



# Response to Ofcom's proposed Plan of Work for 2025/26

MS3 Networks Limited

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Non-confidential

## Introduction

- 1 MS3 builds and operates full-fibre access networks in several parts of the UK. A significant portion of MS3's build is in the area of Hull, which is subject to separate regulation by Ofcom from the RoUK and where KCOM is the incumbent provider.
- 2 MS3 is a member of INCA and supports the points made by INCA in its response to Ofcom's 25/26 work plan for the RoUK. This response addresses only Ofcom's activities in Hull.

## Ofcom's plans for the Hull telecoms Access Review

- 3 In the draft work plan for 25/26, Ofcom sets out its plan for conducting the telecoms Access review (TAR) for the Hull Area:

*"Telecoms Access Review (in the Hull Area): The current, separate regulatory framework that we set in 2021 ends in October 2026. This review will cover the fixed telecoms markets in the Hull Area for the period November 2026 to October 2031. We will assess whether the framework we put in place in 2021 remains appropriate in the light of emerging infrastructure competition." <sup>1</sup>*

- 4 Further in Annex 2, Ofcom indicates its projected timing for consulting on its proposals for the Hull TAR:

<b>Telecoms Regulation in the Hull Area.</b> We will review the main fixed telecoms markets in the Hull Area and put in place regulation which will apply for 5 years from 1 November 2026.	Consultation Q3 2025/26
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## MS3's comments on Ofcom's plans and timing for the Hull TAR

- 5 The Hull TAR is critical to the future of telecoms competition in Hull and for consumers in Hull to be able to access high quality competitively priced telecommunications services. In the last market review (the Wholesale Fixed Telecoms Market Review – WFTMR, which took effect in November 2021), Ofcom assumed that there would be no material network competition in Hull, but since then MS3 (and others) have invested in competing full-fibre networks and the market condition are now materially different from those anticipated by Ofcom in the WFTMR.

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<sup>1</sup> Paragraph 2.10.

- 6 MS3 knows that Ofcom understands the very significant changes in the Hull market conditions since the WFTMR took effect and takes comfort from Ofcom's description of its Hull TAR process as "*We will assess whether the framework we put in place in 2021 remains appropriate in the light of emerging infrastructure competition*". It is good to see that Ofcom understands that the Hull market may require different interventions from the rest of the UK (RoUK) for the next market review period.
- 7 In particular, MS3 believes that Ofcom needs to perform the Hull TAR process with a completely open mind and no pre-conceptions as to what type and level of regulatory interventions will be appropriate and proportionate for Hull. This should include assessment of whether retail markets may justify intervention.
- 8 Given the increased complexity of the Hull TAR as outlined above, it is essential that Ofcom allows itself sufficient time to gather the necessary data and thoroughly assess the market developments (past and projected) and assess any competitive constraints at all levels (retail active wholesale and passive wholesale).
- 9 The Hull TAR was initially expected to kick off in October 2025, but Ofcom notified MS3 that the kick-off would be pushed into January 2026. Whilst disappointed that the very complex review will have to be completed in a shorter period, MS3 is confident that, with that revised time frame, Ofcom should be able to conduct a thorough review, but any further delay to its commencement would be a cause for serious concern.
- 10 The 25/26 work plan states that Ofcom does not intend to issue any initial consultations to assist its analysis in preparation for the consultation currently scheduled for Q3 of 25/26. MS3 therefore assumes that Ofcom will welcome voluntary pre-consultation submissions on subjects that MS3 considers important and for which MS3 has detailed insight to provide.
- 11 Given the delayed kick-off, however, MS3 is concerned that Ofcom needs sufficient time to collect and assess all relevant data and analyses and to process those to produce the consultation with proposals for the regulatory framework to apply for the five years following October 2026 in time for publication of that consultation in Q3 25/26. Given the possibility that the Hull TAR may depart materially from the historical path taken by Ofcom both in Hull and in the RoUK, MS3 considers the pre-consultation data collection and analysis to be particularly critical. MS3 will work with Ofcom to meet the timetable set out in the plan of works. To meet that timetable, it will be critical that Ofcom allocates sufficient resource to collect and analyse all relevant data and stress-test proposals and hypotheses that will underpin proposals in the consultation.
- 12 MS3 would welcome a statement from Ofcom at the earliest time practicable as to the scope of the Hull TAR exercise. That would enable us to focus our resources on the areas Ofcom has indicated as priorities.