Strategy for Digital Communications Infrastructure

Response from Rural Services Network

Q1 Views are sought on:

a) Is this an appropriate role for Government?

Yes

b) What other high level principles the Government might adopt?

The government should seek to ensure that the telecoms infrastructure that is in place or will soon be so, is exploited by UK business to its maximum extent to ensure the economic gains anticipated from the public subsidy is realised.

The government should stress test all services which are transformed through Digital by Default to ensure they are accessible using basic USC and their full implementation should be delayed until USC access is truly universal

c) What resources do you consider the Government should aim to deploy to effectively manage its role?

The government should consider extending BTs universal service obligation to the provision of adequate fixed line Broadband. This will become far more relevant in the future than the need for fixed line telephony.

The government should seek to expand PIA to MNOs to realistically make the provision of 4G installations over the BDUK funded fibre network a viable opportunity.

Q4 Is an ongoing disparity of provision of broadband services inevitable? If so should this be addressed and how might this be done most effectively?

Left outside the universal service obligation, it inevitably will. Market forces always dictate that rural areas will fall behind. There is also an inherent issue that the greater the coverage achieved by BDUK's endeavours the more entrenched the degree of digital marginalisation will be in those areas that are left.

As it becomes normal to use the internet to access public services, welfare support and healthcare, those without access will not just experience digital marginalisation but severe social isolation and lack of basic support.

Q5. How symmetrical will digital communications networks have to be in the future? Will this differ across user types? What implications does this have for fixed and wireless broadband provision?

It is extremely difficult to predict this type of thing and attempts in the past have been wildly incorrect, while symmetry may not be required the ability to flex the balance depending on individual need will be important

Q6. Which countries should be our benchmarks on communications infrastructure to ensure that businesses remain in the UK and continue to invest?

We should consider which are true comparator countries to the UKs position e.g. in terms of the ability to deploy infrastructure. Those with less restrictive planning systems (Spain) or more concentrated settlement patterns (Korea) are probably the wrong benchmarks

Q7. What metrics do you think should or will become relevant in comparing network performance in different countries? What metrics should most appropriately be used as the basis to set objectives for government policy?

Network dimensioning will be important, while on the surface headline speed capability may appear robust as bandwidth demand increases the network may not have the capacity required to meet demand as it grows.

Q8 Do you agree with this scenario or elements within it? Where do you agree/disagree? If you disagree what alternative scenario do you envisage?

Agree, but there will remain a digital divide in terms of access also, however marginal it will be most significant in sparsely populated areas

Point 3.11, the rate of digital transformation of local services is significantly behind that of central government and therefore the pace will be slower.

Q11 Are there wider environmental issues not reflected in the scenario e.g. the price or availability of energy that will affect any of the scenarios and in what way?

The Cost of access to MNOs as raised above

Q13. Do you agree with this scenario or elements within it? Where do you agree/disagree? If you disagree what alternative scenario do you envisage?

Again broadly agree.

Point 3.26, in our experience to accelerate SMEs optimisation of the digital world, significant efforts need to be made.

Q18. Do you agree with this scenario or elements within it? Where do you agree/disagree? If you disagree what alternative scenario do you envisage?

Point 3.37 is possibly the case now for many with the expectation that connectivity should be seamless

Point 3.40 may only come to pass in part. Connected devices the IoT will probably become the norm in many areas. They will probably establish themselves quickly in inexpensive home devices before the proliferation of driverless cars

If Point 3.41 comes to pass, the government may have to invest significantly again in infrastructure upgrades.

Q23 Are there factors, for example technical or unrelated to the regulatory framework, that could create bottlenecks and delay future infrastructure deployment in the UK in this timeframe, that would result in demand not being met or the UK not being seen as a leading digital nation?

Yes PIA for MNOs.

Q24 Do you expect commercial providers to deliver future infrastructure and meet demand on a purely commercial basis, or is some form of public intervention likely? If public intervention is likely how might that work with the commercial provision of infrastructure? What form might that intervention take?

If the commercial sector does not invest, and it will only do so where it is profitable, the public sector will always be expected to meet the shortfall in provision. This is why the universal service obligation should be considered again

Q28 Are there any further measures necessary to incentivise the rollout of future mobile infrastructure in currently underserved areas?

Yes PIA for MNOs

Q29 Is there a role for a revised USO or USC to ensure that minimum consumer demand requirements are met and to reduce the potential for a new digital divide? What might this look like?

Yes definitely, the difficulty is applying metrics to it in an uncertain world, perhaps it should be set as a median figure across the network or as a minimum proportion of the mean access speed. As moving targets these will be difficult to deliver though so there are no easy answers.

Q31 Are there changes to the EU Framework that the UK might seek to encourage more competition in UK markets?

The state aid principles are designed as a one size fits all to cover both areas of marginal viability but the potential of competition to deeply unviable areas. This should change, there should be a recognition that in deeply unviable areas, nice to haves such as open access may just not be achievable and the negative impact on consumers at a retail level should be regulated in other ways.

Q38 Views are sought on whether there are any additional actions the Government should consider to ensure:

a) That the provision of all areas of the UK's digital communications infrastructure remains competitive in order to ensure that the UK can take full advantage of growth opportunities in the Digital Age;

Infrastructure is clearly a key element but stimulation and education are critical to ensure the full extent of economic windfall is experienced. This early mover advantage will be lost unless UK Business can hit the ground running and exploit the infrastructure. This is not the case among the majority of SMEs and resources should be made available to ensure the advantage is not lost through unpreparedness

Q44 How can council's maximise the digital communications infrastructure in their local area to support their work on economic regeneration?

By leading programmes of demand and exploitation stimulation among SMEs. At present this work is piecemeal and determined by the attitude of regional departments among DCLG towards such programmes during the last European Funding Programme. With LEPs now a further layer in the prioritisation of resources, it will be important that all areas have access to funding to achieve this work consistently across the UK.