



Department for
Science, Innovation
& Technology

Rt Hon Michelle Donelan MP

Secretary of State for
Science, Innovation and
Technology

3rd Floor, 100 Parliament
Street
London SW1A 2BQ

Dame Melanie Dawes
Ofcom
Riverside House
2a Southwark Bridge Road
London
SE1 9HA

www.gov.uk/dsit

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Dear Melanie,

The Prime Minister has set out his priorities for this government to build a better, more secure, more prosperous country. This includes a commitment to grow the economy, creating better-paid jobs and opportunity right across the country. World-class digital infrastructure is crucial to this, and to delivering my department's mission to put the UK at the forefront of global scientific and technological advancement.

Today the government is publishing its Wireless Infrastructure Strategy and Spectrum Statement, which set out how we will do this. I want to thank Ofcom for its work with my department on both of these.

To help the UK realise the full benefits of 5G and other advanced wireless connectivity, we will take a new approach, supporting places to attract commercial investment in 5G and encouraging adoption of 5G-enabled use cases by businesses and the public sector. It also sets out our 6G Strategy and roadmap. I am particularly keen to emphasise how we ensure rural areas are not left behind and have the wireless connectivity they need.

The Spectrum Statement signals that, given the growing importance of spectrum to an increasing range of the UK's strategic interests, closer working between my department and Ofcom is needed on key issues. I know that my team is working with yours on a set of strategic questions where it would be particularly valuable to work together. I look forward to hearing about progress on those.

The Strategy and the Statement both set out a number of areas where I would be grateful if Ofcom would support our work. These are as follows:

Coverage reporting

Having an accurate understanding of the coverage available will be essential. At present, there is a clear mismatch between coverage as modelled, and people's lived experiences – I can certainly say this is the case within my own constituency. It is a key issue for consumers and businesses, and it is vital that we have a clear understanding of gaps in coverage to ensure we address cold spots quickly and effectively. Specifically, it will be important for Ofcom to:

1. **Improve the accuracy of reporting network performance levels in rural areas;**
2. **Supplement predictive modelling data** to improve the measurement of mobile network coverage and quality, including use of crowdsourced data, so that it more accurately reflects users' experiences;
3. **Report on standalone 5G coverage** as it begins to be deployed in the UK;
4. **Measure mobile coverage for passengers on the rail network** - in particular, it would be helpful to understand the feasibility of using in-carriage scanners and crowdsourced data to provide an overview of connectivity on the mainline routes; and
5. **Keep under review its definitions of good 4G and 5G coverage** - so that these definitions continue to reflect consumer expectations as usage and needs evolve. This in turn will need to be reflected in coverage reporting.

Where possible, it would be helpful for this to be incorporated in Ofcom's 2023 Connected Nations report onwards.

Spectrum

Given the criticality of spectrum to our wireless connectivity ambitions, there is a degree of complementarity between the Spectrum Statement and the Wireless Infrastructure Strategy. I would like to highlight the following areas in particular:

Annual Licence Fees Review

As we are 20 years on from the introduction of Administrative Incentive Pricing (AIP) for spectrum, this is a good juncture to review the mechanism against its original drivers and against future challenges. This includes ensuring that there is a good investment environment for networks. I therefore ask Ofcom by December 2023 to:

1. Review and set out a clear and forward-looking rationale for its approach to setting mobile spectrum fees. It would be helpful if this could include an assessment of the current tools used to deliver the benefits of a market-based approach to spectrum management, considering:
 - a. how well these mechanisms have delivered their stated objectives to date;
 - b. the extent to which they may need to evolve to adapt to changing market conditions and support a strong investment environment; and
 - c. whether there are useful lessons from approaches in other countries.

Shared Spectrum

The rapid deployment and scaling up of new 5G networks will unlock wider economic and productivity gains. Ofcom's Shared Access and Local Access Licences has supported the UK in becoming a world leader in making spectrum available for 5G innovation and early adoption of industrial applications. We welcome Ofcom's planned automation of the application process for shared access licences, and I ask that:

1. Considers options to prioritise and accelerate the implementation of automation of licence applications in these bands, ensuring that these are automated in a timescale that industry needs;
2. Considers what further steps could be taken relating to licensing conditions for local access licences and shared access licences, with a view to scaling up enterprise networks while protecting incumbent services in the same or adjacent bands; and



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3. Draws on relevant international examples to develop an updated assessment of the range of Dynamic Spectrum Access type opportunities in the UK, including in the shared access licences bands. We expect Ofcom to be ready to implement such adaptive access in advance of the commercial roll out of 6G.

6G Spectrum

We must exploit the UK's reputation for technological innovation and ensure that the UK becomes an attractive home for the development of 6G technologies and associated applications. I would ask that Ofcom:

1. Ensures the early availability of suitable spectrum for R&D, and the timely availability of internationally harmonised spectrum for commercial services to develop and later deploy next generation technologies; and
2. Builds on the UK's active engagement in the development of the international vision for 6G, maximises influence to ensure that international approaches suit the UK's interests to ensure the timely availability of harmonised spectrum suited for the commercialisation of these services.

Thank you in advance for your work on the above, I know you and your team are working incredibly hard to deliver and we can be proud of the progress we have made to date. **I would welcome a meeting to discuss the above and I look forward to seeing the progress we make in these areas together.**

Yours sincerely,

Rt Hon Michelle Donelan MP

Secretary of State Science, Innovation and Technology