



Guidance for the Managing the Challenges of Transitioning Distressed Network Assets Where PIA has been used for Network Build.

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This guidance document has been created by OTA2¹ to cover the challenges of transitioning distressed network assets where PIA has been used for network build. It is aimed at three sets of interested parties.

1. Network Companies who are looking to exit the infrastructure market for tactical or financial reasons.
2. Administrators of failed infrastructure companies who are needing to understand the assets of the company.
3. Network companies who are looking to or who have purchased assets from a company who have exited the market.

The PIA product from Openreach carries with it a set of product and engineering conditions which must be adhered to for the safe and efficient operation of any networks built using the product. These are set out in the Openreach Passive infrastructure Product Description. Any perspective purchaser of network assets must acquaint themselves with these requirements.

https://www.openreach.co.uk/cpportal/content/dam/cpportal/logged-in/images-and-documents/home/products/Passive-products/physical_infrastructure_access/product-docs/PIAProductDescriptionDec2022.pdf

1. Network Companies Exiting the Infrastructure Market

If your organisation is looking to exit the infrastructure market, recovering any value from the sale of the built assets, and perhaps more importantly avoiding any disruption of service to End User Customers you should follow the steps below.

1. All Build Complete Packs are submitted to Openreach. Even if the NoI is only part built.
2. All un-started or part-built Notices of Intent must be closed on the Openreach portal.

¹ See <http://www.offta.org.uk/>



3. Any outstanding Network Adjustment² orders must be cancelled (unless this for a pole which has been tested and found to be 'D' and customers are connected) – *Fees may apply for cancellations where validation has taken place.*
4. Network Adjustment orders and evidence packs are submitted and agreed with Openreach.
5. All Customer connections must be recorded.

If you do not already receive a monthly service pack from Openreach, a report from Openreach (via your service lead) can be requested to document all the live assets your organisation is using and paying for. This report is useful to share with any perspective purchaser of your assets. This would also form the information required in the novation of any assets, following the novation process set out in the Openreach product description.

2. Administrators of Network Companies looking to sell the Assets of a Failed Company

First, make contact with Openreach to inform them you have taken responsibility for the failed organisation. Your first point of contact will be the Sales Relationship manager (SRM) who has been working with your Communications Provider (CP) - CONTACT @ Openreach.co.uk

If your CP does not already receive a monthly service pack from Openreach, you need to request a report from Openreach (via your SRM). The report will document all the live assets your organisation is using and paying for. This report is also useful to share with any perspective purchaser of your assets. This would also form the information required in the novation of any assets, following the novation process set out in the Openreach product description.

It must be stressed that Openreach will only have records for what has been ordered and 'build completed' (this means they have been informed that a Notice of Intent has been completed) plus any connections to customers which have been submitted. It will not show any works which are in progress or the readiness for service of any of the network.

It is anticipated that the aim of any administrator is to look to sell the network assets to another network company. This is catered for in the PIA product using the novation's process. For the novation process to work it is important that the following steps are carried out. This will require staff who are familiar with the systems used, to order and progress network information using the Openreach System.

1. All Build Complete Packs are submitted to Openreach. Even if the Noi is only part built.
2. All un-started or part-built Notices of Intent must be closed on the Openreach portal.

² Network Adjustment is the permanent repair of the physical infrastructure, which is paid for from a Network Adjustment fund, calculated using the guidance set out in the WFTMR. Further guidance on values and payments in the Openreach PIA Product Description.



3. Any outstanding Network Adjustment orders must be cancelled (unless this for a pole which has been tested and found to be 'D' and customers are connected) – *Fees may apply for cancellations where validation has taken place.*
4. All Customer connections must be recorded.

If there is no prospect of the network being sold and the customers being retained. It is expected that the End User Customer will be given proper notice and time to migrate away to an alternative supplier without disruption to service.

3. Network Companies Looking to Acquire Assets

It is the responsibility of any acquiring organisation to undertake their own 'Due Diligence' in any purchase.

The information held by Openreach relating to the assets is only accessible either through the Losing CP or the Official Receiver, Openreach are not able to give any data directly to an acquiring organisation.

It should also be noted that the information held by Openreach is only as good as the records which have been updated by the Losing CP. It may be necessary for the acquiring party to survey the network to determine such things as partially built areas or completed Self Provide Network Adjustment orders.

It is important for the smooth running of the Novation's Process that the acquiring party gets the list of assets from the Losing CP (after all the steps 1-4 are completed) and that this is agreed between the Losing CP (or Administrator), Openreach and the Acquiring Organisation. These will be the assets Novated and ultimately the ones which are billed going forwards.