

## **Written Evidence from Openreach - Renters' Rights Bill**

### **Executive Summary**

- Fixed broadband, delivered through an ultrafast, more reliable, Full Fibre network, has the ability to assist the Government in meeting its missions to boost economic growth, improve opportunity and support the UK in becoming a green energy superpower.
- The availability of ultrafast fibreoptic broadband was mandated for new properties in December 2022. However, in older residential properties, Openreach must secure the permission of freeholders to upgrade the existing copper broadband network to ultrafast.
- This can pose significant challenges to the provision of gigabit-capable broadband to residents if freeholders are difficult to identify or are unresponsive to requests for access.
- Openreach estimates there are approximately 1,040,000 premises in 'multi-dwelling units' across the country for which this issue applies, with the risk that tenants could be disenfranchised from the benefits of gigabit-capable broadband.
- Openreach believes that the Renters Rights Reform Bill represents a significant opportunity to support universal access to gigabit-capable broadband, potentially by requiring ultrafast broadband in all properties or by requiring registration or listing on properties of the freeholder. Such provisions would prevent the digital divide across the country widening.

### **Introduction**

Openreach Limited runs the UK's digital network. We're the people who connect homes, schools, hospitals, libraries, businesses - large and small, broadcasters and governments to the world. It's our mission to build the best possible network with the highest quality of service, and make sure that everyone in the UK can be connected. Openreach is a wholly owned subsidiary of BT Group and our customers are more than 700 communications providers who sell phone, broadband and Ethernet services to homes and businesses.

Fixed broadband, delivered through an ultrafast, more reliable, Full Fibre network, has the ability to assist the Government in meeting its missions to boost economic growth, improve opportunity and support the UK to become a green energy superpower.

The availability of ultrafast fibreoptic broadband was mandated for new properties in December 2022. However, in older residential properties Openreach must secure the permission of freeholders to upgrade the existing copper broadband network to ultrafast.

Our concern remains that, based on our own build, there will be over a million premises that are being left behind given cost to access is too high (cost and/or time). This risks creating a significant digital divide, which will then require state intervention as the premises will in effect become 'not-spots'.

The Renters Rights Reform Bill represents an opportunity to support universal access to gigabit-capable broadband, potentially by requiring ultrafast broadband in all properties or by requiring

registration or listing on properties of the freeholder. Such provisions would prevent the digital divide across the country widening. We welcome the opportunity to submit written evidence to the Renters' Rights Bill Committee.

### **Improving Access to Small Multi-Dwelling Units**

Whilst in 2022, ultrafast fibreoptic broadband availability was mandated for new properties, in older residential properties, Openreach must secure the permission of freeholders to upgrade the existing copper broadband network to ultrafast.

This can pose significant challenges to the provision of gigabit-capable broadband to residents if freeholders are difficult to identify or are unresponsive to requests for access. As it currently stands, digital infrastructure providers must apply to the building landlord to secure access to upgrade the digital infrastructure of the building. However, in many instances securing information on ownership can be challenging or when approached for permissions, the landlord is unresponsive or obstructive. This means, when we are delivering our Full Fibre to a new area, we will be forced to build to the curtilage only.

Our 2024 data reveals that over 1,040,000 flats across the UK are at risk of missing out on faster, more reliable broadband due to access barriers. We believe over 780,000 of these are at risk of no coverage from us or any other provider. Our request is for automatic upgrade rights where the market is unable to deliver (ultimately some subset of the 780K).

These homes, located in Multi-Dwelling Units (flats or sub-divided houses), face a potential 'digital divide' unless automatic upgrade rights are established. Currently, we can use existing access rights to maintain the copper network in these buildings but not to upgrade to Full Fibre technology. To address this issue, we are advocating for legislative amendments to allow the use of these access rights for Full Fibre upgrades, particularly for those living in blocks contacting 10 units or less. This change would foster economic growth and ensure that tenants are not left behind, even if landlords are difficult to contact.

The Renters' Rights Bill will give a tenant the right to request a pet, "such consent is not to be unreasonably refused by the landlord", yet not the right to request Full Fibre broadband. The installation of Full Fibre is, in the main, unobtrusive and wherever possible simply replaces the copper cable into premises. Research shows that properties with gigabit connectivity carry a price premium over those without, so it should be positive for the building owner and the tenant.

Openreach are acutely conscious and respectful of the rights of freeholders: supporting the upgrading of broadband properties in multi-dwelling units should not impinge on these rights and could support property values. Such upgrades could also be achieved by permitting network operators such as Openreach to use access permissions for the existing copper broadband network rather than seeking entirely new permissions to install gigabit-capable broadband. We are aware the use of existing permissions is not universally supported by network operators given the vast majority are held by Openreach as a legacy of the company's history as British Telecom. However, most affected properties are unlikely to be commercially attractive and serviced by alternative network providers.

Such a solution would also be revenue neutral for the government.

An alternative, which would also be revenue neutral, would be to simplify the means of identifying freeholders to allow broadband network providers like Openreach to make contact for the purpose of getting permission to upgrade infrastructure – thereby helping to deliver on the government's broadband commitment. This could be achieved by some form of signage designating the freeholder being required on premises, in the absence of centralised directories.

## **Proposed Amendment**

Openreach would propose that the committee considers an amendment to the Renters Rights Bill.

The amendment should give the right for tenants to request Fibre to the Premises (FTTP) installation, similar to the right to request keeping a pet, by ensuring that landlord consent for FTTP installation cannot be unreasonably refused and that decisions are made within a specified timeframe. This provision would be intended to reduce delays in broadband infrastructure improvements in rented properties.

Ensuring all tenants have access to modern broadband services aligns with the Universal Service Obligation for Broadband: "Every home and business in the UK has the legal right to request a decent, affordable broadband connection."

An amendment streamlining access to ultrafast broadband would support the goal of eliminating the digital divide, and ensure that tenants are not excluded from participating in the digital economy and enjoying reliable connectivity for work, education, and daily life.

We would be happy to meet with the committee to discuss this in further detail.

## **Conclusion**

- Over the past decade, broadband and access to a good internet connection has become an essential part of everyday life, for home workers, families and business owners alike.
- Over 1,040,000 flats across the UK are at risk of missing out on faster, more reliable broadband due to access barriers. Over 780,000 of these are at risk of no coverage from Openreach or any other provider.
- The installation of Full Fibre is largely unobtrusive and wherever possible simply replaces the copper cable into premises. Creating a provision within the Renters' Rights Bill, similar to that of the right to request a pet, will foster economic growth and ensure that tenants are not left behind, even if landlords are difficult to contact.
- Openreach are acutely conscious and respectful of the rights of freeholders: supporting the upgrading of broadband properties in multi-dwelling units should not impinge on these rights and could support property values. Such upgrades could also be achieved by permitting network operators such as Openreach to use access permissions for the existing copper broadband network rather than seeking entirely new permissions to install gigabit-capable broadband.