

**Name and title under which you would like this response to appear:**

Arqiva Limited

**Representing:**

Organisation

**Organisation (if applicable):**

Arqiva Limited

**What do you want Ofcom to keep confidential?:**

Keep nothing confidential

**If you want part of your response kept confidential, which parts?:**

**Ofcom may publish a response summary:**

Yes

**I confirm that I have read the declaration:**

Yes

**Ofcom should only publish this response after the consultation has ended:**

You may publish my response on receipt

**Question 1: Do you agree with Ofcom's proposed overall approach to improving the management of public sector spectrum holdings and, in particular, with Ofcom's conclusion that it will generally be preferable for public sector bodies to interact directly with the market?:**

Arqiva generally agrees with Ofcom and the Cave Report that the extension of spectrum trading and liberalisation to the public sector will be beneficial to the UK. While safeguards need to be in place to ensure sufficient spectrum is still retained by public sector bodies for their own real needs, making available any excess spectrum held to both the commercial sector and other public bodies is to be welcomed. This will enable the most efficient use of spectrum to be achieved.

Arqiva also agrees with the conclusion that it is preferable for public sectors bodies to manage their own disposal of spectrum through direct interaction with the market. It does not seem practical for Ofcom to act on behalf of each public sector body every time they wish to dispose of frequencies nor does it seem appropriate or necessary to hold auctions for the disposal of small blocks of frequencies which may become

available over irregular periods. Many of the blocks under consideration could be extremely useful to both commercial and public interests but do not warrant the considerable time and expense involved in entering a full Ofcom auction. Allowing sellers and buyers of spectrum to agree terms in an open market place would seem a realistic way forward, minimising the amount of rules and regulations and hence delays, and even encouraging more players to come forward into the market than under the more formal auction approach. There may also be an opportunity for a band manager service to assist public bodies or at least the award of outsourcing contracts to the commercial sector to manage trades.

**Question 2: What factors do you consider Ofcom should take into account in determining the programme of reform in the framework for managing public sector spectrum holdings?:**

Public sector bodies, including the emergency services, need to ensure that they have access to sufficient spectrum for their own purposes and that no interference is introduced which adversely affects their services. Clearly, the new users of traded spectrum need to make sure that their use does not introduce unacceptable interference into adjacent users while they themselves also need protection from unreasonable out-of-band interference. We assume that Ofcom will put in place the necessary terms and conditions and policing arrangements to ensure this is the case.

In the light of Ofcom's policy that public safety users must acquire any spectrum they require from the market, it is also important that the framework allows for public sector bodies to acquire more or different spectrum, if required for their own communication needs. Ofcom's proposed approach could be very beneficial to, say, emergency service organisations and providers of national critical infrastructure seeking to implement newer technologies but without the budgets or legal right to bid in major Ofcom auctions, usually in competition against large commercial players.

It may be that some public sector bodies will be sluggish in making spectrum available or put in place protracted arrangements to manage the process. It is suggested that appropriate incentives to trade be put in place to minimise these possibilities.

**Question 3: Do you consider that the proposals should be phased in?:**

Yes, to allow the public sector and market to come to grips with the changes.

**Question 4: Do you agree with Ofcom's proposals about the frequency bands that offer the greatest potential benefits from band sharing? Are there other frequency bands where the facility to trade or lease spectrum from public sector bodies would be particularly attractive?:**

It is difficult to say whether the three bands identified will offer the greatest potential over time, as the amount of spectrum to be made available and many of the potential uses are unknown at this time, but certainly they offer a reasonable starting point. In addition to the MoD spectrum between 406.1 and 430 MHz, the 450-470 MHz band would also provide benefits from early release due to its potential for digital

technologies. Allowing public bodies who hold spectrum in this band, such as the MoD and Emergency Services, to trade it directly would bring it to market quickly and efficiently and bring immediate benefits to the current holders.

**Question 5: Do you agree with Ofcom's proposed approach to awarding public sector licences and RSA?:**

In general yes but it needs to be made clear in advance as to whether the conversion of RSAs to WT licences (or even vice versa) by Ofcom will introduce conditions or obligations which may affect the prices agreed between the two parties involved. It is also not clear from this consultation as to whether RSAs will be or at least have the option of being technology and application neutral.

**Question 6: Should public sector spectrum trading be introduced at this stage in the Channel Islands and Isle of Man?:**

It would seem sensible to introduce public sector spectrum trading in the Channel Islands and the Isle of Man as soon as is reasonable.

**Question 7: Should there be additional grounds, eg safety-related, for Ofcom to refuse consent to a proposed trade in certain frequency bands or for certain applications?:**

It is important that no trades adversely affect the quality of service of any existing user but especially where safety of life is concerned.

**Comments:**