

The Rt Hon Rishi Sunak MP
Chancellor of the Exchequer
HM Treasury
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Dear Chancellor,

Financial Statement Submission from Mobile UK

I am writing to you in this unprecedented time as I understand that you are considering a package of measures to support the post-COVID recovery and that an announcement is likely next month. Ahead of that, I would like to feed in some recommendations from the mobile industry that will help and benefit this initiative.

As you will be very much aware the ability of this Government to maintain a national lockdown has relied heavily on the resilience and capacity of the mobile networks, which I am pleased to report have exceeded all expectations. Additionally, the mobile industry has welcomed its opportunity to play its part in keeping the UK connected, both through proactive initiatives and in response to several requests of Government including and not limited to:

- Zero-rating access to NHS UK online, support sites for victims of crime and other selected websites;
- Unprecedented mobile data access, voice calls and text to NHS frontline staff at no extra cost;
- Generous data allowances for vulnerable customers to ensure people remain connected;
- Dedicated teams created to support critical organisations, vulnerable customers and businesses;
- Mass SMS texting to support the Government's 'Stay at Home' messaging;
- Additional connectivity offers for care homes; and
- Extra support for vulnerable children so they can stay connected.

It is clear that the pandemic has drastically reshaped the economy and society as a whole. The physical movement away from centralised workplaces to remote working has been rapid and, has proved the case that this new way of working is often viable and in many cases, preferable. This includes from the perspective of reducing congestion, improving the environment and air quality, and it is now expected that much of these changes are unlikely to be ever fully reversed. It is now essential to ensure that in this 'new normal' policy reflects the changes experienced and pivots towards digital infrastructure.

The mobile networks will underpin this new ultra-connected normal and policy reforms, both those in train and those required to deliver initiatives such as rapid 5G deployment, upgrades to 4G and the Shared Rural Network must be expedited. It is essential that to be ready for the post-COVID-19 world reform is not postponed otherwise, the infrastructure required will also be delayed.

The financial viability of network investment and rollout must be maintained. New technologies and the demand for more data continues to challenge existing business strategies. We believe that to

ensure the UK can fully realise the benefits of mobile connectivity, the following measures would support the network operators to continue to provide the coverage and capacity needed today and into the future:

- **Introduce Business Rates Relief for new mobile infrastructure development, especially in harder to reach areas**, providing parity with fixed fibre infrastructure. The Telecommunications Infrastructure Act 2018 allows for 100% business rates relief for operators who install new fibre on their networks. Expanding this to mobile would help make the installation of mobile infrastructure more economically viable, particularly in areas set to benefit from the Shared Rural Network.
- **Continue to promote full-fibre deployment to facilitate mobile and 5G rollout**. Full fibre networks are essential to mobile deployment and must continue to be expedited.
- **Full support for network redeployment and reformatting** to assist the industry in complying with government-mandated requirements as part of the TSR.
- Treasury support across Government to the **rapid reform of the Permitted Development Rights system of planning** to enable fast and effective deployment of 5G and the Shared Rural Network with **adequate funding to assist the planning and development functions of local authorities in aiding mobile infrastructure development**. Local authority budget cuts have led to alarming decreases in the capability and resources of planning and development departments across councils. To ensure the effective deployment of 4G and 5G, it is vital that they are adequately skilled and resourced if the UK is to meet its ambitions for world-class connectivity.
- Support for **wider and more effective adoption of the reformed Electronic Communications Code** to ensure that the ambitions and objectives set out by the Government can be fully realised in enabling rapid deployment and upgrades of current and future mobile networks.

Mobile networks are once again ready to assist the Government as it pivots towards a focus on recovery. The UK is well placed and backed up with strong and resilient mobile networks. We are focussed on working in partnership and trust that you will look favourably on the recommendations we have outlined to ensure that the UK's mobile networks can continue to be at the forefront of the Government's strategy.

We would welcome the opportunity to discuss these policy recommendations in more detail.

Yours sincerely,



Hamish MacLeod
Director, Mobile UK