

Appendix 1A – Correspondence from BT Openreach

LETTER 1 - BT 4G HUB



What is BT 4G Hub?

BT owns EE, which is the UK's biggest and fastest 4G mobile operator. We now offer a product called BT 4G Hub which uses the EE network rather than a 'fixed line' into a building. It delivers Wi-Fi coverage inside a house or business, with typical speeds at around 30 Mbps, which is equivalent to 'super-fast' broadband as described by Ofcom. Because BT 4G Hub uses the EE mobile network, there is no need to subscribe to a BT fixed line broadband service from BT (or any other provider) in order to use it. When a customer orders the service, we provide a network router, which essentially converts the 4G signal in the area into a Wi-Fi one that a Wi-Fi compatible device can connect to. You receive the equipment in the post, and activate it yourself. No other engineering work or visits to a property are needed.

We know that some customers, particularly in rural areas, can find it difficult to receive 4G inside their house (where they will want to have the router) even if there is good coverage outside. In these cases, we can attach an aerial to the side of the house or building and run a cable to the Wi-Fi router we supply with the product inside the home. We do this free of charge and work with the customer to check and test the installation. Because we do it for free, a customer will need to order the service, and if they think they need the aerial, they will need to call us first to do some diagnostic checks before we send an engineer to do the work.

Where can you receive BT 4G Hub?

BT 4G Hub needs access to a specific EE frequency range (1800 MHz) to deliver the best possible quality of service. The EE 4G network currently covers 85% of the UK landmass. This is more than any other mobile network operator. However, in some areas the EE 4G signal that is available may not be the optimal one to deliver BT 4G Hub at the best possible download speed. This can mean that a customer may be able to use an ordinary mobile phone on the EE network in and around their home or business, but they may not be able to use BT 4G Hub. Customers can call us on 0800 783 0226 to check.

What does it cost?

BT 4G Hub Packages begin at £45 per month and have no data caps. You can use broadband just as much as you were before. To make the service economic, a customer might want to consider cancelling their BT fixed broadband service and line rental when they start to use the product. BT 4G Hub does not require them to have this, and if they retain it, they could end up paying for two different services, one of which they do not need. The main issue for a customer to consider is whether they want to retain a landline phone number from either BT or another provider. To do that, they will have to continue to pay their line rental. There is however, no need for them to retain any existing fixed broadband service from either BT or another provider.

How can I order it or get further information?

You can currently only order BT 4G Hub over the phone by calling 0800 783 0226. Customers can find out more information, including what packages are available to them at www.bt.com/broadband/4g-hub.



What is the Broadband Universal Service Obligation (USO)?

- Households and businesses now have a legal right to request a decent, affordable broadband connection. BT is the Universal Service Provider for the UK (except Hull).
- This is defined in law¹ as a service with a download speed of at least 10Mbps and an upload speed of at least 1Mbps. This enables a good quality experience when accessing all common internet applications including multiple TV streams, access to digital public services and online shopping. Ofcom has determined a USO-compliant service must cost customers no more than £46.10 pcm.
- BT is currently in the process of writing directly to all eligible premises to inform them of their right to request. Anyone can check their eligibility and get further information at www.bt.com/uso or by contacting us on 0800 783 0223. Customers are eligible if no commercial service is available (from BT or any other provider) that meets the USO specification.
- BT has worked closely with Ofcom to demonstrate that our 4G mobile broadband product, where signal strength is sufficient, provides a readily available service that meets, and often exceeds, the USO specification. This is available now, with unlimited data use.²
- Ofcom estimates that only around 0.5% of all premises in the UK (c.167, 000) cannot access decent broadband, given the widespread availability of super-fast broadband and wireless solutions. It is these remaining premises that are eligible for the USO.
- BT is required to provide the most efficient solution to customers that request a broadband upgrade. Typically, this will be via 'full fibre' provided by Openreach (part of BT Group) – a gigabit-capable connection running all the way to a customer's home. This will deliver speeds that are significantly greater than the 'decent' broadband that has been defined under the USO.

Why are my constituents being asked to pay?

- For USO-eligible premises, BT is required to upgrade their connectivity, on request, at no cost to the customer if the necessary works cost £3,400 or less (funded by BT and the wider industry).
- The infrastructure we build to serve a USO customer will often serve others nearby who may not have yet exercised their USO rights. These 'clusters' typically range from 1 to 30 premises, although can be larger. When costs are calculated, we take this into account and contribute a further £3,400 each for 70% of the households in the cluster.³ Together with building a solution to a cluster rather than just an individual, we can reduce per premise costs and maximise the number of premises connected.

- If costs per premise remain above £3,400, the customer has the choice of paying the full excess above this to initiate the necessary work. The law states that end users must pay this excess. We are also putting in place a simple process for customers to share costs with neighbours who also benefit.
- We write to every premises that might be eligible. If we expect (based on desk-based modelling) that significant excess costs will be involved, we make this clear. A customer can then get in touch with us to get further details. If they want a final quote, we ask Openreach to provide this within 60 days.

Why are some of these ‘excess cost’ quotes so high?

- Openreach is committed to the highest standards of design and build quality so its network stands the test of time, providing a reliable service. It continues to innovate to increase the speed and reduce costs of rollout and is currently passing over 40,000 premises each week, with extensive experience in connecting hard-to-reach areas.
- Openreach is as transparent as possible in how it calculates quotes that we, as BT Group, provide to customers. We break down the key components so that they can see what is driving these costs.
- **Delivering upgraded connectivity to hard-to-reach locations is often a major civil engineering challenge** – a typical fibre build to serve a USO-eligible premise includes the following activities:

- Design and planning to ensure efficient connection to the rest of Openreach’s network.

Laying new fibre from the nearest suitable point to an Openreach ‘green cabinet’ near customers’ premises – for distances typically of 5-10km. This is likely to be from the BT exchange, using ducting that usually runs past the cabinet and then onwards to the customers. Fibre will be routed through existing ducts and alongside roads where possible to minimise costs. Blockages in ducts will need to be removed. New ducts to house fibre may need to be dug and installed where there is insufficient capacity or no ducting (typically, 10-15% of a route). Existing or new telegraph poles will often be used in rural areas to carry fibre as an alternative if they allow more efficient and less disruptive deployment.

Multiple ‘distribution points’ near to the customers’ homes – typically installed on telegraph poles in rural locations – are then connected to this ‘spine’.

All this work requires road closures, traffic management and council permits. Tree trimming/ removal is often needed, plus wayleave agreements with landowners for permission to deploy on their property – often expensive and time-consuming to negotiate.⁴

- **Connecting the customer – and any other USO-eligible premises nearby – directly from nearby ‘distribution points’.** For remote premises, these final runs may themselves be quite long – often hundreds of metres and sometimes even kilometres – and require multiple new poles.

- All these elements can drive high costs, particularly for more remote, isolated premises. Finally, **VAT is applied to the charges for network build ‘excess’ costs at the standard rate of 20%.**
- **Attached is an anonymised, real example of a typical ‘excess cost’ quote showing where costs arise.**

How can we help those constituents that the USO may not support?

- We fully understand that customers have limited desire or ability to foot a bill, which can reach into five or six figures – and that they are frustrated they have been asked. We ensure they are aware of other possible options, such as Community Fibre Partnerships or Government’s Gigabit Vouchers.⁵
- We estimate that to connect the final ‘above-threshold’ premises would cost more than £1bn under the USO – the fact is that the USO was not designed to meet the challenges of connecting these very remote places. This needs urgent focus from industry, Government and Ofcom to find alternative, cost-effective solutions where existing approaches are unable to provide adequate support.
- We welcome the Government’s £5bn commitment to support gigabit-capable connectivity – public funding will be a necessary part of the solution to deliver better connectivity to these premises.

1 The Electronic Communications (Universal Service) (Broadband) Order 2018

2 More information can be found at www.bt.com/broadband/4g-hub

3 A rate set by Ofcom based on expected take-up of the service

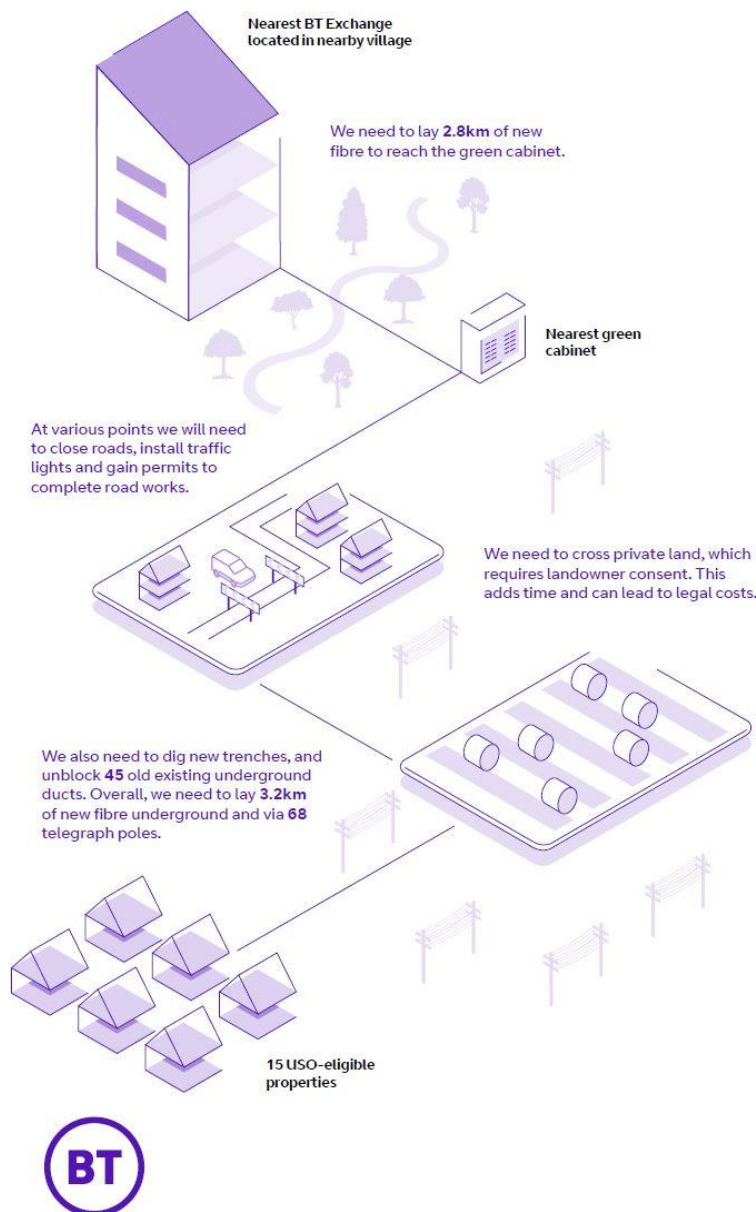
4 Openreach works closely with rural bodies, such as NFU and CLA, to streamline this process as far as possible

5 www.openreach.com/fibre-broadband/community-fibre-partnerships, www.gigabitvoucher.culture.gov.uk

Connecting hard-to-reach premises: what drives the costs?

Delivering new broadband infrastructure to remote and rural premises is often a major engineering project. Here, we outline a real life example, so you can see exactly what meeting a request under the Broadband Universal Service Obligation involves, as well as the costs of delivering it, and how they're calculated.

Serving 15 homes in a remote village in rural Essex



What does it cost?

£9,600

Network design: The preliminary work for the project.

£57,400

Cables and jointing: New fibre and labour cost for laying it.

£67,600

Civil Engineering: Digging up roads, skimming trees and hanging overhead cables as well as gaining permits from councils and landowners.

Total project cost before USO industry funding

£134,600*

Minus USO industry funding

-£37,400

Final end user cost

£97,200

These costs include:

- Design/planning staff
- Engineers to deliver the infrastructure
- Traffic management
- All equipment and materials

*This amount is calculated on the basis of 70% of premises connected under the project opting for faster broadband. On this basis, the USO funding for 11 of 15 eligible premises is available, allowing for a USO contribution of £37,400. For more information on the USO scheme, head to bt.com/USO

APPENDIX 1B
Briefing Note
Delivering the Broadband Universal Service Obligation (USO) in Mid Ulster

(1) Overview of the Broadband USO

Since 20th March 2020, every home and business has had a legal right to request that BT (the supplier) deliver a 'decent' broadband service to him or her. 'Decent' broadband service is defined as one that supports a 10 Mbps download speeds and 1 Mbps upload. This can be via either 'fixed-line' broadband into your home, or via a 4G Mobile network.

BT state that in Mid Ulster there are up to 2,873 homes or businesses, that may be eligible to get a faster broadband connection under the USO. BT are currently in the process of writing to all these homes and businesses who may be eligible. In most cases BT Openreach are offering 'full fibre' to the home connection capable of delivering speeds of up to 1 Gb/s. Whilst in other cases BT are offering a free to install wireless solution called BT 4G Hub that uses the EE network into a building where signal strength is sufficient.

Residents and business owners will be advised of whether they are likely to meet the cost threshold of this upgrade. This limit is set out in law as £3,400 per premises. If the upgrade work would cost more than this, people will be given the option of paying the difference between their USO entitlements. The law requires that end-users pay this cost difference for any upgrade to happen.

The costs depend on where the premises is located and what broadband infrastructure is already nearby. There is a cost-sharing system to make paying these costs more manageable allowing neighbours who are USO-eligible to share the overall 'excess' costs to all be connected at once. It is known that there will be very remote and rural premises for which the costs of getting better broadband under the USO are just too high. The USO was not designed to meet the challenges of connecting very remote locations.

USO post code checker is available at: <https://www.bt.com/broadband/USO> and if eligible, anyone can call helpdesk on 0800 783 0223

(2) Implications for Customers Availing of the Broadband USO who are also on Project Stratum's "White List"

It is important to note that the Department for the Economy is currently working with Fibrus to roll out a fibre to the premises solution via Project Stratum to households and businesses in Mid Ulster, included on their "White Postcode List" (ie, premises which do not receive a 30mpbs broadband service). This provides a future proofed fibre solution.

Mid Ulster households and businesses should consider carefully whether to choose the short term gain of availing of the "Wireless Option" under the Broadband USO, as described at (1) above, as doing so may result in them being removed from Project Stratum's White post code list (if they are deemed eligible to receive a long term future proofed fibre solution under this).

Appendix 2

Minutes of Coalisland Town Centre Forum Meeting Monday 7 December 2020 at 12.30pm Microsoft Teams

Present

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| Cllr Niamh Doris | Mid Ulster District Council (Vice Chair) |
| Francie Molloy | Coalisland Residents & Community Forum |
| Ursula Marshall | Mid Ulster Disability Forum |

In Attendance

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| Mark Leavey | Mid Ulster District Council |
| Catherine Fox | Mid Ulster District Council |
| Oliver Donnelly | Mid Ulster District Council |
| Celene O'Neill | Mid Ulster District Council |

| | DISCUSSION | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 1 | <p>Apologies</p> <table><tr><td>Cllr Dan Kerr</td><td>Mid Ulster District Council</td></tr><tr><td>Cllr Niall McAleer</td><td>Mid Ulster District Council</td></tr><tr><td>Cllr Robert Colvin</td><td>Mid Ulster District Council</td></tr></table> <table><tr><td>Adrian McCreesh</td><td>Mid Ulster District Council</td></tr><tr><td>Mark Kelso</td><td>Mid Ulster District Council</td></tr><tr><td>Fiona McKeown</td><td>Mid Ulster District Council</td></tr><tr><td>Raymond Lowry</td><td>Mid Ulster District Council</td></tr><tr><td>Colin McKenna</td><td>Mid Ulster Council</td></tr><tr><td>Michael McGibbon</td><td>Mid Ulster District Council</td></tr></table> <table><tr><td>Raymond O'Neill</td><td>Coalisland Traders Association (Chair)</td></tr><tr><td>Declan Dorrity</td><td>The Venue/The Beer Shed</td></tr><tr><td>Brian O'Neill</td><td>Coalisland Credit Union</td></tr><tr><td>Aedamar McCrossan</td><td>PSNI</td></tr></table> | Cllr Dan Kerr | Mid Ulster District Council | Cllr Niall McAleer | Mid Ulster District Council | Cllr Robert Colvin | Mid Ulster District Council | Adrian McCreesh | Mid Ulster District Council | Mark Kelso | Mid Ulster District Council | Fiona McKeown | Mid Ulster District Council | Raymond Lowry | Mid Ulster District Council | Colin McKenna | Mid Ulster Council | Michael McGibbon | Mid Ulster District Council | Raymond O'Neill | Coalisland Traders Association (Chair) | Declan Dorrity | The Venue/The Beer Shed | Brian O'Neill | Coalisland Credit Union | Aedamar McCrossan | PSNI |
| Cllr Dan Kerr | Mid Ulster District Council | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Cllr Robert Colvin | Mid Ulster District Council | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Adrian McCreesh | Mid Ulster District Council | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Raymond Lowry | Mid Ulster District Council | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Colin McKenna | Mid Ulster Council | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Brian O'Neill | Coalisland Credit Union | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Aedamar McCrossan | PSNI | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. | <p>Introductions</p> <p>Cllr Doris Vice Chair welcomed everyone to the meeting and took the role of Chair, as Raymond O'Neill was unable to attend the meeting and sent his apologies.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. | <p>Minutes of Previous Meeting - Monday 9 November 2020</p> <p>Proposed by F Molloy Seconded by Cllr Doris and agreed: -</p> <p>The minutes of the meeting held on Monday 9 November 2020 were a true and accurate record of proceedings.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| 4. | <p>Matters Arising from Previous Meeting – Monday 9 November 2020</p> <p>There were no matters arising from previous meeting.</p> |
| 5. | <p>Coalisland Project Updates</p> <ul style="list-style-type: none"> • Coalisland Public Realm Scheme <p>M Leavey updated that Fox Contracts are currently working on Lineside and hope to be finished by Friday 11 December. The contractor will then move up to Barrack Street Car Park and work on Events Space adjacent to Donnelly & McAleer Pharmacy. Work will also continue on a build-out at McGlinchey’s Cafe and Washingbay Road with street furniture and signage also being completed.</p> <p>Contractors are expected to take holidays from 18th December until 4th January 2021.</p> <p>BT also have responded with regard to the consultation stating that there is no requirement for the BT kiosk to be kept in place so it will be removed.</p> <p>It is proposed to have the area in front of Lineside – Dorman’s Pharmacy etc., lined out to include a disabled parking bay.</p> <p>F Molloy asked what was happening to the area adjacent to Toals Bookmakers. M Leavey updated that the area will be paved with F Molloy asking if there could be an art piece installed – possibly something depicting the coalmining heritage of the town.</p> <p>U Marshall enquired about the accessible space outside the Sinn Fein office as to its length. M Leavey confirmed that it is the required length and that there are 2 further accessible spaces on Main Street, one outside O’Neill’s Pharmacy and one further down along Main Street. M Leavey confirmed there was a walkabout on Thursday 10 December to review parking arrangements and a meeting the same day with Mark Farquhar from the Disability Forum.</p> <ul style="list-style-type: none"> • Gortgonis <p>M Leavey updated that the design of the scheme is 95% complete with a focus on finalising this, with a view to submit to planning. F Molloy asked as to the timescales of the project to which M Leavey updated that a Planning Application will be submitted January/ February 2021, followed by the release of Tender documents in March 2021 leaving a construction phase starting early Summer 2021.</p> <ul style="list-style-type: none"> • Coalisland Events – Christmas 2020 <p>C Fox updated that there was a virtual switch on with a video released on 25 November 2020. Small Business Saturday was moved from 5 December 2020 to 12 December 2020 due to the current lockdown restrictions. A ‘12 Day of Christmas’ campaign is scheduled for launch soon with the Shop Local theme where members of the public can win vouchers from businesses within the town.</p> <p>C Fox updated that under the Revitalisation programme next year there may be potential to purchase a real Christmas tree for the town to be placed in the events space.</p> |

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| | <ul style="list-style-type: none"> • Town Centre Recovery Plan <p>C Fox updated that the second tranche of the COVID-19 Business Grant has closed with the Letters of Offer being issued over the next few weeks.</p> <p>An application for the Revitalisation programme for the town will need to be submitted and will most likely include a request for a new Christmas tree, lights, business programmes and possibly a shop front / window scheme. Further consultation will be required before all is submitted to DfC.</p> |
| 6. | <p>Any Other Business</p> <p>O Donnelly updated that he still has not received an email from Declan Dorrity regarding his membership of the Forum. It was agreed to review the membership at the AGM in March 2021.</p> |
| 7. | <p>Date of Next Meeting</p> <p>TBC</p> |
| 8. | <p>Meeting Duration</p> <p>Meeting ended at 13.10pm</p> |