

# **A Response to the Ofcom Review of the Universal Service Obligation by the Wales Broadband Stakeholder Group**

## **Moving Beyond Legacy Thinking: Universal Broadband Access in the Digital Age**

The Review of the USO states, "This review focuses on the here and now" and that the USO "comes into play when the lack of an affordable service represents a serious obstacle to full participation in society."

We do not consider that the current USO should remain as is, a "narrow" policy focused on narrow band services. The inclusion of broadband services should not be pushed out into a Strategic Review but pulled into the USO re-thinking right now.

There are already serious obstacles to full participation by many elements of Society because of the lack of ubiquitous access to all services and in particular broadband services, either fixed or mobile.

Government and Ofcom continue to push this issue further out and into the strategic medium to long term agenda, and appear reluctant to shake off legacy thinking. This does not benefit Society in general and in particular contributes to the exclusion of disadvantaged groups, and the current USO supports this.

The USO is not user-centric, it is based upon regulatory Government and major service provider needs set in a legacy Fixed Line, analogue, copper infrastructure / environment model. It is now essentially almost a veneer of respectability placed upon a sanctioned set of cross-subsidy arrangements, albeit well intentioned in an earlier age.

Society is now moving increasingly to operate and think in a predominantly user-centric, ubiquitous / un-tethered / wireless IP infrastructure / environment model. Broadband is central to this and is in effect set to be the fourth utility in society.

We do not see that the cost of service provision to those elements of Society that are disadvantaged is an obstacle nor need be part of a USO of the type that currently exists. Treated as a utility, such broadband connectivity would be covered through other established forms of payment in support of those cases.

The Service of General Economic Interest SGEI policy field- which has come to include Broadband access- has emerged at EU level in recent years in response to the needs of Society, market failure, and the inadequacy of legacy regulatory models.

We also note that the Communications Act calls upon Ofcom to have a particular duty with regard to broadband. We consider that the recent broadband strategy document from the Welsh Assembly Government has the vision to achieve this.

Our submission is therefore very simple: put broadband and mobile access into the USO now, and move the Obligation back into HMG to support regulatory and selective measures to encourage competitive, Universal Broadband Access for all.

We welcome the opportunity for further dialogue with Ofcom on this short issues statement.

Submitted by Charles Bass (Chair)  
On behalf of the Wales Broadband Stakeholder Group  
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