



Welsh Government  
Summary of Responses

Next Generation Access Broadband  
Open Market Review

Final

Date of issue: 19 June 2017

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.  
This document is also available in Welsh.

## Summary

The Next Generation Access Open Market Review (OMR) was undertaken from 5<sup>th</sup> January 2017 to the 3<sup>rd</sup> February 2017.

The objective of the OMR was to understand where private sector investment in next generation broadband (NGA) networks across Wales has already occurred, is currently being undertaken or is planned in the next three years. The information gathered through the OMR process and subsequent Public Consultation will help the Welsh Government determine where, in the absence of private sector investment in broadband infrastructure delivering at least 30Mbps, the next phase of NGA procurement should be focussed to meet the remaining few percent of eligible white premises (premises in the areas where no NGA operator exists now, or are planned to exist within the next three years).

This OMR enabled telecommunications companies and broadband providers to provide detailed information to the Welsh Government on their NGA network technology, their current NGA coverage (either at premise (UPRN<sup>1</sup>) or postcode level) and their future NGA deployment plans across Wales.

The OMR report outlined the initial results of the OMR process by summarising the ten responses received from telecommunication suppliers, providing analysis on each supplier's ability to deliver NGA to premises across Wales, and showing the resulting picture regarding white premises suitable for intervention by the Welsh Government. The objective of the OMR report is to present the initial results of the OMR to the Welsh Government and Broadband Delivery UK (BDUK) for their approval. Once approved, the pertinent content of the OMR will then be used to populate the Public Consultation document which will be published on the Welsh Government's Consultation Portal.

This subsequent Public Consultation will enable all interested stakeholders including the public, businesses and telecommunication supplier's the option to comment on the proposed white NGA areas before further coverage is committed. The Welsh Government will then submit its final proposal for the

---

<sup>1</sup> A Unique Property Reference Number (UPRN) is a unique alphanumeric identifier for every spatial address in Great Britain which is found in Ordnance Survey Address products. The UPRN provides a comprehensive and consistent identifier throughout a property's life cycle from planning permission through to demolition.

NGA white areas, taking account of the outcome of the Public Consultation, to BDUK's National Competence Centre for clearance and approval.

This summary of responses document outlines at a high level the OMR responses received by the Welsh Government and the subsequent next steps in the process.

## **Background**

The Superfast Cymru project is striving to extend the availability of NGA broadband infrastructure across Wales and aims to deliver 690,000 premises with superfast broadband with download speeds of at least 30Mbps, with further premises benefitting from over 24Mbps. The project aims to be completed by December 2017.

The Welsh Government conducted its first Open Market Review (OMR) and Public Consultation in 2012. Following this OMR and subsequent procurement process, the contract to deliver superfast broadband to premises within a defined Intervention Area across Wales was awarded to British Telecommunications (BT) Plc on 19th July 2012 with State Aid approved public funding of £205m.

The Welsh Government conducted its most recent OMR and Public Consultation between 3rd June and 3rd July 2014, as a precursor to incorporating further superfast broadband coverage by enacting a Change Request with British Telecommunications (BT) Plc to cover a further defined Intervention Area with State Aid approved public funding of £19.4m.

In total, Superfast Cymru covers an Intervention Area of some 767,000 premises across Wales that were assessed as being outside the scope for normal commercial NGA investment through the open market review process. The £225m of funding allocated to date aims to deliver at least 90% superfast broadband coverage to the Intervention Area by December 2017.

The Welsh Government now intends to conduct a further procurement in respect of the remaining premises across Wales without NGA broadband infrastructure and to facilitate this procurement process an OMR was undertaken to confirm the areas which do not have NGA broadband infrastructure.

## **Consultation Details**

### **Duration:**

The OMR was open between: 5<sup>th</sup> January 2017 to 3<sup>rd</sup> February 2017. To ensure the market engagement was as wide as possible the OMR RFI was issued to a total of 396 suppliers including those suppliers known to have broadband infrastructure across Wales and others known to have (or thought to potentially have) plans to deploy new networks across Wales.

Several telecommunications suppliers requested an extension to the original OMR deadline of 3<sup>rd</sup> February. The Welsh Government agreed an extension to 10<sup>th</sup> February (however this extension was only granted to suppliers who requested an extension and no further notification of extension was published via the Welsh Government Consultation Portal).

Following receipt of the OMR submissions the information was reviewed for completeness and for any anomalies or errors with the data provided. This initial review revealed that several suppliers' responses had significant gaps within their OMR submission, which meant the Welsh Government was unable to assess the supplier's broadband coverage claims across Wales. Therefore, a total of 8 formal letters were issued to suppliers requesting additional OMR information to establish their NGA coverage and rollout plans, their NGA network standards and design and/or to correct errors in the data. Responses to these letters were due back from suppliers on the 2<sup>nd</sup> March 2017 however several further extensions were granted to some suppliers.

### **Website Location:**

<https://consultations.gov.wales/consultations/next-generation-access-broadband-open-market-review>

## **Responses**

In total the Welsh Government received ten OMR submissions from telecommunications suppliers which were evaluated as part of the OMR process and the results and conclusions outlined in the OMR report for BDUK's approval.

The details of these telecommunications suppliers who responded are outlined below along with a high-level view of how their OMR information was treated by the Welsh Government.

Please note all OMR responses received by the Welsh Government are subject to business confidentiality clauses and therefore will not be published in full.

**Received:** (10/02/17) 14:39 from Neil Tucker

**Profile:** AB Internet

**Further Correspondence:** Email sent on 04/03/17 requesting errors to be corrected with UPRN data provided. Follow-up email issued on 28/03/17 regarding an update to the UPRN issue. Phone call and message left with AB Internet on 29/03/17 with a final follow-up email issued on 29/03/17 providing details on how to correct the issue with the UPRN data.

**Results:** Despite numerous emails no updates were provided by AB Internet regarding the UPRN data and therefore postcode level information was used for the OMR analysis and mapping. Overall AB Internet provided details of both their network in Monmouthshire whereby they stated this was NGA compliant with end-users having access to speeds of ~50Mbps and their network in North Wales which only provided a basic broadband service (with most end-users on 10Mbps). For the network in Monmouthshire the evidence submitted was not sufficient to demonstrate NGA compliance to support the 26,000 premises AB Internet claimed their network could cover

**Conclusion:** The North Wales submission was discounted and not incorporated within the consultation as the network did not support speeds of 30Mbps. For Monmouthshire, the Market Test Pilot footprint provided within the 2014 OMR which comprises of approximately 229 postcodes was incorporated within the Public Consultation and these postcodes removed from the Intervention Area (as a previously State Aid funded network). However, the Welsh Government is aware that AB Internet is currently experiencing some business issues, which create a degree of uncertainty with regard to the future support for this pilot network. As a result, the related premises have been defined as 'out of scope - under review' until additional information is made available to the Welsh Government regarding future support for the pilot network in Monmouthshire – either by AB Internet or following transition to a new network operator. In the event that the network in Monmouthshire ceases to operate, these premises will be mapped as white NGA and will form part of the proposed intervention area.

The remaining postcodes in Monmouthshire (outside the test pilot) which AB Internet also claimed they could cover have remained within the Intervention Area. This approach was agreed with Broadband Delivery UK.

The final outcome of our conclusion was sent via e-mail

to AB Internet on the 14<sup>th</sup> June 2017.

**Received:** (14/03/17) 15:54 from Redmond Peel

**Profile:** Airband

**Further Correspondence:** A request was sent to Airband on the 16/03/17 asking them for further clarification on their network coverage (the initial OMR submission had a large number of UPRNs within Wales showing coverage by its network solution). Response from Airband on 17/03/17 stating an updated UPRN premise list would be provided. Follow-up emails issued to Airband on the 20/03/17 and 23/03/17 requesting this data. Test and Verification data received from Airband 05/04/2017.

**Results:** Test and Verification data provided from Airband was used to confirm its coverage claims - following the award of the [Infill contract](#) which is providing NGA services to businesses across North and South Wales.

**Conclusion:** Postcodes within Airband's network coverage which had passed the Welsh Government's Test and Verification process have been incorporated within the Public Consultation and these postcodes removed from the Intervention Area (as a previously State Aid funded network). This approach was agreed with Broadband Delivery UK.

The final outcome of our conclusion was sent via e-mail to Airband on the 14<sup>th</sup> June 2017.

**Received:** (09/02/17) 10:25 from Neil Denyer

**Profile:** Bentley Walker

**Further Correspondence:** Official OMR letter emailed on 23/02/17 requesting additional detail missing from the original OMR response. Additional information provided by Bentley Walker 10/03/17.

**Results:** Under recent EU Guidelines in relation to the rapid deployment of broadband networks, wireless solutions can be classed as NGA compliant under State Aid. However, satellite is still only classed as a complimentary technology solution i.e. able to provide only basic broadband speeds. Current qualifying NGA technologies are fibre-based networks (FTTx), advanced upgraded cable networks (DOCSIS 3.0) and certain advanced wireless access networks capable of delivering reliable high speeds – and do not include satellite services.

**Conclusion:** The submission was discounted and not incorporated within the consultation. This approach was agreed with Broadband Delivery UK.

The final outcome of our conclusion was sent via e-mail to Bentley Walker on the 14<sup>th</sup> June 2017.

**Received:** (10/02/17) 14:48 from James Hughes

**Profile:** BT Openreach

**Further Correspondence:** Email sent to BT Openreach on 16/02/17 requesting information on base layer data source. Response provided by BT Openreach on the 16/02/17. Official OMR letter emailed on 23/02/17 requesting additional detail missing from the original OMR response. Additional information provided by BT Openreach on 03/03/17. Updated Superfast Cymru build plan provided by BT Openreach on 30/03/17. Email sent to BT Openreach on 03/04/17 requesting clarification on their column definitions within the build plan. Response received on the 04/04/17 from BT Openreach on column definitions. Additional email sent to BT Openreach on 04/04/17 following review of the Superfast Cymru build data and inconsistencies between some premises being listed as unserved when NGA services are available. Telephone call to BT Openreach on 06/04/17 to discuss the issues regarding the Superfast Cymru build data where the unserved premises flag could be disregarded and follow-up email then issued to them on 06/04/17 confirming how the Welsh Government intended to apply the data to the OMR analysis. A further meeting was held with BT Openreach on the 26<sup>th</sup> April to improve the OMR dataset. Dialogue continued with BT Openreach during May with their final OMR dataset being issued on the 4<sup>th</sup> of May.

**Results:** Although the submission did not include all the supporting evidence as requested, BT Openreach is considered an approved telecommunications provider from previous OMRs and its fibre-to-the-cabinet (FTTC) and fibre-to-the-premise (FTTP) infrastructure is known to be capable nationwide of delivering NGA services and products.

**Conclusion:** The list of premises (or where UPRNs couldn't not be matched by BT Openreach, postcodes) where NGA services were available (or would be within the next three years) was incorporated within the Public Consultation and these premises removed from the Intervention Area. This approach was agreed with Broadband Delivery UK.

The final outcome of our conclusion was sent via e-mail to BT Openreach on the 14<sup>th</sup> June 2017.

**Received:** (22/02/17) 18:48 from Anthony Micallef

**Profile:** Fibrespeed

**Further Correspondence:** Email sent on 07/03/17 requesting UPRN or postcode level data to be provided regarding Fibrespeed's coverage. Subsequent telephone call made to Fibrespeed on 07/07/17 to clarify the requirements and following this additional information provided by Fibrespeed on 07/07/17

**Results:** FibreSpeed confirmed it only provides wholesale services and their services cannot be used to deliver NGA services directly residential customers (although it is noted that telecommunication suppliers can harness their fibre network in North Wales to provide end users with NGA services).

**Conclusion:** The submission was discounted and not incorporated within the consultation. This approach was agreed with Broadband Delivery UK.

The final outcome of our conclusion was sent via e-mail to Fibrespeed on the 14<sup>th</sup> June 2017

**Received:** (12/01/17) 18:23 from Joe Frost

**Profile:** Gigaclear

**Further Correspondence:** Official OMR letter emailed on 23/02/17 requesting additional detail missing from the original OMR response. Email also sent on 03/03/17 regarding further details on the premises covered by Gigaclear's network. Response provided by Gigaclear on 06/03/17.

**Results:** Although Gigaclear's network used a compliant NGA technology it currently only provides NGA services to a very small coverage footprint within Wales. Gigaclear also had no future plans to expand this network across Wales. In addition, not all of the premises Gigaclear claimed to cover could be identified by the Welsh Government.

**Conclusion:** Gigaclear provided sufficient evidence of providing NGA broadband services to the premises identified within its coverage and that their network met the NGA technology guidelines. As such, the premises which the Welsh Government could identify were incorporated within the Public Consultation and these premises removed from the Intervention Area. The other additional premises within Gigaclear's footprint have not been incorporated within the consultation.

The final outcome of our conclusion was sent via e-mail to Gigaclear on the 14<sup>th</sup> June 2017.

**Received:** (31/01/17) 09:54 from Lisa Harding

**Profile:** ITS Technology

**Further Correspondence:** Official OMR letter emailed



on 23/02/17 requesting additional detail missing from the original OMR response. Additional information provided on 07/03/17. Email sent to ITS Technology on 27/03/17 requesting errors to be corrected with UPRN data provided. Following this a telephone call was made to ITS Technology on 28/03/17 and the revised UPRN data was supplied by ITS Technology on 30/03/17.

**Results:** ITS Technology provided evidence within its OMR submission that its network upgrade project was well underway in Wales and once completed will provide the areas in Wales which it serves with broadband access speeds >30Mbps and will meet BDUK NGA technology guidelines. However, given the fact that the network upgrade was still on-going and there was some risk that these plans may not materialise the premises identified by ITS Technology as being served were highlighted within the consultation as 'under review'.

**Conclusion:** The list of premises was incorporated within the Public Consultation as 'under review' meaning these premises will be subject to continued monitoring by the Welsh Government of ITS Technology's upgrade plans. In the event ITS Technology's commercial plans fall away these premises will be mapped as white NGA and form part of the proposed intervention area. This approach was agreed with Broadband Delivery UK.

The final outcome of our conclusion was sent via e-mail to ITS Technology on the 14<sup>th</sup> June 2017.

**Received:** (02/02/17) 15:49 from Trevor Mosedale

**Profile:** Rural Technologies

**Further Correspondence:** Official OMR letter emailed on 23/02/17 requesting additional detail missing from the original OMR response. Response provided by Rural Technologies on 09/03/17. Follow-up email sent on 13/03/17 requesting missing information from the OMR response.

**Results:** Rural Technologies provided limited information to support its OMR submission including information on the broadband speeds support by its network and details of their NGA technology standards and network design.

**Conclusion:** The submission was discounted and not incorporated within the consultation. This approach was agreed with Broadband Delivery UK.

The final outcome of our conclusion was sent via e-mail to Rural Technologies on the 14<sup>th</sup> June 2017.

**Received:** (03/02/17) 11:50 from Karen Morgan

**Profile:** TFL

**Further Correspondence:** Official OMR letter emailed on 23/02/17 requesting additional detail missing from the original OMR response. Response provided by TFL 07/03/17.

**Results:** TFL provided limited information on its network's technical capabilities and design in terms of the ability to provide NGA service to the premises it claimed. In addition, the high-level coverage map TFL provided and the postcode areas which TFL claimed within its response did not correlate.

**Conclusion:** The submission was discounted and not incorporated within the consultation. This approach was agreed with Broadband Delivery UK.

The final outcome of our conclusion was sent via e-mail to TFL on the 14<sup>th</sup> June 2017.

**Received:** (10/02/17) 07:48 from Rory Sherwood-Parkin

**Profile:** Virgin Media

**Further Correspondence:** Official OMR letter emailed on 23/02/17 requesting additional detail missing from the original OMR response. Response provided by Virgin Media on 28/02/17.

**Results:** Virgin Media has provided sufficient evidence of providing NGA services across Wales and is considered an approved telecommunications provider from previous OMRs.

**Conclusion:** The list of postcodes where NGA services were available (or would be within the next three years) was incorporated within the Public Consultation and these postcodes removed from the Intervention Area. This approach was agreed with Broadband Delivery UK.

The final outcome of our conclusion was sent via e-mail to Virgin Media on the 14<sup>th</sup> June 2017.

#### **Additional Correspondence**

The OMR received the following additional correspondence with the following telecommunications suppliers:

**Received:** (06/01/17) 11:02 from Adam Fullalove

**Profile:** Compucare/Pulse8broadband

**Correspondence:** Email clarifying they are a broadband re-seller and therefore own no infrastructure within Wales

**Result:** No further action was taken.

**Received:** (07/02/167) 15:41 from Rickard Granberg  
**Profile:** Talk Talk Plc  
**Correspondence:** Email stating they did not have the resource capacity to complete the OMR request  
**Result:** No further action was taken.

**Received:** (08/02/17) 16:03 from Justin Kempley  
**Profile:** Three (Hutchison 3G UK Ltd)  
**Correspondence:** Email stating the OMR was directed at next generation access broadband in the fixed market. As Three is a mobile only provider and therefore does not offer fixed services across Wales they were unable to provide relevant data in response to the OMR  
**Result:** No further action was taken.

**Received:** (06/01/17) 14:51 from Nick Roughley  
**Profile:** The Utility Warehouse  
**Correspondence:** Email clarifying that they provide broadband services via wholesale agreements with network operators and as such do not operate or own network infrastructure across Wales  
**Result:** No further action was taken.

**Received:** (22/01/17) 16:11 from Robert Racine  
**Profile:** Wipro  
**Correspondence:** General email response regarding their recruitment, expansion, and investment plans in the UK over the next two years.  
**Result:** No further action was taken.

## Next Steps

By using an Address Base Premium (Epoch 45) for Wales as a base data set, the OMR data submitted by the telecommunications suppliers was used to generate the white NGA premises list and maps using the NGA white, grey and black criteria. Within the OMR analysis and mapping the following premises and/or postcode level data was removed from the Intervention Area (white NGA areas) as these areas were already served by NGA services (or were planned to be served within the next three years). This included:

- Virgin Media OMR response postcodes (including those planned within the next three years)
- BT Openreach's OMR response premises and postcodes (including Superfast Cymru and their commercial deployment)
- ITS Technology OMR response premises (including those planned within the next three

- years)
- Gigaclear's OMR response premises
- Airband tested and verified > 30Mbps postcodes
- Open Market Review 2014 City Centre Exclusion Zones (specific premises within Cardiff, Swansea and Newport that have already received BDUK funding under separate arrangements) as well as AB Internet's Market Test Pilot network in Monmouthshire which has also received separate State Aid funding via BDUK
- Premises including businesses that have received funding via either Access Broadband Cymru (ABC) or the Ultrafast Connectivity Voucher Scheme

Therefore, the Intervention Area consists of 15,763 white postcodes, equating to 98,145 white premises. This list is therefore defined as the '2017 NGA Intervention Area White Premises' list.

The interactive NGA mapping along with the White NGA Area Premises list will be released on the 13<sup>th</sup> June via the Public Consultation. This consultation will be available on the Welsh Government's Consultation Portal. The consultation will be open until 17:00 on the 13<sup>th</sup> July, 2017.

<https://consultations.gov.wales/consultations/next-generation-access-broadband>

The purpose of this Public Consultation is to confirm the Intervention Area which has been produced following the OMR process is accurate.

The Public Consultation will enable all interested stakeholders – the public, businesses and telecommunication providers the option to comment on the proposed Intervention Area (both premises and postcodes) before further coverage and the subsequent procurement by the Welsh Government is committed.

Following completion of the Public Consultation the Welsh Government will then submit its final proposal for the Intervention Area, taking account of the outcome of the Public Consultation, to BDUK's National Competence Centre for clearance and approval.