

Consultation 2/2026: Workplan for 2027-2028

The Office of the Adjudicator - Broadcast Transmission Services (OTA-BTS)

The Adjudicator has developed a draft OTA-BTS workplan for 1 April 2027 to 31 March 2028. The scope and shape of any Workplan must take proper account of the role and functions of the Adjudicator as set out in the Undertakings. In refining the plan, the Adjudicator will carefully consider responses to this consultation. The Workplan will then be a key input to the budget proposal the Adjudicator submits to Ofcom.

The budget was £793,524 for the year 1 April 2025 to 31 March 2026 and increased to £991,029 for the year 1 April 2026 to 31 March 2027. As noted at the time, the expectation of both Ofcom and the Adjudicator was that 2026-27 represented “a spike in the workload and the resources required by OTA-BTS”.

The next section of this document summarises the proposed elements of the workplan. It is neither in priority order nor exhaustive. Some elements reflect work underway which will need to be completed in the year 2027-28 or follow-on work. Other elements reflect matters that have been highlighted in discussions with stakeholders and fall within the functions of the Adjudicator as they are defined in the Undertakings.

Ongoing work of the Adjudicator and Core Team

The current Adjudicator, Glyn Jones, works for an average of three days each week. He is supported by a core team of people who allocate part of their working week to OTA-BTS: Megan Donald (Executive Assistant and Office Manager) and Jeff Astle (General Projects and Consultations).

In addition, Professor Geoffrey Myers provides ad-hoc advice on regulatory issues and economics. Legal advice is provided by Alice Wallace-Wright and colleagues at the law firm HCL (previously known as Hogan Lovells). Ad hoc advice on technical and other issues is provided by Simon Mason and Drew Hosie.

Around 50% of the core team’s time is focused on an annual cycle defined in the Undertakings. This includes:

- Input to the process around Arqiva’s publication of its Regulatory Accounts.
- Quarterly Reports for the Competition and Markets Authority and Ofcom.
- Proactive, reactive, and routine meetings with stakeholders.
- Responding to issues raised by Arqiva and other stakeholders.
- Monitoring macro-issues, industry trends, stakeholder announcements, and external factors relevant to the Undertakings.
- Discussions with Ofcom about annual workplan and development of OTA-BTS budget.

In 2026-27, the Adjudicator held fewer meetings with stakeholders than had been expected. The Adjudicator will be rectifying this in the latter part of this year and will set aside more time in the Workplan for 2027-28. This includes a new presentation for stakeholders explaining the purpose of the Undertakings and the role of the Adjudicator.

The Adjudicator is following the work of DCMS regarding the future of broadcasting. The Workplan for 2027–28 may need to be adjusted when the Government has announced its decisions.

Review of WACC & Inflation Mechanism

The WACC was last set in 2015 by the then Adjudicator (Alan Watson OBE) who suggested it should apply for 10 years. In discussions with stakeholders and responses to Ofcom's OTA-BTS Budget Consultation for 2026–27, there were specific calls for a review of the WACC and consideration of the Inflation Mechanism.

The Adjudicator has commissioned a report from Frontier Economics. Work began in October 2026, and the target is for it to be completed in January 2027. After Frontier's report has been reviewed by the Adjudicator, the next stage will be a Consultation. Responses will be considered by the Adjudicator, with further input from Frontier, before any new Guidance on the WACC and Inflation Mechanism is issued.

The latter parts of this process will fall in the first half of 2027–28.

Next Steps Following Publication of the NERA Report

During the last eighteen months, the economic consultancy NERA has carried out an analysis of the processes Arqiva use to calculate regulated prices for broadcast transmission, with an assessment of the Cost and Pricing models and Radio Rate Card. NERA has also made an assessment of the profitability of the part of Arqiva's business regulated by the Undertakings based on the nature of the regulation.

The Adjudicator will consider whether NERA's work raises the need to issue, clarify or update Guidance about matters falling within the scope of the Adjudicator's functions.

A Consultation on the NERA Report and any changes to Guidance is scheduled to be held in the last quarter of the current financial year. It is likely that the process for considering responses will happen in the first part of 2027–28. In considering submissions to the consultation and finalising any Guidance it may be necessary to take further advice from NERA or commission further analysis.

Review of Offers

Over the past 18 months, Simon Mason has been reviewing a selection of offers. Arqiva has set up a secure online portal which gives OTA-BTS access to some offers as they are issued to customers (whether they are based on Arqiva's Cost & Pricing Models or the Radio Rate Card).

The Adjudicator has agreed that these discussions should be confidential between Arqiva and OTA-BTS and customers are not informed that particular contracts or renewals have been selected for review.

The work will continue in 2027–28. The aim of this work is to review the technical proposals and the options discussed with customers; to review the costs and pricing; and raise any questions or issues related to the Undertakings with Arqiva.

Review of Electricity Charges and Antenna / Site Checks

These two pieces of work are scheduled to start during the current financial year and may run into the 2027-28 Workplan.

Clarification of the Adjudicator's Reading of Clause 8.1.1 in the Undertakings

The 2026-27 Workplan also included scope to clarify the Adjudicator's reading of clause 8.1.1 in the Undertakings. This work is about to start and may continue into the 2027-28 Workplan.

Regulatory Accounts – Apportionment Methods

Arqiva has worked on providing additional commentary and notes to the Regulatory Accounts for the Financial Year 2025-26. Part of the Adjudicator's role each year is to consider, amongst other matters, the allocation methods used by Arqiva when preparing the Regulatory Accounts.

One of the apportionment systems that the Regulatory Accounts relies on is the Oracle Time and Labour (OTL) reporting system. The Adjudicator is clarifying with Arqiva the level of checks and audit that are carried out routinely. The Workplan includes the potential for expert external checks.

Conclusion

In discussing next year's budget with Ofcom, the Adjudicator will factor in practical concerns on costs, resource allocation, and bandwidth available. This will include consideration of where it is appropriate to commission work from external consultancy firms with expertise in regulatory issues.

Stakeholder feedback on this draft workplan will inform the Adjudicator's next steps and discussions with Ofcom as it starts to define the 2027-28 budget for OTA-BTS. It is expected that Ofcom's consultation on its budget proposal will be in January and February 2027.

Stakeholder comments and feedback on this draft workplan can be submitted via this consultation.

Anyone wishing to comment should do so by emailing a PDF or Microsoft Word document to contact@ota-bts.org.uk, marking responses with the reference Consultation 2/2026. Please also complete a signed coversheet attached below in the Appendix. For a copy of the coversheet in Word, please email contact@ota-bts.org.uk.

Consultation Questions

Responses should be in answer to these five questions:

Question 1 What is your assessment of the draft Workplan for 2027/28 outlined in this document?

Question 2 What activities in the Workplan are the highest priority?

- Question 3** Are there any activities which you believe should be dropped from the Workplan?
- Question 4** Are there any activities which you believe should have been included?
- Question 5** Are there other comments which you believe would help the Adjudicator develop the workplan?

The closing date for responses is **5.00pm on Tuesday 24 November 2026.**

As explained in our Consultation Principles, we believe that transparency is important. We would like to be able to publish your submission to this consultation in full. If there are reasons why part or all of your response should be kept confidential, please explain your reasons in the coversheet.

The Office of the Adjudicator – Broadcast Transmission Services

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APPENDIX: CONSULTATION COVERSHEET (OTA-BTS)**Consultation Title:** OTA-BTS Workplan for 2027-2028**Name of Respondent:** _____**Representing:** _____**Address:** _____**Phone number:** _____**Email address:** _____**Transparency**

As explained in our Consultation Principles, whenever possible responses will be published in full. If you want to request that parts of your submission are not published, please give details and reasons.

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Declaration

I confirm that the correspondence supplied with this cover sheet is a formal consultation response that OTA-BTS can publish. In supplying this response, I understand that OTA-BTS may need to publish all responses, including those which are marked as confidential, in order to meet legal obligations.

If I have sent my response by email, OTA-BTS can disregard any standard e-mail text about not disclosing email contents and attachments.

Name: _____ **Date:** _____**Signed:** _____