



# The Online Safety Act

New rules impacting  
online businesses



The better the question. The better the answer. The better the world works.



**EY**

Shape the future  
with confidence

## What is the Online Safety Act?

- The Online Safety Act 2023 (OSA) is a UK law which protects children and adults online.
- It introduces a range of new requirements for in-scope online services.
- Affected businesses must take proactive steps to meet their OSA obligations and there are significant consequences for non-compliance.
- Ofcom, the UK regulator for online safety, anticipates that over 100,000 online services may be in scope.

## Who does the OSA impact?

Key services impacted by the OSA are:

- ‘User to User’ services (U2U services)
- Search services

U2U services are those which enable users to interact with each other. Accordingly, the regulation goes far beyond traditional social media platforms.

The new OSA requirement can capture websites with online forums, consumer file cloud storage and sharing sites, video sharing platforms, dating services and online instant messaging services. Many businesses face online regulation for the first time.

- Discussion forums
- User-generated content
- Video-sharing services
- Messaging services
- File sharing service
- Gaming services
- Review services
- Music sharing services
- Search engines
- Online marketplaces

## UK law – worldwide impact

The OSA has global impact. As well as regulating UK based businesses, the OSA applies to services outside the UK if:

- The service has a significant number of UK based users
- The UK is a target market
- The service can be accessed by UK users and there is material risk of significant harm to such users

## Why do businesses need to act now?

- Companies can be **fined** up to £18 million or 10% of their qualifying worldwide revenue, whichever is greater.
- **Criminal action** can be taken against senior managers (defined as individuals who play a significant role in decision making or managing an entity’s activities) fail to ensure companies follow information requests from Ofcom.
- Ofcom will be able to require payment providers, advertisers and internet service providers to **stop working** with a site, preventing it from generating money or being accessed from the UK.
- Legally binding Ofcom guidance mandates initial **Illegal Harms assessments** by March 2025. Takes typically 2-4 months to conduct assessments.
- Further **mandatory Child Safety assessments** expected Q3 2025. Ongoing obligations – annual refresh of assessments and other triggers.
- Important to consider the **intersection** between the OSA and other prevalent regulation that is already on your radar, e.g., General Data Protection Regulation (“GDPR”), EU AI Act.

## How can EY teams help?

EY teams support clients with a broad range of OSA compliance services.

- Pragmatic legal advice from our experienced lawyers on your OSA obligations
- Performing a gap analysis of your existing anti-harm measures
- Conducting a robust, online harms risk assessment
- Enhancing your existing procedures to prevent and detect harmful content and assess the ongoing risks
- Supporting with the interaction of OSA obligations and other regulatory requirements (including the intersection with GDPR/EU AI Act and other related regulation)
- Assessing and updating terms of service and privacy policies
- Providing support with a roadmap/timeline for compliance
- Advising on consumer interaction, e.g., how to deal with users who complain against takedown notices
- Ensuring supply chain contracts contain obligations on providers to comply with the OSA requirements



## Contacts



**Stephen Campbell**  
Partner, Forensics,  
Ernst & Young LLP  
[stephen.campbell@uk.ey.com](mailto:stephen.campbell@uk.ey.com)  
+ 44 20 7806 3450



**Krishna Iyer**  
Partner, Assurance,  
Ernst & Young LLP  
[krishna.iyer1@uk.ey.com](mailto:krishna.iyer1@uk.ey.com)  
+ 44 7841 566 415



**Ian T Williamson**  
Partner, Law,  
Ernst & Young LLP  
[iwilliamson@uk.ey.com](mailto:iwilliamson@uk.ey.com)  
+ 44 7392 106 432

## EY | Building a better working world

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.

Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multi-disciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.

All in to shape the future with confidence.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via [ey.com/privacy](https://ey.com/privacy). EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit [ey.com](https://ey.com).

© 2024 EYGM Limited  
All Rights Reserved.  
EYG no. 010628-24Gbl

ED None

UKC-036914.indd 12/24. Artwork by [Creative UK](#).

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, legal or other professional advice. Please refer to your advisors for specific advice.

[ey.com](https://ey.com)