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25 October 2013

Dear Puja

Annual Plan 2014/15: Invitation to Comment

Virgin Media is pleased to respond to Ofcom's invitation to comment on its approach to the 14/15 Annual Plan.

Virgin Media broadly agrees with the areas identified by Ofcom in paragraph 3.4 of the invitation to comment, and considers that these areas will be relevant in determining the priorities for the year ahead, provided that, when looking at specific work areas, an appropriately holistic view of the landscape is taken.

Virgin Media values the opportunity to comment on individual consultations and projects, however it is appropriate to set the overall tone in the Annual Plan. Key projects that may individually resonate with consumers and "grab the headlines", inevitably form part of the priority work areas for Ofcom, however, they should not become so important that an end is justified irrespective of the means used to achieve it. Virgin Media do not consider that Ofcom would regulate on such a basis, but consider that it remains important to set this out to consumers and stakeholders as part of the methodology and approach that the Annual Plan addresses.

It is especially important in the context of, for example, spectrum management and use of spectrum for mobile communications to take account of the input required from the broader industry, including fixed line providers, to provide a fully integrated solution that maximises consumer benefit. To that end, consideration as to the effects on existing networks and services must continue to be considered when proposing any plan to utilise new frequency bands or re-use frequency bands for an alternate use, in order to ensure that existing and new services can co-exist.

Similarly, Ofcom have identified a number of projects to ensure that the UK and its consumers benefit from access to superfast broadband (SFBB). In this regard Ofcom is currently considering responses to its Fixed Access market review consultation, and will be aware of the views of a diverse range of stakeholders. It remains vitally important that Ofcom encourage competition and investment at the deepest level of infrastructure where it will be effective and sustainable, and considers the impact of any proposed or existing regulatory approach on all stakeholders, not just those directly affected by it. This will be a vital consideration in the multiple areas identified



in paragraph 3.4, which relate to SFBB, including both market review and competition complaint work.

We note also that two of the areas identified in paragraph 3.4, relate to competition investigations. It is important for Ofcom to set the correct tone in how it, as a concurrent regulator, deals with such issues, and as such, the relative importance of these cases goes beyond the facts of the individual matters.

Finally, Virgin Media reiterates its concern about the timing of notification of Ofcom's administrative charges for the year 2013/14. The late confirmation of these charges caused us to re-set budgets that had already been agreed, causing significant disruption to the business.

In the interests of avoiding a reoccurrence of this situation we ask that Ofcom takes all possible measures to provide CPs with an indication of the level of charge at an earlier stage in future – particularly where there is to be a material change in the level.

Virgin Media looks forward to continuing to engage positively with Ofcom during the 2014/15 year.

Yours sincerely

David Christie Counsel – Competition and Regulatory Affairs Virgin Media