Dear Pete,

Improving mobile coverage: Proposals for coverage obligations in the award of the 700 MHz spectrum band

Earlier this year, the Federation of Small Businesses (FSB) gave evidence to the Scottish Affairs Committee’s Digital Connectivity in Scotland inquiry. Since that point, Ofcom launched a consultation looking at coverage obligations in the award of the 700 MHz spectrum band. I’m writing to give some additional views on these proposals.

In general, we support the approach proposed by Ofcom to improve mobile coverage across the UK.

Too many small business owners continue to struggle with poor voice and data coverage, which, as Ofcom recognises, can hinder businesses’ day-to-day operations. As official coverage data shows this problem is particularly acute in Scotland, Wales and Northern Ireland – though firms in rural areas in all parts of the UK continue to highlight poor mobile services.

Imposing the three separate coverage obligations could deliver a significant improvement in the share of UK firms with good mobile coverage.

At the same time, it should be recognised that significant numbers of premises would be left out of coverage expansion – and that large geographic areas, especially in Scotland and Wales, will continue to have poor coverage. Therefore, we would ask Ofcom to consider whether the proposed headline targets are as ambitious as possible.

Further, Ofcom have set out their ongoing work to improve mobile coverage outside of the proposals within this auction. The importance of good digital connectivity to small business owners means that we would encourage further work with all stakeholders, including the UK Government, the Scottish Government and mobile operators to deliver better coverage in every part of the UK as soon as possible.
Beyond this, we would ask that Ofcom consider whether escalating coverage targets for each UK nation would be appropriate. Under the model detailed in the consultation, operators would be expected to deliver on their coverage obligations by 2022. Setting out targets for improving coverage post-2022, even if not legally binding, would help establish a direction of travel for continuing to improve coverage in underserved areas.

In addition, while there are obvious challenges in starting to improve mobile coverage in the period immediately after the spectrum is allocated, establishing interim targets for improving coverage in the 2019-2021 period would help to incentivise coverage improvements as soon as possible. Setting targets for this process would enable consumers and other interested stakeholders to monitor coverage improvements and ensure that the benefits generated by improving mobile coverage are delivered as quickly as possible.

I do hope that you find this information useful and if you require any additional details, please don’t hesitate to get in touch.

Yours sincerely,

Andy Willox OBE
Scottish Policy Convener
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