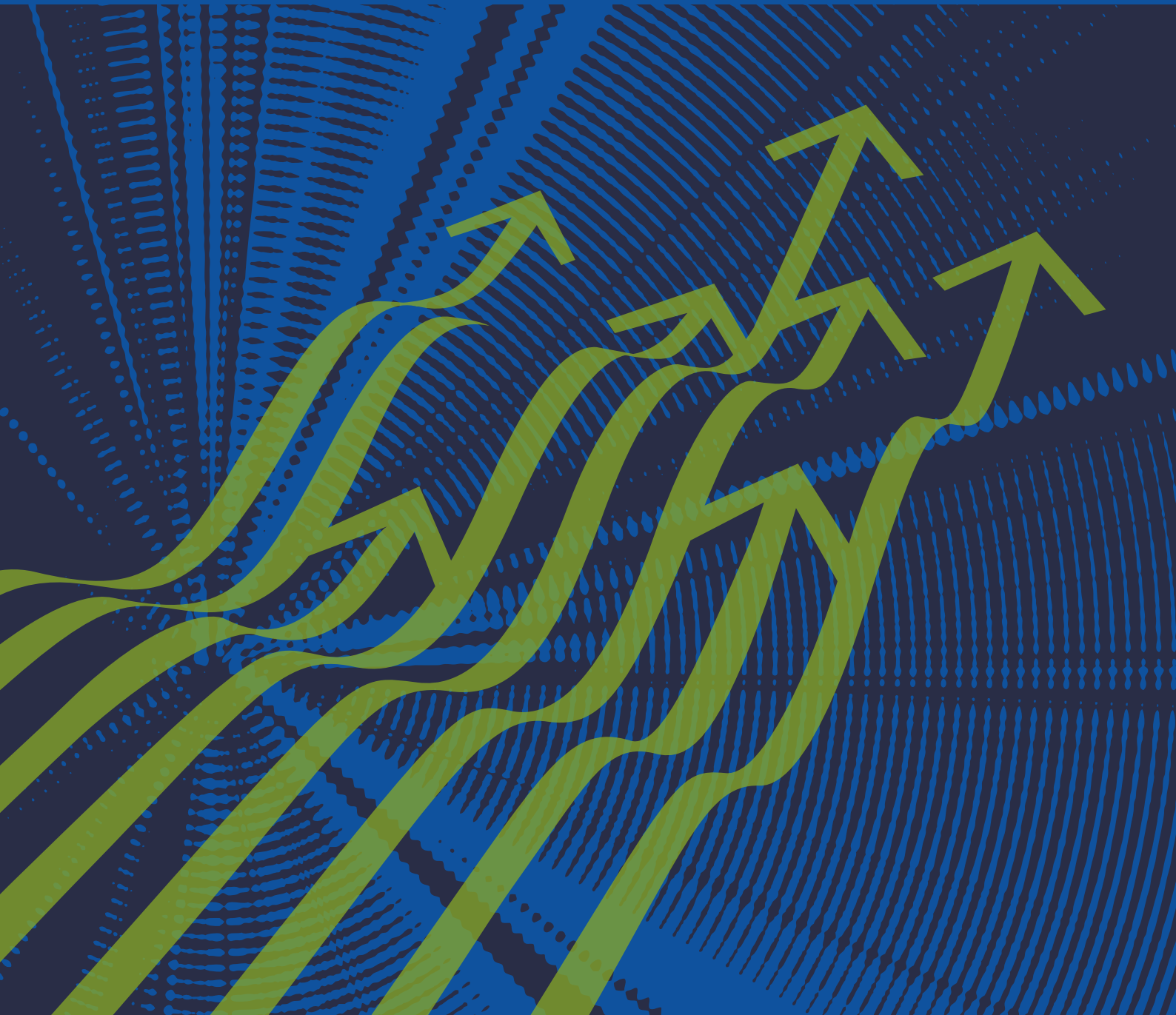


Metrics for the UK independent network sector

Including results from Spring 2023 survey





Point Topic exists to provide the best broadband market intelligence enabling its clients to make the best decisions possible.

Since 1998 we have gathered, analysed and published information sets used across the industry and beyond as the foundation of reporting, planning and strategy.

For more information about our work visit <https://point-topic.com>



INCA is the industry association that brings the Altnets and their supply chain partners together for mutual benefit.

For more information about our work and how to join us visit our website at <https://www.inca.coop>

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Foreword



2022 has brought changes across industry as well as at INCA. I was delighted to be elected to the role of Chair at INCA in February 2023. I'd like to take this opportunity to thank my predecessor, Alex Blowers, for the great work he has done in steering both INCA and the broader independent network sector into the vibrant position we see described in this report.

This is the latest of INCA's annual reports with Point Topic tracking the development of the independent network sector (the 'Altnets'). With planned investment increasing to £49bn, the UK's full fibre programme is now the second largest investment in UK infrastructure after HS2, and unlike other large UK infrastructure programmes, full fibre is being built with minimal public subsidy.

Despite the challenging economic conditions and increasing interest rates, we continued to see new investment announcements in 2022 with planned investment by independent networks increasing to £24bn by 2030. This is more investment than BT Group and VMO2 combined, whose own investments have certainly been spurred on by Altnet commitment to full fibre.

It is great to see that Altnets are now serving over 8m UK properties with full fibre, covering approximately 25% of the country. It is also extremely encouraging to see that over 2m of those are in harder-to-reach rural areas, or in Area 3 to use Ofcom terminology. Infrastructure competition, desired and driven by government is happening. What is more, it is happening in areas that some didn't expect it to reach.

Ofcom, in its last market review, assumed that only Openreach would connect homes in Area 3, and would need further incentives to do so. As such it is remarkable to see that Altnets are both already covering 25% of Area 3 premises, as well as snapping at the heels of the incumbent in overall deployment numbers.

Recent comments by the BT Group CEO indicate that the incumbent operator is starting to feel the challenge from this growing competition. It's important that the regulator stands firm and continues to provide an environment in which infrastructure competition can flourish. This includes ensuring that Area 3 is treated appropriately when Ofcom makes regulatory decisions.

I'm also pleased to see INCA members winning the first local and regional subsidy awards from BDUK. However, members have also expressed some concerns about applying BDUK subsidy effectively into such a vibrant commercial market. This is something INCA will keep a close watching brief on this year, working with BDUK and government accordingly.

Our members remain focused on bringing new fast broadband connections to all parts of the UK. This report sets out the challenges that are preventing even faster investment and roll-out. In 2023 INCA will be working with its members, Ofcom and central and local government to ensure that all UK consumers have access to faster and better value broadband services as soon as possible.

A handwritten signature in black ink that reads "Tim Stranack". The signature is fluid and cursive, with a large initial 'T' and 'S'.

Tim Stranack, INCA Chair and Co-founder, Community Fibre

1. Key metrics

Investment into UK full fibre

HS2



£106bn

Investment into UK full fibre by 2030



£49bn

Hinkley Point C



£23bn

Heathrow expansion



£14bn

Crossrail



£19bn



Thames
Tideway

£4bn

The UK's full fibre programme is the second largest investment in UK infrastructure, driven by private sector funding which is spearheaded by Altnet investment.

Planned full fibre investment until 2030

£ 24bn

Independent Networks

Altnet investment is more than BT Group and VMO2 combined.

£ 15bn

BT Group

£ 5bn

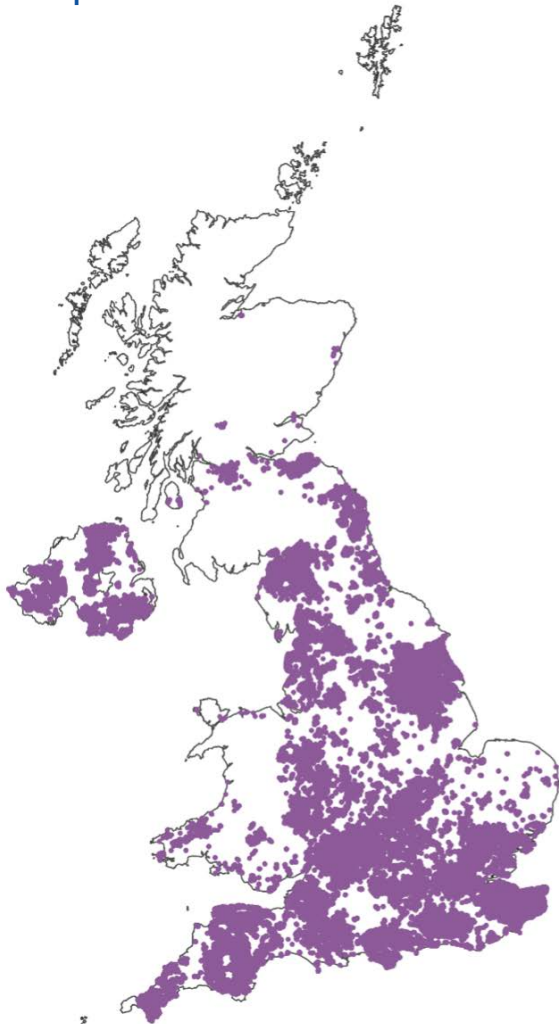
HMG (BDUK)

£ 4.5bn

Nexfibre (VMO2)

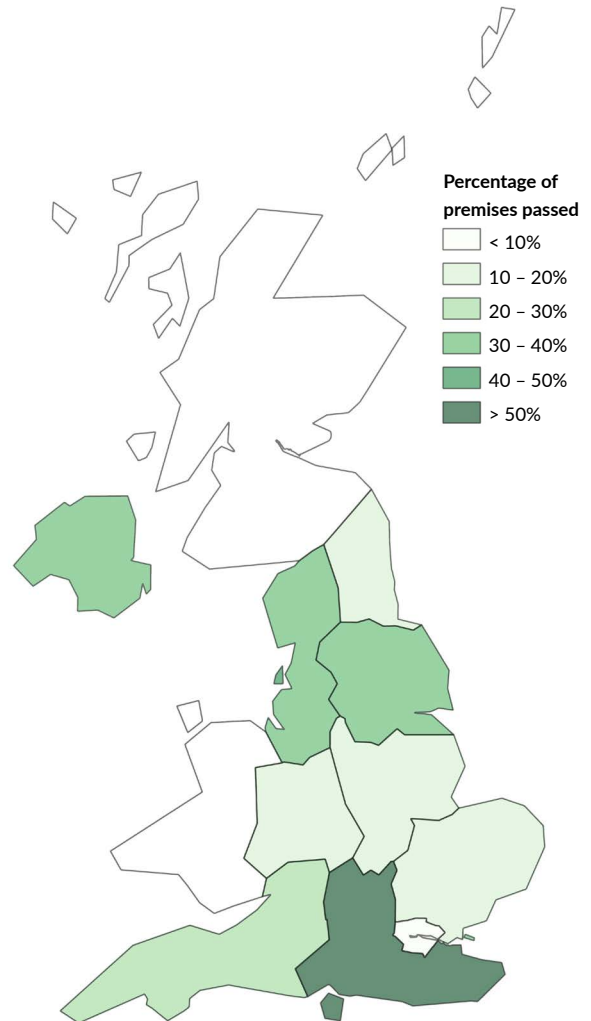
Altnet reach across the UK

Independent Networks appearing in all parts of the UK and reaching over 8m (25%) of UK premises



■ Altnets fixed network postcodes February 2023

Over 2m of this 8m total are in what Ofcom define as Area 3 – harder to reach rural areas



In its last Market Review Ofcom assumed only Openreach would connect rural Area 3 and would require incentives to do so. Altnets have proven this assumption to be wrong and have already provided full fibre connectivity to 25% of Area 3 premises.

Altnets cover 25% of the UK, as well as 25% of the UK's harder to reach rural areas.

2. Summary

Premises passed

- Despite 2022 being the year of challenging market headwinds, fibre optic cable supply shortages, and record price increases in supplies and equipment, the UK's independent (Altnet) operators¹ have navigated the conditions well, having passed 8.2 million premises with fibre broadband networks at end-2022.² This is approximately 25% of UK premises.
- 2.3 million of these premises were in Area 3, meaning that Altnets have delivered full fibre connectivity to a quarter³ of UK premises in hard-to-reach areas.
- As of April 2023 all six of BDUK's Project Gigabit contracts to date totalling £164.8 million have been awarded to Altnet suppliers, including CityFibre, Fibrus, GoFibre, Wessex Internet, and Wildanet with this subsidy expected to extend rural coverage by c. 140,000 premises.
- Combined Altnet full fibre network footprints covering cities, towns, and villages across the UK now rival that of Openreach's 10 million premises.

Live connections

- There are 1.5 million live connections (48% growth year-on-year) to independent fixed networks provided by full fibre gigabit capable connections.
- This is around a 20% take-up rate of Altnet fibre to the premises/building (FTTP/B) services in an expanding footprint, demonstrating a receptive consumer base.
- Altnets are trusted by consumers. They have outperformed the major national incumbent providers on independent review sites such as Trustpilot and Google Reviews, with consumers showing their preference for Altnet services, where available.

Expectations and aspirations

- Altnets continue to have ambitious fixed full fibre network infrastructure rollout plans with millions more premises (14.2 million) aiming to be covered by the end of 2023, with 2.3 million live connections anticipated.
- Although ambitious given the current market conditions, the continued investment into the sector demonstrates a confidence and resilience by providers aiming to supply infrastructure competition and choice to the majority of UK premises in the future.
- These aspirations are dependent on the government's continued support for investment and infrastructure competition and the regulator delivering an appropriate competitive marketplace.

1 Defined as an organisation deploying broadband infrastructure for wholesale and/or retail use, which is not part of either the UK's incumbent operators BT Group, and which is not Virgin Media as the national cable operator.

2 This year's report focuses on premises passed, not addressed, for fixed infrastructure; past years have been backdated accordingly. There remains some variation in operators' reporting. In addition, Fixed Wireless Access (FWA) networks are estimated to cover more than two million premises although not all will have full speed service available. The fixed wireless access (FWA) market is more difficult to assess due to line-of-sight issues and fragmented supply in the sector. See general caveat on page 10.

3 Figure is based on c.9.2 million premises located in areas designated as Area 3 in [Ofcom's Wholesale Fixed Telecoms Market Review 2021-26, Volume 2](#), 18 March 2021, p. 118.

Investment⁴

- Investment and expenditure in the independent network sector continued throughout 2022 with an estimated additional £6 billion having been committed to network expansions and operations during the year.⁵
- From the survey inputs and research, we estimate intended CAPEX spend by Altnets from 2022 until end-2030 at over £24.2 billion with operational expenditure of at least £4 billion.
- For comparative purposes this figure is higher than that of BT Group's (Openreach) £15 billion and Nexfibre's (a joint venture between Liberty Global, Telefónica and InfraVia Capital Partners) £4.5 billion combined.
- Taking this private sector investment together with the government's £5 billion Project Gigabit commitment, planned full fibre investment until 2030 totals at £49bn. Only the High Speed 2 (HS2) project tops the financial commitments of the UK's full fibre digital infrastructure programme.

Concerns

- For the second consecutive year, the top two concerns for independent network operators continued to be planning and street works delays followed by Project Gigabit related challenges. Overbuild by non-incumbent suppliers came in third place.
- Moving up the ranks in the list of concerns and in joint fourth place were:
 - The continued and future impact of Openreach's Equinox schemes
 - Customer switching between Openreach and independent networks
 - Increasing prices for materials and/or equipment
- Since the Equinox incentivisation programme was launched in October 2021, Openreach have signed up dozens of communication providers to the scheme, with further wholesale discounts included in Equinox 2 (announced in December 2022 and currently being reviewed by [Ofcom](#)). As this year's survey results show, this is a live and pressing concern and Altnets are continuing to express their concerns to the regulator that Equinox 2 could unfairly foreclose the wholesale market in areas where they are already investing significantly.
- INCA believes that Ofcom needs to assess the potential impact of Equinox 2 on Area 3. It hopes that the fact that, as highlighted in this report, Altnets already offer full fibre to a quarter of Area 3 premises, convinces Ofcom to include an impact analysis on Area 3 in its final decision.
- Concerns around overbuild by Openreach and using Openreach Passive Infrastructure Access (PIA) products came in joint fifth place along with obtaining wayleaves which moved down from third place last year; indicating that the barrier busting work done by government may be starting to have an impact.

⁴ See general caveat on page 10.

⁵ Figure is based on operator survey responses, public announcements, and full accounts statements submitted to Companies House where available.

3. Introduction

This report has been produced in partnership between INCA – the Independent Networks Cooperative Association – and Point Topic, drawing on input from both INCA members and non-members. It provides an overview of the UK’s independent network operator sector as of end-2022 and early 2023 in terms of scale, coverage, ambitions, and concerns. As in the previous three years, it includes both fixed and fixed wireless network operators. However, the focus of the report is on fixed full fibre networks and underscores the contribution Altnets have made to the sector both in terms of economic impact and meeting the government’s target of 85% nationwide gigabit-capable coverage by 2025 and 99% by 2030.

In recent years Altnets have attracted unprecedented amounts of private investment, have accelerated their network deployments, and increased their rollout plans whilst providing end-users with more choice and cutting-edge technology. Altnets continue to play an integral part in the growth of the UK’s burgeoning full fibre networks’ coverage. Despite challenges within the sector such as strong economic headwinds, increased cost of capital and deployments from major players such as Openreach and Virgin Media O2 (VMO2), independent operators continue to innovate and expand and have increased their network coverage from just over 1.2 million premises at the close of 2019 to 8.2 million, or around 25% of premises,⁶ at the end of December 2022.

UK Altnets are in a good place. Regional and national Altnets have thrived, remained sustainable and have created a competitive telecoms sector benefitting the consumer, consistent with the ambitions of government policy. Based on current trends, Altnets look set to support government targets in terms of coverage and bring infrastructure competition to the majority of UK premises. However, future success will depend on favourable market conditions along with sustained policy and regulatory support for effective infrastructure competition.

General caveat

The premises passed, investment and capex projections included in this report are from a number of sources, including INCA surveys, and should be treated as indicative. Different data sources may be used for the different parameters reported, so it is not possible to directly compare them nor, for example, to divide capex projections with projected premises passed figures to reliably estimate cost per premises passed.

Definitions

- **Premises passed** – Point Topic defines premises passed as those from which it is possible to readily order a broadband service. In our previous reports we included premises addressed as provided to us by operators – addressable premises tend to be classed as homes or businesses located within x metres of a network. The Ofcom definition for full fibre coverage is, “where the network has been rolled out to a ‘lead-in’ that will serve the consumer end premises and where the consumer would expect to pay a standard installation charge for that connection”.⁷ We welcome the industry’s move towards more consistent definitions of coverage but recognise there remain varying definitions and different terms.
- **Connections** – live connections we define as premises which have an active subscription/s to a broadband service. We include both residential and business, wholesale and retail but without double-counting of these figures.
- **Independent operator (also known as Altnet)** – we define this as an organisation deploying broadband infrastructure for wholesale and/or retail use, which is not part of either the UK’s incumbent operator BT Group, and which is not Virgin Media O2 as the national cable operator.⁸ This includes privately funded companies, community groups and not-for-profit organisations.

⁶ This figure does not account for a small amount of Altnet overbuild, mainly in urban areas.

⁷ Ofcom’s Connected Nations 2022 Annex A: Methodology https://www.ofcom.org.uk/___data/assets/pdf_file/0031/249286/connected-nations-methodology.pdf

⁸ Please note that Virgin Media O2 is considered the national cable DOCSIS 3.1 incumbent and in this definition does not include Nexfibre which is a joint venture FTTP network infrastructure supplier between Virgin Media O2’s parent companies Liberty Global and Telefónica along with InfraVia Capital Partners with Virgin Media O2 as the anchor wholesale client.

- **Technologies** – in terms of fixed networks, we cover full fibre-based network deployments, fibre-to-the-premises or home (FTTP/H) and fibre-to-the-building (FTTB) as well as small amounts of legacy VDSL. Fixed wireless access (FWA) deployments are included where we have been able to gain information although this is currently sparse. This report does not cover satellite, 4G, white space or leased line infrastructure.
- **Bandwidth** – we focus on symmetric gigabit capable networks. While there is some legacy VDSL in the portfolio of several operators it is a small and decreasing percentage as new deployments are now exclusively FTTP/B. However, coverage of FWA technology does include sub-superfast bandwidths.

Next steps

Now in its sixth year, we plan to continue this report on a regular basis in order to follow changes in the market, track advances in coverage and scale, and explore new issues and concerns within the independent community as they arise.

The 2023 survey at the end of this paper has been completed by 30 independent network operators forming a representative sample of the UK independent sector. Our thanks go to all those who have taken part in the survey.

As mentioned above, we rely to a large extent on self-reported statistics to assess the scale of the sector in terms of premises covered and live connections. To increase the rigour of data we will continue to work with INCA and the industry to agree on metrics and outputs, including definitions.



4. Assessing scale and ambitions of the independent network sector

Point Topic provides estimates of premises passed for the UK's fixed independent operators and live connections as at the end of December 2022. In addition, we have estimated, from available data, premises addressed or covered by fixed wireless access infrastructure of independent operators, as well as total connections for these players (see footnote 2).

We collect expectations and aspirations for some (not all) of these numbers at the end of 2023.

Estimates are based on public announcements, plus survey data supplemented by Point Topic and Thinkbroadband research as outlined above, either reported to us by network operators or using our own estimates when actual numbers are unavailable.

Table 1 below contains estimated key metrics for the UK's independent fixed networks from end-2020 with operators moving firmly away from VDSL and other superfast technology, with full fibre now fully dominating.

Premises passed and connected by fixed independent networks for end-2022

At end-December 2022, the UK's independent network operators are estimated to have passed 8.22 million

premises with their fixed broadband infrastructure. This is an increase of 2.7 million year-on-year. The vast majority uses ultrafast FTTP and FTTB technology.

Live connections for independent operators stood at an estimated 1.52 million at the end of December 2022, up from 1.02 million or 48% year-on-year.

Figure 1 below shows the progression of full fibre premises passed and live connections since the end of 2020 to end 2022 highlighting the sector's solid performance when compared to the incumbent supplier, Openreach.

Figure 1 does not include infrastructure or connections by the UK's incumbent cable broadband supplier, Virgin Media O2. The comparison is of full fibre coverage and uptake since the end of 2020 by the Altnet sector and Openreach since gigabit capable network rollouts began to hit their stride. Altnets have continued to keep pace with Openreach in terms of coverage and connectivity for the past three years with Altnets demonstrating solid growth, attractive investment opportunities all while creating a dynamic marketplace for consumers.

Table 1: Key metrics for UK independent network sector, end-2020 until end-2023⁹

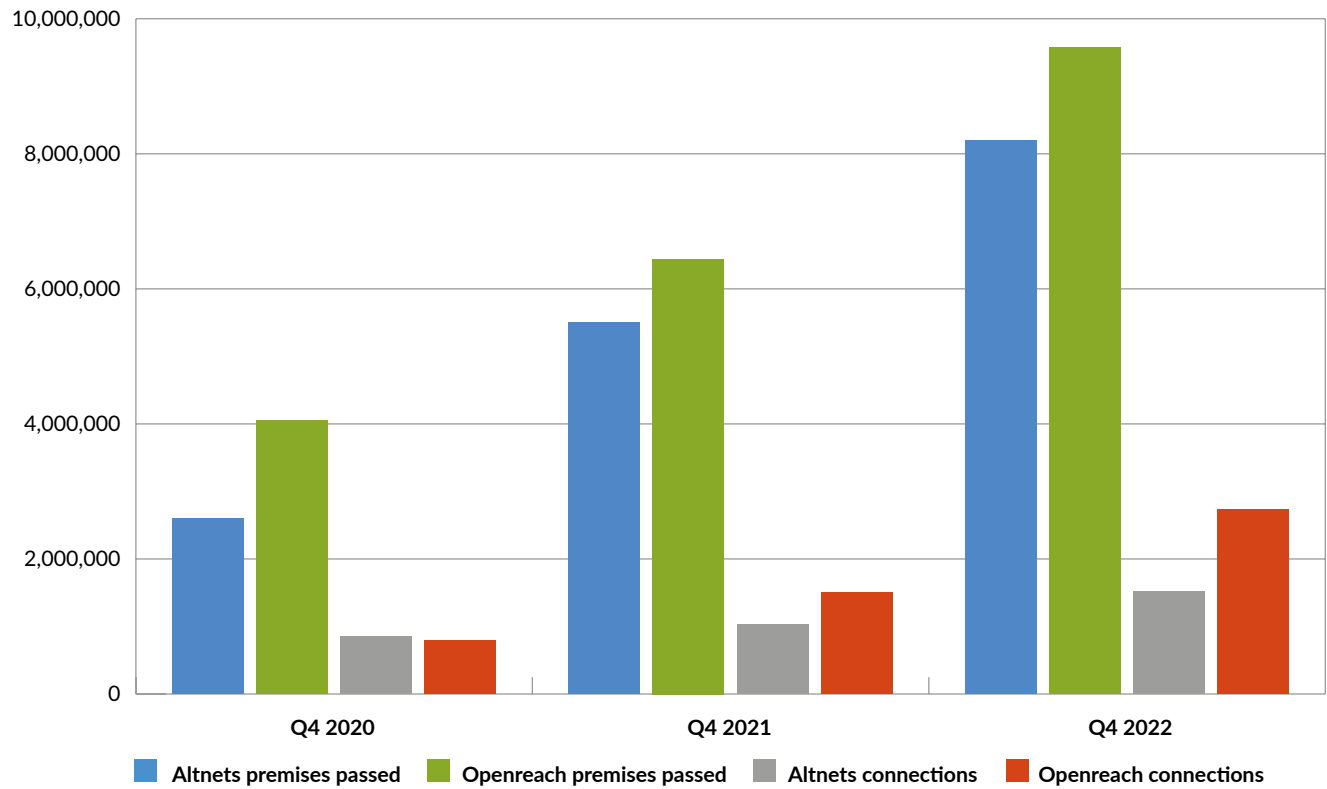
Total for fixed full fibre operators	Connections	Premises passed
Fixed infrastructure (FTTB/H/P and other)		
End-December 2020	845,163	2,586,606
End-December 2021	1,025,971	5,463,917
End-December 2022	1,519,597	8,224,460
Expectations and aspirations fixed gigabit capable FTTB/H/P) infrastructure		
End-December 2023	2,290,343	14,227,545

See general caveat on page 10.

Source: INCA survey, Point Topic research and estimates.

⁹ 2020 estimates include some FTTC technology connections previously stated in survey results and public announcements. From end-2021 estimates are based on fixed full fibre independent network operators' FTTP/B network footprints and connections.

Figure 1: Comparison of independent network providers' and Openreach's gigabit capable full fibre evolution, 2020¹⁰–2022



Expectations for end-2023

We asked survey respondents to provide an indication of how many premises passed and live connections they expected to have at end-December 2023. Several operators have given public indications of their future coverage aims.

Taking these into account, we estimate total plans are for 14.2 million premises passed, and nearly 2.3 million connections by fixed network operators.

The above figures underscore the confidence by investors and Altnets to meet the government's targets by the end of the decade.

¹⁰ Ibid, p. 10.

5. Independent network sector coverage mapping

Point Topic maps broadband provision throughout the UK, including footprints of the country's independent network operators at postcode level with monthly updates.

As part of the INCA survey, we asked independent operators to provide their coverage details. However, given that not all independent network suppliers complete the survey we have used our own research and that of our partner Thinkbroadband to provide a view of independent network infrastructure provision today as the sector expands rapidly. Figures 2 to 7 provide more detail.

Deployments continue to stretch across the UK. Most regions are seeing more choice and better broadband as a result.

Since the start of the pandemic Altnets have added significantly to the gigabit coverage of the UK, a significant driver for quality broadband at home. The Altnets have more than doubled their footprint and now are (as a group) on a par with Openreach across the UK. They now record, in our data, 8.2 million premises passed with 2.3 million in Area 3.

Figure 2: Fixed independent operator presence in UK at the end of 2022

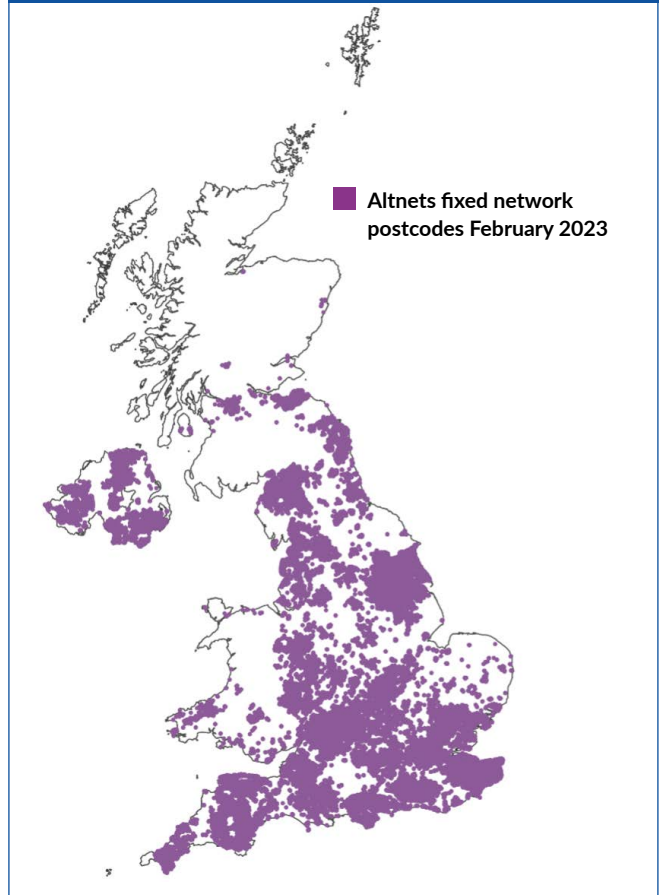
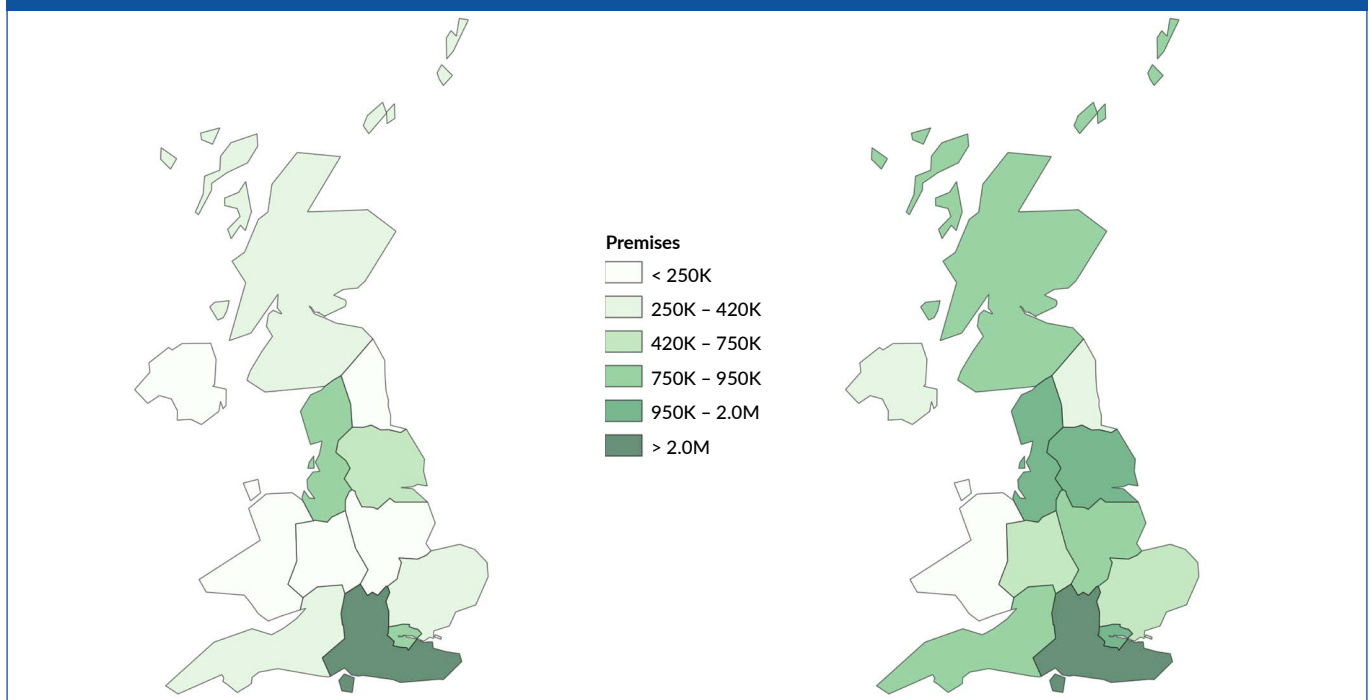


Figure 3: Altnets and premises passed Q4 2019 and Q4 2022



City, town, village and farm

The Altnets, driven by their DNA as innovators, have a plan to get fixed fibre broadband to all parts of the UK. This energy has meant that coverage has come to some areas far more quickly than might have otherwise been the case and while there is Gigabit competition between altnets of around 25% (in urban areas) it has proven relatively efficient so far.

Below we show some more detail of the progress over the last 12 months, up until the end of Q4 2022. 2021 coverage is in green, the purple points are deployments during 2022 (see Figures 4a – 4f below).

- **Figure 4a** – In the South West there has been plenty of activity particularly deep into Cornwall and around Dartmoor over the last 15 months and overall, the region has, after some delay, started to gain real coverage from a mix of Altnets. BDUK has played an important role with contracts recently being awarded to Cornish-based operator Wildanet.
- **Figure 4b** – The South and South East regions continue to grow and are currently first and second

in terms of Altnet coverage by region, including multiple Altnets, such as CityFibre, Community Fibre, Netomnia (YouFibre), WightFibre, Wessex Internet and Lightning Fibre.

- **Figure 4c** – Wales and Norfolk along with some parts of the Midlands are where the biggest gaps in Altnet coverage appear.
- **Figure 4d** – KCOM, B4RN and others are helping to make the northern half of the UK another Altnet hotspot. While population centres are a focus there is a more rural flavour to the coverage and some deeply rural areas have full fibre available to them.
- **Figure 4e** – Northern Ireland has also shown growth in 2022 where Altnets has driven their deployment west in particular.
- **Figure 4f** – Scotland has its own subsidy programme, Reaching 100% (R100). Its difficult terrain and geography along with the uncertainty caused by the late implementation of its R100 scheme has slowed deployment from the Altnets.

Figure 4a: Altnet coverage by postcode Q4 2021 and Q4 2022, South West England and South Wales

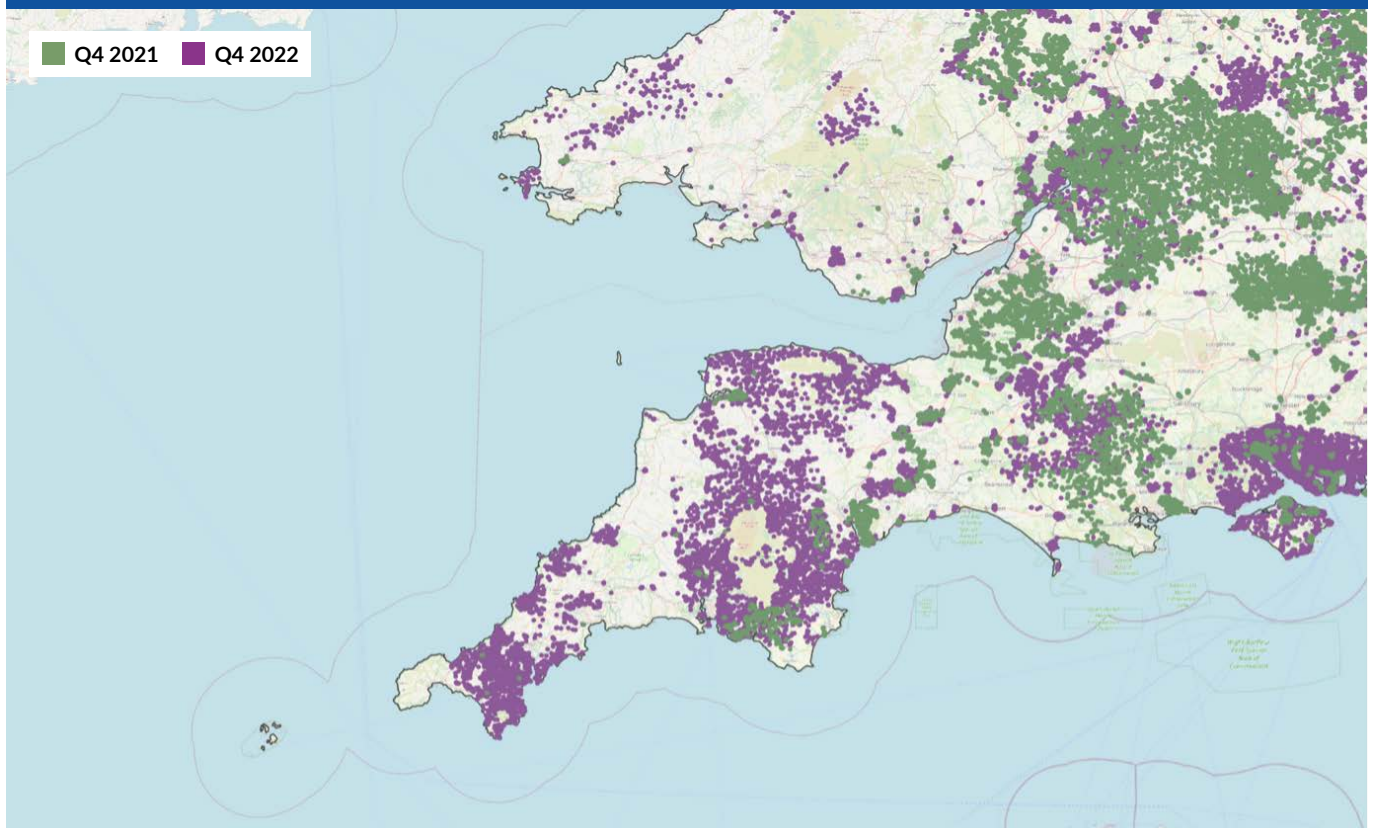


Figure 4b: Altnet coverage by postcode Q4 2021 and Q4 2022, South East and Southern England

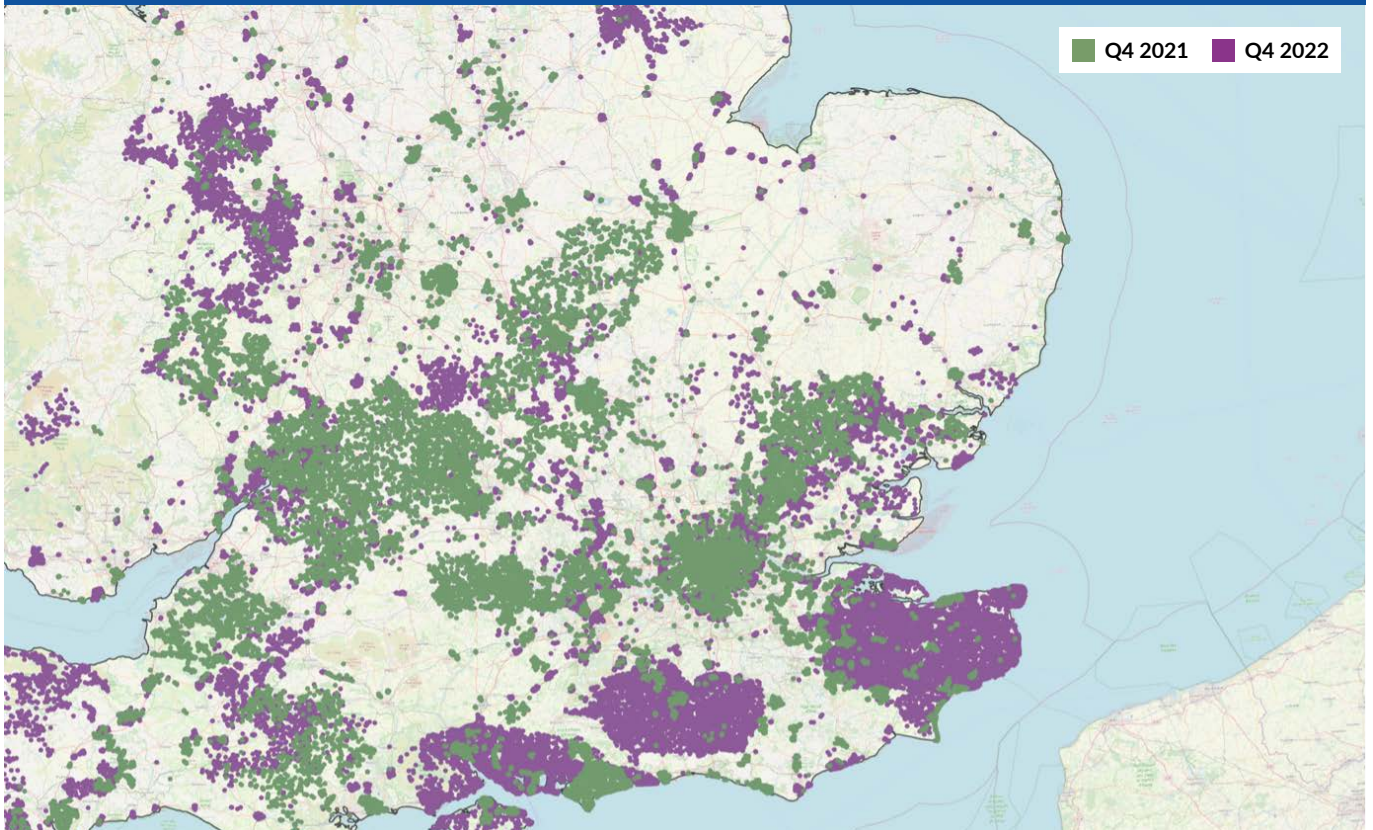


Figure 4c: Altnet coverage by postcode Q4 2021 and Q4 2022, Eastern England, Norfolk, and Wales

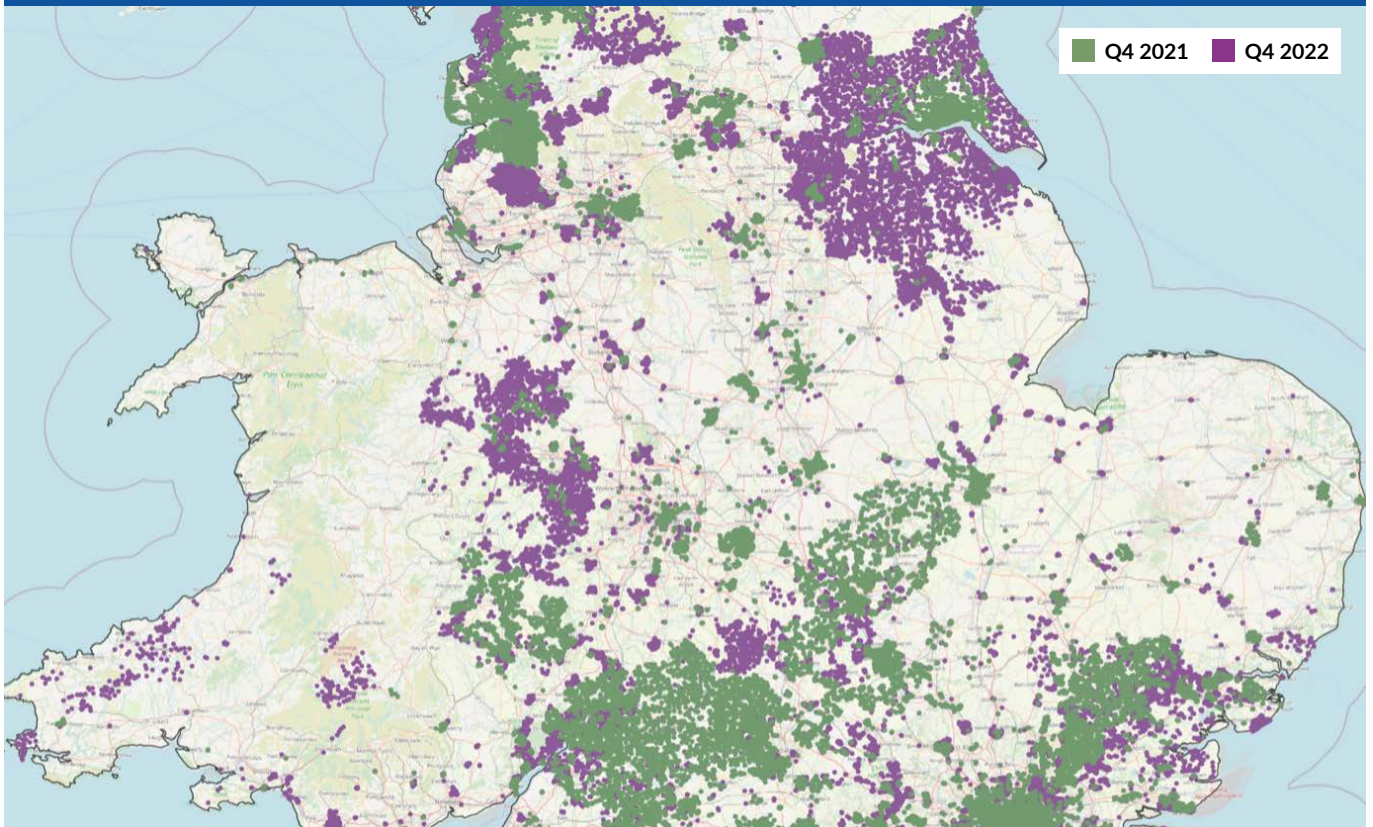


Figure 4d: Altnet coverage by postcode Q4 2021 and Q4 2022, Northern England

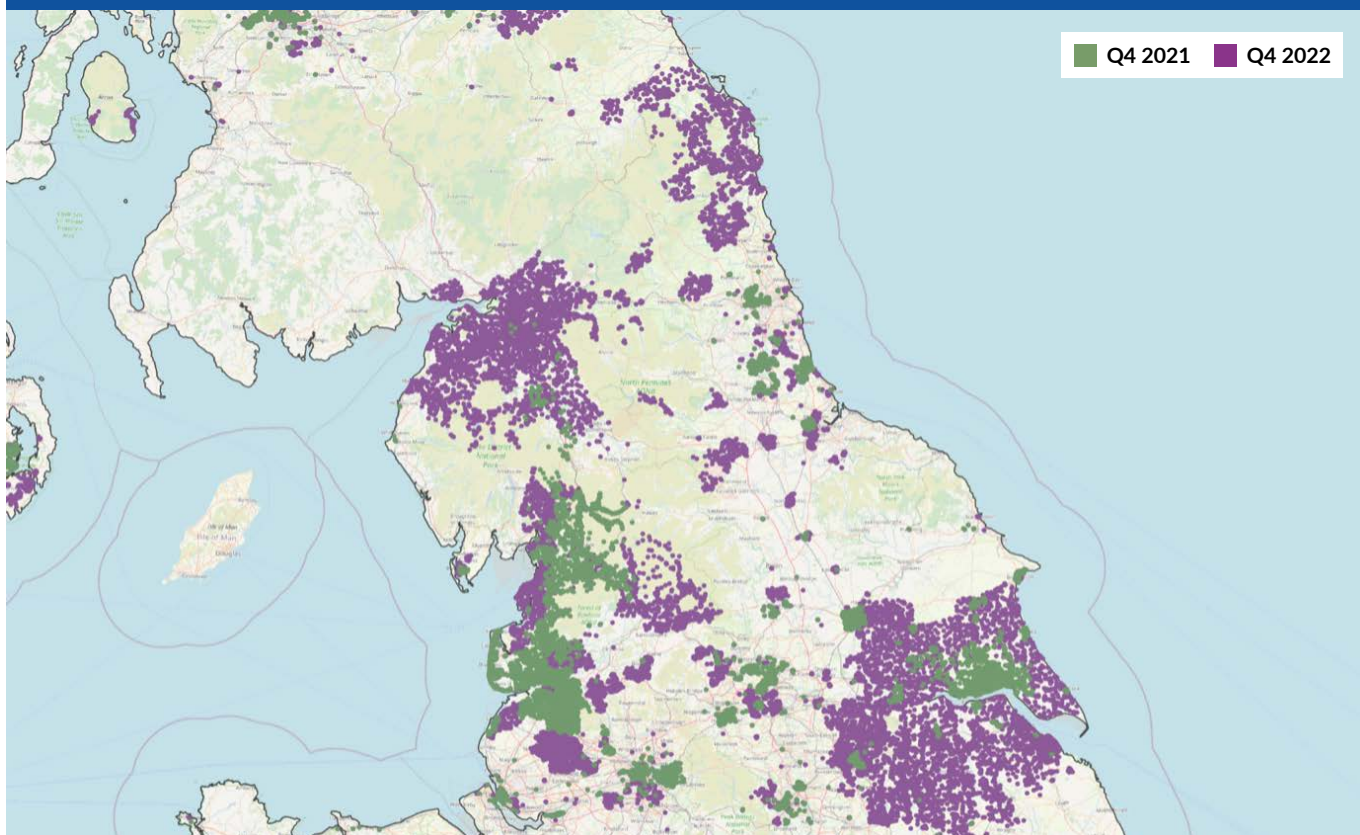


Figure 4e: Altnet coverage by postcode Q4 2021 and Q4 2022, Northern Ireland

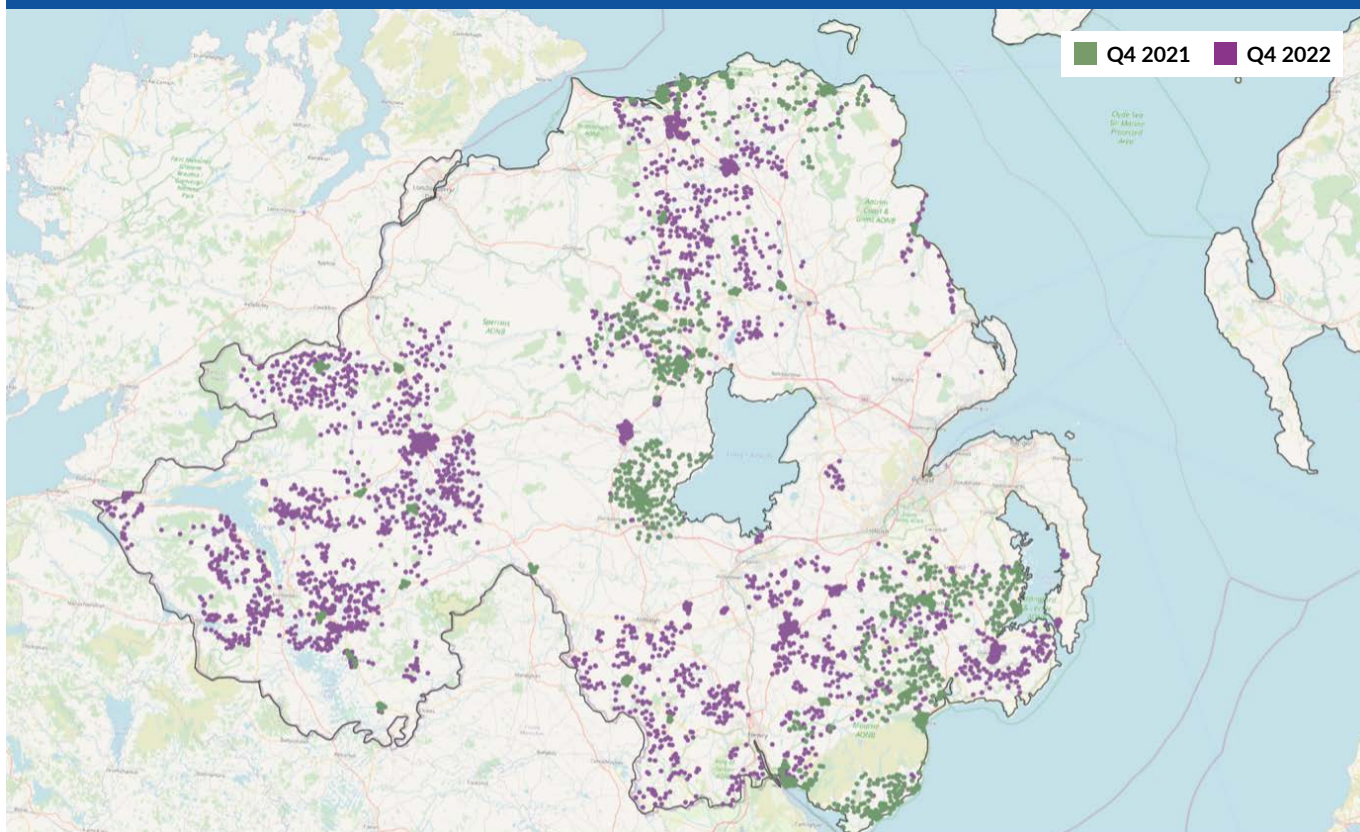
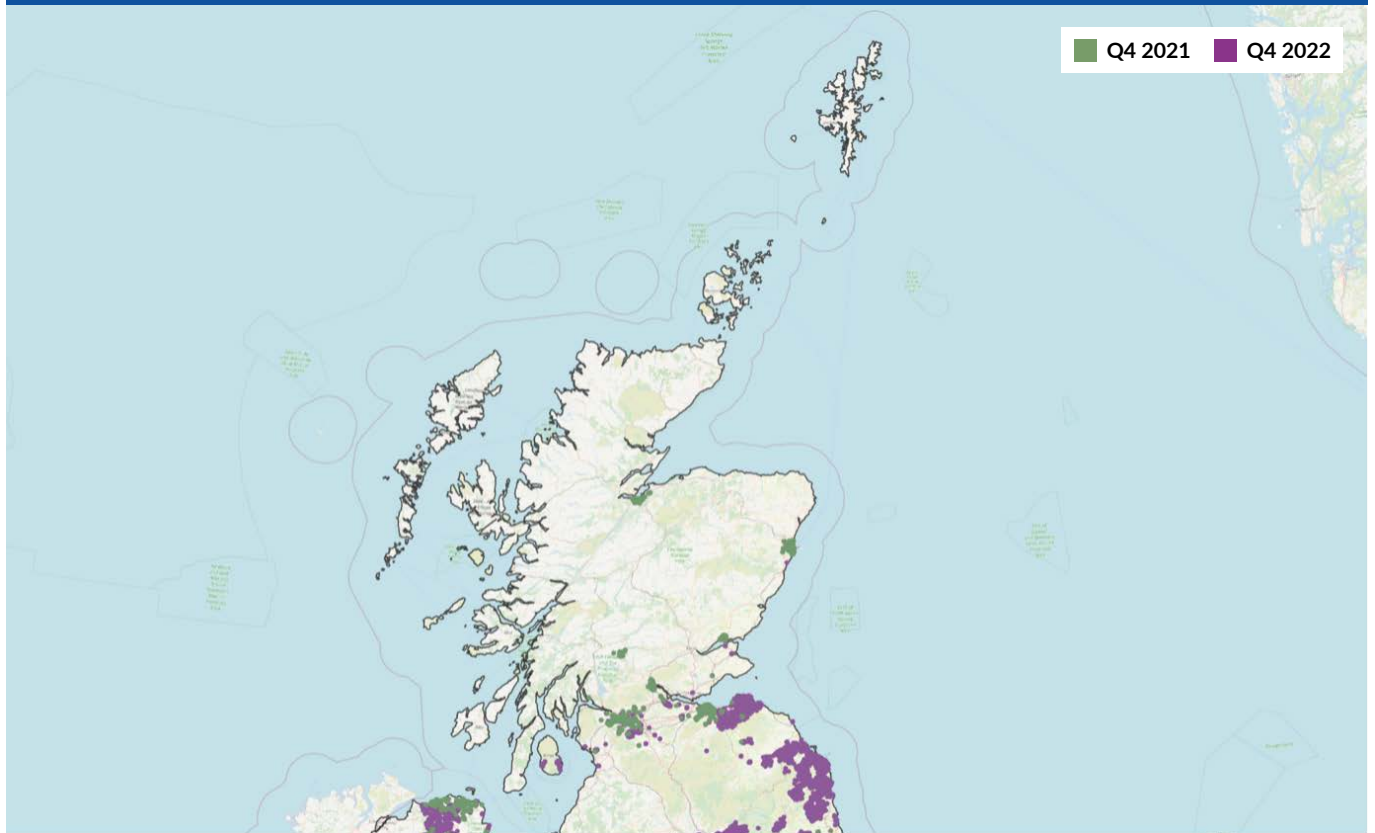


Figure 4f: Altnet coverage by postcode Q4 2021 and Q4 2022, Scotland



Area 3 and the Altnets

In its last market review Ofcom designated rural and small town properties in the UK as a separate market called Area 3. Ofcom assumed that there would be no material and sustainable competition to Openreach in those areas and that Openreach would require incentives to connect these properties.

However, the Altnets have already provided full fibre to 2.3 million premises in Area 3, a quarter of the Area 3 footprint. As a point of comparison Openreach passed 2.7 million premises in Area 3, 29% of premises. We estimate that Altnets will reach 5 million premises in Area 3 before the end of 2025.

Fixed wireless operators have also contributed to wider coverage and faster broadband speeds for consumers. As technology has advanced, they have been able to offer gigabit-range bandwidths and now contribute to gigabit coverage country wide. When looking at Area 3 connectivity and in sparsely populated or areas where the terrain presents challenges to full fibre deployment, FWA offers a cost-effective option along with a service that meets government targets in many cases.

Figure 6 breaks down the splits by Region and Area 3. Yorkshire and the Humber and the South East for example are both benefitting enormously from Altnet deployments while Wales and Scotland have more issues to resolve with their own programmes.

Indeed we can see Altnets delivering deeper into Area 3 regions across the country as Figure 5 shows.

For a market identified by Ofcom as one where only the incumbent could deliver, and possibly only with further incentives, it is remarkable to see the pace of Altnet delivery and how it compares with the incumbent. Not only are Altnets hot on the heels of Openreach in overall numbers of premises passed in Area 3 (2.3m vs 2.9m), as Figure 7 shows, Altnets are ahead of Openreach in Area 3 deployments in some areas and are gaining ground in others.

Overall, this data offers strong support for the Altnet model of promoting coverage. The willingness and ability of Altnets to drive FTTP and gigabit connectivity through innovation and flexibility has resulted in over 2m additional businesses and premises in rural areas getting access to full fibre broadband that they may not have otherwise had access to.

Openreach's current build plans leave large numbers of rural properties without full fibre until the end of the decade and beyond. This report indicates that Altnets are bridging that gap in their ambitions to bring full fibre to these communities sooner than that. This undoubtedly will also bring competitive pressure on the incumbent and others to step up their game.

INCA believes this vibrant and positive picture has several policy and regulatory implications in order that current progress is built upon rather than hamstrung:

- Given the level of deployment into Area 3 and the range of players driving this, it is essential that Ofcom conducts separate impact assessments for Area 3 when making regulatory decisions.
- Given the reach of Altnet deployment into rural areas, BDUK must acknowledge this track record and accept Altnet build plans into its programme. Otherwise, the BDUK programme risks slowing down rural build, rather than speeding it up.

For more on the details of network coverage and interactive mapping visit Point Topic's partner at Thinkbroadband.

Figure 5: Altnet Area 3 coverage – Q4 2022

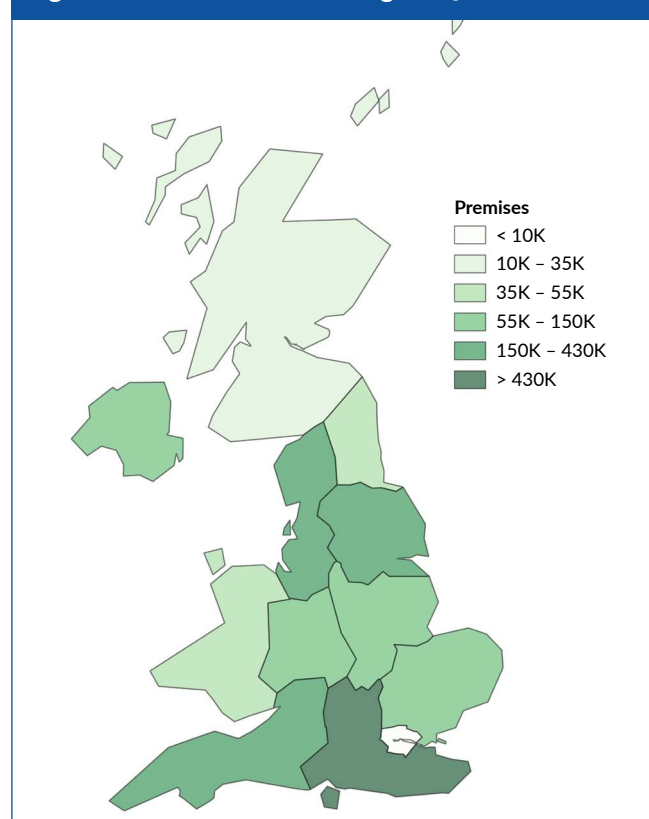


Figure 6: Percentage of premises passed by Altnets in each region and percentage passed of Area 3 within those regions (as of Q4 2022)

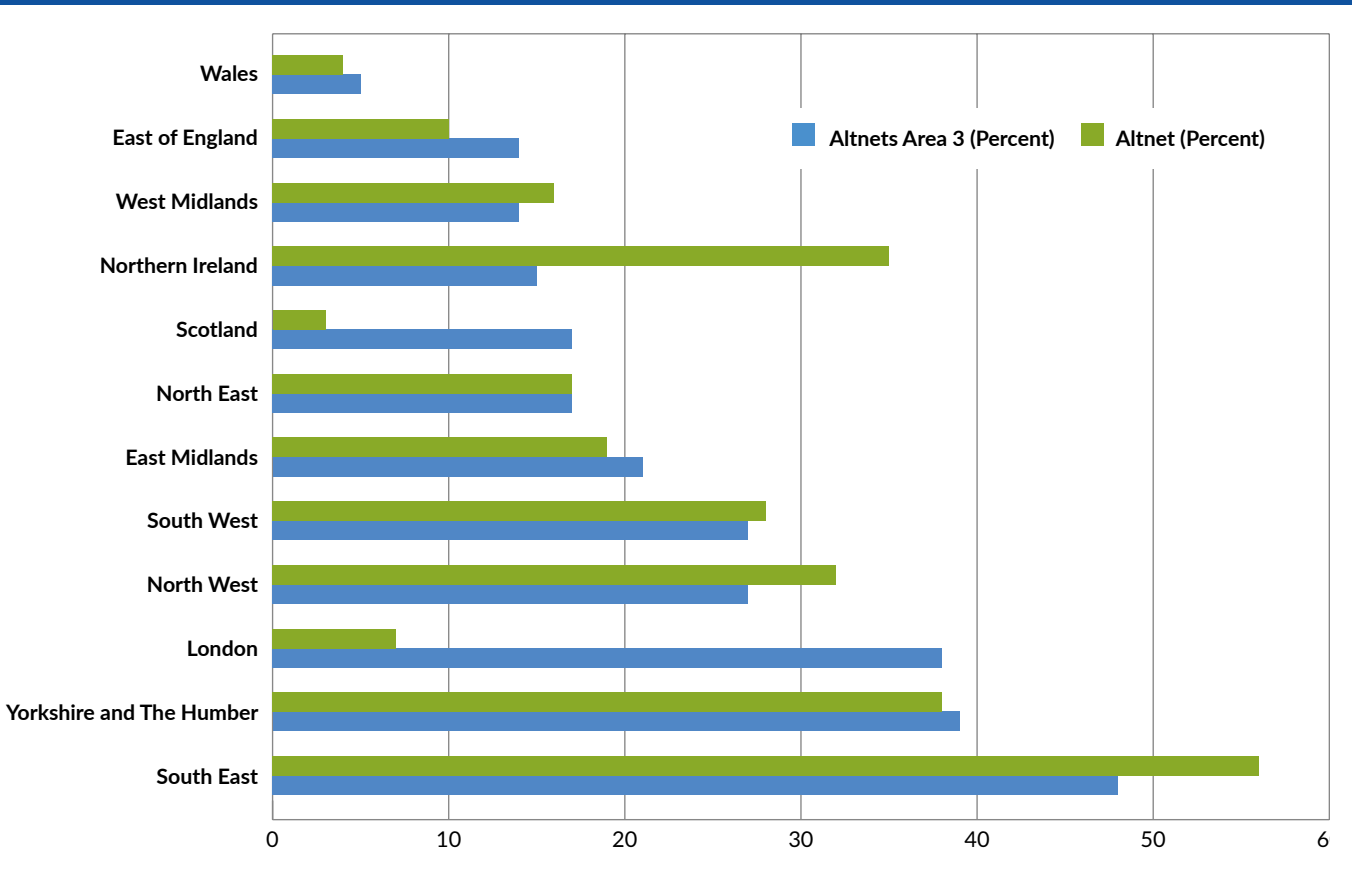
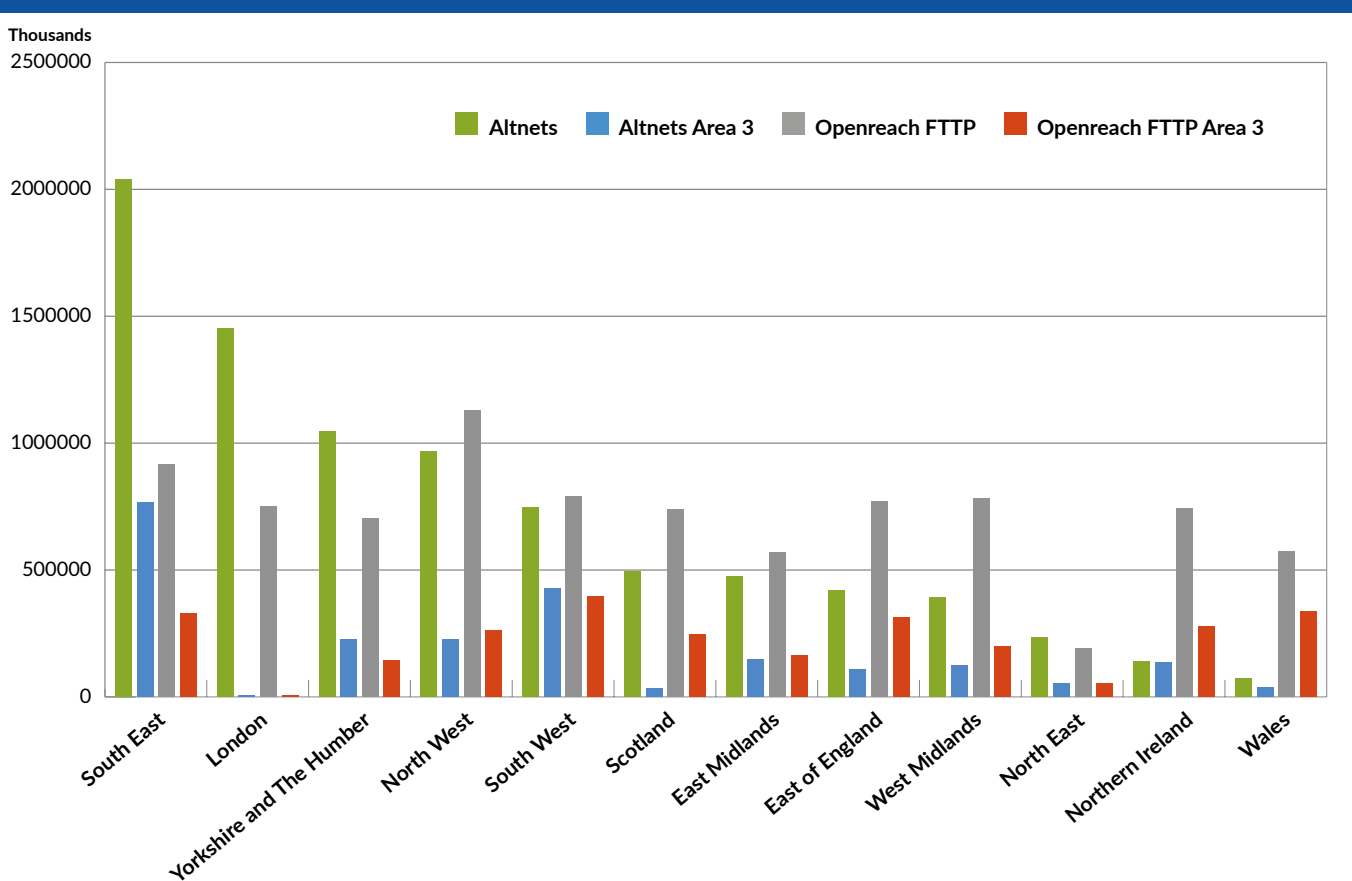


Figure 7: Premises passed by region and split by total coverage and Ofcom Area 3 (as of Q4 2022)



6. Independent network sector investment

According to the newly formed Department for Science, Innovation and Technology's latest annual figures up to the end of 2021, the UK Digital Sector's contribution to the economy as measured by gross value added (GVA), "In 2021 GVA by the Digital sector was £144 billion, 3% higher in real terms than in 2019, in comparison GVA by the UK economy as a whole was 4% below 2019 levels in 2021."¹¹

Looking more closely at the telecoms sector, for the same period, "GVA by the Telecoms sector was £38 billion, 10% higher in real terms than in 2019, in comparison GVA by the UK economy as a whole was 4% below 2019 levels in 2021."¹²

The UK continues to lead the European tech market as it attracted more international venture capital investment into technology businesses in 2022 than France and Germany combined. Independent network providers have experienced unprecedented levels of engagement from the investment community in recent years, and despite recent economic turmoil investment firms are still backing Altnet expansion plans. Since 2021 press outlets have been awash with public announcements highlighting further rounds of private funding and consequently an increase in and acceleration of Altnet operators network deployment plans.

Adding up the announcements made in 2022 we get over £5.9 billion worth of private funding. It is not immediately clear how much of this is 'new' money so exercise caution if combining with previous statements.

To help provide better insight we asked the survey respondents to provide us with their totals for expected CAPEX and OPEX this year and next year as well as up to 2030.

We have added additional estimates to those figures collected through the survey for intended spend by independent network operators based on public announcements over time, where we are sure they are additional funds. Table 2 provides a summary.

Operational expenditure will also expand to meet the requirements of larger networks and more customers. From survey inputs and public statements, we are projecting an OPEX spend of around £4.045 billion up to 2030 for the fixed full fibre independent operators.

A summary of selected financial and network expansion related announcements is detailed in [Annex 1](#) at the end of the report. Earlier announcements can be found in our previous report for INCA, [Metrics for the UK independent network sector](#), published in May 2022.

Table 2: Intended capital expenditure (CAPEX), estimates for fixed full fibre operators

Current financial year (2022/23)	Next financial year (2023/24)	2022 to end-2030
£2.158 billion	£5.929 billion	£24.210 billion

Note: Figures form only part of the sector; capex relates to intended capital investment, not actual.

See general caveat on page 10.

Source: Operators taking part in INCA surveys 2023, 2022, 2021; public announcements.

11 DCMS and the Department for Science, Innovation and Technology, [DCMS Sectors Economic Estimates: Monthly GVA \(to December 2022\)](#), 15 February 2023.

12 Ibid, Introduction.

7. Independent network sector concerns

The INCA survey asked operators to rate how concerned they are about a range of factors in terms of challenge to their network deployment and ability to offer services to and acquire customers.

The top three concerns in 2023 are:

1. Planning and street works delays and/or costs.
2. Project Gigabit procurements, the tendering process, and threat of overbuild.
3. Overbuild by other providers other than Openreach.

Planning and street works

Planning and street works delays and/or the costs associated with these undertakings stayed at the top of the list of sector concerns from last year. A perennial challenge, telecoms companies have continually raised concerns about conflicting approaches between local authorities and the varied interpretation of street works legislation. Operators note that without any overarching approach the inconsistencies will remain a significant barrier creating uncertainties in planning and inefficiencies in full fibre network infrastructure deployment.¹³ The government has stated that road and street works account for 70% of the cost of fibre broadband deployment¹³ and coupled with inefficient approaches to permit permissions and street works delays, operators have been continually highlighting the need for reform in order to meet government fibre network targets whilst also remaining competitive in an increasingly saturated market. Recent announcements by government regarding further trials of flexi-permits to accelerate broadband rollout in certain counties, including rural areas, are welcome and could provide insights on how to improve the current situation.

BDUK Project Gigabit concerns

The next highest concern for operators, for the second consecutive year, was Project Gigabit procurements, including the threat of overbuild of their commercial networks arising from these public sector investments. This concern is prescient at the time of writing, given INCA member concerns regarding BDUK's planned Type C procurement. Not only does it seem set up in such a way that only Openreach, which has not bid

for any BDUK procurements to date, would meet the financial selection criteria, but it could also have wider negative impacts on competition and investment. Whilst it has been stated that the Type C procurement intends to target premises that no operator would commercially serve, initial areas earmarked for Type C by BDUK have caused concern for Altnets who see those areas as either ripe for commercial deployment or as those they would be interested in bidding for within a BDUK procurement they are eligible to participate in. As discussed earlier in this report, this underlines the importance of BDUK engaging with the solid track record Altnets already have in delivering to hard-to-reach areas and ensuring that this can be harnessed effectively in its future programme. Otherwise, and rather counter-intuitively, the BDUK programme risks slowing down build to rural properties rather than speeding it up.

Increasing concern with overbuild

Moving up the list of concerns is overbuild by providers other than Openreach, which is perhaps not surprising given the current point in the deployment and market development cycle. During 2023 INCA will work with its members and Ofcom to explore ways to increase visibility of where Altnets have built their networks. We will do this in a way that can help effective network planning decisions whilst supporting healthy infrastructure competition in the market.

Also moving up the ranks into joint fourth place, alongside the issue of increasing prices for material and equipment (an unsurprising climber in the current economic climate), were the impact of Openreach's Project Equinox scheme and the issue of switching.

Openreach Equinox pricing

Given the fact that a new Equinox 2 pricing scheme is currently under consideration by Ofcom, it is unsurprising that this had moved up the operator worry list. The impact of Equinox 2 on the market, should it not be blocked by Ofcom, has been a key area of focus for INCA and the Altnet community in recent months. INCA believes that Equinox 2 should be blocked by Ofcom, as, if implemented, it would have a chilling effect on investment incentives for Altnets of all sizes and across all business models. INCA made this point

¹³ DCMS, DfT, [Street Works Toolkit](#), 23 May 2019.

clear in its detailed submission to Ofcom's consultation on the issue.¹⁴ A key point made in that response is the particularly acute impact Equinox 2 would have in Area 3, yet Ofcom has refused to assess the impact of Equinox 2 in this key geographic market. Given that Altnets are already delivering full fibre to a quarter of Area 3 premises, INCA hopes that the data from this report will help convince Ofcom of the importance of considering the impacts of Equinox 2 in Area 3 as it makes its final decision.

Switching

Given the fact that Ofcom's 'One Touch Switching' (OTS) rules came into effect in April 2023, it is again unsurprising that this issue is further up operator's radars. The new rules will allow consumers to change their broadband suppliers by contacting their new ISP without contacting their current provider, with the onus of switching services being on the new operator. This is a considerable undertaking and one that has been overseen by the new organisation TOTSCo since June 2022. TOTSCo is commissioning the messaging hub through which the OTS process will operate. However, the Hub system will not be in place for testing before August 2023, prior to going live later in the year. This is an area which INCA will continue to engage on with its members and relevant stakeholders.

Telecoms sector changing priorities

Attracting service providers to deliver their services over providers' networks has moved up four places to joint seventh along with engaging with developers and/or local authorities on new build housing plans which has moved up six places. The former is gaining prominence as ISPs look to maximise their network utilisation as the market continues to mature.

Wayleaves remained an issue, however it did move down two places to fifth place from third place last year. There has been a marked improvement in waiting times since last year, with fifty per cent of respondents stating that their average wait time in securing wayleaves was less than 6 months (up from 29%), with 25 per cent noting 6 to 12 months (down from 57%), and 12.5% noting a wait between 18 to 24 months, a decrease of two percentage points year-on-year. The remaining 12.5% marked this question as non-applicable or noted wayleaves as not an issue. This might indicate that the legislative changes introduced by the government's barrier busting team are starting to have an impact combined with the fact that landlords are becoming more aware that their properties need a full fibre broadband connection.

Figure 8 lists the full range of responses. Table 3 illustrates changes year-on-year.

We have introduced several new 'challenges' (in bold) compared to earlier years to reflect feedback and better represent the concerns that operators and providers face today in the market.

14 <https://www.inca.coop/sites/default/files/policy/equinox/INCA-and-Altnets-Equinox-2-response-230304.pdf>

Figure 8: Independent network operators' concerns

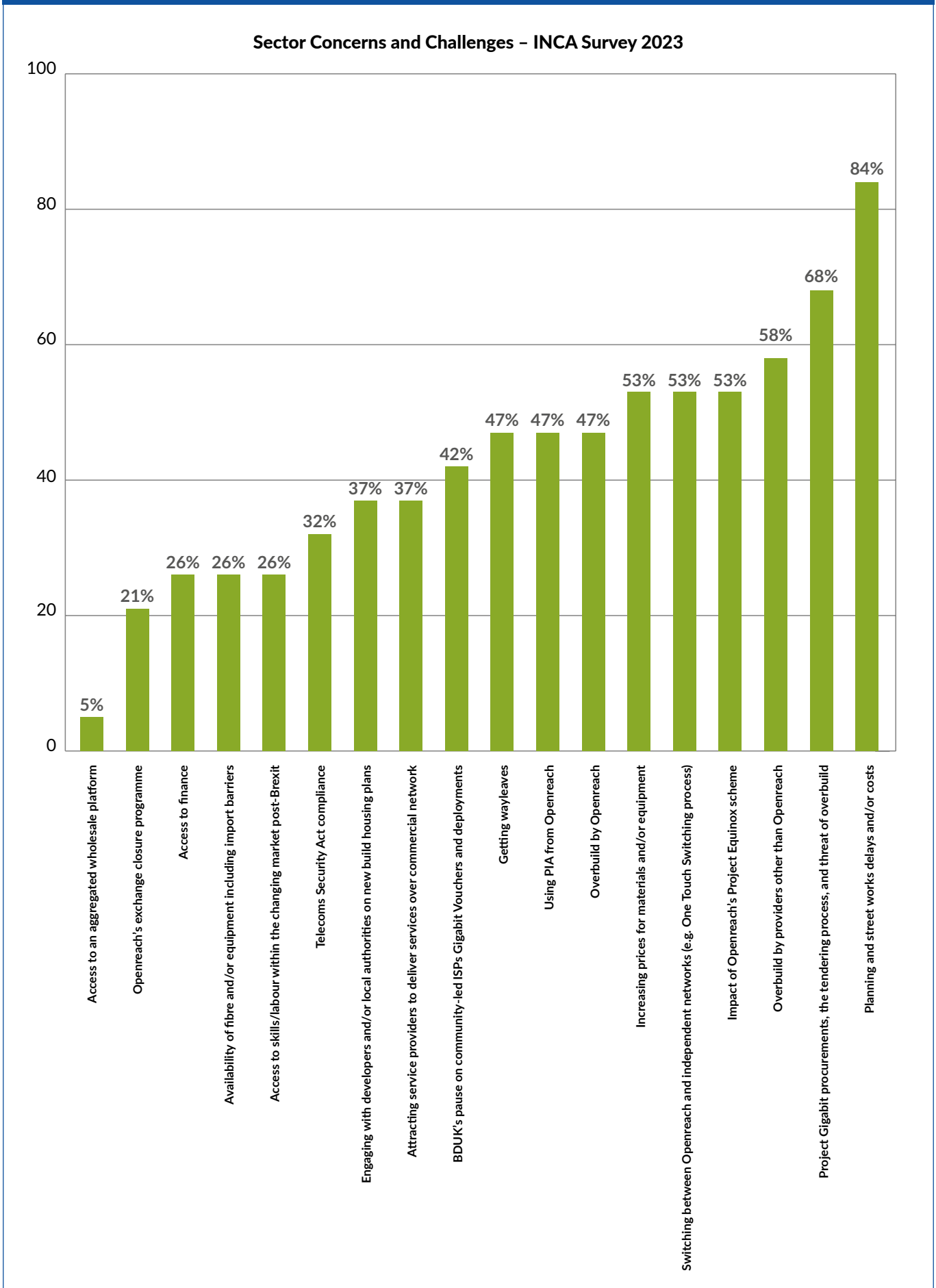


Table 3: Changing concerns 2022 to 2023

Sector Challenges	Rank 2023	Rank delta from 2022
Planning and street works delays and/or costs	1	+2
Project Gigabit procurements, the tendering process, and threat of overbuild	2	
Overbuild by providers other than Openreach	3	+7
Impact of Openreach's Project Equinox scheme	4	+4
Switching between Openreach and independent networks (e.g. One Touch Switching process)	4	+5
Increasing prices for materials and/or equipment	4	+8
Overbuild by Openreach*	5	
Using Passive Infrastructure Access (PIA) from Openreach	5	+4
Getting wayleaves	5	-2
BDUK's pause on community-led ISPs Gigabit Vouchers and deployments	6	-3
Attracting service providers to deliver services over commercial network	7	+4
Engaging with developers and/or local authorities on new build housing plans	7	+6
Telecoms Security Act compliance*	8	
Access to skills/labour within the changing market post-Brexit	9	-5
Availability of fibre and/or equipment including import barriers	9	+3
Access to finance	9	+4
Openreach's exchange closure programme*	10	
Access to an aggregated wholesale platform	11	

* New survey challenge questions for 2023.

8. Appendix A: Basis for research and research aims

Basis for research

In compiling these statistics, Point Topic has relied heavily on self-reporting by network operators. Where numbers are unknown, we have used our own estimates including postcode data if available. We do this in conjunction with our partner Thinkbroadband.

INCA members were surveyed during February and early March 2023. Survey questions can be found at <https://www.surveymonkey.co.uk/r/IndependentNetworkSurvey2023> and in Appendix B.

The report also draws on Point Topic's continuing full fibre, gigabit, superfast and ultrafast Broadband Update and Broadband Geography research programmes, which have been gathering information and datasets since June 2009. This research is used particularly in assessing expansion in recent years of the independent network operator footprint.

Research aims

By gathering information on coverage in terms of premises passed, live connection numbers, expansion plans and key concerns on an aggregated basis, the independent sector will be better able to demonstrate to policy makers, Ofcom, investors and the media, the role it is playing and the advances it is making in bringing ultrafast broadband to UK homes and businesses.

This is especially important given Ofcom's approach to the regulation outlined in the Statement: Promoting investment and competition in fibre networks – Wholesale Fixed Telecoms Market Review 2021-26, which works in conjunction with the government's £5 billion Project Gigabit programme, aiming to reach 85 per cent gigabit-capable coverage by 2025 and increasing to 99 per cent coverage by 2030. The independent sector has played a key role in those objectives and will continue to contribute significantly to a fully fibred UK.

9. Appendix B

Independent Networks Survey – Spring 2023

Help us make the case for the independent operator

Each year INCA commissions Point Topic to survey the independent operators to assess investment, actual and planned network coverage and important challenges the sector faces. As private investment by independent providers has steadily increased, with over £20 billion expected to be pumped into the gigabit broadband sector up to 2025, the focus of this year's survey will be on how this investment will result in the scaling up of deployments and operations along with the current state of play within the independent networks sector.

The data collected from this survey is anonymised and aggregated into a report that forms an integral

and crucial part of INCA's work to keep government and Ofcom apprised of the fast-growing significance of the sector and the investment generated, whilst underscoring the impact independent providers are having on the realisation of the UK's gigabit targets. We are seeking responses from all AltNets regardless of INCA membership, including those belonging to other associations including UKWISPA.

Completing the survey should not take more than 15 minutes of your time.

Many thanks for your help.

The INCA Team and Point Topic

Contact Information

Your details

Name:

Company:

Email address:

Fixed Network Information

Please provide details of your current/planned broadband networks.

1. What type of fixed wired networks do you build? (tick all that apply)

- | | |
|---|--|
| <input type="checkbox"/> Fibre to the Premises (FTTP) | <input type="checkbox"/> Ethernet |
| <input type="checkbox"/> Fibre to the Home (FTTH) | <input type="checkbox"/> Fibre to the cabinet (FTTC) LLU |
| <input type="checkbox"/> Fibre to the Building (FTTB) | <input type="checkbox"/> FTTC – Fibre to the Node/SLU |
| <input type="checkbox"/> Hybrid Fibre Coax (HFC/DOCSIS 3.x) | <input type="checkbox"/> FTTC – G.Fast |
| <input type="checkbox"/> Some or all Fixed Wireless Access network
(please complete the FWA section of the survey) | |

Other (please specify)

2. Do you currently offer wholesale access to your fixed network?

- Yes
- No

3. If you do not offer wholesale access to your fixed network do you plan on doing so in the future?

- Yes
- No
- Undecided

4. Do you use Openreach PIA in your network deployments?

- Yes
- No

5. How many premises do your fixed networks pass (excluding Fixed Wireless Access) – split by residential and business?

Note: Ofcom’s definition of “full fibre coverage” is “where the network has been rolled out to a ‘lead-in’ that will serve the consumer end premises and where the consumer would expect to pay a standard installation charge for that connection”.

	Residential	Business
End December 2022	<input type="text"/>	<input type="text"/>
Do you anticipate by end of 2023	<input type="text"/>	<input type="text"/>
Your longer-term aspiration by the end of 2030	<input type="text"/>	<input type="text"/>

Please provide your definition of “pass” if this varies to Ofcom’s and/or you use a different network technology.

6. How many end-users are connected to your fixed networks (excluding Fixed Wireless Access) – split by residential and business? If possible, split by wholesale and retail.

	Residential	Business	Retail	Wholesale
End-Dec 2022	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
By the end of 2023	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
By the end of 2030	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Fixed Wireless Access Networks

Please provide further information about your current and planned fixed wireless access network coverage and end-users. Please skip to the next section if you do not deploy or use FWA technology in your infrastructure rollout.

1. What type of fixed wireless network do you build? (tick all that apply)

- Fixed Wireless Access using unlicensed or lightly licensed spectrum
- Fixed Wireless Access using licensed spectrum
- FWA – Point to Point
- FWA – Point to Multipoint
- Current wholesale access to your network
- Planning wholesale access to your network

Other (please specify)

2. How many premises are within coverage range of your fixed wireless networks – split by residential and business?

End December 2022	<input type="text"/>	<input type="text"/>
Do you anticipate by end of 2023	<input type="text"/>	<input type="text"/>
Your longer-term aspiration by the end of 2030	<input type="text"/>	<input type="text"/>

Please provide your definition of “within coverage range”

3. How many end-users are connected to your fixed wireless networks – split by residential and business? If possible, split by wholesale and retail.

	Residential	Business	Retail	Wholesale
End-Dec 2022	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
By the end of 2023	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
By the end of 2030	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

CapEx and OpEx

1. What is your overall capital expenditure?

End of last financial year	<input type="text"/>
Current financial year	<input type="text"/>
Next financial year	<input type="text"/>
Estimated spend from now until 2030	<input type="text"/>

2. How much did/do you spend on operating and maintaining the network/s?

End of last financial year	<input type="text"/>
Current financial year	<input type="text"/>
Next financial year	<input type="text"/>
Estimated spend from now until 2030	<input type="text"/>

Challenges to Network Deployment and Service Delivery

1. How would you rate the following issues in terms of their challenge to your network deployment and ability to offer services to and acquire customers?

Please rate issues on a scale from 1 – ‘Not an issue’ to 5 – ‘Very significant challenge’

	Not an issue	Slight Issue	Challenge	Significant Challenge	Very significant challenge
Impact of Openreach’s Project Equinox scheme	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Overbuild by providers other than Openreach	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Overbuild by Openreach	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using Passive Infrastructure Access from Openreach	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Access to cost-effective backhaul services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Attracting service providers to deliver services over your network	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Openreach’s exchange closure programme	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Access to an aggregated wholesale platform	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Switching between Openreach and independent independent networks e.g. through the One Touch Switching process being developed TOTSCo	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Project Gigabit procurements and the tendering process	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Project Gigabit procurements and threat of overbuild of your commercial networks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
BDUK’s pause on Gigabit Vouchers affecting current and future deployments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Engaging with developers and/or local authorities on new build housing plans	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Availability of fibre and/or equipment including import barriers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increasing prices for materials and/or equipment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Access to finance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please rate issues on a scale from 1 – ‘Not an issue’ to 5 – ‘Very significant challenge’

	Not an issue	Slight Issue	Challenge	Significant Challenge	Very significant challenge
Access to skills and labour within the changing market post-Brexit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Getting wayleaves	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Planning and street works delays and/or costs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Telecoms Security Act compliance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other (please specify)	<input type="text"/>				

2. In your negotiations for obtaining wayleaves what is the average timeframe for the process from beginning to gaining consent?

- Less than 6 months
- 6 – 12 months
- 12 – 18 months
- 18 – 24 months
- 2 or more years
- N/A

3. Please note any specific comments that you may have on the above or on other issues.

Project Gigabit Programme

1. Are you currently seeking procurement contracts via the Project Gigabit programme?

- Yes
- No

2. If you are participating in the Project Gigabit Programme, to what extent are you? Tick all that apply.

- Type A: Dynamic Procurement Scheme (DPS, c1k – 8k premises)
- Type B: Large Contracts (c40k – 80k premises)
- Type C: Very Large Frameworks (c500k premises)
- Vouchers (2 or more premises)
- N/A

'One Touch Switching' Implementation

1. How would you characterise your readiness to operate in the 'One Touch Switching' market?

- At the start of the process
- Substantially ready with most systems in place
- Completely ready

Other (please specify)

2. Are there any additional measures or support would you like to see?

- Yes
- No

If answered yes, please provide further information:

Skills and Labour

Please provide details, if possible, about current or potential employment issues and how they may affect your core business operations (eg. senior management, technology officers, in-office staff, customer support) along with your network deployment and maintenance operations.

1. To the best of your ability, please rate the following employment issues in terms of their challenge to your core business operations and your network deployment and maintenance operations.

Please rate issues on a scale from 1 – ‘Not an issue’ to 5 – ‘Very significant challenge’ or ‘Don’t know’

	Core Business Operations	Network Deployment / Maintenance Operations
Access to qualified skills and labour to fulfil current or future expansion plans Increase cost to business	<input type="text"/>	<input type="text"/>
Repercussions from Brexit on staffing levels	<input type="text"/>	<input type="text"/>
Ongoing or future sub-contractor agreements and their ability to secure employees	<input type="text"/>	<input type="text"/>

2. Can you provide your total number of employees and how many are you expecting to employ in the future. If possible, can you please split by core business operations and network operations?

	Core Business Operations	Network Operations
End-December 2022	<input type="text"/>	<input type="text"/>
By end 2023	<input type="text"/>	<input type="text"/>
By end 2030	<input type="text"/>	<input type="text"/>

3. If you have current training programmes in place, please provide an estimate of how many employees are currently enrolled in these programmes? Roughly, how many trainees do you expect to have in the future? If possible, please split by core business operations and network operations.

	Core Business Operations	Network Operations
End-December 2022	<input type="text"/>	<input type="text"/>
By end 2023	<input type="text"/>	<input type="text"/>
By end 2030	<input type="text"/>	<input type="text"/>

4. Please provide any further information about your training programmes below:

5. Are you currently implementing, or do you have future plans to promote diversity in the workplace?

- Yes
- No
- None currently in place, considering workplace diversification projects in the future

6. Please provide any further information about any workforce diversification initiatives you have or may be putting into place in the future and provide a URL address of your plans if possible.

Net Carbon Zero Transition

Please provide further information about your current and/or future projects to meet the Net Carbon Zero agenda.

1. Do you currently have any initiatives or programmes in place to support the Net Zero / ESG agendas?

- Yes
- No

2. If yes are your programmes supporting:

- Scope 1 Direct emissions
- Scope 2 Power-related emissions
- Indirect emissions (e.g. value/supply-chain related)
- N/A

Please provide a URL address of your Net Carbon Zero projects and/or policies.
Alternatively, they can be emailed to surveys@inca.coop

Postcodes/UPRN Data

In line with our approach to providing clear, up to date and accurate data, it is very important to gather robust information that can be aggregated to influence Ofcom's and the government's understanding of the sector.

1. Do you hold your network plan at postcode and/or UPRN level? Please tick the relevant box below.

- Postcode
- UPRN

2. Please provide existing coverage and intended build postcodes/UPRN premises data, ideally up to April 2026 and split between retail and wholesale. These will be used by INCA on an aggregated basis in its response to Ofcom.

The preferred format is an Excel sheet listing coverage data split by present and future (by year if available), if possible noting maximum speeds available to end-users in each location if this varies – email to surveys@inca.coop or tick the option below to be contacted by us.

In addition, Point Topic would like to use the aforementioned data in order to map the coverage of broadband networks. It works with thinkbroadband to do this and therefore shares this data with its partner accordingly, tick here if you are happy for your data to be shared.

- Please contact me
- I agree for my network coverage to be shared with Point Topic and thinkbroadband for network forecasting and mapping purposes

INCA Services

1. Which aspects of INCA's work do you think are particularly useful and impactful? Is there anything that INCA is not doing that you think we should put resources into?

Done – Thank You

10. Annex 1

Selected independent network operator investment announcements January 2022 to March 2023

Date	Operator	Investment	FTTP Deployment Aims
04-Jan-22	Truespeed	Secured additional £100m in funding from Aviva.	Aims to pass 500k premises by 2025.
05-Jan-22	Lothian Broadband	Received £20m in funding from SNIB.	Increased target rollout to 70k premises up from 50k.
10-Jan-22	Borderlink (GoFibre)	Secured additional £164m from BSIF.	Target rollout increased from 100k to 500k premises by end of 2024/start of 2025.
27-Jan-22	Community Fibre	£400m (2020) from Warburg Pincus.	Jan 2022 announced increasing 1m premises target to 2.2m London homes by end of 2024.
21-Mar-22	CityFibre	£300m additional investment secured from Mubadala Investment Company, a total of £1.425bn in investment announcements since Sept 2021.	This equity investment will support CityFibre's accelerated growth plans and enable participation in Building Digital UK's (BDUK) 'Project Gigabit' rural programme.
31-Mar-22	Fibrus	£200m secured from a consortium of banks, including the UK Infrastructure Bank.	Aims to cover 300k premises in 118 regional towns in Northern Ireland and North East England by 2024.
8-Apr-22	Netomnia	Announced it had secured a new round of funding for £295m led by DigitalBridge Investment Management.	The supplier has passed more than 130k premises since their rollout has commenced in 2020.
14-Apr-22	Hyperoptic	Announced it will be investing £200m in 2022 building out its full fibre network.	Aims to pass an additional 400k homes throughout 2022, on top of the 825k premises already overed by their FTTP/B network.
25-Apr-22	ITS Technology Group	Secured additional £100m investment from Aviva.	Plans on accelerating FTTP network rollout to cover 25% of UK premises by end of 2022.
3-May-22	Community Fibre		Announced it had passed 500k homes and 116k businesses in the capital.
4-May-22	Full Fibre		Exeter-based provider announced expansion plans into Yorkshire and the north-Midlands with aim of passing 90k premises.
13-May-22	Zzoomm		Released next rollout phase for 7 market towns covering 250k premises with a further 750k in the pipeline.
24-May-22	Jurassic Fibre		Announced 75k premises passed milestone.
24-May-22	Freedom Fibre	Received £2m equity injection from shareholders on 28 February 2022, followed by securing £16m debt facility from Santander on 13 April with £84m capital commitment from Equitix which included £24m equity injection received on 24 May.	

Date	Operator	Investment	FTTP Deployment Aims
2-Jun-22	CityFibre	Secured a £4.9bn debt package comprising committed facilities of £3.9bn and an accordion facility of £1bn; follows £1.125bn in equity investments that CityFibre closed in the last ten months from two new investors, Mubadala and Interogo Holding as well as from existing investors Antin Infrastructure Partners and the Infrastructure business within Goldman Sachs Asset Management.	The funding will allow the supplier to complete its full fibre network rollout to 8 million homes, 800k businesses, 400k public sector sites and 250k 5G access points by 2025.
30-Jun-22	Fibrus		Belfast-based operator released next batch of FTTP network rollout locations, including 40 areas in Cumbria, northern England.
6-Jul-22	F&W Networks	Obtained £25m in funding from Santander UK.	Alongside its ISP brand, Hey!Broadband, F&W Networks will be expanding its footprint of 200k connected homes, with the aim of reaching one million homes by 2025.
4-Aug-22	Netomnia		Announced 210k premises passed and unveils 2022/23 network expansion plans; the supplier is rolling out full fibre infrastructure in 48 exchange areas across England, Scotland and Wales with expansion into Northern Ireland due in the near future.
8-Aug-22	Brsk		Announced further expansion plans to 250k premises in the West Midlands.
11-Aug-22	Box Broadbad		Increased network rollout plans from 200k to 250k homes and businesses across the South East of England by end of 2024.
18-Aug-22	Trooli		Kent-based rural ISP hits the 275k premises passed milestone with their FTTP network and expand their coverage into Derbyshire.
8-Sep-22	Lightning Fibre	In 2020 secured an undisclosed investment amount from independent infrastructure and private equity firm Foresight, which increased its investment in September 2022.	With further investment made by Foresight, Lightning Fibre, based in East Sussex, announced network expansion plans into neighbouring counties of West Sussex and Kent increasing its current coverage of 60k premises to 140k.
8-Sep-22	KCOM	Released a further £100m to retire copper network and expand network into Hull, East Yorkshire and Lincolnshire	The investment includes £62m to expand FTTP network to more than 50k more homes and businesses in 14 initial towns and villages across the region; £10m to upgrade 14k properties in East Yorkshire, £17m to replace the ageing copper phone lines in Hull with an entirely new fibre network and a £10m long term upgrade of the existing fibre network to enable download speeds of 10Gbps.
13-Sep-22	Brsk	Secured £103m debt investment and managed by Ares Management Corporation's Infrastructure Debt strategy. The new funding is able to be upsized to £178m over time to support future growth.	To date the provider has passed c.70k premises with a build-rate of around 10k per month with the ultimate goal of passing 1 million premises, with no end date given.

Date	Operator	Investment	FTTP Deployment Aims
20-Sep-22	CityFibre		Announced 2 million premises passed milestone, representing 25% completion of its 8 million premises goal by 2025.
22-Sep-22	Spring Fibre	Received an investment of up to £155m from River and Mercantile.	Aim to pass up to 1 million premises in England overtime; no build locations have been announced to date.
27-Sep-22	Wessex Internet	abrdn's Core Infrastructure team has agreed to make a 'major equity investment' of £20m in Wessex Internet.	The investment will help to accelerate the deployment of Wessex Internet's full fibre-to-the-home network across rural parts of the South West of England. Their network footprint covers tens of thousands of homes across the South West of England and plans to target an additional 150k premises by 2027, through a combination of subsidised and unsubsidised capital investment.
1-Mar-23	Grain Connect	Secured additional funding through a £110m bank facility, with an initial tranche of £40m from Nord L/B. German Landesbank Nord/LB. To complement Nord/LB's debt financing, £21m of additional equity is being invested by existing shareholders, Equitix, Albion Capital and Pinnacle Group.	
17-Mar-23	Netomnia	Netomnia along with ISP sister company YouFibre, has raised £230m in committed debt financing from six bank lenders, comprised of HSBC UK, ING, NIBC, RBC, Standard Chartered, and UKIB, bringing the total funding secured to date around £418m.	As of March 2023, Netomnia has passed 410k premises and aims to pass 1m by the close of the year.

Source: Independent operators' public announcements.

A Point Topic report for INCA

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