

Broadband, Mobile and the Digital Divide

Purpose

For discussion and direction

Summary

This paper sets out proposals for the Board's work programme on broadband, mobile and the digital divide for the 2016/2017 Board cycle.

Recommendation

Members to discuss the proposed work programme, and steer officers on the suitability of the actions suggested **in paragraphs 19 to 22.**

Action

Officers to take forward as directed by members.

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Broadband, mobile and the digital divide

Background

1. This paper is intended to set the context for a discussion on broadband, mobile and the digital divide in the UK, and asks for members' steer on a proposed programme of work covering the 2016/17 Board cycle.

National policy context

2. Members of the People and Places Board have made clear that access to fast and reliable digital connectivity is no longer a luxury, it is a necessity. It is something residents and businesses expect in their premises; a vital component for supporting growth in non-metropolitan areas, and an essential enabler of public sector digital transformation and wider public sector reform.

Broadband

3. Councils have strongly supported the extension of access to fast and reliable connectivity through the Superfast Broadband Programme. Indeed, many councils are aiming to extend provision beyond the Programme's national target (passing 95 per cent of premises) at their own local level by using funding from claw-back clauses in supplier contracts.
4. Over the past year, the Government reports that an extra 700,000 premises now have superfast broadband available as a result of the programme, bringing the total connected to over 4 million.¹ However, whilst the average national coverage figure rises, there are still underlying and profound inequalities in coverage and speeds between different areas. This sees some council areas where superfast coverage has reached over 95 per cent of premises compared to others where up to 30 per cent cannot achieve the same superfast speeds. In its latest digital infrastructure report, Ofcom estimates approximately 2.4 million premises (8 per cent) in the UK are unable to receive broadband speeds above 10Mbps.² The Government has also estimated that even taking account of existing public intervention and future commercial roll out plans combined, up to 1 million UK premises will not be able to access speeds of 10Mbps or higher by the end of 2017. Over half a million of these premises will be found in rural areas and more than 100,000 will be remotely rural.³
5. To enable at least some of these premises to be served, the Government plans to introduce a new broadband Universal Service Obligation (USO) via the upcoming Digital Economy Bill giving everybody the legal right to request a connection of 10Mbps. More information on the USO is provided later on in the paper under the Digital Economy Bill section.

¹ [Department for Culture Media and Sport – Broadband Performance Indicator – June 2016](#)

² [Connected Nations 2015, Ofcom - December 2015](#)

³ [Department for Culture Media and Sport - A New Broadband Universal Service Obligation Consultation](#)

Mobile connectivity

6. At the last Board, members made clear that reliable mobile connectivity is increasingly important for residents in non-metropolitan areas. Many face challenges both in terms of the quality of coverage they receive, the lack of choice of mobile network operator (MNO) locally, and the prevalence of not spots.
7. After the widely reported failure of the Government-funded Mobile Infrastructure Project, the extension of mobile provision across the country is now solely a commercial endeavour. However, in order to encourage the extension of mobile provision the Government secured coverage obligations from MNOs to deliver £5 billion of improvements to mobile infrastructure across the UK. These obligations also guarantee voice and SMS text coverage for 90 per cent of the UK landmass from each provider by 2017. Separately, after winning an auction of 4G spectrum in 2013, the operator O2 has a legal obligation to roll out 4G to cover at least 98 per cent of the UK population (when indoors) by 2017 at the latest. Ofcom has stated that other MNOs intend to match this coverage.
8. The Government also announced it selected the UK's largest MNO, EE, to build a new national mobile network for the Emergency Services, giving 300,000 critical emergency workers access to 4G voice and data for the first time. As part of the project, EE will build 500 new mast sites, expanding mobile coverage in rural areas. The project will provide those rural consumers on EE's network with a more reliable mobile connection – although the network will have the capability to afford network access priority to Emergency Services when needed.
9. The most recent Ofcom mobile coverage statistics report that 99.6 per cent of UK premises have outdoor 2G and 3G coverage from at least one operator and 97.8 per cent of premises now have 4G coverage available from at least one operator.⁴ When broken down by urban and non-metropolitan area however, a starker picture becomes apparent. Whilst 96.9 per cent of rural premises have 2G and 3G coverage from at least one provider, less than 70 per cent receive coverage from all four operators. Furthermore, indoor coverage in rural areas is particularly poor, with only 31 per cent of rural premises receiving an indoor voice service.⁵ For residents to feel a noticeable difference in the quality of signal, there will need to be coverage improvements across all operators in rural areas.
10. In light of these coverage statistics, councils have informed LGA officers of their concerns at the representative nature of Ofcom's mobile coverage data. In some instances, councils believe it is not reflective of the realities on the ground in rural areas. This is concerning considering it is this data that will be used to hold MNOs to account on their aforementioned coverage obligations. As such, it will be important the process by which

⁴ [Ofcom Communications Market Report August 2016](#)

⁵ There are difficulties in measuring the coverage of mobile signal indoors. In some circumstances, due to variations in construction materials and building geometries, there is no guarantee that the signal from outdoors will be able to penetrate inside all buildings. In many cases, wifi is increasingly being used to provide voice and high speed data services.

Ofcom verifies its coverage data to ensure accuracy, is clarified. More details on proposed LGA activity in this area are provided in the Future Activity section of this paper.

11. Following councils' deep involvement in the provision of superfast broadband, many are exploring the role they can play in catalysing improvements in local mobile provision. To date, whilst some councils have developed and maintain their own strategic relationships with MNOs, the majority of interactions are via council planning departments regarding the placement of mobile infrastructure.⁶ Such interactions are likely to decrease following Government plans to extend permitted development rights for taller mobile phone masts of up to 50ft to be built or upgraded without planning permission. The LGA has urged MNOs to work with councils and communities rather than bypass them in order to identify and address coverage blackspots together. There is also further work to be done ensuring councils across the country are better placed to have more strategic level conversations with MNOs to fully understand their roll out plans and, where appropriate, help the extension of provision through the use of public infrastructure. More details on proposed LGA activity in this area are provided in the Future Activity section of this paper.

The Digital Economy Bill

12. In May 2016 the Government used the Queen's Speech to announce a new Digital Economy Bill. The LGA briefing on the second reading of the Bill can be found in **Annex A**. The Bill will enact a range of measures of importance to councils. These include:
 13. **Confirming in legislation a new broadband USO** giving residents the legal right to request a broadband connection of at least 10Mbps.
 - 13.1. The LGA have argued that a 10Mbps minimum download speed is a step in the right direction, but in the longer term, standards must keep pace with national average speeds and the expectations of households, especially at peak times. We have also argued that the USO should obligate providers to supply consistent uploads speeds and make available the option of a social tariff in order to prevent further digital exclusion. More details on the LGA lobbying lines on the design of the USO can be found in [our recent submission to Ofcom](#).
 14. **Conferring new powers on Ofcom to obtain address-level data** on broadband line speeds and monitor the progress of 4G coverage across the country. This would allow Ofcom to use this data for monitoring speed prediction accuracy and for third party intermediaries to use to present comparisons to consumers.
 - 14.1. The LGA has welcomed these measures which will promote competition in the telecommunications sector and provide consumers with the knowledge and power to find the best deal.
 15. **The Bill amends the Electronic Communications Code** which permits operators to construct infrastructure on public and private land. The code aims to ensure property

⁶ In an LGA survey conducted last year, less than 50 per cent of councils surveyed had relationships with MNOs, locally. Of the 40 per cent that did not, 75 per cent were keen to develop.

owners will be fairly compensated for use of their land for mobile infrastructure whilst restricting their ability to profit from the public need for communications infrastructure.”

15.1. We support the revision of the Electronic Communications Code in principle as a way to simplify the process of installing or upgrading digital infrastructure in order to create an environment conducive to extending digital connectivity provision. However, the LGA has pushed commercial operators to work in partnership with councils to find the most viable locations for new infrastructure and ensure communities are properly engaged. The Government’s Impact Assessment of the reform of the Electronic Communications Code conservatively estimates that the communications sector is likely to see benefits of £1 billion over a 20 year period from decreased rental charges as a result of new measures. The LGA will seek clarity from Government on how it will ensure this money is pumped back into extending mobile provision across the country.

16. The Bill will continue to Committee stage next month at which point the LGA will be able to support and suggest amendments. It is expected to pass through the House of Commons by the end of Autumn and, once through the House of Lords, receive Royal Assent by spring 2017. For Members steer, officers propose a range of further activities to influence the Digital Economy Bill under Future Activity section of the paper.

Board activity to date

17. Over the past year, the People and Places Board has pursued a detailed work programme in these areas with its main focus on broadband. This has included:

17.1. Commissioning a [detailed survey of local authorities involved in the Superfast Broadband Programme](#) to guide the Board’s lobbying direction.

17.2. Hosting Broadband Delivery UK (BDUK) Chief Executive, Chris Townsend, and questioning him on the performance of Superfast Broadband Programme and the Government’s Mobile Infrastructure Project.

17.3. Organising a national conference, in partnership with Government, for council officers and councillors to discuss how best to procure solutions to reach the final five percent of premises without broadband.

17.4. Commissioning a [national ‘Up to Speed’ campaign](#) to raise awareness of those businesses and residents still without adequate broadband speeds (to date the website has received over 5,000 page views with over 1,500 people having taken the speed test across over 65 per cent of council areas in England).⁷

17.5. Secured national media coverage supporting a range of our lobbying lines including:

17.5.1. The placement of mobile infrastructure, which received coverage in [the Daily Mail](#).

⁷ Members enquired how the Up to Speed website could be accessed by those with very poor speeds. Analysis has shown that when accessing the site on a speed of 1Mbps, the homepage loads within 3 seconds. Overall, our digital team concluded that this shouldn’t present a problem to users with slow speeds.

- 17.5.2. Broadband providers' advertising of misleading "up to" broadband speeds which was covered in [The Telegraph](#), [The Daily Mail](#), [The Sun](#), [The Daily Mirror](#), [the BBC online](#), on ITV's Good Morning Britain and BBC Radio 4's Today programme.
- 17.5.3. Calling on Government to [reaffirm its commitment to enacting the Universal Service Obligation](#) after reports of delays to the Digital Economy Bill receiving national coverage on [BBC online](#). As a result, the Government issued a response reiterating its commitment to the USO.
- 17.5.4. Calling for broadband providers to open up their household speed data to help consumers compare more accurate speed estimates, which received coverage from [BBC Online](#), The Daily Telegraph, The Daily Express, The Times and the i Paper.
- 17.6. With lead member steer, responded to the Culture Media and Sport Committee Inquiry into Establishing world-class connectivity throughout the UK inquiry

Future Board activity

18. This upcoming Board cycle is an opportunity for members to build on their work to date, influence Government policy on behalf of the sector, and increase focus on supporting councils to catalyse improvements to mobile connectivity. In this regard, members are requested to give their steer on the suitability of pursuing three areas of focus.
- 18.1. Providing political leadership and steer as the LGA seeks to influence the drafting of the Digital Economy Bill.**
- 18.2. Pursuing a stronger focus on mobile connectivity with the aim of supporting local government to play an impactful role in catalysing improvements to mobile provision in rural areas.**
- 18.3. Building on the success of the first phase of the Up to Speed campaign by developing a further a range of online resources to support councils extend provision to the final 5 per cent**

Digital Economy Bill

19. As part of the Board's activity, members will wish to influence the passing of the Digital Economy Bill, and steer the focus of officers' work. The Board's activities undertaken in this regard could be as follows:
- 19.1. Invite Sharon White, Chief Executive, Ofcom to the next Board on 1 November to discuss the outline of final report she will present to Government in December on the implementation of the Universal Service Obligation.⁸

⁸ Ofcom has been commissioned by the Department for Culture, Media and Sport to provide technical analysis and recommendations to support the eventual design of the broadband USO after it is enacted in legislation. They will be providing final advice to Government by the end of 2016

- 19.2. Provide steer where appropriate on briefings for key stages in legislative process and draft amendments to the Bill, including for the upcoming Committee stage in October.
- 19.3. Maintain an overview of LGA media activity seeking to raise the profile of our key lines in the press.
- 19.4. Promote our key lines at Liberal Democrat, Labour and Conservative Party Conference and at other key events. (The Chair and Vice Chair are already speaking at the Conservative and Liberal Democrat conferences on broadband and the Digital Economy Bill.)

Mobile Connectivity

20. Members made clear at the last Board they would like to increase focus on mobile connectivity and the role that local government can play on behalf of residents, championing improvements to service quality and coverage. In this regard, the Board activities over the coming year could be as follows:
 - 20.1. Inviting representatives from mobile operators to present to members on their plans for rolling out improved coverage – for instance, members might ask EE to present on their work building an Emergency Services Mobile Network.
 - 20.2. Hosting a national conference on mobile connectivity inviting key stakeholders from the mobile sector, Ofcom, Government and local authorities to discuss how to improve coverage going forward.
 - 20.3. With member and council officer steer, produce guidance for councils on how they can best liaise with MNOs at a local level to discuss roll out plans and influence the placement of mobile infrastructure.
 - 20.4. Seek to explore with Ofcom how coverage data, especially from MNOs, can be independently verified, potentially through crowdsourced data, to assure it is reflective of the situation on the ground.

Broadband and the Up to Speed Campaign

21. Members may also wish to build their work on broadband to date and further develop the LGA Up to Speed Campaign. This could take the form of:
 - 21.1. Collating best practice case studies relating to council's efforts to extend digital connectivity. This could include examples of innovative funding approaches, use of new technology, and separately funded community initiatives.
 - 21.2. Using the campaign as a platform to inform the sector and public of our lines on the Universal Service Obligation using a range of resources including FAQs and summary documents.
 - 21.3. Utilising data from speedtests to design an infographic/build a "councillors' map of broadband speeds" across England or create another equivalent engaging design.

21.4. Monitoring further opportunities for the campaign to feature in local and national media.

Timescales

22. Once members have provided a steer, officers will look fully scope out timescales of the above outputs.

Next steps

23. **Members are invited to comment upon, and agree, the draft work programme for 2016/17.**