

## **Kent County Council Submission – New Build Developments: Delivering Gigabit-Capable Connections Consultation**

We welcome this consultation from DCMS and are very supportive of Government introducing legislation requiring new build residential developments to be equipped with full fibre digital communications.

Kent County Council has been championing the need for future-proofed broadband connectivity to be installed at the point of build in new housing schemes for many years. Unfortunately, the current legislative and policy framework means that Councils cannot prevent new homes being built without a broadband connection that meets either current or future needs. This means that we have seen too many housing schemes completed without any superfast or ultrafast broadband access being made available to the occupants – some new homes cannot even access a basic broadband service of at least 2mbps.

We have received many complaints about this issue and, whilst the national voluntary regime between developers and infrastructures has delivered some improvements, too many new homes will require costly retrofitting if the proposed legislative approach is not introduced.

### **Question 1: Do you have any further evidence on the state of New Build Development connectivity in the UK?**

Kent County Council has been monitoring the connectivity to new build developments for some time. In October 2017, when we analysed the connectivity to new builds for the period May 2014-August 2017, we found over 5,000 new homes which did not appear to be connected to any superfast or ultrafast broadband service<sup>1</sup>.

Whilst we have noticed some improvement over the past 12 months, we are still only seeing 60% of new homes being installed with ultrafast broadband. We believe that legislation is necessary to require that developers connect all new builds with gigabit capable infrastructure in order to meet the Government's 2033 ambition.

### **Question 2: Do you have any information or evidence to suggest that the costs developers would incur under the proposed policy would prevent homes being built?**

We do not believe that the costs outlined in the consultation will prevent new homes from being built – particularly since there has been a lowering of some of the network operators' thresholds so that many new developments can be provisioned with full fibre at no cost to the developer. We have also seen some developers who have schemes that fall below the current thresholds being willing to pay relatively high

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<sup>1</sup> It is important to note that there can be a delay in network operators updating their systems and it can take several months before coverage is listed on their websites. This can make it difficult to ascertain whether new build developments are being built with good connectivity.

costs to connect their developments. These include small schemes in highly rural areas.

We would also suggest that the Government reviews the installation timescales for connecting new homes to ensure that sites are being connected in a timely way that is commensurate with other utilities.

**Question 3: We propose that developers would be obliged to provide a simple connectivity plan for their developments to LAs. This plan would demonstrate that developers had consulted with at least two network providers to provide gigabit-capable networks and inform LAs when a site is connected. Do you have any comments on this proposal for a connectivity plan?**

We are supportive of the proposal to require developers to submit a connectivity plan. However, more clarity on the details of how this would operate, and the respective roles and responsibilities of local authorities in this process, is .

We have also been made aware that some network operators will not plan or quote for a new build development unless planning permission has already been granted. Once a request for a quote has been submitted to a network operator, they will also usually require 9 months before the first occupancy date to plan and deliver any work. We believe that this issue warrants further investigation.

**Question 4a: Do you agree with the assumption that deploying the necessary infrastructure to deliver gigabit-capable networks is best achieved when the site is being built?**

We agree that the delivery of gigabit-capable networks is best achieved when the site is being built. The negative consequences of not completing this work at the point of build cannot be stressed enough. The cost of retro-fitting the new build development is significantly higher because this requires expensive civil works e.g. digging into new highways, as well as work to install the necessary equipment into the home. All of this can be avoided if the work is done at the point of build.

**Question 4b: What technical specifications should the physical infrastructure (ducts etc) have?**

We believe that any technical specifications must follow best practice and that external cabling should be in ducting rather than overhead.

**Question 4c: Do you agree that developers should deploy, and pay for, the necessary infrastructure from the in-building connections to the boundary edge of the development?**

We agree that it is reasonable for developers to deploy, and pay for, the necessary infrastructure from the in-building connections to the boundary edge of the development. This work should be done to a standard specified by the network operator.

This approach would also help address issues that we have experienced where network operators have been prevented from deploying infrastructure by developers

who have not been willing to grant access to highways before they have been adopted by the council.

**Question 5a: Do you agree that developers should have to engage with at least two network operators who can provide gigabit-capable connections to the development?**

We support the proposal that developers should engage with at least two network operators. We believe that the Government should also set a requirement to require one of the consultees to be an open access infrastructure provider so that new residents have a range of retail broadband service products to choose from.

We do recognise that in certain locations it may be difficult for developers to get a response from two network operators, although we believe that it will be important for them to demonstrate the steps and measures that they have taken to engage.

We would also ask that the government considers the impacts of exclusivity deals between developers and network providers. These deals have restricted the providers that can be used for developments, and in areas where the agreed network provider is not available, they can restrict the use of other nearby operators.

**Question 5b: What further measures could we consider to promote the availability of networks from multiple providers at an early stage to minimise costs and disruption?**

As mentioned in response to Question 5a, we would suggest that the government considers the impacts of exclusivity deals between developers and network providers. We believe that steps should be taken to prevent network operators having the sole right of access to new build developments. This can stop other operators from providing service for several years and this increases costs to alternative operators if they have to retro-fit the site with their network.

**Question 6: Taking £3,000 as a suggested aggregated cost cap per premise, do you agree with the proposed how should costs be divided between developer and operator?**

We believe that the division of costs between developer and operator should be underpinned by a detailed assessment of the respective ability of these parties to contribute towards and recoup these costs.

We would query why the proposed cost cap of £3,000 differs from the reasonable cost threshold that has been set for Universal Service Obligation of £3,400 which is due to be launched in 2020.

**Question 7: What information and evidence can you provide to help refine the 'in scope sites' policy design choice - aggregated cost cap or number of premises?**

We do not support a cap based on the number of houses in a development as this could disadvantage the smaller new build developments in rural locations which tend to face higher broadband installation costs.

We would like the Government to consider establishing a fund (as part of the forthcoming Spending Review) to ensure that where a small-scale (rural) development exceeds the cost threshold, national funding can 'top-up' the development to ensure that gigabit connectivity is provided. We also believe that any such fund should require developers and network operators to design the network so that the costs of connecting any neighbouring homes and businesses are reduced (i.e. through using aggregation nodes that can be utilised later).

**Question 8a: Do you agree that developers should have the overall responsibility to ensure Gigabit connectivity for their developments (allowing for the fact that developers can oblige operators to connect using the 'duty to connect' provision).**

We agree with the Government's proposal that developers should have the overall responsibility for the connectivity in their developments and that the 'duty to connect' provision set out in the consultation documentation offers an effective mechanism to deliver the required connectivity.

**Question 8b: How would this policy affect small housebuilders?**

As highlighted in our response to question 7 above, we would like the Government to consider introducing a top up fund to support small housing schemes achieve the required connectivity. This should be targeted towards locations where the installation costs are likely to be excessive and where it is likely that the market would not deliver gigabit capable connections.

**Question 9: Do you have any comments on the proposed legislative approach? Do you have an alternative solution that would deliver gigabit-capable connections to NBDs?**

As highlighted above, we support the Government's proposal to introduce legislation to tackle this issue, which we believe is necessary if national connectivity targets are to be achieved.

We would also like to see network operators consider how any new infrastructure could support the deployment of full-fibre infrastructure into existing adjacent developments (e.g. through installing aggregating nodes in new fibre spines that could be used later). In Kent we have already seen a 5,000 new homes development (which is adjacent to a hamlet which has very poor, sub-superfast broadband connectivity) where these considerations have not been made – and, as a result, opportunities to reduce the existing very high costs of connecting the neighbouring homes are being lost.

Whilst we would not expect new build housing schemes to fund the connection of adjoining premises, designing the network to allow future build out can significantly reduce the costs of deploying to such areas and should be encouraged.

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20<sup>th</sup> December 2018