

LGA submission – Ofcom proposals for coverage obligations in the award of the 700 MHz spectrum band consultation

April 2018



Submission

1. About the Local Government Association

- 1.1. The Local Government Association (LGA) is the national voice of local government. We work with councils to support, promote and improve local government. We are a politically-led, cross party organisation which works on behalf of councils to ensure local government has a strong, credible voice with national government.
- 1.2. We aim to influence and set the political agenda on the issues that matter to councils so they are able to deliver local solutions to national problems. The LGA covers every part of England and Wales, supporting local government as the most efficient and accountable part of the public sector.

2. Introduction

- 2.1. Local government has been a key player in the roll-out of improved digital connectivity to the most hard to reach areas over the last five years. It has partnered with the communications industry to extend coverage to local communities via the Superfast Broadband Programme and has worked closely with mobile network operators (MNOs) and local communities to find the best locations for new mobile infrastructure. Councils across the country are also adopting digital infrastructure strategies to set out how they will support the extension of digital connectivity to all residents and businesses.
- 2.2. With mobile data consumption in the UK forecast to increase sevenfold by 2021¹, extending excellent mobile coverage across the country is key to ensuring all residents have equal access to what is now a necessity of modern day life. However, whilst all rural residents have seen significant advances in the power of their smartphone devices, they have not seen an equivalent increase in the strength, speed and capacity of their mobile coverage. In striving to become a world leader in 5G coverage which will naturally benefit urban areas, Government and Ofcom must not forget the plight of residents in rural areas who can struggle to even get voice signal.
- 2.3. In 2016, Ofcom Chief Executive Sharon White, wrote to MNOs asking them to work with the regulator on an aspiration to achieve 100 per cent UK landmass coverage and to “stretch our thinking as to what may be possible.”² With the sentiments of this letter in mind, two years on, the LGA believes the coverage obligations set out in this consultation are unambitious and fail to leverage the auction of a key national asset to assure full coverage for all premises that still cannot receive a mobile signal. We believe Ofcom must work with MNOs and local government to deliver more ambitious coverage levels for all residents.

¹ [CCS Insight: UK mobile data usage will grow sevenfold by 2021](https://www.ofcom.gov.uk/consult/condocs/ccs/ccs160101/CCS160101.pdf)

² <https://www.ofcom.gov.uk/consult/condocs/0024/94740/Text-of-letter-sent-to-MNO-CEOs.pdf>

3. Do you agree with our proposal to include two geographic coverage obligations and a premises obligation in the 700MHz award?

3.1. The LGA supports the attachment of coverage obligations to the licencing of the 700 MHz band. However, we believe that the lessons from previous coverage obligations are not being adequately addressed in these new obligations.

3.2. In an assessment of previous mobile obligations placed on mobile providers³ Ofcom outlined in its latest Connected Nations Report that performance thresholds were set too low and resulted in MNOs meeting their coverage targets but failing to do so with coverage of sufficient strength or capacity to support the needs of modern day smartphone users.⁴ This proves the cost of short-sighted and unambitious coverage obligations can have on residents and businesses, especially those in rural areas.

3.3. The LGA has also raised with Ofcom its concerns on how MNOs' purported levels of mobile coverage are verified. Feedback we have received from councils suggest the mobile coverage data that Ofcom uses to outline coverage is inaccurate, out of date and unreflective of consumer experience on the ground. We note that Ofcom has undertaken a series of "real life" tests of 4G services available in UK cities, gathering data directly using smartphones to assess coverage.⁵ Whilst this method presents one of the most accurate ways to understand actual consumer experience on the ground, Ofcom has failed to carry out any such analysis in rural areas. The LGA therefore recommends that all obligations are be rigorously assessed by real life testing across the country including those rural areas where coverage data is most questionable.

3.4. Finally, the LGA notes that the current obligations will require MNOs to roll out signal that will provide "data connections to deliver a speed of at least 2 Mbps." This strike us as a particularly unambitious target, especially considering a 3G signal can, at its maximum, deliver almost four times this speed, and 4G over fifty times.⁶ With mobile data demands in the UK forecasted to increase sevenfold by 2023, the LGA believes a 2Mbps requirement does not provide sufficient headroom to meet consumers' growing needs. It recommends that Ofcom considers raising this level to 10Mbps to match the broadband Universal Service Obligation.

4. Do you agree with our proposed target for geographic coverage? Do you agree with our proposed approach to targets for the Nations?

4.1. The LGA believes the auction of the 700Mhz spectrum presents Ofcom with an opportunity to be more ambitious with its coverage obligations. Furthermore, with the Government having pledged to extend mobile coverage to 95 per cent geographic coverage of the UK by 2022, we propose Ofcom's coverage target of 92 per cent landmass by the same data should at the very least be increased to align with national policy.

4.2. We also recommend Ofcom reconsiders its national aggregate targets which can mask significant imbalances in the levels of coverage across England, especially in rural areas. This is already seen today. At present England has an 82 per cent 4G landmass coverage. However, in some

³ MNOs were previously obligated to extend voice and data coverage to 90 per cent of the UK landmass and to provide 4G to cover at least 98 per cent of the UK population (O2 only)

⁴ [Ofcom - Connected Nations Report 2017](#)

⁵ [Ofcom - Smartphone Cities](#)

⁶ <https://kenstechtips.com/index.php/download-speeds-2g-3g-and-4g-actual-meaning>

areas such as West Somerset, Copeland and Richmondshire landmass coverage lags far behind and is closer to 60 per cent.⁷

4.3. National aggregate targets allow MNOs to pick and choose the easiest areas to connect, and can leave significant parts of the countryside without signal. The LGA therefore recommends Ofcom adopts a sub-regional model of coverage obligation similar to that adopted by Government for the Superfast Broadband Programme.⁸ This will ensure greater fairness in coverage levels across the country. If the framework does not exist to make a sub-regional model legally binding, the LGA recommends that Ofcom outline a recommended level of coverage for each local authority area, and outlines the progress on meeting these recommended targets at yearly intervals. If it is clear local targets will not be met, the LGA recommends Ofcom helps facilitate conversations between MNOs and councils on what local interventions can help spur on greater coverage.

5. Do you agree with our proposed target for in premises coverage?

5.1. The LGA supports coverage obligations that require mobile connectivity to be extended to those who cannot presently receive any signal. However, Ofcom's proposal to only obligate the extension of coverage to 60 per cent of the 200,000 premises not able to receive a signal is not sufficiently ambitious. We believe it is unacceptable that by 2022 there will still be tens of thousands of premises in the UK unable to receive a mobile signal. We would recommend as a first step, Ofcom publishes where these premises are located, and engages with local government on the role it can play in local areas to work in partnership with MNOs to extend coverage further.

5.2. As previously mentioned, we believe that setting a national aggregate target creates the significant risk of some areas remaining totally unserved. With this in mind, the LGA again recommends that Ofcom consider a sub-regional model of coverage obligation to ensure greater fairness.

6. Do you agree with our proposal that the coverage obligations should be met within 3 years of the 700MHz award?

6.1. The LGA encourages Ofcom to decrease its three year deadline to two years in order to extend coverage to rural residents as soon as possible. Ofcom cites one of the reasons for the proposed three year period as "dealing with the planning process can be difficult." The LGA does not recognise the planning regime as a significant impediment to the deployment of mobile infrastructure. Indeed, it notes that Arqiva, the infrastructure provider responsible for delivering the Mobile Infrastructure Project, has previously outlined that "only five planning applications [out of 110 that were submitted as part of the programme] were refused."⁹

7. Do you agree that sharing information on the location of new sites in rural areas in advance of submitting a planning notice would be appropriate?

7.1. The LGA agrees that the sharing of information on mast location between MNOs is vital if decent mobile coverage is to be extended to the most hard to reach areas. We also recommend that, as part of the information sharing process, MNOs share their roll out plans with local government. Many councils are exploring the measures they can take to support the expansion

⁷ Ofcom – Connected Nations Data 2017

⁸ This saw the Government maintain a national target of superfast broadband target of 95 percent of premises covered, whilst councils maintained their own local 95 per cent targets.

⁹ <https://www.computerweekly.com/news/4500277419/Mobile-Infrastructure-Project-was-a-failure-admits-Vaizey>

of mobile coverage in their local areas. To fully understand the added-value they can bring, be it through the use of public land, reform of local planning policy, or helping providers join up on their streetworks, councils need to have an accurate idea of the future roll out plans of MNOs.

- 7.2. Councils have shared with the LGA their frustrations that MNOs are unprepared to share information on the potential location of their new sites until the submission of a planning application. We recommend that MNOs are encouraged to share their roll out plans with councils as well as other mobile providers up to six months before submitting an application in order to give councils the time to consider what policy or practical interventions they can make to support greater expansion of mobile connectivity in their local area.