

Our website uses cookies, which are small text files that are widely used in order to make websites work more effectively.

To continue using our website and consent to the use of cookies, click away from this box or click 'Close'



[Find out about our cookies and how to change them](#)

Industry negotiates 5% rise in broadband wayleave payments

Isabel Davies 01 October 2018



A 5% increase in the wayleave payments offered by national operator Openreach for fixed-line broadband cables and equipment has been negotiated by the Country Land and Business Association (CLA) and NFU.

The CLA and NFU have also secured a 4% increase in payments from alternative infrastructure providers such as Gigiclear and Virgin Media.

The new agreement aims to make it easier for Openreach and others to reach agreement with landowners over the location and payment rates for cables and any other equipment required.

See also: [Wayleave payment rates agreed to smooth broadband projects](#)

It is anticipated this will speed up the rollout of rural broadband – essential if the government is to hit its target of full fibre broadband coverage across all of the UK by 2033.

The new payment rates come into effect today (1 October 2018). The deal has taken more than 18 months to negotiate.

‘A win’

Charles Trotman, CLA senior economist, said the deal was “a win” for landowners given it was set against the backdrop of the Electronic Communications Code, which aims to drive down the payments made to landowners for installing telecoms equipment.

“What we’ve managed to do here is put a benchmark in the market and stabilise the market,” he said.

“An infrastructure provider needs access to land and this will provide access to land.”

Mr Trotman said the agreement was advisory, rather than mandatory, but warned if farmers were looking to negotiate higher payments, they would face risks.

Explore more / Know How

Visit our [Know How](#) centre for practical farming advice

Technology >

“The [Electronic Communications] code makes it very clear that in the event of no agreement, an infrastructure operator can go to the courts and get a code agreement imposed.

“Any agreements under an imposed code agreement are very likely to be far lower than the rates we’ve negotiated.”

Payment rates

Previously, Openreach offered a one-off payment of £150 for the installation of a pole on a farmer's land, with an additional top-up depending on whether it is on arable ground, pasture or within a hedgerow.

The one-off payment for a pole has now been increased to £157.50, with the annual wayleave payment rising to £10.50.

Alternative providers should now be offering one-off payments of £3.90/m for the installation of underground cabling and ducting, with an annual payment of £0.26p/metre.

The rates are due to be reviewed again in three years' time and any increase is likely to be based on the rate of inflation.

'Robust and effective'

CLA deputy president Mark Bridgeman said the deal was the result of constructive dialogue.

"A robust and effective national framework has been created which brings much-needed clarity and stability to the market while at the same time injecting more money into the rural economy through accelerated deployment."

NFU vice-president Stuart Roberts added: "The NFU and CLA have worked closely together to provide the means to enable landowners to easily reach an agreement with Openreach, bringing much-needed, effective broadband to rural areas.

"This initiative marks another step forward to ensuring our members have all they need to establish and maintain productive, profitable and progressive farming businesses."

How will this help?

Openreach says the agreement will speed up its rural build programme, because it gives landowners clarity on its pricing, proving they are getting a fair deal.

The wayleave has to be agreed before any apparatus can be installed, so anything that streamlines this process should help to speed up rollout.

The NFU, CLA and Openreach have also agreed changes to its Memorandum of Understanding to give more flexibility to landowners should they wish to redevelop land at a future point.

Upcoming webinar

SEPTEMBER

30

What does the future of farming look like post Covid-19 and Brexit?

Find out what the officials, your peers and the experts are saying to be able to take the first step into the future of UK agriculture. [📄](#)

[Register today](#)