**UNDER EMBARGO UNTIL 0000 13 September**

**Lack of competition spiking broadband prices says report**

* *Ofcom failure to recognise contribution of Altnets costing consumers*
* *Consumers pay up to £18 more every month in areas without infrastructure competition*

BT is charging customers up to 29% more per month for the same broadband product in areas without infrastructure competition. A report out today from the trade body [INCA](https://www.inca.coop/), which represents independent providers, shows how much the incumbent drops its prices when there are competing networks in an area.

Government policy to encourage broadband infrastructure competition has transformed the UK from full fibre laggard into having the fastest full fibre network growth in the world. It is also delivering clear benefits to consumers in the form of lower prices, better service and greater reliability.

However, Ofcom is putting this at risk by implementing regulation that assists the incumbent and harms new infrastructure builders, such as alternative networks (Altnets), especially in rural areas.

INCA (Independent Networks Cooperative Association) Chairman Tim Stranack said: “No regulatory intervention can replicate the impact of real competition, and this has been proven in recent years in UK telecoms. The government adopted the right policy, the market responded with enthusiasm and INCA’s research shows that consumers are already benefiting from lower prices and better services – where competition exists. The differences between government policy statements and Ofcom actions are putting these benefits, to businesses and consumers, at risk”.

The report, *Securing long-term benefits for broadband customers*, from INCA urges government to ensure that the regulator delivers against Government policy and acts in the interest of consumers by:

* improving the transparency of Ofcom’s decision making and showing how each decision delivers against Government’s policy objectives
* clearing up consumer confusion over the use of the term 'fibre'
* incentivising large national internet service providers to use Altnet networks and
* structural reorganisation of Ofcom to ensure prioritisation of telecoms and broadband as a key organisational responsibility.

Ofcom’s failure to regulate the market in a way that supports infrastructure competition also risks the UK’s reputation as a destination for inward private infrastructure investment. However, by adopting 7 key recommendations in the report (summarised above), Government can provide a critical boost to investor confidence that should lead to more than 85% of UK properties having access to full fibre broadband by the end of 2025, potentially exceeding Government’s coverage ambitions.

The report also recommends that BT group be split with the physical infrastructure business (its duct and pole company) being sold off into a separate organisation without common ownership with BT. This is to reverse the current situation where BT, as the largest retail broadband ISP in the country, has publicly stated that it will never use another network provider other than Openreach and to remove differences in conditions between Altnet fibre network builders and BT.

“INCA considers the continued integration of the physical infrastructure parts of Openreach with the remainder of Openreach, and with the remainder of BT Group, to be the underlying cause of many of the issues identified in this report”, commented INCA Chief Executive Malcolm Corbett. “Enough time has been allowed for functional and legal separation to deliver and both have failed. It is therefore time for a full structural separation of the passive infrastructure components of Openreach from the remainder of the group”, Mr Corbett continued.

For more information about their work or of INCA in general, please visit:<https://www.inca.coop/>.

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**Notes to editors**

About INCA

The Independent Networks Co-operative Association (INCA) was established in 2010 as a co-operative trade association for next generation broadband services. INCA brings together the most innovative thinkers in the independent alternative network sector, creating new digital infrastructure in the UK and Ireland. For more information about INCA, please visit:<https://www.inca.coop/>.

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