Commercial Awareness Club

**MAY 2026 ISSUE**

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Legal Cheek

## Community Bulletin:

The Legal Cheek Virtual Vacation Scheme is going ahead from June 8-12 and is currently open for registration. It will feature short talks, workshops and Q&As with lawyers from leading firms, an Employability Expo hosted by the University of Law, and a Law Fair featuring 20 different firms including Ashurst, Slaughter and May, and more. If you are unable to attend, they will be hosting a Winter Scheme from December 1-5. Sign up using the link!: The Legal Cheek Summer Virtual Vacation Scheme and Law Fair 2026 - Legal Cheek

# Antitrust Law



**Action Taken Against Synthetic Turf Companies**

The European Commission has charged several synthetic turf manufacturers with alleged cartel conduct in the Netherlands and Germany, marking another significant step in the EU's ongoing crackdown on anti-competitive behaviour. The investigation centres on allegations that competitors coordinated their market conduct, potentially restricting competition and distorting prices in the synthetic sports surface industry. Under EU competition law, cartel activity is regarded as one of the most serious antitrust infringements.

Companies found guilty of price-fixing, market-sharing, or bid-rigging can face fines of up to 10% of their global annual turnover, creating substantial financial and reputational risks. the case highlights the increasing scrutiny businesses face from competition regulators across Europe. Companies operating in concentrated industries must ensure robust compliance programmes and employee training to prevent anti-competitive conduct. The investigation also demonstrates how antitrust enforcement can have significant commercial consequences, affecting corporate strategy, investor confidence, and market positioning. As regulators continue to pursue cartel investigations aggressively, competition law compliance remains a critical priority for businesses operating in international markets.

Further Reading: Lawyer Monthly, Europe Says



**The Technology Transfer Block Exemption Regulation (TTBER)**

The European Union's revised TTBER, which came into force on 1 May 2026, represents an important development in competition law and intellectual property licensing. The regulation provides a framework under which technology licensing agreements can benefit from a safe harbour from EU antitrust rules, provided certain conditions are met. The revised TTBER is particularly significant for businesses operating in sectors such as artificial intelligence, software, pharmaceuticals, and advanced manufacturing.

Companies frequently rely on licensing arrangements to commercialise intellectual property, enter new markets, and collaborate on innovation. Greater legal certainty can reduce transaction costs and encourage investment in research and development.

Further Reading: European Commission, Osborne Clarke

**Deckers v Up & Running and Restrictions By Object**

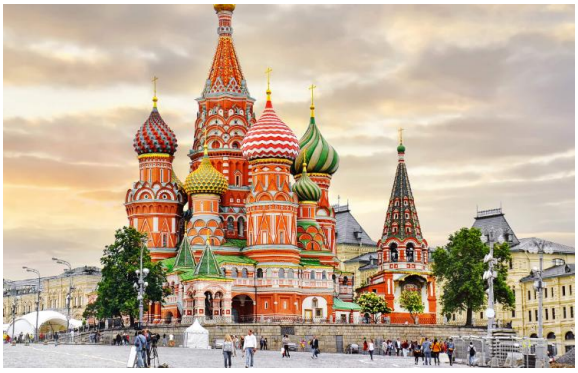
Selective distribution systems, commonly used by luxury and premium brands, allow manufacturers to sell products only through authorised retailers that meet specified quality criteria. A restriction by object occurs when the actions are considered so likely to harm competition that regulators do not need to demonstrate their actual market effects. In this case, the Court of Appeal emphasised that not every limitation within a selective distribution system automatically amounts to a by-object restriction. Instead, courts must carefully assess the agreement's economic and legal context before concluding that it is sufficiently harmful to competition. the decision offers reassurance to businesses that rely on selective distribution to protect brand image, product quality, and customer experience. However, companies must continue to ensure that distribution agreements do not contain provisions that unlawfully restrict competition.

Further Reading: Mishcon de Reya, Ashurst

To Watch:

- The EU is preparing a large fine against Google (potentially high triple-digit millions) under the Digital Markets Act for allegedly favouring its own services in search results (Reuters)

# Contract Law



**Sanctions and Supply Chains**

The continued expansion of sanctions against Russia and Belarus has created significant legal and commercial challenges for businesses operating across international supply chains. While sanctions are primarily a geopolitical tool, their effects increasingly extend into private commercial relationships, forcing companies to reassess contractual obligations and compliance frameworks. A key issue is the impact of sanctions on existing contracts. Businesses may face difficulties fulfilling supply obligations where sanctioned entities, restricted goods, or disrupted payment channels are involved. As a result, parties are increasingly relying on force majeure clauses, termination rights, and sanctions-specific provisions to manage risk and allocate responsibility when performance becomes impossible or unlawful. Companies must conduct enhanced due diligence on suppliers, customers, and logistics partners to ensure compliance with rapidly evolving sanctions regimes. Businesses are increasingly diversifying suppliers, reshoring production, and strengthening contractual protections to improve resilience, illustrating the close connection between global politics and commercial law.

Further Reading: Fieldfisher, DLA Piper

**Baltimore Wharf v Ballymore and the 'Subject to Contract' Agreement**

The case arose from settlement discussions relating to a construction dispute following the collapse of a nursery roof at the Baltimore Wharf development in London. The key issue was whether the parties had already reached a binding settlement despite ongoing negotiations being conducted on a "subject to contract" basis. The High Court held that no binding agreement had been formed. Although the parties had agreed many substantive terms and circulated draft settlement agreements, the consistent use of "subject to contract" wording created a strong presumption that legal relations would not arise until a formal agreement was executed. The Court emphasised that a "high bar" must be met before such wording can be treated as waived, whether expressly or by implication. Businesses frequently negotiate settlements, acquisitions, and commercial contracts over extended periods, often assuming that agreement on key terms creates legal obligations and the decision demonstrates that clear contractual language remains crucial in determining when parties become bound.

Further Reading: Hill Dickinson, Pinsent Masons

**New ICC Arbitration Rules**

The ICC's 2026 Arbitration Rules introduce reforms aimed at making international dispute resolution faster, more efficient, and cost-effective. Key changes include the removal of mandatory Terms of Reference, enhanced arbitrator disclosure requirements, and expanded expedited procedures for suitable cases. These amendments reflect growing demand from businesses for streamlined dispute resolution in increasingly complex cross-border transactions. The reforms may reduce delays and legal costs while improving procedural flexibility. The changes also highlight increasing competition among arbitral institutions to attract international disputes, reinforcing arbitration's role as a preferred mechanism for resolving global commercial conflicts.



Further Reading: ICC, Clyde & Co

# Consumer Law



**Overhauling a 50-Year-Old Classic: Consumer Credit Act Reform (Rebecca Buchanan)**

The HM Treasury announced a landmark modernisation of the Consumer Credit Act (CCA) on the 18th May 2026. The CCA has governed borrowing since 1974. The government is moving the current highly prescriptive, rigid statutory requirements out of legislation and instead placing greater emphasis on the Financial Conduct Authority's rules and guidance. The step toward a more flexible regime will enable effective competition and innovation while protecting consumers.

The new regulations will be shaped by consumer testing and regularly reviewed as products and technology evolve. For consumers, this means that the new proposals should ensure that people using credit cards, loans, overdrafts and other borrowing products receive clearer, more timely information to help them understand their choices and manage their finances with greater confidence. The FCA will examine the main components of the consumer credit framework previously established in legislation. They will collaborate closely with the Treasury, Government, and other consumer organisations as the reform progresses. Their overall strategy is guided by the Consumer Duty, which defines firms' responsibilities to achieve 'good outcomes for consumers.'

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Further Reading: Gov.uk, FCA

**Consumer ADR Reform Under the DMCCA**

The DMCCA Alternative Dispute Resolution) Regulations 2026 came into force in May, introducing changes to the UK's consumer dispute resolution framework. The regulations designate the Chartered Trading Standards Institute (CTSI) as the body responsible for overseeing consumer ADR functions, strengthening the governance of consumer redress mechanisms. Businesses operating in consumer-facing sectors may face increased expectations regarding complaint handling, dispute resolution procedures, and compliance with consumer rights legislation. Effective ADR mechanisms can also help businesses reduce litigation costs and preserve customer relationships.

Further Reading: The Common Room, Legislation Tracker

**The FTC Focus on Increased Consumer Protection**

In cases involving companies such as Shutterstock and CMG Media Corporation, regulatory attention has centred on advertising transparency and subscription practices, including whether consumers were adequately informed about pricing structures, renewal terms, or the commercial implications of consent. Similarly, enforcement activity involving Asbury Automotive Group reflects scrutiny of pricing transparency and financing disclosures in consumer transactions, particularly where complex fee structures or add-ons may obscure the true cost of products or services. Businesses operating in digital, subscription-based, or algorithmically driven markets face particularly heightened exposure due to the volume and complexity of consumer data involved. FTC enforcement can carry significant consequences even where financial penalties are not the central outcome. Investigations often result in mandatory compliance programmes, long-term monitoring obligations, reputational damage, and operational restructuring. For listed companies, these outcomes can also influence investor sentiment, particularly where enforcement suggests systemic weaknesses in governance or risk management.

Further Reading: FTC, Captain Compliance, FTC

# Corporate Law

**WWE Governance Sanctions**
A Delaware Court of Chancery has sanctioned former World Wrestling Entertainment executives for failing to preserve relevant communications during litigation tied to the Endeavor merger that created TKO Group Holdings. The court found that encrypted, auto-deleting Signal messages were used despite litigation holds, constituting spoliation under Rule 37(e). As a result, the court imposed adverse evidentiary presumptions against the defendants, strengthening shareholder claims that merger negotiations may have been improperly influenced. The ruling underscores strict Delaware expectations on electronic discovery compliance and highlights the significant legal risks for executives using ephemeral messaging during ongoing or anticipated litigation in high-value M&A disputes.
Further Reading: Legal News Feed, Delaware Courts

**Amended Insolvency Law Comes into Force in India**
The amendments include tighter controls on resolution timelines, enhanced powers for insolvency professionals, and clearer prioritisation of creditor claims. These reforms reflect an ongoing policy shift towards increasing predictability and reducing value erosion in distressed asset resolution. The updated regime is designed to improve investor confidence in India's credit markets by making insolvency outcomes more efficient and less litigious. This is particularly relevant for foreign institutional investors and private credit funds assessing risk in emerging markets.
Further Reading: Bar and Bench, Board of India





**Singapore Corporate Law Amendments**
The corporate law amendments taking effect in Singapore from 6 May 2026 reflect a continued effort to modernise governance standards, strengthen investor protection, and enhance the jurisdiction's competitiveness as a global financial hub. The reforms are expected to reinforce board accountability, improve disclosure obligations, and streamline regulatory oversight under the Companies Act framework. **T**hese changes align with Singapore's broader strategy to attract international capital by maintaining a stable yet adaptive regulatory environment. Stronger governance standards reduce information asymmetry and lower perceived investment risk, which is especially important for cross-border mergers, private equity activity, and capital market listings.
Further Reading: Usafe, Klea

**The Crime and Policing Act 2026 – Introducing Liability for Senior Managers**
the regime is designed to hold senior executives and board-level officers personally responsible where organisational misconduct occurs due to their consent, connivance, or neglect. A key implication is the expansion of prosecutorial and regulatory leverage: enforcement bodies can now pursue individuals in addition to companies where systemic failures in compliance, fraud prevention, or operational oversight are identified. This raises the standard of care expected from directors and senior managers, particularly in relation to implementing effective internal controls and compliance frameworks and increase personal risk exposure for executives, potentially affecting board recruitment, directors' insurance costs, and internal governance structures.
Further Reading: TLT, Skadden

**J.P. Morgan Securities Plc v VTB Bank**

VTB Bank entered into a structured investment arrangement linked to shares, but later claimed it was misled about the true nature of the transaction. It argued that the deal was effectively different from what had been represented during negotiations. The English court focused heavily on the principle of contractual certainty. It held that when two large, experienced financial institutions sign detailed agreements, the courts will usually enforce the contract as written, even if one party later claims it misunderstood the arrangement. The case shows how important properly drafted contracts are in allocating risk between parties. Clauses like "non-reliance" and "entire agreement" are powerful tools that limit claims based on alleged misrepresentations. In complex financial products such as derivatives, legal documentation is just as important as the commercial deal itself. Even sophisticated investors can face significant losses if they rely on informal understandings rather than the written contract.

Further Reading: Casemine, ICLR



**The King's Speech 2026 – Corporate Law Reform Agenda**

The King's Speech sets out the UK government's legislative priorities. The speech mentioned the modernisation of company law to ensure that directors of UK companies act with greater accountability and that corporate reporting is more reliable and accessible. Reforms include tighter rules on financial reporting, clearer disclosure requirements, improved mechanisms to tackle corporate fraud and misconduct, increase corporate transparency and making it harder for opaque ownership structures or poor reporting practices to persist. This can lower the cost of capital for businesses and make UK-listed companies more attractive to global investors, however, may also increase compliance costs for companies, particularly smaller firms.

Further Reading: Gov.uk, Labour List, Lewis Silkin

**SFO reaches £14.8 Million DPA with Ultra Electronics Holdings Limited for Bribery**

The Serious Fraud Office (SFO) has entered into a £14.8 million deferred prosecution agreement (DPA) with a major UK defence contractor over failures to prevent bribery under the Bribery Act 2010. The allegations include three public sector contracts pursued through agents (a high-risk bribery technique routinely warned against) with Oman and Algeria. A DPA allows a company to avoid prosecution if it meets strict conditions, including financial penalties, cooperation with investigators, and improvements to compliance controls. In this case, the SFO found that the company's internal systems were insufficient to prevent corrupt payments linked to overseas business operations. The case reinforces the expectation that boards must actively supervise compliance frameworks, particularly in high-risk sectors such as defence and international contracting. The settlement demonstrates the financial and reputational consequences of weak governance. Even without a conviction, DPAs impose significant penalties and can affect investor confidence, access to government contracts, and long-term valuation.

Further Reading: Alston & Bird, BCL LLP

**Welltower Acquisition and the CMA Process**

An acquisition follows a structured process: parties negotiate and sign a share or asset purchase agreement, complete due diligence, and then assess whether regulatory approvals are required. In many cross-border deals, this includes merger control review by competition authorities such as the CMA. The CMA process is typically split into two stages. Phase 1 is an initial screening stage where the CMA assesses whether a merger may result in a 'substantial lessening of competition.' At this stage, the threshold for concern is relatively low, and the authority can either clear the deal, accept undertakings to address issues, or refer it to an in-depth Phase 2 investigation. Phase 2 involves a more detailed economic and evidential review and can lead to remedies or prohibition. In the Welltower case, the CMA's Phase 1 decision allowed the transaction to proceed without escalation, indicating that any competitive overlap in UK healthcare property markets was not considered significant enough to warrant deeper investigation.

Further Reading: Hill Dickinson, Price Bailey

# Employment Law



**Solicitor Avoids Strike Off Over Antisemitic Social Media Posts**

Jonathan Lea Solicitors director Jonathan Lea received a 12-month suspension, suspended for two years, and was ordered to pay £25,000 costs after a tribunal found that posts made from his public X (formally twitter) account fell below the standards expected of solicitors. Over an eight-year period, he posted antisemitic material, conspiracy theories, comments relating to Covid-19 vaccinations, and messages encouraging opposition to local surveillance measures. The tribunal found that the posts were driven more by a desire for attention and impulsive reactions online than deliberate misconduct, and it did not conclude that he genuinely held all the views expressed. However, it ruled that the posts caused harm, particularly to Jewish communities and those affected by Covid-19 and represented a serious departure from the integrity and professionalism expected within the legal profession. Although striking off was considered inappropriate because there was no dishonesty, the tribunal imposed a suspended suspension together with restrictions on his future social media activity.

Further Reading: Legal Cheek, AJO Solicitors

**Advisory Opinion Affirms Right to Strike under ILO Conventions**

On 21 May 2026, the International Court of Justice issued an advisory opinion addressing the interpretation of International Labour Organization Convention No. 87 on freedom of association. The Court held that the right to strike is implicitly protected under the convention, even though it is not expressly mentioned in the treaty text. This decision arose from a long-standing dispute within the international labour system over whether strike action forms an inherent part of freedom of association and collective bargaining rights. The Court's reasoning confirmed that workers' ability to organise effectively would be undermined without the ability to take collective action, including strikes.




Although advisory in nature and not legally binding, the opinion carries significant interpretive authority and is expected to influence domestic courts, international organisations, and labour law reform. The decision is significant for multinational employers and investors as it is likely to strengthen trade union leverage in wage negotiations and industrial disputes. Companies operating across multiple jurisdictions may also face greater compliance complexity, as domestic courts and regulators align with the Court's interpretation at different speeds.

Further Reading: ICJ, UN

**Ageli v Sabtina Ltd**

The claimant, a long-serving employee with service dating back to 1987, had accumulated more than 800 days of untaken annual leave over several decades. Following termination of employment, the claimant brought claims for unpaid holiday pay and unlawful deductions from wages. The Employment Tribunal found in the claimant's favour, holding that the employer had breached its obligations by failing to properly manage and enforce statutory rest and holiday entitlements. The tribunal rejected arguments that older entitlements were extinguished or time-barred, concluding that the ongoing failure to permit proper holiday usage created a continuing liability. The claimant was awarded approximately £392,000 in unpaid holiday pay, with total compensation exceeding £500,000 once additional employment claims were included. Employers are required not only to provide statutory holiday but also to actively ensure it is taken. Informal practices allowing excessive carry-over or unused accrual can create substantial hidden liabilities over time.

Further Reading: UK Business Magazine, HR Review

# ESG Law

**State Attorneys General Challenge Proxy Adviser ISS Over ESG Practices**

On 20 May 2026, the Attorneys General of Texas, Nebraska, Iowa, and West Virginia filed a lawsuit against Institutional Shareholder Services (ISS), one of the world's largest proxy advisory firms. Proxy advisers provide voting recommendations to institutional investors on matters such as director elections, executive remuneration, and shareholder proposals. The lawsuit alleges that ISS's ESG-related activities may conflict with legal obligations and potentially influence investment decisions in ways that disadvantage certain industries.




This is an example of the increasing legal scrutiny of ESG policies and shareholder activism in the United States. Businesses, investors, and asset managers are facing growing pressure to navigate competing stakeholder expectations while remaining compliant with evolving regulatory requirements. The dispute also demonstrates how ESG considerations have become a significant source of legal and political risk. As litigation and regulatory challenges continue to emerge, companies and investors must closely monitor developments that could affect corporate governance practices, shareholder engagement, and long-term investment strategies.

Further Reading: ESG Today, Bloomberg Law

**Final Version of the UK Sustainability Reporting Standards Published**

The framework is closely aligned with the global baseline set by the International Sustainability Standards Board, under the oversight of the IFRS Foundation, and is built on IFRS S1 (general sustainability-related disclosures) and IFRS S2 (climate-related disclosures). This alignment reflects a broader policy objective: to standardise sustainability reporting across jurisdictions while maintaining investor-focused, financially material disclosures.



Boards will be expected to demonstrate stronger oversight of climate-related risks, integrating ESG considerations into risk management systems, internal controls, and strategic decision-making. The UK SRS will materially affect capital markets behaviour as investors are increasingly relying on consistent ESG data to assess long-term value creation, cost of capital, and resilience to transition risks. Companies that adopt robust reporting frameworks early may benefit from improved investor confidence, enhanced ESG ratings, and better access to sustainable finance instruments such as green bonds and sustainability-linked loans.

Further Reading: Deloitte, Eversheds Sutherland

**Limbu v Dyson: Misleading Green Claims**

This case concerns allegations of forced labour in Dyson's Malaysian supply chain. The case highlights the legal risks that arise when companies make claims such as "sustainable", "carbon neutral", or "environmentally friendly". The key legal issue is misrepresentation: companies must ensure that environmental claims are clear, accurate, and supported by credible evidence. The CMA's position makes clear that reliance on suppliers does not remove responsibility. Businesses are expected to conduct reasonable due diligence, maintain audit trails, and ensure claims are verifiable across the entire production chain. This increases risk exposure across sectors such as fashion, consumer goods, and technology, where sustainability is often central to branding and emphasises that ESG claims must now be treated with the same evidential rigour as financial disclosures.

Further Reading: Mishcon de Reya, Leigh Day

To Watch:

- The European Commission has launched consultations on proposed revisions to the European Sustainability Reporting Standards (ESRS) (European Commission)

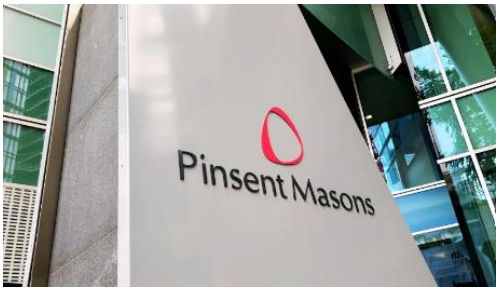
# Tech Law

**ICO Fine Highlights Growing Importance of Data Protection Compliance**

The UK Information Commissioner's Office (ICO) has fined South Staffordshire Plc and South Staffordshire Water Plc £963,900 for GDPR breaches affecting the personal data of approximately 634,000 individuals. The penalty followed failures in cybersecurity and data protection measures, which exposed customer information and highlighted the risks associated with inadequate data governance. Under UK GDPR, organisations must implement appropriate safeguards to protect personal data from unauthorised access, loss, or disclosure. Failure to meet these standards can result in significant regulatory penalties, alongside reputational and financial consequences. the case demonstrates that cybersecurity is now a key business risk rather than simply a technical concern. Data breaches can lead to regulatory investigations, remediation costs, customer dissatisfaction, and potential legal claims. The ICO's decision reinforces the importance of investing in robust cybersecurity systems and compliance programmes.
Further Reading: ICO, LexisNexis

**Pinsent Masons slammed by judge over junior lawyer's AI blunder (Sol Barton)**

Pinsent Masons was criticized by a High Court judge after AI-generated errors were used in insolvency proceedings when a junior solicitor relied on AI for legal research and cited a non-existent insolvency rule that falsely suggested the court had power to release outgoing liquidators from liability. When the judge questioned the submission, the firm sent a second explanation claiming the wording was a summary of several rules, but the judge rejected this explanation, describing it as implausible and expressing concern that the material appeared to be an AI "hallucination" that had not been properly checked. The judgment also revealed that the AI tool had repeatedly warned the junior lawyer to verify sources, yet legislation appeared to have been taken from AI responses rather than checked directly.




The judge criticized both the use of AI without adequate verification and the lack of supervision by senior lawyers. Following the incident, the firm apologized, stated it would strengthen oversight procedures, and self-referred the matter to the SRA. This case highlights the increasing governance over the use of AI in the legal sector and the importance of continuing human oversight especially with the introduction of more advanced AI systems like Harvey, CoCounsel and Lexis+ AI.
Further Reading: Legal Cheek, Law Society Gazette

**Provisional Agreement Reached Banning 'Nudifier' Apps**

On 7 May 2026, the European Parliament and Council reached a provisional agreement to amend the EU Artificial Intelligence Act under the Digital Omnibus on AI. The reforms extend compliance deadlines for high-risk AI systems, giving providers more time to implement requirements such as risk management, documentation, and post-market monitoring. The agreement also introduces a ban on "nudifier" apps that generate sexually explicit images, reflecting heightened concern over AI-enabled privacy violations and deepfake abuse. It is important for commercial lawyers and companies to watch this space carefully to anticipate potential reforms they may need to make to their products and systems.
Further Reading: Europa, Cyber Express

**South Korea Raises Penalty Caps to 10% of Revenue for Data Breaches**

South Korea's Personal Information Protection Commission has increased penalty caps for serious data breaches to up to 10% of a company's annual revenue. This aligns South Korea closer with global regimes such as the EU GDPR, shifting privacy breaches from fixed fines to turnover-based sanctions with potentially existential financial impact for large firms. This raises compliance risk for technology, e-commerce, and AI-driven companies handling large-scale user data. It strengthens incentives for "privacy-by-design", robust consent systems, and stronger cybersecurity controls. Investors will also place greater emphasis on data governance and regulatory risk during valuation and due diligence.
Further Reading: Chosun Biz, Hunton




**Noel v Perplexity AI Class Action Lawsuit**

At the centre of the claim are allegations that the platform collected and processed user prompts containing sensitive personal information such as medical, financial, and legal queries and shared that data to third parties for advertising and profiling. From a tech law perspective, the case raises three core legal issues. First is data protection and consent: whether AI prompts constitute personal data and whether users must explicitly agree before such information is shared beyond service provision. Second is consumer protection and deceptive practices, focusing on whether any omissions in disclosures could be considered misleading under state consumer laws. Third is platform liability, particularly whether AI systems should be treated as neutral intermediaries or as active data processors with heightened duties over user information. Unlike traditional search engines, AI answer engines generate synthesised responses while also processing conversational inputs that may be highly personal and context-rich. Whilst the claim was voluntarily dismissed, it does highlight potential future lawsuits these companies may face.

Further Reading: PPC, Tech Policy

**House of Lords Committee on the Failure of the Domestic Abuse Act 2021**

A report by a House of Lords committee has highlighted that the Domestic Abuse Act 2021 does not fully capture technology-facilitated abuse, particularly emerging forms such as stalkerware, spyware, GPS tracking, smart home manipulation, and coercive control through connected devices. While the Act covers controlling or coercive behaviour in broad terms, the committee noted that digital technologies have created new mechanisms of abuse that are not always clearly recognised in practice. Perpetrators can exploit mobile apps, shared accounts, or internet-connected devices to monitor, harass, or control victims remotely, often without physical proximity. A key issue is evidential and enforcement difficulty. Technology-facilitated abuse is often covert, technically complex, and difficult to attribute, which can limit police detection and prosecution. The findings increase pressure on technology companies to adopt "safety by design" principles and device manufacturers and platform providers may face growing reputational and regulatory expectations to prevent misuse of their products.

Further Reading: Solicitor News, Today's Family Lawyer

**Ofcom Announces Updates to Illegal Content Codes**

The updated guidance, expected to come into force in Autumn, places stronger emphasis on the use of automated detection technologies, including hash-matching tools, to identify and remove non-consensual intimate images (NCII) and abusive deepfake content. The updates sit within the implementation framework of the Online Safety Act 2023, which imposes duties on online service providers to assess, mitigate, and remove illegal content.



The focus on non-consensual intimate imagery and AI-generated deepfakes is particularly significant. These harms sit at the intersection of privacy, data protection, and criminal law, and have become more prevalent with the rise of generative AI tools. By explicitly targeting these categories, Ofcom is signalling that platforms will be expected to deploy not only reactive takedown systems but also preventative detection mechanisms. These updates materially increase compliance expectations for social media platforms, messaging services, and user-generated content providers and particular focus must be put towards the balance between the freedom of expression and effective moderation and investment in AI tools.

Further Reading: Ofcom, LexisNexis