Broadband

What is in this for local councils?

A consultation has been launched which seeks to facilitate a Universal Service Obligation of no less than 10Mbps broadband speed to every household. Local councils will welcome the continued drive to improve access to broadband and that Government has particularly recognised the impact on rural areas of lack of access to information and services. Local councils will also have a view on the adequacy of this offering and will be interested in how these plans dovetail with existing superfast broadband roll-out schemes.

Householders increasingly recognise that access to suitable broadband provision affects quality of life and the value of properties. However, some communities remain uncertain about the availability of usable broadband to them in the future with a number investing in community schemes. Even in new developments, there is no obligation on developers to ensure suitable provision is made, which creates additional gaps in suitable broadband coverage. With these and other challenges, local councils will be interested in the extent to which Government plans will realistically and rapidly achieve an accessible service for all.

Date: 18 April 2016 deadline
References to local councils: 0
Pages: 15

Details

A New Broadband Universal Service Obligation Consultation has been launched. Local councils will be aware that the current superfast broadband contracts include a commitment to ensure universal availability of speeds of at least 2Mbps for every home and business in the UK - the Universal Service Commitment (USC). In the Budget 2015, Government announced that premises with speeds below 2Mbps with no alternative solution available would be given the option of a government-subsidised satellite solution which can give them access to speeds above this level, including the option of superfast speeds. The USC scheme was subsequently introduced in December 2015, with fixed wireless services also now available in some areas.

The plans include to make permanent, changes in planning requirements designed to make the deployment of fixed broadband infrastructure quicker and cheaper. Later this year, an EU Directive will be implemented to reduce the cost of broadband roll-out through sharing of infrastructure between telecoms operators and operators of other infrastructure networks. The Electronic Communications Code will be reformed to update rules on installation and maintenance of communications infrastructure on private land.

Current Government estimates are that, even with the existing Broadband Delivery UK (BDUK) superfast intervention and continued commercial roll-out, up to 1 million UK premises will not be able to access speeds of 10Mbps or higher by the end of 2017, predominantly in rural areas (about half a million in rural locations and over 100,000 in remote rural locations).

This consultation seeks to facilitate progress towards a Universal Service Obligation (USO) of 10Mbps minimum, increasing over time. The USO provides a legal right to request a service from a designated provider at a reasonable cost. In effect this is a ‘safety net’ where market forces alone do not deliver affordable access to basic services for people, particularly those in remote areas or those with low incomes or disabilities. So, for those premises not covered by commercial investment or by the Government’s interventions by the end of the current planned programmes, a demand-led approach will be introduced. Owing to the high cost, this will be by request, rather than rolling it out automatically.
Government states that ‘a complex set of interrelated factors’ will need to be considered in developing the USO, ‘with the aim of making it affordable for every home and business in the UK - the need to ensure access to broadband of a minimum speed and quality to the maximum number of people and businesses, at the lowest cost, while at the same time ensuring that we build on existing service provision, without undermining competition.’ Given it will take them some time to work out how to achieve this, in the meantime they are paving the way by creating an explicit power to introduce a broadband USO to provide for the functional internet access considered appropriate for today’s needs. Given that primary legislation will not of itself change the existing regulatory landscape, this consultation is not accompanied by an impact assessment.

Secondary legislation would then be developed setting out the scope, as this can be revised more easily to specify the minimum level of service. They are also considering an additional power in primary legislation to require Ofcom to review the USO, as appropriate, to ensure that in future it continues to reflect connectivity needs, including whether the minimum speed needs to be updated. Further consultation will take place on proposals for secondary legislation with a regulatory impact assessment at this stage. This latter consultation will cover the detail of the USO and will provide an opportunity to comment on the design of the USO and how it is to be implemented.

As for the future, Government sets out its vision for ultrafast services in the March 2015 Digital Communications Infrastructure Strategy. As demand for, and investment in, ultrafast services grows, the intention is that the broadband USO will provide a backstop to ensure that everyone has access to a decent level of broadband.

The consultation questions are:
Questions Q1: Do you have any concerns about the approach that has been set out here?
Q2: We do not propose to specify speed in primary legislation. Should speed be specified in primary or secondary legislation?
Q3: 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?

Responses should be sent to broadbandusoconsultation@culture.gov.uk. For those not able to access suitable internet connections, an address is provided: Broadband USO Consultation Digital Economy Unit Department for Culture, Media & Sport 100 Parliament Street, London SW1A 2BQ

References