

RESPONSE

1 I am responding only as regards your references to broadband and the USO. I need to make certain specific references to my own experience as a consumer in order to illustrate the more general points I make from paragraph 8 onwards.

2 You say that you will monitor the delivery of the USO. I contend you need to do far more than "monitor" as the USO in its present state is failing as regards rural communities like mine that are not "hard to reach" but that BT/ Openreach ("BT") just does not plan to reach within any foreseeable time under its commercial programme.

3 The situation is aggravated by BT's approach to pricing new fibre connections.

4 As one of 19 properties in what BT refer to as my node [X], I applied to BT under the USO for a quote last summer. It came back at an unaffordable [X].

5 I reapplied to BT under the USO at Christmas for a new quote, as one of your staff had helpfully hinted that your enquiries into BT's approach to pricing and demand aggregation might show an improvement. Instead of the [X] quoted last summer, BT now quoted [X] . A few days after that [X] price had been given to me BT quoted my neighbour [X] despite having assured me that all 19 properties served by the node would get the same quote.

6 These quotes come in the context of Ofcom, it seems, previously having given policy-makers to believe that quotes under the USO of that magnitude would not arise. In particular, the Commons Briefing Paper on the USO (CBP8146) stated that "Ofcom estimated that the cost of serving the most expensive premises under the USO to be around £45,000".

7 The properties in my node can be nowhere near the " most expensive" to reach, given my location.

8 I futher contend that these prices and the present approach to the USO are not consistent with either the Guidance to which Ofcom should work under the Electronic Communications (Universal Service) (Broadband) Order SI 2018/445 ("the Order ") or with the European Electronic Communicatons Code Directive ("the Directive"), which the UK agreed to implement under the Brexit Withdrawal Agreement.

Schedule 2 paragraph 2 of the Order says:

"Ofcom should ensure that any designated service provider is required to offer broadband connections at prices that are.. affordable.."

Article 84 of the Directive requires that:

"all member states ensure that all consumers.... have access at an affordable price.... to an available adequate.... broadband connection".

9 I contend that the USO as currently applied is not working as it should and needs urgent, radical improvement rather than more "monitoring". Indefinite lockdown orders, which seem in part at least based on an assumption that adequate broadband is available to all, underline the urgency both for social and economic reasons and to allow "levelling-up" consistent with the spirit of the Order and the letter of the Directive.

10 In particular I contend that Ofcom should be using an industry fund to ensure that affordable connections are offered to all. This is also what the Directive envisages at Article 90.

11 Pending the fund being set up, the cost sharing provisions of the Order should be applied in such a way as to ensure that affordable connections are offered. Not least, the cost sharing references in Schedule 2 of the Order should be taken as references to sharing the cost that consumers face between available multiple locations ([X]) and not as a reference to sharing the cost to Openreach at a limit of [X].

12 [X]

13 [X]

14 By taking the approach advocated at 10 and 11 above it would be possible for the USO to work in a manner consistent with the Order and the Directive and would allow the problem to be addressed urgently. Waiting for the government's £5 billion investment in gigabit capable broadband for hard to reach properties is a postponement of responsibility rather than a solution.

15 Any view that "affordability" of Broadband need only be considered in the context of the ongoing cost of providing the broadband service, once it has been connected, is wholly inconsistent with the wording of the Order, with the Directive and with what consumers are entitled to expect from a " universal service obligation".

With kind regards, Andrew Croome