

Number: WG38567



Llywodraeth Cymru
Welsh Government

Welsh Government

Consultation – Summary of Responses

Next Generation Access Broadband
Open Market Review 2019

November 2019

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

OGL © Crown Copyright Digital ISBN 978-1-83933-415-3

Summary

The Next Generation Access Open Market Review (OMR) was undertaken between 19th July 2019 and 20th August 2019.

The objective of the OMR was to understand where private sector investment in next generation broadband (NGA) networks – defined as providing broadband at 30Mbps or greater – has already occurred, is currently being undertaken, or is planned in Wales in the next three years. The primary reason for carrying out this OMR 2019 is to fully understand connectivity in Wales to support the Welsh Government and Local Authorities in any potential future interventions. In addition to seeking information regarding NGA, we also asked about access to Gigabit services.

An OMR 2019 Request for Information (RFI) was therefore issued by the Welsh Government, which enabled telecommunications companies and broadband providers to respond with detailed information on their NGA network technology, their current NGA coverage (either at premises (UPRN¹) or postcode level) and their future NGA rollout plans across Wales. The data received was then analysed by the Welsh Government in order to classify the premises and postcodes in Wales according to their coverage status.

Data classification

When determining the status of NGA services, by default the Welsh Government used UPRN premises level information from telecommunications providers – if this was received. However, where only postcode level information was provided, the Welsh Government deemed the whole postcode area to be covered by NGA services.

With regard to premises level data:

- A premises is turned “Grey” if there is only one broadband infrastructure operator providing NGA services to that premises.
- A premises is turned “Black” if there are at least two broadband infrastructure operators providing NGA services to that premises.
- All other premises remain “White” i.e. no NGA broadband infrastructure operators are present.

With regard to postcode level data:

¹ 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.

- A postcode is turned Grey if there is only one broadband infrastructure operator providing NGA to that postcode.
- A postcode is turned Black if there are at least two broadband infrastructure operators providing NGA services to that postcode.
- A postcode is also turned Black if there is one postcode provider and one or more premises providers providing NGA services.
- All other postcodes remain White i.e. no NGA broadband infrastructure operators are present providing NGA services.

The potential Intervention Area also includes Under Review areas (both 'Under Review premises' and 'Under Review postcode'). These are areas that have been indicated by broadband infrastructure providers to have planned commercial coverage for NGA broadband (within the next 3 years). However, at present these particular NGA upgrades and/or network rollouts have not been fully proven and/or completed, and therefore maybe 'at risk' of being completed and NGA services being delivered to these premises. In cases where either postcodes or premises are thus flagged as Under Review, the telecommunications provider's deployment plans will be subject to continued monitoring and verification by the Welsh Government. In the event that these commercial plans fell away, these postcodes and/or premises would be mapped as NGA White (and would potentially form part of any future Intervention Area).

Data Generated from OMR Responses

A key output of this OMR exercise is the creation of NGA interactive mapping showing the premises and postcode data which has been produced using the above classifications. This can be found at:

<http://lle.gov.wales/map/ngaomr2019>

This mapping data is complemented by the publication of the 'OMR 19 White Intervention Area' postcode level dataset. This will also be available at premises level on request via the subsequent public consultation. The data, interactive map and this document is available at:

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

Purpose of this document

This Summary of Responses document outlines at a high level the twelve (12) OMR responses received and the subsequent next steps in the process.

A subsequent Public Consultation will enable all interested stakeholders including the public, Local Authorities, businesses and telecommunications suppliers the option to comment on the proposed White NGA areas potentially suitable for future interventions. The Welsh Government will take into account any such information provided during the Public Consultation and will then publish the final NGA White areas identified through this process.

Background

The Welsh Government conducted its first Open Market Review (OMR) and Public Consultation in June 2011. Following this OMR and subsequent procurement process, the Superfast Cymru grant agreement to deliver superfast broadband to a defined intervention area was awarded to BT in 2012.

Superfast Cymru delivered superfast broadband access to circa 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 project was delivered with a public sector investment of over £200m. The technology rolled-out by Openreach was primarily Fibre to the Cabinet (FTTC) with some gigabit-capable Fibre to the Premises (FTTP) technology. This roll-out finished in 2018.

Throughout the life of Superfast Cymru two further OMRs were carried out to keep track of the changing picture of connectivity in Wales and the plans of private telecommunications providers. An OMR in 2014 resulted in further premises being brought in to the Superfast Cymru grant agreement.

A further OMR was carried out in 2017 to reassess the number of White premises remaining in Wales. Based on the information produced, a further Welsh Government fibre roll-out project has been procured, which will fund connectivity to a further 26,000 premises across Wales. All of these premises are planned to be served by FTTP technology. This will be achieved with £26m of public subsidy from the Welsh Government and EU funding.

Consultation Details **Duration**

The OMR was open between: 19th July 2019 to 20th August 2019. To ensure the market engagement was as wide as possible the OMR RFI was issued to a total of 358 suppliers including those suppliers known to have broadband infrastructure across Wales and others known to have (or thought potentially to have) plans to deploy networks across Wales.

Several telecommunications suppliers requested an extension to the original OMR deadline of 20th August 2019. The Welsh Government agreed an extension to 30th August 2019.

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 gaps within their OMR submission, which meant the Welsh Government was unable to assess the supplier's broadband coverage claims across Wales. Therefore, emails were issued requesting either clarification on the information provided, or additional OMR information required in order to establish their NGA coverage, future rollout plans, the design and dimensioning of their networks, or to correct errors in the data.

Website Location

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

Responses

In total the Welsh Government received twelve (12) OMR submissions from telecommunications suppliers which were evaluated as part of the OMR process.

The details of the responses from these telecommunications suppliers are outlined below, along with a high-level view of how their OMR data has been 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.

Organisation: Airband

Received: 30/08/19

Further Correspondence: An email request was sent to Airband on the 02/09/19 asking it for further clarification on its network coverage as the premises submitted did not appear to match the technology solution provided. No further information has been received from Airband. As a result, data was used from the Welsh Government's former grant agreement with Airband to indicate postcodes served and determine the Intervention Area.

Results: Test and Verification data from Airband's Welsh Government funded grant agreement was used to confirm Airband's coverage. This approach was also previously adopted on the 2017 OMR and Public Consultation process.

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).

Notification of our conclusion was sent via e-mail to Airband on the 31st of October.

Organisation: Bogons

Received: 20/08/19

Further Correspondence: Email requests were sent to Bogons on the 27/08/19, 28/08/19 and 03/09/2019 requesting additional technical information on its network to support its coverage claim, and for the details on its network coverage in North Wales. However, no further information was received from Bogons.

Results: The dimensioning of Bogons' network was not detailed sufficiently either to prove the capabilities of the current deployment, or to show how network growth could be accommodated while maintaining the specified service levels to all end-users. No details were provided on the actual radio technology, network design or topology used in the fixed wireless access network. It also did not detail how the core,

access and backhaul networks had been designed to deliver superfast broadband services for the number of premises served (63,000).

Conclusion: The submission was discounted and not incorporated within the consultation.

Notification of our conclusion was sent via e-mail to Bogons on the 31st of October.

Organisation: Broadway Partners

Received: 20/08/19

Further Correspondence: An email request was sent to Broadway Partners on the 27/09/19 and 02/09/19 asking it for further clarification on its network coverage, as the premises submitted didn't appear to match its technology solution. Further information was received from Broadway Partners on the 06/09/2019.

Results: Broadway Partners provided evidence that its county-wide Gigabit core network expansion project in Monmouthshire was technically and commercially viable, and that the approach was currently being assessed by Monmouthshire Council. However, whilst evidence was provided to support the Monmouthshire coverage claim, including providing 30Mbps access to premises and meeting BDUK NGA technology guidelines, the supporting documentation was not sufficient to support Broadway's coverage submission of c.71,248 premises, or to explain how this level of network growth could be accommodated while maintaining 30Mbps NGA speeds to all end-users. In addition, no technical information including NGA technology compliance was provided regarding the existing premises submitted by Broadway Partners and whether the fixed wireless access network was based on its 60GHz, 5GHz or TV Whitespace (TVW) solutions.

Conclusion: The submission was discounted and not incorporated within the consultation.

Notification of our conclusion was sent via e-mail to Broadway Partners on the 31st of October.

Organisation: CityFibre

Received: 14/08/19

Further Correspondence: No further correspondence.

Results: CityFibre confirmed its network only provides ultrafast grade wholesale services to businesses/resellers. Within its OMR submission it confirmed it does not currently provide its fibre technology directly to any end-users in Wales. It was noted that CityFibre does provide Fibre-to-the-Home (FTTH) products throughout the UK via its (Internet Service Provider) ISP partner

Vodafone. However, CityFibre stated it does not currently have any plans to invest in Wales.

Conclusion: The submission was discounted and not incorporated within the consultation.

Notification of our conclusion was sent via e-mail to CityFibre on the 31st of October.

Organisation: ComWales

Received: 20/08/19

Further Correspondence: An email request was sent to ComWales on the 20/08/19 and 27/08/19, requesting additional information missing from its OMR submission and clarification on the premises being claimed by its technology solution. This information was supplied by ComWales on the 20/08/19 and 27/08/19.

Results: ComWales is currently a retail reseller of broadband services only. The premises claimed to have NGA broadband within its OMR submission are currently provided via Openreach's network (and products) Therefore, these premises have already been claimed under Openreach's own OMR response.

Conclusion: The submission was discounted and not incorporated within the consultation.

Notification of our conclusion was sent via e-mail to ComWales on the 31st of October.

Organisation: Fibrespeed

Received: 12/08/19

Further Correspondence: No further correspondence.

Results: FibreSpeed only provided details of its Point of Presence (PoP) locations across North Wales, rather than any details on the number of premises which its technology covered. While it confirmed it does provide ultrafast grade wholesale services to businesses/resellers, it did not specify which telecommunications providers in North Wales use its network to deliver NGA services to end-users. The coverage area of FibreSpeed's network was therefore included within the potential Intervention Area.

Conclusion: The submission was discounted and not incorporated within the consultation.

Notification of our conclusion was sent via e-mail to Fibrespeed on the 31st of October.

Organisation: Gigaclear

Received: 20/08/19

Further Correspondence: No further correspondence

Results: Although Gigaclear's network used a compliant NGA technology, it currently provides NGA services to six premises within Wales. Gigaclear also had no future plans to expand this network across Wales.

Conclusion: Gigaclear provided sufficient evidence of providing NGA broadband services to the premises identified within its coverage and that its 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.

Notification of our conclusion was sent via e-mail to Gigaclear on the 31st of October.

Organisation: ITS Technology

Received: 14/08/19

Further Correspondence: An email request was sent to ITS Technology on the 15/08/19 requesting additional information missing from its OMR submission. This information was supplied by ITS Technology on the 16/08/19 and 03/09/19.

Results: ITS Technology provided sufficient evidence within its OMR submission that its network infrastructure has the capability to deliver broadband access speeds >30Mbps and meets BDUK NGA technology guidelines. ITS Technology's submission related to 170 matched postcodes, which corresponds to 2,436 premises.

Conclusion: 170 postcodes, equating to 2,436 premises, have been classified as Grey or Black and removed from the Intervention Area.

Notification of our conclusion was sent via e-mail to ITS Technology on the 31st of October.

Organisation: Openreach

Received: 20/08/19

Further Correspondence: An email was sent to Openreach on 28/08/19 requesting further information on its Gigabit capable services. Revised information was received from Openreach on 6th September, which contained information on its future plans. The Welsh Government was therefore able to identify the premises concerned as being Under Review.

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

Conclusion: The list of premises where NGA services were available was incorporated within the Public Consultation and these premises removed from the Intervention Area. Those premises indicated by Openreach as being part of its ongoing network deployment have been identified as Under Review. These Under Review premises have been excluded from the NGA Intervention Area. However, they will be subject to continued monitoring, verification, and assurance by the Welsh Government of Openreach's build plan. If the network deployment changes significantly, then these premises may be mapped as NGA White and form part of a proposed future Intervention Area and procurement by the Welsh Government.

Notification of our conclusion was sent via e-mail to Openreach on the 31st of October.

Organisation: Rural Technologies

Received: 23/08/19

Further Correspondence: An email request was sent to Rural Technologies on the 27/08/19, 29/08/19 and 02/09/2019 requesting additional technical information on its network to support its coverage claim, and requesting missing information from the OMR submission.

Results: Rural Technologies provided limited information to support its OMR submission including information on its network and details of its NGA technology standards and network design.

Conclusion: The submission was discounted and not incorporated within the consultation.

Notification of our conclusion was sent via e-mail to Rural Technologies on the 31st of October.

Organisation: Secure Web Services (SWS)

Received: 30/08/19

Further Correspondence: No further correspondence

Results: The dimensioning of SWS' network was not detailed sufficiently either to prove the capabilities of the current deployment or how the network met the NGA minimum specified standard. There were no details provided on the actual radio technology, network design or topology used in the fixed wireless access network, and on how the core, access and backhaul networks had been designed to deliver superfast broadband services to the 4,566 premises submitted.

Conclusion: The submission was discounted and not incorporated within the consultation.

Notification of our conclusion was sent via e-mail to Secure Web Services on the 31st of October.

Organisation: Virgin Media

Received: 20/08/19

Further Correspondence: No further correspondence

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

Conclusion: The list of postcodes where NGA services were available was incorporated within the Public Consultation and these postcodes removed from the Intervention Area. Those postcodes indicated by Virgin Media as being part of its 2019 build plan have been identified as 'Under Review'. These 'Under Review' premises have been excluded from the NGA Intervention Area however they will be subject to continued monitoring, verification, and assurance by the Welsh Government of Virgin Media's build plan. If the build plan deployment changes significantly then these premises may be mapped as NGA White and form part of a proposed future Intervention Area and procurement by the Welsh Government.

Notification of our conclusion was sent via e-mail to Virgin Media on the 31st of October.

**Additional
Correspondence**

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

Organisation: 1a Aerials

Received: 04/08/19

Correspondence: Email clarifying it is not a direct-supplier of broadband services across Wales.

Result: No further action was taken.

Organisation: Aspects Business Communications

Received: 15/08/19

Correspondence: Confirmed it is a broadband reseller for Internet Service Providers (ISPs) only.

Result: No further action was taken.

Organisation: Astrix Integrated Systems

Received: 14/08/19

Correspondence: Confirmed it is no longer involved in the supply of broadband services

Result: No further action was taken.

Organisation: Bentley Walker

Received: 23/08/19

Correspondence: Email clarifying it currently only provides satellite broadband services. However, this is not capable of meeting the NGA technical criteria of >30Mbps.

Result: No further action was taken.

Organisation: Cerberus Networks Ltd

Received: 23/08/19

Correspondence: Confirmed it is a broadband reseller for ISPs only delivering FTTPoD /FoD products via Openreach's network.

Result: No further action was taken.

Organisation: Line Broker

Received: 15/08/19

Correspondence: Confirmed that the OMR was not something that Line Broker would be responding to.

Result: No further action was taken.

Organisation: SEACOM

Received: 15/08/19

Correspondence: Confirmed it does not have any connectivity in Wales

Result: No further action was taken.

Organisation: Sky UK Ltd

Received: 14/08/19

Correspondence: Confirmed Sky currently provides its broadband services across Wales exclusively via Openreach

Result: No further action was taken.

Next Steps

By using an Ordnance Survey Address Base Premium (epoch 69) 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, Black and Under Review 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's OMR postcode response
- Openreach's OMR premises response
- ITS Technology's OMR postcode response
- Gigaclear's OMR premises response
- Airband's tested and verified > 30Mbps postcodes
- Premises that have received funding via either the Welsh Government's Access Broadband Cymru (ABC) and Ultrafast Connectivity Voucher (UCV) schemes, or Building Digital UK (BDUK) Gigabit Broadband Voucher Scheme (GBVS)

This resulted in an Intervention Area that consists of 16,803 White postcodes, equating to 96,111 White premises. This list is therefore defined as the 'OMR 19 White Intervention Area'.

The interactive NGA mapping, along with the White NGA Intervention Area, will be used in conjunction with the Public Consultation. This consultation will be made available on the Welsh Government's Consultation Portal.

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

The Public Consultation will enable all interested stakeholders – the public, Local Authorities, businesses and telecommunications providers the option to comment on the proposed Intervention Area.

Following completion of the Public Consultation the Welsh Government will then publish its final Intervention Area, taking account of the outcome of the Public Consultation. This Intervention Area is to aid the understanding of connectivity in Wales and to support the Welsh Government and Local Authorities in any potential future interventions.