

Ashford's Future

7th Floor, Charter House
Park Street
Ashford
Kent TN24 8EQ
Direct Tel: 01233 330821
Fax: 01233 625794

24th June 2008

Chinyelu Onwurah
Ofcom
Strategy and Market Developments
Riverside House
2A Southwark Bridge Road
London SE1 9HA

Dear Ms Onwurah

Next Generation New Build Response from Ashford's Future

Ashford's Future is a partnership between a number of organisations, including Ashford Borough Council, Kent County Council, SEEDA, English Partnerships and The Housing Corporation.

Ashford is a Growth Area, and Ashford's Future's remit is to manage the Growth Area funding to ensure physical, social and community infrastructure is delivered in a timely fashion to ensure a sustainable future for the town.

Ashford is set to double in size in the period to 2031, with a substantial part of the growth coming by 2021. The headline figures are 31,000 new homes and the creation of 28,000 new jobs. This is a very significant level of new build, being roughly three times the size of Ebbsfleet, and offers a major opportunity for the UK to understand the technical, commercial and regulatory implications of FTTP. Ashford's Future is taking a proactive role in promoting the deployment of FTTP, and we therefore welcome the opportunity to respond to the consultation on Next Generation Access in new build.

Our responses to the questions raised in the consultation document are as follows:-

1. We agree that a common standard for the interfaces between service providers and network operators is important, but we do not have the necessary technical expertise to comment on how these standards can be developed.
2. We wholeheartedly support Ofcom in ensuring competition and consumer choice, and we believe this can best be achieved through an

active line access approach. We are aware of the ongoing debate within the UK industry over an Ethernet access product, and would observe that many networks have been built recently with access at the IP layer, which seems in many cases to have been highly successful in providing competition and choice with less of the technical difficulties at the interface. We are not clear that regulating to make the passive infrastructure contestable is likely to promote competition; although the civils cost will be negligible there could be significant additional costs for CPE if two networks are deployed in parallel. Furthermore, if two networks are deployed there is likely to be an inefficient use of networking equipment, especially GPON ports, and this could actually deter investment completely. We therefore do not believe the passive infrastructure should be contestable.

3. We do agree that it should not be necessary to roll out copper in parallel with fibre solely to enable LLU. On balance we would prefer to see new products developed rather than existing ones replicated. Depending on the technologies deployed, replicating existing products could lead to inefficient use of bandwidth, which in turn could constrain price reductions. It could also deter innovation, in that outmoded business models would be perpetuated. There does not seem to be any technical reason why the right ALA product could not replace the existing WBA, WLR, CPS and IA products. We believe it is important for consumers to be aware that, if they use a cordless phone, this will not operate during a power failure even if a battery back-up is supplied; we would therefore suggest that consideration is given to advising customers to keep a mobile phone charged and in credit for emergencies.
4. Access to duct network, including non-telecoms duct, is presumably being considered as a remedy to enable a second network to be deployed after the original housebuilding has been completed. Given the costs of deploying additional network infrastructure and CPE we are unsure as to whether this remedy would ever be economically attractive. In our view, if the right ALA product is produced with agreed standards, there should be no need to regulate in this way. Furthermore, we are concerned that regulation of this sort could deter investment in the first place, as demand risks might be perceived to be higher.

Finally, we note that the consultation document refers to new build *housing*, and would ask whether in fact you would consider this to apply to all premises, particularly since national and local policy encourages mixed-use developments as a key part of creating sustainable communities.

I trust that these comments are helpful in enabling Ofcom to develop its policy approach to NGA, and I look forward to seeing the outcome of the consultation.

Yours sincerely

Judith Armitt

Managing Director