

Government asks Ofcom to promote investment and improve protection for consumers in telecoms market

Digital Secretary Nicky Morgan has today laid out the Government's ambitions for the telecommunications regulator, including helping to roll out nationwide gigabit speed broadband as soon as possible and clamping down on unfair business practices in telecoms.

As part of Ofcom's first Statement of Strategic Priorities (SSP), the Government has also asked the organisation to do more to promote investment by broadband network providers and support new entrants to the market.

The statement also requires Ofcom to work to make sure customers are better informed and protected, to make it easier for people to switch broadband providers and for an overall improvement in the quality of service customers, especially the vulnerable, receive.

Digital Secretary Nicky Morgan said:

Today we've asked our world-class regulator Ofcom to help deliver on our shared ambitions to give people the digital and mobile connections they need and deserve.

We need a vibrant and competitive market to get gigabit broadband across the UK and we want Ofcom to encourage industry to get the job done.

We've announced £5 billion so everyone benefits from the fastest internet speeds no matter where they are, but we also want better protection for consumers and for them to be able to switch services more easily.

While it is independent from Government, Ofcom has a legal duty to pay regard to the Statement when carrying out its work. The future outcomes the Government wants to see are:

- ensuring fair competition between new and existing network operators and stamping out anti-competitive behaviour;
- supporting new broadband providers, including by opening up access to Openreach's network of telegraph poles and underground ducts to make it easier and cheaper for them to lay their own fibre cables;
- stable and long-term regulation that incentivises investment in

broadband networks;

- encouraging innovation and investment in 5G services through additional spectrum release or sharing;
- better protections for consumers and an increase in their satisfaction with broadband and mobile services, including tackling harmful business practices such as 'loyalty penalties', where customers are charged significantly higher prices for staying with their providers for longer.

The Government has announced £5 billion of funding to make sure the hardest-to-reach 20% of the country get gigabit speed internet at the same time that the market delivers it in more built-up areas.

The Prime Minister and the Digital Secretary set out the Government's ambition to achieve this by 2025 to level up the country with the world-class digital infrastructure it needs to compete and grow in the modern global economy.

On mobile coverage, the SSP reiterates the Government's commitment to extend geographic mobile coverage to 95% of the UK. Last week the Government announced it supports a £1 billion plan with industry to build and share a network of rural phone masts to achieve this aim.

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Notes to Editors

- Now that the SSP has been designated, Ofcom has 40 days to respond to it. Ofcom must have regard to the SSP when undertaking its independent regulatory functions and update on the action it has taken in response to the SSP every 12 months.
- The strategic priorities and desired outcomes in relation to broadband and 5G reiterate those first set out in the Government's July 2018 Future Telecoms Infrastructure Review.
- The power for the Government to designate an SSP was introduced by the Digital Economy Act 2017. This brought telecommunications into line with other sectors such as energy and water, where the Government has similar powers.
- The Statement has been developed following consultation with a diverse range of organisations including industry, consumer groups, local councils, and bodies representing rural interests.