

Our ref: Your ref:

6 March 2012

Maureen Watt MSP
Chairman of the Infrastructure & Capital Investment
Committee
The Scottish Parliament
EDINBURGH
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Dear Maureen

## Ofcom briefing: Proposals for mobile-broadband coverage

I am writing to make sure you are aware of Ofcom's current consultation on our plans to auction licences for future mobile broadband services, known as 4G.

The award of spectrum suitable for 4G is vital to the UK's economic and social growth. It will enable mobile operators to meet the significant growth in demand for mobile data. This is being fuelled by growth in the take up of smart phones and tablets, offering services such as video streaming, social networking and mobile gaming, as well as applications such as messaging and email.

I would particularly want to draw your attention to the area most relevant to Scotland, which are the proposals for coverage obligations in these spectrum licences. These will determine the minimum reach and availability of these new services.

The current consultation is looking at two main options:

- A) The first is that we set a minimum 98% population coverage target for the whole of the UK for at least one licence holder. In our view this is likely to result in a high level of coverage in each of the nations and in all but the most remote rural areas. For example, we anticipate coverage of at least 95% of the population of each nation.
- B) The second is that at least one licence holder will have to match the coverage of voice (2G) services after the UK government's current £150m investment to improve coverage and quality for consumers and businesses that live and work in areas of the UK where existing coverage is poor or non-existent.

Our preferred option is B which we believe would address coverage issues in the nations and rural areas and do so in a more targeted way than a simple UK-wide coverage obligation.

In addition to this, we are also asking for responses to another option, which would set a minimum 95% population coverage target for each of the nations – Scotland, Northern Ireland, Wales and England.

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We invite your comments on these and other proposals in the consultation which can be found on our website at: <a href="http://stakeholders.ofcom.org.uk/consultations/award-800mhz-2.6ghz/">http://stakeholders.ofcom.org.uk/consultations/award-800mhz-2.6ghz/</a>

The consultation closes on 22 March 2012.

I would be grateful if you could share this letter with Members of the Infrastructure & Capital Investment Committee.

If you or the Committee would like to discuss any aspect of this consultation in more detail, or if you have any questions relating to mobile coverage generally, please do not hesitate to contact me at the address below, or directly on vicki.nash@ofcom.org.uk or 0141 229 7400.

Yours sincerely

Vicki Nash