basis for planning, although final decisions will be for

*These notes refer to the Office of Communications Act 2002
(c.11) which received Royal Assent on 19 March 2002*

OFCOM once appointed. The Government proposes to appoint the Chair of OFCOM and other non-executive members thereafter, with a view to them being in a position to appoint a Chief Executive in the early autumn of 2002.

7. The Office of Communications Act enables Government to establish OFCOM, so that practical steps can be taken to get the regulator ready to receive the functions a Communications Bill would confer upon it. This Act should enable a more orderly transition by:-
 - establishing the Office of Communications;
 - giving OFCOM a preparatory function; and
 - placing the existing regulators under a duty to assist OFCOM to prepare.