

## **About ISPA**

1. The Internet Services Providers' Association is the trade association for the Internet industry in the UK. ISPA has over 200 members from across the sector, including a large number of access provider ISPs from small to large, content platforms, hosting providers, and others. Our membership consists of ISPs rolling out and operating networks on a national and local scale utilising a variety of technologies, to those that resell wholesale services or a combination of both.

## **Introduction**

2. ISPA supports the principle of broadband universality so that, as Government states, the enormous benefits of getting online can be felt as widely as possible. However, we feel it is important to first look at the detail of what delivering broadband universality may entail before jumping into a legal obligation. We are only at the start of determining universality and there may be more efficient and effective alternatives to delivering what Government is aiming for without creating a new legal obligation.
3. Broadband rollout is by and large market driven and through the work of our members average broadband speeds have increased significantly in recent years to 28.9Mbps. The Government-backed BDUK rollout programme will lead to around 95% of superfast coverage by 2017, with additional work to address the harder to reach areas. We are therefore close to universality and how the 'final 5%' is addressed depends on the needs of the local area.

## **Response to questions**

### **Q1: Do you have any concerns about the approach that has been set out here?**

4. The approach set out by Government is to leave most of the detail to secondary legislation and through Ofcom, including an additional consultation, to meet the objectives. It is therefore difficult, at this early stage, to set out detailed concerns with the current approach. During this process it will be important to explore the different options available to Government and discuss with interested parties the most effective way of achieving universality. The right approach to delivering universality will depend on what Government is hoping to achieve, and due to the lack of detail, this is something which our members are currently unclear on. If Government want to create a safety net solely based on speed this could be delivered now but at a different specification to a future-proofed, more ambitious service.

5. To help identify what a USO or universality could look like, there are a number of key factors that need to be considered. Focusing on these and other factors before setting a USO will help determine the right approach:

- Technology – we agree with the technology neutral approach the Universal Services Directive states, but the type of technologies used to deliver a USO will depend on Government’s overall objective. For example, setting a safety net of 10Mbps will mean a different approach to an obligation to provide something more ambitious
- Cost – the choice of technologies will impact on the overall cost of the programme. A USO has to look at cost effectiveness, but this could limit the overall specification of universality
- Topography – the landscape of different parts of the country may benefit from a different approach, meaning a one-size-fits-all technical specification may not be appropriate
- Speeds/reliability – a number of factors (such as latency, jitter, and wiring) need to be considered in determining a reliable and quality connection. It will be important to look at each of these when determining what may be required
- Headline speed – whilst it may seem attractive to focus on a headline speed, we feel it would be more effective by focusing on the everyday online services that can be delivered and consumed.
- Maximising opportunities – the ISPA membership includes a number of ISPs that run their own networks in rural and localised areas, opportunities should be available to a broad range of companies as possible

6. The creation of a USO may create uncertainty in the market over future investment decisions or rollout plans. This may particularly impact on rollout in rural areas, so it is imperative that Government speaks to industry to fully understand current and future network coverage and rollout plans. As has been made clear in the subsequent Ofcom consultation, Government will not be looking to fund this and is expecting it to be funded by industry, there is a potential for market distortion, impacting on existing networks and rollout. Given the wider societal and economic benefits of a USO, public funding should also be an option considered. Any policy intervention in this area would require a detailed cost benefit analysis.

**Q2: We do not propose to specify speed in primary legislation. Should speed be specified in primary or secondary legislation?**

7. We feel it is appropriate for secondary legislation to be used rather than primary legislation to set detailed specifications. It is crucial that any changes to the requirements made by secondary legislation by Ofcom should only follow comprehensive consultation.

8. Government should also take this opportunity to explore whether other options are available. For instance, is there a need to legislate in this way? Could the definition of functional internet access be updated? Would secondary legislation be subject to affirmative or negative procedure?

**Q3: In terms of giving the Secretary of State a power to direct Ofcom to review the USO, should Government have a continuing role in the USO, or should this be a matter for Ofcom?**

9. As set out above, we feel that Ofcom should have an important part to play in ensuring broadband universality so that the detailed technical challenges and specifications in delivering a USO and the potential impact on the market are worked through. We understand that communications needs are an important issue, and so therefore repeat the need for full consultation when setting a USO and making any changes to this. Decisions made could have significant impact on the market.