

## **Openreach response to Labour National Policy Forum Consultation**

### A Green and Digital Future

#### **About Openreach**

We're the people that make the net work.

Our wholesale broadband network – the UK's largest – supports more than 690 retail service providers like BT, SKY, TalkTalk, Vodafone and Zen to provide broadband, TV, phone, data and mobile services to their customers.

Any company can access our network through equal pricing, terms and conditions, and our 37,000 people deliver services to every community in the UK.

Right now, we're delivering the UK's second largest infrastructure project (behind HS2). We're investing £15 billion to future-proof the country's broadband network with ultrafast, ultra-reliable 'Full Fibre' technology, working hard to connect 25 million homes across the UK and bringing the benefits of Full Fibre to all parts of the country. In fact, we're the only company building to every corner of the UK and in balance in urban and rural areas, from the Shetlands to the Isles of Scilly.

Our investment in upgrading the UK's digital infrastructure is a long-term project. It will take two decades to pay back, and, in the meantime, the revenue generated is being invested to reach more premises and connect more customers.

#### **Summary: Back Better Broadband**

Our network has a vital role to play in delivering a greener, healthier, and more prosperous nation, and without us the UK would not be meeting its gigabit targets. Latest research by the Centre for Economics and Business Research (CEBR) shows that a nationwide Full Fibre network could be worth up to £72 billion to the UK economy by 2030.<sup>1</sup> This productivity growth comes from both the value of a faster, more reliable digital service, but also by supporting people back into work. As many as 533,000 workers could re-join the workforce as a result of nationwide Full Fibre. This includes 157,000 careers, 222,000 parents and 153,000 over 65s.

As well as investing in the nation's infrastructure, we've also worked hard to invest in our people. Since our Full Fibre roll-out began we've employed around 10,000 apprentices,

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<sup>1</sup> Centre for Economic and Business Research, 2023, The productivity and workforce benefits to the UK of future investment in gigabit connectivity

investing millions in 10 state of the art training schools in all parts of the UK to deliver the next generation of telecoms engineers. Now we're transitioning to up-skill our nearly 30,000 engineers to ensure we have the skills we need to deliver our build ambitions.

We're also committed to playing our part in the Net Zero transition and know the Full Fibre upgrade can support this in a number of ways. Not only will our infrastructure be key to delivering a smart, flexible, low-carbon energy system, but it can also reduce as many as 300 million commuter trips, saving as much as 700,000 tonnes of carbon.<sup>2</sup> However, we want to go further. With over 29,000 vans out on the road delivering Full Fibre upgrades and copper repairs to homes and businesses across the UK, we have a vital role to play in the decarbonisation of transport. We want our fleet to be zero emission by 2030, with our purchasing power acting as an anchor for both the zero-emission vehicle industry, as well as the UK's charging infrastructure.

However, if we are to deliver a digital network fit for the 21<sup>st</sup> Century, we need to work in collaboration. Businesses haven't been immune to the impacts of rising inflation and instability in the economy, and while we want to deliver to our full potential, we need long-term economic and political certainty. That's why we're asking the Labour Party to Back Better Broadband and deliver on a number of policy interventions to help Openreach continue to deliver for the UK. These include:

- **Remove the roadblocks to roll-out**, through a stable and supportive regulatory framework, delivering the efficiencies that will help streamline build and avoid a digital divide.
- **Support us create the workforce of the future** through a reform to the Apprenticeship Levy and champion our work in making the industry more diverse and inclusive.
- **Advocate for the benefits of Full Fibre** by embedding the network in public services, helping to future proof our homes and businesses, and supporting the industry as we transition away from the copper network.
- **Help us drive the net zero transition** by creating the right conditions for our zero-emission vehicle roll-out, including delivering the necessary upgrades to the UK's electricity and charging infrastructure, and investing in the supply chain to make the UK the home to future gigafactories.

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<sup>2</sup> CEBR/Openreach, Ultrafast full fibre broadband: a platform for growth, 2021. Available [here](#)

## **Summary of Policy recommendations (in no particular order):**

1. Retain the framework set by the Wholesale Fixed Telecoms Market Review as a way of guaranteeing UK wide fibre upgrades, driving competition in the market, delivering great value and service for consumers, and giving the industry the confidence to invest.
2. Continue support for long-term capital investment by extending full expensing, giving us the confidence for long-term investments, and making the UK a more attractive place for investment.
3. Introduce flexi-permits to help the industry deliver build more efficiently and reduce the admin burden for resource stretched councils.
4. Prevent a future digital divide by granting automatic upgrade rights to install Full Fibre into Multi-Dwelling Units (MDUs).
5. Take a technology agnostic approach to deliver digital connectivity to the hardest to reach premises.
6. Reform the Apprenticeship Levy, providing greater flexibility to ensure we can up-skill our engineers.
7. Champion our work in making the industry more diverse and inclusive.
8. Support the industry in the transition away from copper-based telephony services and embed a digital first approach to government services.
9. Help future proof our homes and businesses through an extension to the new-build mandate to cover retrofit for larger multi-dwelling units
10. Promote a truly national charging infrastructure, including a network of ultra-fast charging sites that are within easy reach for all drivers in all communities, and deliver a seamless, interconnected experience across different providers.
11. Expand the supply of UK-made vehicles by incentivising van manufacturers to re-fit their plants for electric vehicles (EVs) and supporting wider supply chain and R&D investments, including in Gigafactories.

## **Remove the roadblocks to roll-out through support for long-term capital investment and delivering the efficiencies that will help streamline the build and avoid a digital divide**

1. Retain the framework set by the Wholesale Fixed Telecoms Market Review as a way of guaranteeing UK wide Full Fibre broadband upgrades, driving competition in the market, delivering best value and service for consumers, and giving the industry the confidence to invest.

Changing the current five-year Wholesale Fixed Telecoms Market Review (WFTMR) would risk jeopardising investment, stalling the roll-out and limiting opportunities to drive connectivity. The regulatory framework established by Ofcom in the WFTMR introduced price stability on defined wholesale 'anchor' access services provided by Openreach – requiring prices of these services to rise by no more than CPI each year. This incentivised investment by Openreach, and other network providers and provided price protection for wholesale customers – and ultimately their end customers – receiving voice and broadband services over Openreach's 'legacy' copper-based network. All during a period of significant network transformation where services would be provided over gigabit-capable Full Fibre connections.

This regulatory framework has been extremely successful in its aims of stimulating investment and competition in the sector. It has enabled Openreach to set highly ambitious targets for Full Fibre build across every part of the UK, with a commitment to building at least 6.2m premises in hard to reach and rural areas where other companies would be unlikely to. The framework provides certainty, with Openreach accepting the risk of committing billions of pounds in upfront investment - which it is unlikely to see a return on for two decades - on the basis that we would retain any future upsides consistent with earning a 'fair bet'. Achieving nationwide coverage of Full Fibre broadband would not be possible without this regulatory framework and our subsequent investment.

Until 2021, when Ofcom allowed us to link some prices to inflation for the first time, our regulated prices for fixed network access services had been declining for over a decade, whilst demand for broadband and data grew. This was a key part of the WFTMR, allowing Openreach to link the price of its legacy, copper based, broadband products to CPI, providing a fair return on capital investment, and giving us the "headroom to invest"<sup>3</sup> in a faster, more reliable Full Fibre network for the UK. That's something the whole industry agreed needs to happen and we're doing just that with more than £15 billion investment

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<sup>3</sup> (Nimmo, 2023)

in new digital infrastructure. In April 2022, we increased prices on average by less than CPI (<4%) and we'll do so again in April (7.7%). This includes significant discounts on our Full Fibre products, which Internet Service Providers want, to encourage people onto our fastest, most reliable services.

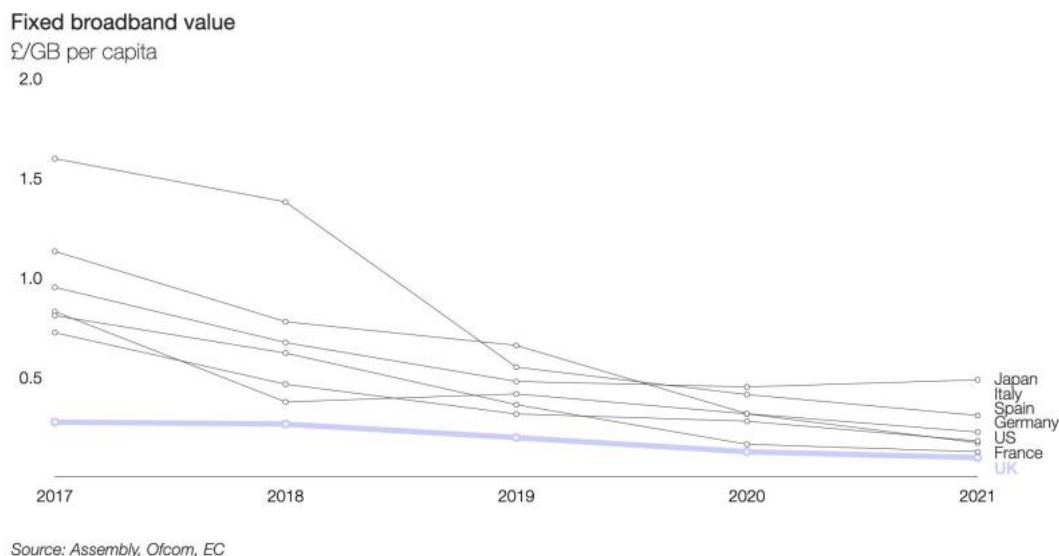
It is important to recognise that we are just one part of the value chain, but we do understand that our prices impact consumers, so we've listened to and consulted our wholesale customers at length on our pricing plans, and through regulated wholesale pricing have enabled some of the lowest consumer broadband prices in the G7 (Figure 1). This has allowed Communications Providers like BT, Sky and TalkTalk to offer tariffs for those on low incomes – crucial in this cost-of-living crisis. To support those most in need we also offer extra support to low-income households by waiving superfast connection fees for any households who aren't already connected and receive Universal Credit with no other earnings. This could benefit as many as a million people and save them as much as £92. Household spend on telecoms remains low at around 3.8% of budgets and the sector is delivering great value to consumers. Data usage continues to grow, with average monthly data usage trebling in the last five years across mobile and fixed services. Fixed broadband speeds have increased 72% since 2017 in the UK, whilst the combined cost for fixed and mobile continues to be some of the lowest in Europe. The average cost of connectivity has actually decreased by 20% in the last five years,<sup>4</sup> making the UK the second cheapest country in the research study. And when considering the prices relatively to usage per capita, the UK performs the best out of comparator countries suggesting the market is offering value for money.<sup>5</sup>

Since announcing our investment in Full Fibre build, the economic climate has changed significantly. Inflation in energy, equipment and labour costs are affecting us but we want to continue investing to make sure the whole of the UK benefits from Full Fibre broadband. Some examples of the price rises we've seen include the fact that the cost of fibre cables have risen by as much as 25%, carriageway covers have increased by between 37% and 44% and even ladders have increased by as much as 40%. This, combined with our below inflation price rises mean that any accusations of 'windfall' profits are wide off the mark. Any profits we make are put straight back into the network build.

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<sup>4</sup> Assembly, The value of telecoms services in the UK. Available [here](#)

<sup>5</sup> Ibid



**Figure 1:** Fixed broadband value (£/GB per capita) illustrating the relative cost of fixed broadband services when accounting for data usage (Assembly Research)

2. Continue support for long-term capital investment by extending full expensing, giving us the confidence for long-term investments, and making the UK a more attractive place for investment

Continuing long-term support for capital investment will be vital to giving business the confidence to invest in long-term projects that could help boost UK productivity. We have a £15 billion spending envelope to deliver one of the UK's largest engineering projects and as a result of investment in people, innovations, and capital we have been able to develop a hugely efficient and cost-effective build machine. At our peak we were delivering to over 62,000 premises a week. However, we are not immune to the impacts of inflation or political and economic instability. As set out above, we are seeing price rises across the board in our supply chain, all of which is putting pressure on the business.

We welcome the Labour Party's support to date on this issue and would welcome continued support for the full expensing of capital investment in plant and machinery to allow companies to write off expenditure in the year it is incurred. This would help prevent the UK from falling down the league table when it comes to attractiveness for business

investment.<sup>6</sup> Investment that we know is vital to creating the good jobs and prosperity that the UK needs to create a greener, healthier nation.

Case Study: How SMEs value digital connectivity with research undertaken by Be the Business.

We know digital connectivity underpins the UK's growth ambitions, particularly for SMEs where [research by Sage](#) suggested that untapped tech adoption by SMEs could add as much as £232 billion to the UK economy.

In a recent study undertaken by Be the Business, it found that 88% of respondents felt that a fast reliable service was important or essential to the day-to-day operations of their business. 75% say that they depend on the internet for payment, banking, and/or accountancy, and 7 in 10 say it's important for interacting with customers and suppliers.

There is also a clear correlation between access to fast, reliable internet services, and where businesses locate. When asked what would make business leaders consider a new location for premises, 7 in 10 chose access to fast reliable internet, making it the top choice, above transport links (67%), a skilled workforce (64%) and being close to suppliers and customers (55%)

Beyond this our investment in infrastructure underpins the new ways of working, with nearly 50% of respondents saying that they worked from both dedicated workspaces and from home.

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<sup>6</sup> CBI, Spring Budget Submission, 2023. Available [here](#)



### 3. Introduce flexi-permits to help the industry deliver build more efficiently and reduce the admin burden for resource stretched councils

Introducing flexi-permits is a quick and cost-efficient way of enabling us to upgrade our network more easily. In the current system we apply for an individual permit for every bit of streetworks that we undertake. We are currently applying for around 300,000 permits a year to councils across the country and deliver our upgrades on a street-by-street basis. This often sees us move from different parts of towns, villages, or cities in a random manner, delivering as and when the permits allow. We believe this is inefficient for both us and the councils who have to process the permits and creates confusion and frustration for residents' eager to upgrade to the fastest broadband available.

Flexi-permits allow for a more efficient approach for both companies undertaking streetworks, as well as councils whose resources are stretched. These new permits would allow us to work across 10-20 streets at a time – giving clarity to residents on when and where we'll be building and allowing us to use our resources more efficiently. Instead of our engineers having to wait for new permits to kick in they can easily move onto the next build area as they finish the previous. We estimate that these new permits would help the industry be even more efficient, to the tune of 10-20%. We forecast this could result in a reduction in processing - equivalent to 90% of the permits, and 270,000 fewer permits required from local authorities. It is worth noting that these permits have widespread industry support.<sup>7</sup>

Scotland, along with Wales and Northern Ireland, operates a noticing system. Under a noticing scheme, there is an assumed right to proceed, unless specifically advised of a reason works cannot proceed at that time or place, commonly, due to other works already being undertaken in the area.

In Scotland, there is a single national register of road works, in the Scottish Road Works Register. The legal keeper of this Register is the Scottish Road Works Commissioner, an independent Ministerial appointment, established in 2005 to oversee and improve the quality of works in Scotland. However, we continue to have discussions with the Scottish Government on introducing more flexible noticing in Scotland, as we are required to work with 32 Local Authorities applying planning procedures differently. Similarly, to flexi-permitting in England, we would be keen to see permits allowing us to work across 10-20 streets at a time, as whilst Scottish notices currently cover multiple activities per street, they do not allow us to work across multiple streets at one time.

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<sup>7</sup> Streetworks UK Why the DfT's approach to flexi permits must stay true to its principals and follow the evidence, 2022. Available [here](#)



## **4. Prevent a future digital divide by granting automatic upgrade rights to install Full Fibre into Multi-Dwelling Units (MDUs)**

We maintain that the failure to include access to MDUs (flats, etc.) within the recently passed Product Security and Telecommunications (PSTI) Act was a missed opportunity. 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. This means when we are delivering our Full Fibre to a new area, we will be forced to build to the curtilage instead of giving the residents' the opportunity for faster, more reliable broadband.

Based on our current estimates, there are around 500,000 MDUs we're unable to access. Around 82% of those are small MDUs, with 30 or fewer individual premises. While a workaround has been agreed through the Telecommunications Infrastructure Leasehold Property Act (TILPA), we have found that it is prohibitively expensive and time consuming to go through this process, especially for MDUs with fewer than 10 flats, which is around half of those we've been unable to access.

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. Granting automatic upgrade rights would allow us to provide these premises with Full Fibre to the premises (FTTP), which they are otherwise in danger of missing out on, fostering a digital divide.

We continue to have discussions with devolved governments around granting automatic upgrade rights to MDUs, however as this is a reserved matter, are keen to see this legislation enacted by the UK Government as quickly as possible, to the benefit of all regions and nations in the UK.

## **5. Take a technology agnostic approach to deliver digital connectivity to the hardest to reach premises**

For the hardest to reach premises, a range of solutions will be needed to provide faster and more reliable digital connectivity. Openreach remains the only company committed to a "balanced build" and plans to deliver to 6.2m of the hardest to reach areas as part of our commercial programme. We are also the only company with experience of building to millions of premises in rural areas, giving us insight and expertise into the challenges, as well as the know-how to develop the innovative technology that allows us to build

further and more efficiently. Despite ours and the industry's best efforts, there are a small minority of homes that currently receive less than 10Mbps and are unlikely to be upgraded via any commercial or indeed any subsidised build programme. These are some of the hardest, and most expensive premises to build to, and without significant public investment, it is unlikely a fixed line broadband connection will be a viable way of improving their internet connectivity.

As part of the Labour Party's ambitions to make the UK one of the most connected in the world, it should consider taking a technology agnostic approach to delivering to the hardest to reach homes and businesses, recognising that alternative solutions such as satellite programmes, or 4G will offer a more cost-effective option for these areas. From our side, we will continue to work with them on ongoing procurement activities as part of existing publicly funded programmes.

## Case Study: [Rural build secures business long-term future in Marston](#)

A heating company employing around a dozen people in a Lincolnshire village can stay local for many years to come, thanks to Openreach's Full Fibre broadband build, delivered through a Fibre Community Partnership.

Radiant Heating Solutions, based in Marston near Grantham, had been considering whether to move to new offices, as they were struggling with slow broadband speeds. Things were so bad, they estimated they were losing around 20 minutes of working time every hour.

The most common complaints from the team included not being able to connect remotely when working from home, large plans and documents taking hours to download and upload, and it being difficult to attempt any form of cross working, both in and out of the office.

But since Openreach's Chief Engineers built a new Full Fibre broadband network in Marston earlier this year, which is also benefitting around 160 local households, slow speeds have become a thing of the past.

**Support us create the workforce of the future through a reform to the Apprenticeship Levy and champion our work in making the industry more diverse and inclusive.**

**6. Reform the Apprenticeship Levy, providing greater flexibility to ensure we can upskill our engineers**

After investing millions into creating 10,000 new apprentice roles, making us one of the largest private sector apprentice employers in the UK, our training needs are shifting. We're looking to up-skill thousands of our copper engineers to support the Full Fibre roll-out and are investing further in our state-of-the-art training schools to bring our civil engineering workforce in house. Unfortunately, this is not something we can use the Levy for.

We know around 90% of the UK's workforce needing to be reskilled or upskilled by 2030,<sup>8</sup> and we're committed to supporting this transition. Flexibility in the Apprenticeship Levy is a much-needed change to allow us to invest in the skills our business needs whilst supporting our teams grow and develop.

Greater transparency is needed on the current use of the Levy to better understand how industry is investing in skills and apprenticeships. This transparency could then shape what a future 'Growth and Skills Levy' as currently proposed by the Labour Party could look like.<sup>9</sup> This includes how much might be ring-fenced towards apprenticeships as opposed to other accredited schemes as delivered by Openreach.

**7. Champion our work in making the industry more diverse and inclusive**

We are committed to improving the diversity of the telecoms industry and have worked hard to come from a standing start to tackle the lack of diversity within our own organisation. With over 37,000 employees in total, and over 29,000 field-based workers our workforce has historically been white and male. Indeed, when we look at the data, around 90% of our workforce is male. Tackling this requires long-term commitment, and despite being at the start of our journey there are several lessons we've learnt along the way.

As a first step, we focused on data collection, recognising that you can't address what you don't measure. The second step is to set clear targets to hold yourself to account.

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<sup>8</sup> CBI, Learning for Life, 2022. Available [here](#)

<sup>9</sup> [Labour announces landmark shift in skills to drive growth and equip our country for the future - The Labour Party](#)

And the final step is to act on both recruitment and retention, to ensure that while you're working hard to recruit diverse talent, you're not losing colleagues through a non-inclusive workplace.

As well as producing gender and ethnicity gap pay reports, we're committed to being transparent in our efforts and progress and have developed our Open to Everyone report which sets out clearly our targets, progress, and activities to improve diversity.<sup>10</sup> Examples of the work we've undertaken includes our 'Watch Me' campaign, which focused on giving our female engineers a voice and providing role-models for women in Science, Technology, Engineering and Maths (STEM).<sup>11</sup> This campaign saw an additional 14,000 expressions of interest for our careers. We've also invested in ground-breaking research into gender neutral language in advertising to widen the pool of talent interested in applying for a role in engineering. This saw a 200% rise in women applying for roles in engineering and helped us recruit an additional 500 female engineers in the last year alone.<sup>12</sup>

We've made great progress on our targets, for example our non-manager desk based female hires rose from a baseline of 5% in 2018/19, to 50% in 2021/22. Similarly, in 2018/19 women made up just 5% of our trainee engineer hires, but now make up 16%.

We'd welcome the opportunity to work together with like-minded organisations and support the Labour Party tackle challenges around diversity and inclusion within the STEM industries.

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<sup>10</sup> Openreach, Open to Everyone, 2022. Available [here](#)

<sup>11</sup> [Watch Me - YouTube](#)

<sup>12</sup> Openreach, Open to Everyone, 2022. Available [here](#)

**Advocate for the benefits of Full Fibre by embedding the network in public services, helping to future proof our homes and businesses, and supporting the industry as we transition away from the copper network.**

8. Support the industry in the transition away from copper-based telephony services, and embed a digital first approach to government services

The UK is undergoing a significant technological upgrade to prepare for the switch from the historic copper-based analogue network to a new digital service. This change – the switch from Public Switched Telephone Network (PSTN) to an All-IP network means that phone calls will be made using broadband technology – just like video and conference calls are now. This is not unique to the UK, with established telecoms operators globally phasing out legacy technology and upgrading their networks, indeed several countries have already completed this transition.

There are a number of key reasons for the switch over. It will firstly offer users a better and more reliable service, but it secondly reflects the fact that the equipment our current fixed phone service relies on, was installed almost forty years ago and is operating beyond its intended life span. Spare parts are no longer being manufactured for repairs and engineers are being up-skilled to deliver new and better infrastructure solutions. While we have been able to provide a resilient service through the expertise of our engineers, and by re-using components, fault rates are increasing, and our workforce is retiring, leaving industry without the people and parts needed to maintain the service.<sup>13</sup>

We know that delaying the switch off of the copper based PSTN could have negative impacts on users and the economy. Rapidly increasing faults could affect as many as 1.4m lines a year by 2027, costing the economy £22m cumulatively by 2027. In addition, it could prevent users from accessing the benefits and innovations offered by All-IP, such as allowing two million users to upgrade to the next generation of telecare digital devices, or the benefits of being able to identify and screen out fraud and scam calls more effectively.

Industry is working hard to manage the upgrade, but we need cross party support to manage this upgrade safely and efficiently. While many homes and businesses won't have to do anything to prepare, for vulnerable customers more effort is needed to ensure the switch over is a success. Through our trials in Mildenhall and Salisbury we

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<sup>13</sup> Frontier report, highlighting the risk of delaying the migration from analogue to digital landlines, available on request.

have seen some providers have undertaken considerable efforts to contact customers and make them aware of the switch to All-IP, however it is clear that this effort is not consistent across the industry. We are working closely with Ofcom to ensure that all Communication Providers are contributing to the effort of actively preparing and migrating their customers.

The Labour Party can support by amplifying a simple, clear, and consistent communication message, ensuring business, the government, and Ofcom use their networks to help build understanding and trust with the wider public.

## Case Study: Virtual visits for care home residents

In the wake of the COVID-19 Pandemic, residents of Flemington Care Home on the outskirts of Cambuslang were operating with broadband speeds of around 0.5Mbps, leaving more than one resident at a time unable to enjoy a video call with relatives, and hampering staff from using virtual GP consultations or online training and tools.

Working alongside Openreach, and utilising a Community Fibre Partnership voucher, the care home were able to upgrade their speeds to 300Mbps. The project also benefitted 20 other local households which were also struggling with slow broadband.

As well as allowing residents to stay in touch with loved ones during the pandemic, the better connectivity has allowed the care home to implement digital care planning and medication management, giving instant access to records and the security of automatic data backup.



9. **Help future proof our homes and businesses through an extension to the new-build mandate to cover retrofit for larger multi-dwelling units.**

While we welcome the introduction of the mandate for Full Fibre to be installed in new build homes in England, we believe it should go further. The introduction of the mandate only applies to new homes obtaining planning permission from 26<sup>th</sup> December 2022. Homes that have secured their permissions prior to this date will not be required to adhere to the regulation, but we have been working hard to deliver Full Fibre to new build developments by building partnerships with the major housing developers and offer free installation for developments of over 20 premises. We've also developed a rate card setting out how a sliding pricing scale for installation in developments of under 20 premises.<sup>14</sup>

However, to take advantage of the range of trigger points that might encourage people to upgrade their broadband connectivity, we believe the mandate should extend to the retrofit or redevelopment of larger multi-dwelling units (over 30 premises). This would help avoid the digital divide that many 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'.

To note, the new build mandate is an England only initiative. We await the outcomes of the consultation in Wales and are continuing discussions in Scotland before they go to consultation in summer 2023 to ensure the scope of the new build mandate covers renovations and change of use. We are working closely with both devolved governments to ensure retrofit is included within their mandate.

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<sup>14</sup> [Full Fibre broadband for developers | Openreach](#)

**Help us drive the net zero transition by creating the right conditions for our zero-emission vehicle roll-out, including delivering the necessary upgrades to the UK's electricity and charging infrastructure, and investing in the supply chain to make the UK the home to future gigafactories.**

10. Promote a truly national charging infrastructure, including a network of ultra-fast charging sites that are within easy reach for all drivers in all communities, and deliver a seamless, interconnected experience across different providers

Many Openreach engineers take their vehicles home every night and therefore where they have the ability to do so will charge them using their at-home chargers. However, this is not an option for every engineer, and for many they will also need to stop and charge their vehicles while out on the road. Availability and reliability of charging infrastructure is therefore one of the biggest concerns of our engineers when taking on a new electric vehicle. And rightly so. Just looking at the ratio of new plug-in electric vehicle registrations per standard charge point there are clear geographical inequalities.

While the UK average shows that for every 50 new electric vehicle registrations one public charge point was installed, in the North East the ratio is far greater at 175:1, in the North West it's 100:1 and in the South West it's 99:1. By contrast it's 22:1 in Scotland and 24:1 in the East of England.<sup>15</sup>

Government has set an ambition for 300,000 public chargers by 2030, translating to around 430 per constituency, but is currently not on track to meet this with only around 32 on average according to the Resolution Foundation.

With this in mind, we believe the UK needs a clear strategy and roadmap for how it will deploy a more reliable network of ultra-fast charging to all parts of the UK. Beyond this, the Labour Party may wish to consider VAT reform on public charging to bring it in line with at-home charging, supporting drive uptake in EVs and stimulating the market for a public charging network.

Finally, considerations must be made for how to deliver a seamless user experience, including managing demand for EV charge points at hot-spot locations such as motorway service stations, recording faulty or broken charge points, and consolidation of apps or platforms to provide universal access across the UK.

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<sup>15</sup> [EVs energise new car market but ChargePoint rollout must accelerate - SMMT](#)

**11. Expand the supply of UK-made vehicles by incentivising van manufacturers to re-fit their plants for EVs and supporting wider supply chain and R&D investments, including in Gigafactories**

There is an increasing risk that the UK misses the opportunity to be a world leader in low-carbon technologies, including on the roll-out of EVs. We have the opportunity as a country to build on the heritage of our strength in automotive manufacturing to be at the forefront of this new technology, particularly in areas such as the North East and East and West Midlands, who have a strong car manufacturing profile already, but risk losing out due to a lack of clarity on the long-term investment landscape. It's vital that we get this right quickly or run the risk of the UK losing around £3bn by 2030 because we've lost the global race on in EV assembly and battery production.<sup>16</sup>

We want to be able to buy UK-made vehicles, and with over 29,000 vans that we want to upgrade to zero emission vehicles by 2030, we believe we could be a significant anchor for the industry. Van manufacturers need to be given the right incentives to re-fit their plants for EVs. One way of doing this is to use money from the Automotive Transformation Fund to allow existing manufacturers to re-tool their plants, as well as supporting Gigafactories and the wider supply chain.

**Conclusion**

We thank the National Policy Forum and the Labour Party for the opportunity to feed into this consultation. We hope the information has been useful, and look forward to close working with the party to ensure that the UK can continue to upgrade its digital infrastructure to deliver a network fit for the 21<sup>st</sup> Century whilst providing the best value to homes and businesses across the UK.

**ENDS**

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<sup>16</sup> CBI, Spring Budget Submission, 2023. Available [here](#)