Advisory Committee for Northern Ireland's (ACNI) response to Ofcom's *Designing the broadband universal service obligation (Call for inputs)* document:

The Committee welcomes the opportunity to contribute to Ofcom's work on designing the broadband USO.

Northern Ireland is uniquely placed to show the benefits and challenges of providing good connectivity for all, including rural communities and small businesses.

Through intervention by both the Northern Ireland Executive and the UK government, Northern Ireland has led the way in building good fibre-enabled broadband networks. However, there are still very significant shortfalls in service in Northern Ireland and some 40,000 households still have access to a service of less than 2 Mbit/s.

While both consumers and businesses in Northern Ireland have been among the first in the UK to benefit from superfast broadband services, one consequence of this early investment has been that the region has also been among the first to encounter the problems that come with trying to extend superfast services to rural areas. It is against this backdrop that ACNI is pleased to contribute to Ofcom's call for inputs.

The draft Programme for Government in Northern Ireland has a target indicator 'to improve internet connectivity' as measured by proportion of premises with access to a broadband service of >30 Mbit/s. This target elevates the importance of getting the USO right and future proofed. In NI, a short-sighted solution for the USO will compromise the ability to achieve the Programme for Government target.

Cross Departmental working in central government, in collaboration with local government could build on the investments already made and result in a more rapid progress on this target.

Find below our views on:

Specification and Scope of the USO

The primary requirement is for a service that is reliable and of high quality. This Committee is of the view, similar to that expressed by Northern Ireland's Department for the Economy – DfE (formerly DETI) - and included in its response to the call for inputs, that a higher benchmark than 10 Mbit/s be set. The Republic of Ireland has set a target of 30 Mbit/s.

Further, the Committee wants a USO that is "scalable" so that it takes account of evolving needs and technologies. The Committee also wants specifications around things like cost, quality of service, data limits etc to be the same for all consumers regardless of technology or location. USO customers should not be disadvantaged on either quality of service or cost compared to non USO customers.

The Committee recognises that due to the rural and dispersed nature of settlements in Northern Ireland, it is highly unlikely that fixed line technology will be a workable solution for all premises in all locations. The Committee suggests fibre will still play a part in widening broadband availability but that a variety of different technologies could and should be deployed. Therefore, the USO should be technology neutral.

Demand for the USO

The Committee believes that the provision of a Universal Service Obligation should be supply rather than demand led. That is, provided in a genuinely universal way so that the demand we expect can be readily met.

This is in keeping with the Committee's view that broadband is now effectively a utility and, much like water and electricity, should be made universally available.

New build developments should be USO-enabled and this should be a planning requirement enshrined in planning policy.

Cost proportionality and efficiency of USO

We agree with Ofcom's view that defining "reasonableness" will be an important factor in determining who can benefit from the USO and the overall cost of delivering the USO. The Committee believes that consumers living in rural areas should not be disadvantaged financially.

The universal service provider or providers;

There are different challenges for introducing a USO in different parts of the country. Given this, it is important the final outcome takes into account that localised solutions might be best and for the USO to be tailored accordingly.

Designation of a Universal Service provider/s should be as open as possible to encourage local stakeholders to participate on their own or as part of collaborative networks. This approach would encourage competition and innovation. Whatever the outcome, the provider must be open to using a range of technologies that provide value for money.

Funding of the USO and potential market distortions

We fully subscribe to Ofcom's own ambition that funding the USO should be "non- discriminatory, proportionate, transparent and causes the least market distortion".

The Committee believes the USO be funded by industry. However, we believe Ofcom should look at ways of extending this beyond traditional telecoms providers to including other industry players that will benefit from greater broadband availability and take-up. This could include content providers like Sky and BT and others including Skype, Amazon, ebay etc. Those with a vested interest in all consumers having high speed broadband should contribute.

USO Review

We would like to see an interim review after two to three years, in order to assess at a high level the impact of the USO and early emerging issues. A fuller more comprehensive review should take place after five years.

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