

Summary

The Phone Mast Company Ltd, The Fort Offices, Artillery Business Park, Oswestry, SY11 4AD

1. The Phone Mast Company Ltd is an international company and one of the largest firms in the UK that represents landlords with mobile phone masts.
2. Our view is that the UK suffers from poor, inconsistent coverage throughout many areas of the UK. The reason for this is that the operators have not rolled out the number of sites required to provide excellent mobile coverage. We estimate that thousands of additional new or consolidated sites are still required, mainly in rural areas to rectify the problem.
3. If the assertion is true that operators are financially struggling with the cost of rollout, we believe this is partly due to the excessive license fees that the government / Ofcom charged the mobile phone companies. The 3G and 4G licence fees were far higher than most other European Countries who now enjoy far superior mobile phone coverage. These countries have not had to resort to reducing the cost of rollout by reducing rents.
4. Mobile phone masts are expensive to build and maintain. The return on investment is much faster in City centres and urban areas, where there are more hand sets and call charges derived. For this reason, we believe rural areas will still continue to have very poor coverage.
5. The proposed changes to the Code do nothing to make the **acquisition, planning and design** of mobile phone masts more economical, they only serve to reduce the ongoing costs of running a site. Nor do the proposed changes promote rollout in rural areas.
6. All recent government schemes to roll out broadband and mobile coverage in rural areas have failed and missed their targets.
7. The mobile phone operators have not provided important information to The Law Commission, Parliament, MP's and landowners. The main piece of missing information is how much profit the average mobile phone sites generate in City Centres and rural locations. Until we have this cost, no real evaluation can be carried out of the financial status of the mobile phone mast operators and their network operations.

8. The aim is to increase rollout of new sites. However, when considering allowing a telecoms mast on their land, landowners weigh up the pros and cons. The pros being the annual rent they will receive and rarely they consider the improved coverage. The cons being the ongoing hassle of managing the site (access requests etc.), the negative impact on their surrounding property, possible contention with neighbours and the difficulty in removing a tenant who benefits from 'Code Powers'. We have seen first-hand how time consuming and costly it is to remove an operator when they do not want to go. Currently, the financial benefit outweighs the cons. However, if a landlord could only potentially receive hundreds of pounds, rather than thousands, this will no longer be the case. As a result, from consulting with our clients, we believe many landowners will be reluctant to allow a phone mast to be built on their land, thus negatively impacting rollout.
9. We do not believe enough consideration has been given to the financial impact on landlords. These Landlords mainly rely on the income from their phone mast (eg as a pension or supplemental income) and would suffer serious financial difficulty should this be reduced. It seems hard to justify subsidising companies who make millions, if not billions of pounds profit every year at the cost of the small landowner, who are often farmers in rural locations.
10. We have received a response from Rt Hon Matt Hancock after voicing our concerns in which he stated 'Code rights will only apply through the Tribunals as a last resort'. This is not the case. We have little doubt this will be used against landlords at the earliest opportunity. We can provide evidence to the panel of the proposed changes already being used by operator's agents as a threat in negotiations against landlords to reduce the rent.

The Phone Mast Company's Recommendations

11. All Mobile phone operators provide the income figures for an average mobile phone mast in the City Centre and rural areas. Also, a detailed cost analysis should be carried out, identifying the main costs to the mobile phone operators in regards to building and running mobile phone mast sites. The government can then properly evaluate the impact of rental values and other such expenses on the mobile phone operator's business operations.
12. If mobile phone mast operators have financial issues preventing the roll out of sites in rural locations, then the government should be offering financial incentives. For example, providing grants to build more rural sites, using monies from the billions of pounds taken in auctioning off the 2G, 3G, 4G license.

13. Government could make changes to the law to make business rates on mobile phone masts nil.
14. The government could change the planning process to make it far easier to gain planning in rural areas.
15. The Phone Mast Company Ltd consider the current changes to the Digital Code as a wasted exercise and missed opportunity. The UK is a relatively small country compared to the rest of Europe and we should be leading the world with the fastest and most advanced digital network, thus helping the UK economy to prosper. Instead, the UK is struggling now and will continue to struggle with poor mobile phone coverage.
16. The government should be investing more money or providing grants into researching and development of high speed data infrastructure. Instead the UK is currently in a position where it is struggling to roll out what is effectively old technology.

Written 12.10.2016 by Matthew James Restall