

27 March 2019

Ms Naomi Standing
Statement of Strategic Priorities Consultation
Digital Infrastructure Directorate
Department for Digital, Culture, Media and Sport
1C/09 100 Parliament Street
SW1A 2BQ

Nominet response to DCMS consultation on 'Statement of Strategic Priorities for telecommunications, the management of radio spectrum and postal services'

Dear Ms Standing,

This is Nominet's response to the Department for Digital, Culture, Media and Sport's (DCMS) publication of its Statement of Strategic Priorities (SSP) for telecommunications, the management of radio spectrum and postal services.

The consultation on the SSP follows the Department's welcome Future Telecoms Infrastructure Review (FTIR) published in 2018. It is important that Government and Ofcom work together to deliver on these ambitions for connectivity across the UK, not least at this critical juncture for 5G, and the long-term utilisation of mobile spectrum.

Nominet is a profit with a purpose company. We support initiatives that contribute to a vibrant digital future and we continue to explore applications for a range of emerging technologies including new tools to support Dynamic Spectrum Access (DSA), designed to respond to the rapid expansion of demand on spectrum in the coming years.

We believe this is closely aligned with DCMS's commitment to ensuring the quality, choice and reach of wireless connectivity, set out in the FTIR.

Nominet therefore continues to support the FTIR's recommendations, not least opening new opportunities for mobile connectivity through the 'Market Expansion' model.

We also welcome the Department's publication of the SSP to enable this, and support Ofcom's work in implementing the FTIR's recommendations, and we hope this response offers our further insight to support the SSP's publication.

Working with Ofcom to deliver on the FTIR

As Government noted in the FTIR last year, there is much to be done to improve the state of telecommunications and connectivity across the UK. Nominet fully supports the FTIR's

findings, not least around the need for a 'Market Expansion' model to extend the reach and quality of connectivity in areas where competitive, operator-exclusive, rollout has historically failed to reach.

Government and Ofcom commits considerable resource to the clearance and management of radio spectrum in every part of the country. Yet in those areas where competitive rollout has failed to reach, this vital resource remains unused and idle, despite the potentially transformative impact it could have on those communities. The Department is right about the need to address this.

Nominet has previously welcomed DCMS' support for a DSA model to do so. It is also important that this ambition be delivered jointly with Ofcom, the responsible authority for the allocation and management of mobile spectrum. The draft SSP is right to note that "Ofcom must have regard" for Government's priorities when exercising its regulatory functions.

Ensuring clear direction and support for Ofcom

In light of this, we urge the Department to be clear and specific in its SSP around its ambitions for the management and release of mobile spectrum. We welcome the broad commitment to a DSA model set out in 1.7, however greater specificity is needed support Ofcom's decision-making around valuable bands, and importantly timeframes for implementation of DSA by Ofcom.

We have set out previously our experience that sharing in valuable bands (such as 3.6-3.8GHz) will be key to supporting a wider sharing ecosystem to enable coverage by new and innovative players.¹ Ofcom's draft proposals for sharing in the three bands, 1800MHz, 2.3GHz and 3.8-4.2GHz, while welcome, are unlikely to have the bandwidth or supporting ecosystem needed to enable the Government's ambitions for "coverage extensions to rural communities" at significant scale.

We have set these views out both with officials and to Ofcom directly, but it is important that Government be clear that spectrum sharing is core to its coverage ambitions for the UK and is to be applied to key bands and on a dynamic basis, rather than just to peripheral ones on an administrative one.

¹ Nominet, *5g Spectrum Sharing – the time and technology are right for introducing dynamic spectrum access now in the 5G pioneer band*, 2018
<https://media.nominet.uk/wp-content/uploads/2018/09/17142340/5G-Spectrum-Sharing-Whitepaper.pdf>



We also note the SSP's support under paragraph 38 for 'use it or lose it' provisions, enabled further by the European Electronic Communications Code. DCMS may wish to consider describing this as 'use it or share it' or 'use it, share it, or lose it' for the purpose of the SSP. This description would better reflect the Department's policy and ambitions for sharing and provide some reassurance to the MNOs that Government and Ofcom intend to improve the utilisation of spectrum rather than to reallocate spectrum on a UK wide basis.

We particularly welcome the Department's specific recommendation that Ofcom include such provisions when granting spectrum.

Access to data on utilisation of spectrum

Nominet also warmly welcomes DCMS's recommendation that Ofcom should for the first-time report on the geographic utilisation of spectrum, and spectrum bandwidth within mobile bands, set out in paragraph 38 of the consultation. A data driven approach will be key to providing insights around opportunities for shared access, as well as data on the scale of the opportunity if this vital resource could be made fully accessible in every part of the country.

We would urge the Department to add two additional points to paragraph 39 in particular.

- First, that any data Ofcom collates should be published publicly and made accessible. To note, such an addition would be in line with Ofcom and Government's commitment to be open and transparent, while also highlighting the untapped potential opportunistic sharing has to offer many rural communities.
- Second, that Ofcom utilise this data to support its development of a roadmap toward the Dynamic Spectrum Access model set out in its recent consultation "Enabling opportunities for Innovation".

Opening up trading and leasing in the spectrum market

Finally, Nominet also supports DCMS's comments in paragraph 40 around the need for greater liquidity in the spectrum market, and to remove barriers to more flexible use of spectrum in general. While we do not believe that current regulations and license conditions would prevent this, we are aware of concerns voiced by MNOs that this might be prohibited under the Wireless Telegraphy (Mobile Spectrum Trading) Regulations 2011.

Addressing this concern through simple amendments to Ofcom's Spectrum Trading Guidance Notices will help clarify matters and affirm both Government and regulatory support for greater flexibility and trading. Clarifying these would also provide a tool to enable greater

leasing on a temporary or localised basis and encourage more robust policy options for sharing on Ofcom's part.

I hope these comments will be of use to the Department as the SSP is finalised and issued in the coming weeks. As the Department has noted the SSP is a welcome and opportune means of giving Ofcom clear direction on Government's priorities for spectrum and to ensure that regulatory decision making around its allocation and management is indeed aligned with the UK's connectivity needs.

If we can be of any further assistance, please do not hesitate to get in touch.

Yours sincerely,



Adam Leach
Director of Emerging Technology

