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Your ref:
Our ref: POL/17198
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Dear Mr Marini,

Securing long term benefits from scarce spectrum resources - A strategy for UHF bands IV and V

The Scottish Government recognises that significant spectrum users – for example, providers of broadcast television on the Digital Terrestrial Television platform and of wireless broadband services, among others – will have a keen interest in UHF bands IV and V, given the bands' propagation characteristics (which have particular value for the sort of challenging terrains that feature in Scotland and, indeed, some other parts of the UK). Therefore, while we did not respond to Ofcom's initial call for input (April-June 2011) and while we would wish to reserve our position pending assessment of the responses to the proposed strategic approach that is canvassed in the current exercise, I am writing to register some key considerations.

At the outset, I draw attention to the fact that some of the Scottish Government's underlying concerns with regard to spectrum allocation and use have already been outlined, via Ministerial responses to previous Ofcom consultation exercises:

- the Minister for Culture and External Affairs, Fiona Hyslop MSP, responded on 29 April 2010 to Ofcom's consultation on potential uses of the 600 MHz band and geographic interleaved spectrum;
- the Cabinet Secretary for Infrastructure and Capital Investment, Alex Neil MSP, responded on 10 June 2011 and 29 March 2012 to Ofcom's consultations on the award of 800 MHz and 2.6 GHz spectrum.

Those responses noted the importance of ensuring that spectrum allocation exercises take account of the wider digital and broadband strategies of the UK and Scottish Governments. They also noted that market-led allocation mechanisms are generally appropriate but that, because the most commercially lucrative uses of spectrum may not always be the most

socially valuable, on occasion there may be a case for addressing such clashes through the establishment of a 'social value' test. Against that background, I would highlight two particular points.

First, *Scotland's Digital Future: Infrastructure Action Plan*¹, published this January, is explicit that achieving improved mobile coverage in Scotland is a key ambition of the Scottish Government. Moreover, in line with the "world-class" digital connectivity commitments outlined in this document, it is recognised that mobile and wireless technologies have a significant role to play in realising these ambitions, particularly in respect of the path to development of "True 4G" (LTE Release 10) in Scotland. As outlined in Mr Neil's letter of 29 March, True 4G deployment will require at least 100 MHz of contiguous low frequency spectrum. The 700 MHz band therefore has the potential for significant impact in Scotland.

Second, the potential tension between commercial value and social value is illustrated especially well by the requirements of the emergency services, which provide essential support for our citizens and businesses. With that in mind, the Ministerial correspondence has already alluded to the critical importance of setting aside dedicated spectrum sufficient to meet the future needs of the 'blue light' emergency services and their partner agencies. In that context and chiming with the predicted trends in Ofcom's consultation paper, it is relevant that our work to review user requirements indicates that there is a potential need for enhanced data services and associated spectrum. As regards the technology for providing the necessary data capability and delivering essential public services, there appears to be a trend internationally (supported by the recent WRC12 decision) towards LTE-A paired with frequencies in UHF bands IV and V, potentially using 700 Mhz. This – and the merits of international harmonisation – will no doubt be amongst the considerations going forward.

Yours sincerely,

Paul Allen

¹ <http://www.scotland.gov.uk/Publications/2012/01/1487/0>