Welsh Government
Consultation Document

Next Generation Access Broadband Open Market Review 2019 – Request for Information

Date of issue: 19 July 2019
Action required: Responses by 20 August 2019

Overview	The purpose of this Open Market Review (OMR) 2019 and the associated consultation is to confirm the premises in Wales which do not have Next Generation Access (NGA) broadband infrastructure delivering at least 30Mbps and / or Gigabit services, or where there are no plans to provide such infrastructure over the next three years.
	This process enables telecommunications companies and all other interested stakeholders to provide information on their plans and to comment on the mapping of premises based on that information – in terms of whether they are classified as black / grey / white / under review or out of scope (see glossary for definitions).
	The primary reason for carrying out the OMR 2019 is to fully understand connectivity in Wales to inform the Welsh Government and Local Authorities to support potential future interventions.
How to respond	Please email OMR19@gov.wales marked "Open Market Review Response" as described in Section 5 and 6.
Further information and related documents	**Large print, Braille and alternative language versions of this document are available on request.**
	A dataset of premises in Wales will be made available to those operators registering to respond, upon signing the related licensing terms.
Contact details	If you have any questions about this State Aid Open Market Review process, please contact the OMR team by email at:
	OMR19@gov.wales
Data protection	How the views and information you give us will be used
	Any response you send us will be seen in full by Welsh Government staff dealing with the issues which this consultation is about. It may also be seen by other Welsh Government staff to help them plan future consultations.

The Welsh Government intends to publish a summary of the responses to this document. We may also publish responses in full. Normally, the name and address (or part of the address) of the person or organisation who sent the response are published with the response. This helps to show that the consultation was carried out properly. If you do not want your name or address published, please tell us this in writing when you send your response. We will then blank them out.

Names or addresses we blank out might still get published later, though we do not think this would happen very often. The Freedom of Information Act 2000 and the Environmental Information Regulations 2004 allow the public to ask to see information held by many public bodies, including the Welsh Government. This includes information, which has not been published. However, the law also allows us to withhold information in some circumstances. If anyone asks to see information we have withheld, we will have to decide whether to release it or not. If someone has asked for their name and address not to be published, that is an important fact we would take into account. However, there might sometimes be important reasons why we would have to reveal someone's name and address, even though they have asked for them not to be published. We would get in touch with the person and ask their views before we finally decided to reveal the information.

The Welsh Government – Open Market Review

1. Introduction

The Welsh Government is in the final closure stage of the successful Superfast Cymru programme – which has seen over £200m in public funds invested in primarily FTTC roll-out by Openreach (with some FTTP). This delivered superfast broadband to 733,000 homes and businesses in Wales (at <24 Mbit/s), of which 717,000 can achieve speeds of at least 30Mbit/s.

The Superfast Cymru successor project (Successor Fibre Rollout Programme) has recently been procured, which will fund connectivity to 26,000 premises in Lot 1 (North Wales), Lot 2 (East Wales) and Lot 3 (South West and the Valleys). The Welsh Government has said that at least 90% of these premises will be served by FTTP connections including all premises in Lot 3. This will be achieved with £22.6m of public subsidy from the Welsh Government and EU funding.

The primary reason for carrying out this OMR 2019 is to fully understand connectivity in Wales to inform the Welsh Government and Local Authorities to support potential future interventions. The objective of this OMR is to help the Welsh Government understand where private sector investment in next generation broadband networks across Wales has already occurred, is currently being undertaken and is planned in the next three years. The information gathered will help the Welsh Government determine where, in the absence of private sector investment, intervention should be focussed to assist the remaining few percent of eligible premises.
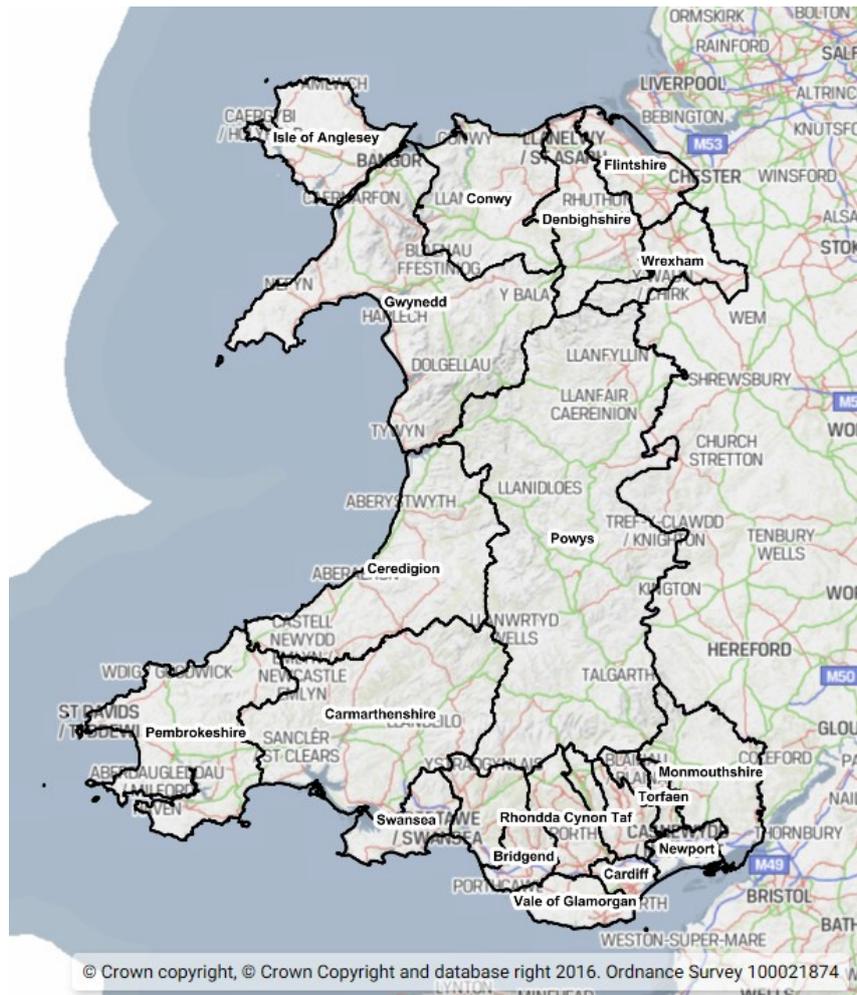
2. Geographical Scope

The scope of this request for information concerns the whole of Wales. In order for you to provide information we will be asking you to identify the geographic areas of Wales which you cover or plan to cover. Once we have this information, and you have signed the requisite Licence Agreement, we will send you a premise level UPRN data set in order for you to provide a response.

The premise data has been sourced from Ordinance Survey AddressBase Premium EPOCH 65 (February 2019)[1] A map of the pertinent area is shown below.

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[1] Where a later version becomes available this will be substituted

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3. Progress to Date

The Superfast Cymru contract to deliver superfast broadband to a defined intervention area was awarded to British Telecommunications (BT) on 19th July 2012 with State Aid approved public funding of £205m. Following a public consultation between 3rd June and 3rd July 2014, the Welsh Government extended the contract with BT to cover a further defined intervention area with State Aid approved public funding of £19.4m.

Superfast Cymru covered an Intervention Area of some 767,000 premises that were assessed as being outside the scope for normal commercial NGA investment through an open market review process. The funding allocated aimed to deliver at least 90% superfast broadband coverage to the Intervention Area in line with the UK Government's targets.

The recently procured Superfast Cymru successor project (Successor Fibre Rollout Programme) will fund connectivity to a further 26,000 premises.

4. Purpose of this OMR

In order to fully understand connectivity in Wales – to inform the Welsh Government and Local Authorities to support potential future interventions – we are now commencing an Open Market Review 2019 to establish existing and planned (next 3 years) commercial coverage of broadband services across Wales by all existing and any prospective NGA broadband and Gigabit infrastructure providers.

This OMR 2019 is intended as a precursor to a public consultation document. The UK applies a best practice process that promotes the use of both an OMR and a Public Consultation, the latter being conducted in a manner consistent with the requirements of the Broadband Guidelines.[2] We consider that early market engagement at this stage is an essential and extremely important part of our early market research. The results of the OMR 2019 will assist us with understanding the broadband infrastructure (Next Generation Access (NGA) and Gigabit) already in place and where there are plans for investment in such infrastructure in the coming three years.

Once we have defined Intervention Areas from the OMR 2019, we will be conducting a minimum one month State aid public consultation on our proposed Intervention Areas.

5. Your Response Required

We are sending this OMR 2019 Request for Information to all recognised broadband infrastructure and internet providers in Wales. In addition, we are publishing this OMR 2019 document on our website.

We require responses by 20th August 2019 to the questions set out in the Annex. When responding, we would be grateful if you could confirm your organisation's name and address, as well as the name, position and contact details of the person responding on behalf of the organisation.

6. Provision of information

The OMR Response Template will be released to providers once a signed Public Sector End User Licence, which can be found at the Welsh Government OMR 2019 Consultation Portal, has been returned to OMR19@gov.wales.

Before we release the template, please first identify the geographic areas of Wales which you cover or plan to cover – indicating the relevant Local Authority Areas. We will then send a version of the OMR Response Template tailored to these specific areas.

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[2] Community Guidelines for the application of State aid rules in relation to rapid deployment of broadband networks http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2013:025:0001:0026:EN:PDF

Please note that the data you provide in your response will be treated as commercially confidential to the Welsh Government, albeit that it may be necessary to share some/all of your response data with our professional advisors and/or DCMS/BDUK, Ofcom, BIS State Aid Branch and the European Commission in the course of seeking State Aid. It should also be noted that it is a State Aid requirement to utilise this information to produce State Aid data sets and maps to define white, grey and black, under review and out of scope areas for basic and NGA broadband. These data sets and maps will be published as part of the Public Consultation process and will be utilised to define the intervention area. However, please note that these published data sets and maps will be assimilated utilising data from all relevant operators and will not be directly attributed to a single source. It should be noted that information received on Gigabit services may be used to inform future strategy, rather than being used to shape a intervention area for Gigabit services.

If you have any questions about any of the above, please contact OMR19@gov.wales.

7. Address of Welsh Government OMR 2019 Consultation Portal

https://gov.wales/next-generation-access-broadband-open-market-review-2019

Annex

1. Please provide details and supporting evidence of any current or planned investment in broadband infrastructure (basic broadband NGA broadband and Gigabit broadband) in Wales. In the case of planned investment, we are particularly interested in plans for the coming three years (to August 2022). Beyond completion of the spreadsheet template (or instead of the spreadsheet if you are not able to provide the information in the required template form), any information provided in response to this request should include but not be limited to:

- Premises detail for basic broadband[3], NGA broadband and Gigabit showing the existing coverage and separately data (and maps) detailing the planned investment in the basic broadband, NGA and Gigabit infrastructure networks for at least the next three years;

- Exact detail of premises passed or covered, including information on the number of premises passed (in the case of a fixed network) or covered and able to receive services (in the case of a wireless/satellite network);

- Details of the technology and where these claim to be NGA, demonstrating how they meet the minimum standards as set-out in the BDUK Technology Guidelines[4]. For Gigabit services comparable information demonstrating delivery at Gigabit speeds.

- Description of the services/ products currently offered and separately those to be offered within the next 3 years;

- Installation and rental tariffs for those services/products clearly identifying whether they are inclusive or exclusive of VAT;

- Upload and download speeds typically experienced by end users;

- Appropriate indicators of quality of the service e.g. contention ratio or bandwidth allocation per end user;

- Evidence to substantiate actual or planned coverage claims including business cases and evidence of available funding to enable plans to be fulfilled.

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[3] Defined for the purpose of this OMR as 10Mbps (download) – in line with the Basic Broadband USO speed which will come into effect in March 2020

[4] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/536767/2016_NBS_-State_Aid_Guidance_-NGA_Technology.pdf

A worked example can also be found at https://www.gov.uk/government/publications/2016-nbs-tech-guidelines

- Details and timing of roll-out for future investment; and

- Confirmation from an authorised signatory that all information provided is of suitable accuracy.

Please supplement with supporting evidence as you consider appropriate e.g. public websites.

Thank you,

Welsh Government

Glossary

Term	Definition
Next Generation Access (NGA) broadband infrastructure	The physical structures required for the operation of superfast broadband services delivering speeds of at least 30Mbps.
Open Market Review (OMR)	An exercise carried out with the market to determine expected private sector deployment of NGA broadband in order to identify those areas which have no qualifying broadband infrastructure or where there are no plans to provide such infrastructure over the next three years.
White premises	Premises which do not have access to a qualifying NGA network, or where there are no plans to provide such infrastructure over the next three years.
Grey premises	Premises where only one qualifying NGA network is present or only one network is due to be deployed within the next three years.
Black premises	Premises where at least two qualifying NGA networks of different operators exist or are due to be deployed within the next three years.
Out of scope premises	Premises which are already subject to other publicly funded arrangements and have therefore been excluded from any future public sector intervention.
Under review premises	Premises which suppliers have indicated as having current or planned qualifying NGA network within the next 3 years. However, either the upgrade has not been completed or the network has been reported as being 'at risk' of being able to deliver such services to premises. Therefore, these premises will be subject to continued monitoring. In the event these plans are not delivered and/or the identified network ceases to operate these premises will be defined as white and may form part of the intervention area.
Filtered premises	The consultation dataset removed premise classifications which were believed unlikely to represent structures eligible for a superfast broadband service – for example: wind turbines, bus shelters, and aqueducts. However, these premises were still included within the interactive consultation map as 'filtered premises'.
Unique Property Reference Number (UPRN)	A unique identifier for every spatial address in Great Britain. It provides a comprehensive, complete, and consistent identifier throughout a property's life cycle – from planning permission through to demolition.
Basic Broadband	At present the definition of Basic Broadband relates to a download speed of 2Mbps, but from 20th March 2020 a new 10Mbps+ download (1

	Mbps upload) Universal Service Obligation (USO) will be in force. Given this is a future-looking exercise, for the purposes of this OMR Basic Broadband should be taken to mean 10Mbps+
FTTC	Fibre to the Cabinet. This is the most widely available form of superfast broadband infrastructure in the UK, which uses the existing copper telephone network. Fibre is installed to a nearby cabinet, connecting the remaining distance to each premises with the existing copper line. FTTC connections can handle download speeds of up to 80 megabits per second, but this speed will decrease the further a premises is from the cabinet
FTTP	Fibre to the Premise. This is where optical fibre is run directly to each premises, allowing for a fully future proofed internet connection. Speeds offered over FTTP are far above the national average – typically up to 1 gigabit per second (1000Mbps). Very high upload speeds are also offered, which is particularly useful for businesses or those working from home.
Gigabit Broadband	Gigabit broadband is broadband which is capable of delivering speeds of 1Gbps+.