

Our regulation of social housing in Scotland

Discussion questions

We welcome your general feedback on our proposals as well as answers to the specific questions we have raised. You can read our discussion paper on our website at www.housingregulator.gov.scot
Please do not feel you have to answer every question unless you wish to do so.

Send your completed questionnaire to us by 11 August 2023.

By email @: regulatoryframeworkreview@shr.gov.scot

Or post to: Scottish Housing Regulator
2nd floor , George House
36 North Hanover Street, G1 2AD

Name/organisation name

Openreach

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How you would like your response to be handled

To help make this a transparent process we intend to publish on our website the responses we receive, as we receive them. Please let us know how you would like us to handle your response. If you are responding as an individual, we will not publish your contact details.

Are you happy for your response to be published on our website?

Yes YES No

If you are responding as an individual ...

Please tell us how you would like your response to be published.	Pick 1
Publish my full response, including my name	YES <input type="checkbox"/>
Please publish my response, but not my name	<input type="checkbox"/>

1. We believe that our regulatory priorities should be:

- listening and responding effectively to tenants and service users
- providing good quality and safe homes
- keeping homes as affordable as possible
- doing all they can to reduce the number of people who are experiencing homelessness

We are keen to hear your feedback on these priorities. Are they the right ones?

At Openreach, we build and maintain the digital network that enables more than 680 providers to deliver broadband to homes, hospitals, schools and businesses large and small. Our engineers work in every community, every day, because we believe everyone deserves decent and reliable broadband.

We're committed to building the best digital future for the UK, so we've announced an ambitious plan to deliver Ultrafast Full Fibre broadband to 25 million homes and businesses by 2026.

This is a monumental change to the UK's communication infrastructure, and it's a hugely complex engineering project with lots of moving parts and technical challenges to overcome.

We believe in the consumer having a choice in their broadband supplier and this is only possibly by supporting our extensive build programme. As a wholesaler aiming to build to 25 million homes across the UK, we enable end customers to pick from the widest choice of communication providers possible. Our network is open, so residents are not locked into one provider, offering thousands of different broadband packages, allowing individuals and businesses to pick a package which fits their needs.

We are currently monitored by Ofcom and adhere to regulatory levers to encourage development across the UK, allowing for further investment which ultimately benefits residents who can receive better services.

We would therefore be keen to see that any regulatory priorities are considerate of existing conditions allowing for competition, choice and enabling build.

2. What are your views on amending the Statutory Guidance on Annual Assurance Statements to include provisions on specific assurance?

n/a

3. Do you think that we need to change any of the indicators in the ARC or add to these?

n/a

4. Are the proposed areas of focus for tenant and resident safety indicators the right ones, and what should those indicators be?

n/a

5. What do you think would be the most effective and appropriate way to monitor the effectiveness of landlords' approach to managing reports and instances of mould and dampness?

n/a

6. What are your views on strengthening the Framework further on landlords listening to tenants and service users?

In Q10, we have outlined further changes we would like to see to the Regulatory Framework.

At Openreach, we are regulated by Ofcom and share their goal to support investment and competition in ultrafast services to as many people as possible. This allows us to deliver broadband services tenants want, but we are consistently inhibited to deliver as efficiently as possible due to access issues. We have outlined in Q10 what further changes we would like to see in order to resolve these concerns.

7. How do you think we could streamline the requirements for landlords in the Notifiable Events statutory guidance?

8. *Do you think there is value in using more direct language in the working towards compliance status, or in introducing an intermediary regulatory status between compliant and working towards compliance?*

9. Are there any changes we should make to the Significant Performance Failures approach, including how we define these?

10. Are there any other changes to the Regulatory Framework and associated guidance that you would suggest?

At Openreach, we would value seeing support for digital infrastructure mandated in order to support our ongoing build programme, ultimately benefitting residents with better services.

We currently offer free installation of Full Fibre for developments of over 20 premises and have developed a rate card setting out how a sliding pricing scale for installation in developments of under 20 premises. We are currently in discussions with the Scottish Government on seeing the introduction of mandating Full Fibre into new builds, which was introduced in England in December 2022. We would also like to see this legislation extended to cover renovations and change of use. This would help avoid a digital divide that many Multi-Dwelling Units (MDUs) are at risk of due to the poorly updated access agreements and enable us to ensure as many homes as possible are 'gigabit ready'.

Furthermore, we currently face a wealth of issues around access and consents. We would like to prevent a future digital divide by granting automatic upgrade rights to install Full Fibre into MDUs (flats etc.). The failure to include access to MDUs within the recently passed Product Security and Telecommunications Infrastructure (PSTI) Act was a missed opportunity and risks creating a digital divide. Based on our current estimates, there are 690,000 MDUs we're unable to access. Around 77% of those are small MDUs, with 30 or fewer individual premises. This also includes 231,000 which are in buildings under ten, which we don't believe represent a priority for alternative network providers (Alt Nets).

The Telecommunications Infrastructure Leasehold Property Act (TILPA) acts as a workaround. However, we have found that it is prohibitively expensive and time consuming to go through this process, especially for MDUs with fewer than ten flats, which is around half of those we've been unable to access. The Act also doesn't work where there is no clear information on who the owner is.

In our trials in Scotland, the cost per permission was over 160% of the cost we would normally allocate to make the average premises ready for service, and this is before we have built anything. Further support for this legislation with the UK Government would be welcomed.

In Scotland, we also face an additional obstacle due to differences in property legislation with the large majority being freehold properties (as opposed to leasehold in England). Therefore, we are required to gain permission from 100% of property owners in a building block to access communal space and deliver services to individual properties. We would like to see this reduced to a majority of property owners, as we are often faced with radio silence or no response due to absent

landlords. This is to the detriment of other property owners in buildings who wish to upgrade their broadband service.

At Openreach, we already work with social housing providers in single dwelling and Multi-Dwelling Units, and believe the commercial terms and conditions are appropriate. We would therefore be seeking any additional regulatory frameworks which are introduced, to be done so to support further infrastructure build to benefit residents from improved services, with a choice.

Thank you for taking the time to give us your feedback!