

Broadband USO Consultation
Digital Economy Unit
Department for Culture, Media & Sport
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Sent by email: broadbandusoconsultation@culture.gov.uk

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To whom it may concern

A new broadband universal service obligation consultation

The Countryside Alliance works for everyone who loves the countryside and the rural way of life. Our aim is to protect and promote life in the countryside and to help it thrive. With over 100,000 members we are the only rural organisation working across such a broad range of issues.

The Countryside Alliance welcomes this opportunity to respond to the Department for Culture Media & Sport (DCMS) consultation on a proposal for a broadband universal service obligation (USO). The Countryside Alliance believes that high speed broadband is an essential service alongside water, electricity and gas; but is nowhere near as available in rural areas as it is in urban areas. We welcome that DCMS acknowledge this issue in the consultation document. This view is also shared by Ofcom and highlighted in their *Connected Nations Report* published in December 2015.

Continued poor connectivity in rural areas represents a huge missed opportunity for economic development and these gaps and weaknesses need to be addressed as a priority. Nearly half of all premises (1.5 million premises) in rural areas across the UK are still receiving speeds of less than 10Mbit/s and one in five rural premises are unable to receive speeds higher than 5Mbit/s.

The Alliance has previously welcomed the Ofcom proposal to open BT's ducts and telegraph poles to its rivals and the review of BT Openreach to ensure a better service for customers and businesses. This opening up of access to infrastructure will enable greater competition which will help drive the delivery of superfast broadband across the UK. As the latest Ofcom report notes "competition can deliver significant consumer benefits by driving innovation and take-up of new technology, improving service quality, delivering affordable prices and reducing the country's reliance on Openreach."

The Countryside Alliance recognises that a competitive market is important but we must bridge the gap where the market has failed.

Question 1: Do you have any concerns about the approach that has been set out?

The DCMS consultation on the USO is a welcome step forward on bridging the digital divide where there has been market failure in delivering broadband to all parts of the UK. The BDUK project has gone some way to correcting this market failure but has failed to deliver in some of the more remote parts of the country. Delivering better coverage to the final 5% is a complex and critical task and needs careful planning and consultation with industry and communities.

We support the proposal for enabling legislation giving the Secretary of State power to introduce a broadband USO and for Ofcom to undertake a detailed analysis to inform how a USO could work.

Industry

We recognise that the industry has concerns about a USO and how it could act as a disincentive for investment in future technology roll out. However this should not be a barrier to the Government and Ofcom undertaking work to investigate the feasibility of a USO and all the benefits it would bring.

It is important that the Government views a USO as one of a range of options to deliver broadband to the last 5%. More could still be done to drive private investment in digital infrastructure and it is important that this work continues. Any USO would need to be commercially viable for operators and ensure that any impact on competition is limited.

Technology

When considering what a USO may look like and how it will be delivered we recognise that USOs must be technology neutral. This is important because given the geography and population densities of different areas of the UK it is clear that there will be locations where the length of the line to individual premises will mean that delivery of even 10Mbit/s is difficult, if not impossible, through fibre cables. Distances between exchanges and premises reflect the lower population densities and disparate nature of dwellings in rural areas.

Even where superfast speeds are available in rural areas they tend to be slower than in urban areas due to the dispersion of premises and the distance of premises from cabinets with a Fibre to the Cabinet (FTTC) solution. Alternative technologies such as satellite and wireless deployments could ultimately form part of the solutions in delivering high speed broadband in rural areas and therefore should be discussed as part of the delivery of the USO.

Question 2: We do not propose to specify speed in primary legislation. Should speed be specified in primary or secondary legislation?

The Countryside Alliance recognises that primary legislation might not be the appropriate place to specify a minimum speed but we do feel it must be specified in secondary legislation. As advancements in technology continue apace it means that expectation levels continue to rise, so it is important that any USO has the flexibility to be upgraded over time as technology and demand evolve.

The Government needs to consider how the USO is going to be delivered and allocate resources to ensure that a minimum of 10Mbit/s can be accessed in all premises across the UK, which will be future proofed to respond to advancements in technology. If a minimum

speed becomes a reality then it must be ensured that telecoms operators are able to operate and build on the investment they have already made.

Question 3: In terms of giving the Secretary of State a power to direct Ofcom to review the USO, should Government have a continuing role in the USO, or should this be a matter for Ofcom?

The Alliance believes that consumers should be at the heart of decisions made regarding a USO and we would support the Government having a continuing role in the USO to ensure households and businesses are represented.

If the Countryside Alliance can be of further assistance or you require any clarification of the points raised, please do not hesitate in contacting me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'T.P.C.' followed by a stylized flourish.

Tim Bonner
Chief Executive