



Local Broadband Plan:

Review of progress to date and 2017 update: Contract 3

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SECTION 1: INTRODUCTION & BACKGROUND

1.1 Introduction – The Coventry, Solihull & Warwickshire Superfast Broadband Project

In August 2011, the Government allocated £294.8m to local authorities in England (to be locally match funded) to extend the roll-out of superfast broadband into areas beyond the reach of ongoing commercial deployments.¹ Superfast services were at the time defined as providing speeds of at least 24Mbps, this being the theoretical maximum speed of widely available basic ADSL broadband services.

It was estimated that commercial superfast broadband deployments would cover around two thirds of premises across the UK. The Government's funding was intended to extend superfast coverage into the so called final third of remaining premises. The majority of these were in rural areas. The Government's initial target was that 90% of homes and businesses should have access to superfast broadband by 2015. In addition, every premise should be able to access services offering a minimum speed of 2Mbps. In June 2013 the Government announced a £250m additional investment to expand superfast broadband provision to 95% of UK premises by 2017.²

£4.07m was initially allocated to the partnership established between Coventry City Council, Solihull Metropolitan Borough Council and Warwickshire County Council (CSW). The partnership's first Local Broadband Plan, setting out how broadband provision would be improved across the sub-region, was approved by Broadband Delivery UK (BDUK), part of the Department for Culture, Media and Sport (DCMS) in March 2012.³ The first Open Market Review and Public Consultation exercises conducted by the project in late 2012⁴ as precursors to the subsequent procurement revealed that commercial deployments would reach approximately 77% of premises across the sub-region.

BT was appointed to deliver the first two stages of the CSW Superfast Broadband Project via two procurement exercises conducted through BDUK's Broadband Delivery Framework. It was awarded Contract 1 in June 2013⁵ to deliver superfast fibre broadband based on fibre to the cabinet (FTTC) technology to around 91% of CSW premises by spring 2016. This would connect around 40,000 additional premises that would not be reached otherwise. BT was subsequently also awarded Contract 2 in January 2015 to connect a further 17,247 premises.⁶ This second award followed an additional £3.63m being made available to the CSW Broadband Project by Government as part of the June 2013 announcement of £250m additional funding.

The CSW Broadband Project has to date extended the reach of superfast broadband to more than 56,000 additional premises that would not have been provisioned otherwise and the roll-out is

¹ <https://www.gov.uk/government/news/363-million-for-broadband-roll-out-in-england-and-scotland> & <http://news.warwickshire.gov.uk/blog/2011/08/17/warwickshire-celebrates-superfast-broadband-funding/>

² <https://www.gov.uk/government/news/14-million-more-premises-to-get-superfast-broadband-after-250-million-capital-investment>

³ <http://www.cswbroadband.org.uk/documents/CSW-LBP-Submitted-20120301-REDACTED-20120501.pdf>

& <http://news.warwickshire.gov.uk/blog/2012/03/20/all-systems-go-for-superfast-broadband-by-2015/>

⁴ http://www.cswbroadband.org.uk/documents/CSW_Public_Consultation_Nov_2012_Published.pdf

⁵ <http://news.warwickshire.gov.uk/blog/2013/06/07/multi-million-partnership-to-bring-superfast-broadband-to-91-per-cent-of-homes-and-businesses-across-coventry-solihull-and-warwickshire/>

⁶ <http://www.cswbroadband.org.uk/new-10-73-million-deal-will-deliver-high-speed-fibre-broadband-thousands-homes-businesses-across-solihull-warwickshire/>

continuing.⁷ The Government's latest Broadband Performance Indicator reports that almost 4.2 million UK premises had had a superfast broadband service made available by the end of September 2016 as a result of BDUK supported projects.⁸ Superfast services will be available to 96% of premises across Coventry, Solihull and Warwickshire once both contracts with BT are complete.

A third procurement is now underway which will provision superfast broadband coverage offering speeds of at least 30Mbps for further areas in scope, in keeping with the 2016-2020 National Broadband Scheme (NBS) for the UK.⁹ For the purposes of the Contract a total potential public sector subsidy of £20 million is available. The CSW Broadband Project has secured funding from its Partners, BDUK and ERDF totalling around £15 million for this procurement with the ability to apply additional funding of up to £5m through the Contract. The intention is to provide superfast services for as many of the 17,120 remaining premises in the sub-region as possible within the available funding.

This document sets out our plans and procurement strategy for this next stage of the project in keeping with wider UK Government broadband policy, updating and building upon the previous CSW Local Broadband Plan approved in March 2012.

A timeline of activities and milestones achieved since approval of the CSW Local Broadband Plan can be found at the end of this document as Appendix 1.

Broadband policy, technology and the commercial landscape have all changed significantly since the beginning of the CSW Superfast Broadband Project in 2011. Appendices 2 and 3 describe these changes and developments, in particular, the growing role of broadband in UK policy and the increasing awareness and acknowledgment of the importance of broadband infrastructure to the UK's future economic development and competitiveness.

⁷ <http://www.cswbroadband.org.uk/about-the-project/rolling-12-month-plan/>

⁸ <https://www.gov.uk/government/statistics/broadband-performance-indicator-september-2016>

⁹ <https://www.gov.uk/government/news/broadband-delivery-uk-welcomes-state-aid-decision>, http://europa.eu/rapid/press-release_IP-16-1904_en.htm & http://ec.europa.eu/competition/state_aid/cases/263954/263954_1760328_135_4.pdf

1.2 Background – the Coventry, Solihull and Warwickshire Sub-Region

Coventry is the heart of the sub-region, and is surrounded by Solihull to the west, and the five districts of Warwickshire – North Warwickshire, Nuneaton & Bedworth, Stratford-Upon-Avon, Warwick and Rugby.

Solihull is one of the seven West Midlands Metropolitan Boroughs, located between Birmingham (to the west) and Coventry and Warwickshire (to the east). It covers an area of almost 18,000 hectares, two-thirds of which is rural farmland. Much of the rural area is designated green belt. Solihull has two main built-up areas, in the north around Chelmsley Wood and in the south-west around Solihull town.

Warwickshire is generally more rural in nature, interspersed with a variety of market towns and major centres, such as Stratford-on-Avon and Rugby. Around one third of the population live in rural areas.

The project encompasses all of the areas of Coventry City Council, Solihull Metropolitan Borough Council and Warwickshire County Council. We are working closely with neighbouring authorities to co-ordinate with their broadband procurement activities. Our seven neighbouring local authorities are:

- Staffordshire
- Leicestershire
- Northamptonshire
- Oxfordshire
- Gloucestershire
- Worcestershire
- Birmingham

In addition, the northern tip of Warwickshire is only 3 miles (5km) from the Derbyshire border.

SECTION 2: DEVELOPMENTS SINCE 2011

2.1 UK Government broadband policy: reaching the final 5% of premises

Whilst the Government's superfast broadband programme has been very successful, to date reaching an additional 4.2 million premises¹⁰, it was recognised at the outset that the current roll-out would not reach all UK premises. The Government's target is that 95% of premises should be able to access superfast services by 2017.

In recognition of the challenges involved in reaching the remaining 5% of premises in the UK's most remote areas, the Government initiated a series of Market Test Pilots in 2014. These explored options for delivering superfast services to the final 5% of premises. The programme commenced in March 2014 with an invitation to submit bids for a share of £10m.¹¹ In June 2014 the Government selected eight bids encompassing a range of fixed, wireless and satellite broadband technologies and commercial models to proceed to the feasibility stage.¹² A report on emerging findings was published in February 2015; seven of the eight projects then moved forwards into deployment.¹³ A further report was published in February 2016: the pilots had demonstrated that alternative technological, commercial and operational models were capable of providing good quality superfast broadband services to some of the most remote premises across the UK.¹⁴

The pilots informed the Government's approach to the final 5% of premises and BDUK is now working with local bodies to initiate procurements to extend the reach of superfast broadband to these premises as far as possible within the available funding. The rural, sparse nature of the areas where the majority of the final 5% of premises are located makes the technological and commercial model adopted for previous contracts unviable in many instances, for reasons including the cost of deployment and distance or other geographical challenges.

For example, the fibre to the cabinet (FTTC) superfast technology being widely and successfully deployed elsewhere in the UK can struggle to deliver superfast speeds in remote areas due to the long distances and line lengths involved. The access speeds FTTC technology can deliver are distance dependent, i.e. the longer the line length between a premise and its serving street cabinet, the slower the speed that can be achieved. More information about FTTC technology is available on the CSW Broadband Project website.¹⁵

These geographical and commercial challenges necessitate a new approach to procurement and implementation for the final 5%, which can also take advantage of the significant changes in the marketplace and technology in recent years.

¹⁰ <https://www.gov.uk/government/statistics/broadband-performance-indicator-september-2016>

¹¹ <https://www.gov.uk/government/news/10-million-superfast-broadband-fund-opens-for-bids>

¹² <https://www.gov.uk/government/news/10m-broadband-fund-winning-bids-announced>

¹³ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/409858/15-02-09_BDUK_Summary_of_feasibility_phase_final_1.pdf

¹⁴ <https://www.gov.uk/government/news/broadband-pilot-schemes-driving-competition-for-superfast-rollout-contracts>

¹⁵ <http://www.cswbroadband.org.uk/about-broadband/video-how-the-network-is-built/>

2.2 A new approach to procurement and state aid compliance

The two previous CSW Superfast Broadband Project contracts were awarded to BT via procurements undertaken via BDUK's Broadband Delivery Framework. BDUK established this framework to streamline procurement processes, negating the need for full European procurements and allowing local bodies to call off services from a pre-selected supplier (BT) that had demonstrated an overarching capability and capacity to deliver in accordance with the requirements of the programme. It also ensured the programme was compliant with European state aid guidelines and requirements.¹⁶ Contracts with BT under BDUK's Framework provided a high level of assurance and control over implementation and delivery, ensuring value for money.

In July 2013, the National Audit Office (NAO) reported that the Government had been successful in securing in-life controls on value for money, by means such as only paying actual costs supported by invoices and ensuring that suppliers are paid only where they can demonstrate that they have reached key milestones.¹⁷ A further NAO report in January 2015 noted that the Major Projects Authority had cited BDUK's 'Milestone-to-Cash' process, linking payments to project completion milestones, as an example of best practice in controlling costs.¹⁸ In July 2015 the Government announced that the contractual controls and state aid conditions provided by the BDUK Framework had made £129m available to reinvest in broadband roll-outs, as a result of the take-up of superfast broadband in enabled areas being higher than originally anticipated.¹⁹ A further £440 million reinvestment was announced in December 2016.²⁰

However, both BDUK's Framework and the previous 2012 state aid approval granted by the European Commission for BDUK's approach to delivering broadband in the UK have expired. This necessitates a different approach for further procurements in support of the final 5% and also provides an opportunity to take advantage of the significant changes that have occurred in broadband policy, technology and the marketplace since the programme began in 2011.

In January 2016 the Government consulted on possible new approaches to funding, procurement and aggregation, following the expiry of the previous 2012 state aid decision.²¹ In May 2016 the European Commission approved the UK's new approach to supporting broadband delivery, as set out in the 2016-2020 National Broadband Scheme (NBS), as being compliant with EU competition law.²²

The 2016 scheme aims to minimise the "digital divide" in the UK (which exists predominantly in rural and remote areas) and accelerate the roll-out of next generation access (NGA) networks, in line with UK and EU priorities, and help drive further economic, regional and UK-wide growth, producing further economic and social benefits. The scheme targets rural areas and aims to increase coverage

¹⁶ <https://www.gov.uk/government/news/broadband-roll-out-moves-into-top-gear> & http://ec.europa.eu/competition/state_aid/cases/243212/243212_1387832_172_1.pdf

¹⁷ <https://www.nao.org.uk/press-release/the-rural-broadband-programme-2/>

¹⁸ <https://www.nao.org.uk/report/superfast-rural-broadband-programme-update/>

¹⁹ <https://www.gov.uk/government/news/additional-129-million-boost-for-nationwide-broadband-rollout>

²⁰ <https://www.gov.uk/government/news/440-million-broadband-boost-to-benefit-more-than-half-a-million-premises>

²¹ <https://www.gov.uk/government/consultations/national-broadband-scheme-market-engagement>

²² <https://www.gov.uk/government/news/broadband-delivery-uk-welcomes-state-aid-decision>, http://europa.eu/rapid/press-release_IP-16-1904_en.htm & http://ec.europa.eu/competition/state_aid/cases/263954/263954_1760328_135_4.pdf

of high speed broadband in the UK by deploying NGA networks, i.e. networks that can deliver speeds above 30Mbps to homes and businesses.

Key aspects of the 2016 NBS include:

- Public bodies in the UK do not need to notify the European Commission each time they wish to run a broadband procurement. Instead, they just need to demonstrate compliance with the NBS to BDUK. The NBS scheme will run until the end of 2020.
- Public money will be spent on underserved areas: the UK can fully fund the investment to roll-out NGA broadband in areas where no NGA infrastructure exists and where no private operator is willing to invest in such infrastructure without state aid in the next three years.
- To further ensure that public investment does not crowd out private investment, detailed mapping and public consultation exercises must be carried out with interested private operators, as with procurements under the previous scheme.
- Fair chances for all bidders – big and small, regardless of technology: aid will be awarded by way of tenders compliant with EU public procurement rules, respecting the principles of technological neutrality and also facilitating bids by smaller operators. This will ensure that the most advantageous offer is selected. BDUK will support local bodies in conducting tendering exercises in accordance with EU procurement rules.
- Fair access to subsidised infrastructure through open access tenders: all interested operators should be able to access the subsidised infrastructure on equal and non-discriminatory terms. Furthermore, various mechanisms are in place to prevent wholesale access prices from being excessive.
- This will allow several network operators to obtain wholesale access and use the subsidised infrastructure to compete on services to the end consumers. The increase in network capacity is expected to stimulate market entry by service providers and the provision of a greater variety of services.

2.3 Changes in the UK broadband marketplace

The UK broadband marketplace is now much more competitive than when BDUK established its Broadband Delivery Framework in 2012. There are now more than 40 smaller infrastructure providers in the UK, with 70% of these serving rural areas.²³

These alternative providers (sometimes called “altnets”) compete with established fixed broadband providers such as BT, Virgin Media and TalkTalk. In some cases, the altnets compete directly with established providers, sometimes specialising in the provision of broadband services for a particular sector or customer group, such as small to medium enterprises (SMEs), often in areas where larger providers already have coverage. Providers of this type include CityFibre, WarwickNet and Hyperoptic.

²³ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/497369/BDUK_Market_Test_Pilots_-_Emerging_Findings_Feb_2016.pdf & <http://stakeholders.ofcom.org.uk/binaries/research/infrastructure/2014/next-gen.pdf>

Other operators or projects focus on geographical areas where larger providers do not currently have coverage. Examples include Gigaclear and the Broadband for the Rural North (B4RN) community-led programme. Technologies employed by the altnets include sub-loop unbundling, fixed wireless and fibre to the premise (FTTP). More information about altnets and their different approaches can be found in the Independent Networks Cooperative Association (INCA) 2016 report *Building Gigabit Britain*.²⁴

This increased diversity in the marketplace and technological mix provides a good fit with the range of challenges involved in providing superfast broadband for the final 5%. It is likely that the fibre to the cabinet (FTTC) technology widely deployed by BT to date will have a diminishing role to play in provisioning superfast services for the final 5%, necessitating a broader mix of technologies such as fibre to the premise (FTTP) and fixed wireless solutions. The agility and flexibility of smaller, specialised providers can enable them to deliver innovative services based on a mix of technologies in areas that may not be practical or commercially viable for larger providers.

Some of the new technologies, for instance wireless connectivity, can be rolled out much more quickly than a resource-intensive solution such as FTTC or FTTP. Also, because it is likely that there will be a number of different suppliers, the project will not be reliant on the resources of one individual supplier to cover the whole area, so that it is anticipated that the rollout will be completed more quickly. The approach of using fibre as far as possible is generally considered the best delivery option, as this ensures the scalability and sustainability of the investment.

We have consulted a range of suppliers in relation to the opportunity presented by Contract 3 and have received a positive response. We have structured our forthcoming procurement so as to ensure interest from as wide a range of broadband service suppliers as possible, offering a mix of technological solutions.

2.4 Delivering universal basic broadband – the Better Broadband Scheme

All homes and businesses that are currently unable to access a basic broadband service with a download speed of at least 2Mbps and which are not in scope for the current superfast broadband roll-out²⁵ are eligible to apply for the Government's Better Broadband Subsidy Scheme. The scheme ensures that no household or business will need to pay more than £350 to access a basic broadband service over a 12 month period.

Information about the implementation of the scheme in the CSW Superfast Broadband Project area and details of how to apply are available at:

<http://www.cswbroadband.org.uk/your-area/currently-under-investigation/guide-better-broadband-subsidy-scheme/>

²⁴ <http://www.inca.coop/policy/building-gigabit-britain-report>

²⁵ <http://www.cswbroadband.org.uk/about-the-project/rolling-12-month-plan/>

SECTION 3: CONTRACT 3

3.0 Objectives

It is anticipated that our approach will deliver the following benefits:-

- By 2019 all domestic and business premises will have broadband speeds of at least 2Mbps available, with 98% of the population across the project area able to access superfast services.
- Improved access to broadband in rural and non-rural areas for SMEs and citizens through the delivery of increased speeds to more areas in the sub-regions
- An opportunity for community groups and SMEs to develop broadband facilities further still on a 'Community Action' basis if their areas are not fully covered by the proposals
- An opportunity for public sector partners to reduce the costs associated with their own networks through joint procurement and operation
- Joint network facilities which will offer further opportunities for joint working and information sharing between public sector partners, including the potential for more shared services.
- Support property rationalisation initiatives by reducing network dependency on individual buildings, and facilitating future sharing of offices.

3.1 Contract 3 Intervention area

As with the previous two procurements, we have conducted Open Market Review (OMR) and Public Consultation exercises in order to define the intervention area for Contract 3. These exercises are required by the 2016 UK National Broadband Scheme (NBS) in order to determine where no basic or NGA broadband infrastructure is currently available or planned to be built by commercial investors over the next three years. This ensures that any public investment does not crowd out any current or future private investment in NGA infrastructure.

The OMR process focuses on identifying suppliers' current and proposed future coverage. It was conducted during summer 2016, closing on 28th August, and was used to define the proposed intervention area set out in the subsequent Public Consultation. Suppliers were also canvassed for their views on procurement approach and defining appropriate procurement lots in addition to responding to the OMR. The Public Consultation, which was open to anyone to respond, commenced on 31st October 2016 and ran until 30th November 2016. It defined an intervention area of 17,120 premises which will not be provisioned with NGA broadband, the majority of which are located in the sub-region's most rural areas.

3.2 Contract 3 procurement strategy

Our intention is to procure Next Generation Access solutions – those capable of achieving a minimum of 30 Mbps download speed – for the remaining areas of the sub-region in scope for NGA deployment.

The remaining premises are scattered across numerous areas, with the majority in the most rural. This means that, in combination with the broader range of technologies likely to be required, we have split our procurement into three lots. The location, size and type of these lots have been determined by aspects such as commercial attractiveness, competition and aggregation opportunities, local geographical/infrastructural features (such as motorways), economies of scale and value for money.

The three lots have been defined as follows:

- **Lot 1** – North Warwickshire Borough Council, Nuneaton and Bedworth Borough Council, Rugby Borough Council and Stratford District Council East (pertaining to premises east of the M40 motorway). 6,959 premises are in scope for intervention in Lot 1.
- **Lot 2** – Coventry City Council (excluding city centre premises), Solihull Metropolitan Borough Council (pertaining to premises located between Coventry and the M42 motorway). 5,598 premises are in scope for intervention in Lot 2.
- **Lot 3** – Stratford District Council West (pertaining to premises west of the M40 motorway) and Warwick District Council. 4,563 premises are in scope for intervention in Lot 3.

The Coventry City Council premises in Lot 2 are located in semi-rural areas to the north-west of the city, bordering the Nuneaton and Bedworth and North Warwickshire districts. All premises located within the Coventry ring road have been excluded from the intervention area in keeping with the rural focus of the 2016 UK NBS. No publicly-funded intervention has thus far taken place in Coventry since it was expected that the commercial rollout would fully cover Coventry, and therefore Coventry was out of scope for previous interventions under the CSW Broadband project. In fact, commercial failure has left large parts of Coventry, particularly in those areas with businesses, without superfast broadband coverage. This means that large parts of Coventry are now in scope for intervention under the CSW Broadband Project Contract 3 roll-out.

The approach to defining procurement lots takes account of the coverage that has been achieved to date and the geographical diversity of the remaining premises in scope. Lots have been designed to ensure both value for money and fit with providers' capacities and capabilities, to encourage as much interest as possible from the marketplace. The cost to connect each premise in scope is likely to be higher than in the two previous contracts to date; economies of scale are significantly reduced by the smaller numbers of premises, geographical sparsity and distance issues.

Our procurement will again be based on a gap funded model with successful bidders building, financing (excluding the gap funding), owning and operating any deployed infrastructure on an open access basis, in accordance with the state aid requirements. We will be asking the successful supplier or suppliers to commit contractually to delivering to certain premises (rather than, for example, reaching a certain number of premises wherever they are). We will also be looking for suppliers to

be able to evidence this to allow us to monitor the contract effectively. The procurement will be conducted in keeping with the state aid requirements of BDUK's 2016 National Broadband Scheme (NBS).²⁶

The Invitation to Tender for Contract 3 was issued in February 2017. Contract award will be made in June 2017 and it is anticipated that roll-out will commence in October 2017 for 2 years.

3.3 Benefits Index

The Benefits Index has been developed to communicate the comparative benefit of deploying superfast broadband to different areas within the CSW Broadband Project intervention area.

The Benefits Index will facilitate a strategic approach where the relative benefit of different roll-out options based around the supplier's network design options can be assessed and quantified. This will provide the contracted supplier with information to enable innovation in its network design and build operations that would maximise benefit to the CSW sub-region. The CSW Broadband Project Team will be able to work with the contracted supplier to plan network roll-out. This will ensure a fit-for-purpose, future-proof network that delivers the optimum balance of benefits and efficient network build for the maximum number of residents and businesses. In this way, we will ensure the best possible return in relation to the limited investment available.

How the Benefits Index works:

The Initial basis for scoring is at the premise level, based on the classification of premises within the AddressBase dataset. The relative importance of the requirement for superfast broadband is scored across different premise types.

For the purposes of the CSW Broadband Project it is necessary to differentiate between address types in the intervention area that require broadband (such as houses, blocks of flats, business premises and council offices) and address types that do not (monuments, statues, playgrounds).

Scoring different types of premise

- **6 - Business premises**
- **3 - Multi-occupancy dwellings**
- **2 - Residential premises**
- **1 - Premises where the requirement for broadband is not currently understood but which should not be discounted (for example, an animal sanctuary or recycling site)**
- **0 - Premises with no broadband requirement (monuments, statues, playgrounds).**

²⁶ <https://www.gov.uk/government/news/broadband-delivery-uk-welcomes-state-aid-decision>, http://europa.eu/rapid/press-release_IP-16-1904_en.htm & http://ec.europa.eu/competition/state_aid/cases/263954/263954_1760328_135_4.pdf

Additional Criteria

- Applied at the **postcode level** to reflect the importance of broadband for education and the level of demand registered via the CSW Broadband Project's residential and business surveys:
- **+1** for every pupil in the postcode;
- **+1** for every residential survey completed within the postcode;
- **+2** for every business survey completed within the postcode.

Appendix 1: CSW Superfast Broadband Project progress to date – timeline

Developing the CSW Local Broadband Plan – August 2011 to March 2012:

In August 2011 the Government allocated funds to local authorities in England (to be locally match-funded) to extend the reach of superfast broadband beyond commercial roll-outs. The target was that 90% of homes and businesses would have access to superfast broadband by 2015; in addition, everyone in the UK should be able to access to at least 2Mbps services in the same time frame. £4.07m was allocated to the partnership established between Coventry, Solihull and Warwickshire (CSW) to support the further roll-out of superfast broadband across the sub-region.²⁷

Local authorities were required to prepare and submit Local Broadband Plans to Broadband Delivery UK (BDUK, part of the Department for Culture, Media & Sport, DCMS) for approval. Local Broadband Plans should set out how authorities intend to deliver the Government’s broadband targets, including details of:

- Availability, speeds and take up of current broadband services by homes and businesses, including details of any existing broadband initiatives;
- Options for improving public service delivery and economic development;
- Geographical areas and number of premises to be covered;
- Roll-out plans and phasing;
- Customer, stakeholder and market engagement activities;
- Demand stimulation plans/evidence of demand;
- Procurement strategy and project management approach.

The CSW Local Broadband Plan was approved by Broadband Delivery UK (BDUK) in March 2012.²⁸ The plan set out the intention to secure a commercial partner to develop and maintain open access superfast broadband infrastructure in the areas of the sub-region that would not be reached by commercial roll-outs. A gap-funding model would be used, in accordance with European state aid requirements, with public monies supporting roll-outs in areas that would not be commercially viable otherwise. The successful bidder would retain ownership of the new infrastructure installed as a result of the initiative.

Procuring a commercial partner and additional funding – March 2012 to June 2013:

Following sign-off of the UK’s umbrella scheme for broadband state aid by the European Commission in November 2012²⁹ the CSW Broadband project was able to proceed with the appointment of a commercial partner once Open Market Review (OMR) and Public Consultation exercises were complete. These procedures invited suppliers and the public to notify the Project of any planned broadband investment in the sub-region over the next three years in order to determine the

²⁷ <https://www.gov.uk/government/news/363-million-for-broadband-roll-out-in-england-and-scotland> & <http://news.warwickshire.gov.uk/blog/2011/08/17/warwickshire-celebrates-superfast-broadband-funding/>
²⁸ <http://www.cswbroadband.org.uk/documents/CSW-LBP-Submitted-20120301-REDACTED-20120501.pdf> & <http://news.warwickshire.gov.uk/blog/2012/03/20/all-systems-go-for-superfast-broadband-by-2015/>
²⁹ <https://www.gov.uk/government/news/broadband-roll-out-moves-into-top-gear> & http://ec.europa.eu/competition/state_aid/cases/243212/243212_1387832_172_1.pdf

intervention area for the project (i.e. public funds would only be used to support the deployment of broadband infrastructure in areas where no commercial investment was planned).

A procurement exercise commenced in January 2013 via BDUK's Framework Agreement, leading in June 2013 to a £14.57m contract being signed with BT (Contract 1) as the project's commercial partner:³⁰

- Superfast fibre broadband was to be delivered to around 91% of CSW premises by Spring 2016 (93% of premises to be reached by intervention with 91% achieving speeds of 24Mbps or faster);
- Minimum 2Mbps to be available to 100% of premises;
- BT to contribute £5.67 million whilst the CSW Broadband Project contribute £4.45 million – of which £3 million was from Warwickshire with the balance coming from other local authorities, with a further £4.45 million from BDUK funds;
- An additional £750,000 funding was secured to extend superfast broadband reach;
- Approximately 40,000 additional premises should have access to broadband speeds of 24Mbps and above by the end of the project;
- The first premises were expected to be connected in early 2014.

Following contract signature, the CSW Broadband Project Team began work with BT to baseline intervention area and to plan the roll-out. Also in June 2013, the Government announced a £250m additional investment, locally match-funded, to expand superfast broadband provision to 95 % of UK premises by 2017 and at least 99% by 2018.³¹

Roll out of the new fibre network begins:

In October and November 2013, the first surveys for the new street cabinets needed to deliver superfast services took place in Pebworth and Stratford upon Avon. Revised modelling data was received from BT to take account of the additional £750,000 funding from BDUK; this enabled an additional 6,480 premises to be connected to the new fibre network. The total number of homes and businesses now scheduled for connection to the fibre network via the CSW Broadband Project increased to 51,000; 40,776 of these should achieve superfast speeds (>24Mbps). State aid approval for this additional funding was received in January 2014.³²

The first communities to benefit from the CSW Broadband Project were announced in February 2014: Alderminster, Fillongley, Henley-in-Arden, Kineton, Quinton, Long Marston, Snitterfield and Welford-on-Avon. In addition, fibre will also go live in areas of Stratford upon Avon and Wellesbourne not already enabled by any commercial rollout. Also in February 2014 the Government confirmed that additional funding of £3.68m will be made available to the CSW Broadband Project from the £250m announced in June 2013.³³

³⁰ <http://news.warwickshire.gov.uk/blog/2013/06/07/multi-million-partnership-to-bring-superfast-broadband-to-91-per-cent-of-homes-and-businesses-across-coventry-solihull-and-warwickshire/>

³¹ <https://www.gov.uk/government/news/14-million-more-premises-to-get-superfast-broadband-after-250-million-capital-investment>

³² <http://www.cswbroadband.org.uk/newsletter-january-2014/>

³³ <https://www.gov.uk/government/news/250m-boost-taking-superfast-broadband-further-and-faster--251>

In March 2014 The CSW Broadband Project published details of the exchange areas where work is to be carried out in phases over the next 12 months.³⁴ In April 2014 CSW Broadband launched its first superfast broadband cabinet in Snitterfield, the first of 51 cabinets in Phase 1 that will start to go live from April 2014. Further cabinets will follow from July and October.³⁵

June 2014:

- 40 new superfast broadband cabinets live, with a further 15 Phase 1 cabinets due to go live over the next few months. CSW Broadband announces the next communities to benefit from the Project, including Curdworth, Harbury, Hurley, Kineton and Newton Regis. Additional premises in Coleshill, Southam and Wellesbourne will also have access for the first time. At the same time, parts of Leamington Spa, Nuneaton and Stratford-upon-Avon not previously covered by any commercial fibre roll-out will also be enabled as part of the CSW Broadband Partnership.³⁶
- The CSW Broadband Project is offered the opportunity to bid for a further £6m from BDUK; this could mean a total additional spend of over £19m, plus a contribution from a delivery partner once selected.
- The CSW Broadband Project commences an Open Market Review (OMR) in relation to the £3.68m additional funding announced in February 2014. The OMR invites suppliers to inform the Project of their plans to extend their networks over the next three years to determine the intervention area for additional publically funded roll-outs.
- CSW Broadband has installed 63km of spine cable to date, 7,500 homes are able to connect to the fibre network.

July – August 2014:

- The CSW Broadband Project launches a Public Consultation in relation to the £3.68m additional funding which commences in mid-August once match funding is secured.³⁷ The public consultation runs until 18th September 2014.
- Phase 2 of the roll-out commences, involving deployment of an additional 41 cabinets. Fifty-eight new fibre-enabled cabinets have been installed so far under the original contract, enabling over 12,500 properties to connect to the fibre network. Nationally, one million properties have now been upgraded through the Government-funded BDUK project.

September 2014:

- Sixty-six cabinets are now live and offering superfast broadband services.
- The CSW Broadband Project announces Phase 3 of the roll-out, in which an additional 77 cabinets will bring superfast services to areas including Bidford-on-Avon, Brailes, Ettington, Harvington, Ilmington, Lapworth, Moreton Morrell and Wolston. More than 8,000 homes and businesses in these communities will benefit from the upgrade work, which is due to be completed before the end of the year.

³⁴ <http://www.cswbroadband.org.uk/multi-million-pound-csw-broadband-high-speed-broadband-programme-announces-timetable-for-next-12-months/>

³⁵ <http://www.cswbroadband.org.uk/warwickshire-village-celebrates-being-first-into-the-super-fast-lane/>

³⁶ <http://www.cswbroadband.org.uk/csw-broadband-announces-next-communities-get-high-speed-fibre-broadband/>

³⁷ <http://www.cswbroadband.org.uk/csw-broadband-public-consultation-launched/>

- At the same time, the CSW Broadband project is being extended to parts of Alderminster, Atherstone, Chapel End, Exhall, Harbury, Henley-in-Arden, Shipston-on-Stour and Toll Bar, to enable even more local people to access the fibre optic technology. In addition, areas of Keresley, Knowle and Solihull not previously covered by any commercial fibre rollout will also be able to access the technology as part of the CSW Broadband Partnership.³⁸
- To date the CSW Broadband Partnership has brought high-speed fibre broadband within reach of more than 15,000 homes and businesses, with more than 95 kilometres of fibre optic cable being laid.

November 2014 – second procurement (Contract 2) commences:

- Eighty-six cabinets are now live, connecting 17,221 premises to superfast broadband services.
- The invitation to tender is issued via the BDUK Framework for the second CSW Broadband contract (Contract 2) in relation to the £3.68 additional funding announced in February 2014. The second contract will deliver 95% superfast broadband coverage by the end of 2017. It will run alongside the first contract until its end in March 2016. The second contract will then continue to the end of 2017.

December 2014:

- The 100th cabinet goes live on Tamworth Road, Kingsbury, bringing the total number of homes and businesses now within reach of superfast services via the CSW Broadband Project to more than 20,000.³⁹

January 2015:

- One hundred and twenty-six cabinets are now live connecting 26,365 properties.
- Barford, Claverdon, Haseley Knob and Pailton are announced as some of the next areas to benefit, with further broadband boosts also for parts of Alcester, Curdworth, Dunchurch, Fillongley, Nuneaton, Rugby and Warwick.⁴⁰
- Contract 2 is signed between the CSW Broadband Project and BT to connect 17,247 additional premises.⁴¹ The aim is to deliver the UK Governments target of 95% superfast coverage by the end of 2017 across the programme area rising to 98% by the end of 2018.
- The contract is structured in two parts so that additional funding can be brought in without the need for further procurement. Part 1 is worth £10.73 million and the CSW Broadband Project will seek to explore further match funding options in order to draw down the additional funding available from BDUK in relation to Part 2.

³⁸ <http://www.cswbroadband.org.uk/eight-warwickshire-communities-get-high-speed-fibre-broadband-first-time-part-multi-million-pound-partnership/>

³⁹ <http://www.cswbroadband.org.uk/christmas-comes-hurley-csw-broadband-project-celebrates-double-milestone-three-north-warwickshire-villages/>

⁴⁰ <http://www.cswbroadband.org.uk/thousands-homes-businesses-benefit-multi-million-pound-fibre-broadband-partnership/>

⁴¹ <http://www.cswbroadband.org.uk/new-10-73-million-deal-will-deliver-high-speed-fibre-broadband-thousands-homes-businesses-across-solihull-warwickshire/>

March 2015:

- One hundred and forty-five cabinets are now live, connecting over 29,000 properties. CSW Broadband has installed 101km of spine cable to date and a further 57.89km of fibre from the node to the cabinets.
- Warwickshire County Council announces that a further £4.17m would be made available to extend the rollout of superfast broadband. It is anticipated that this should take the coverage up to 98% of properties in Warwickshire at speeds of 24Mbps or over. This will comprise Part 2 of Contract 2, Part 1 of which was announced in January 2015.
- Barton-on-the-Heath, Earlswood, Elmdon, Hampton-in-Arden, Meriden, Newton and Biggin, Tanworth-in-Arden and Wolvey are announced as some of the next communities to benefit from the Project.⁴² This latest expansion will also include areas which already have some fibre broadband through the private sector's commercial rollout, such as Atherstone, Kenilworth, Rugby, Sheldon, Shirley, Tile Hill and Wellesbourne, benefitting more than 7,800 additional premises.
- The Broadband Connection Vouchers scheme is launched in Warwickshire. It is available to any eligible business, charity or voluntary organisation and covers both fixed and wireless solutions such as satellite or microwave broadband where fibre is not available.⁴³ Grants of up to £3,000 towards connection costs are available.

April 2015:

- One hundred and sixty cabinets are now live, connecting over 32,000 properties.

May 2015:

- One hundred and sixty-eight cabinets are now live, connecting over 34,111 properties.
- Local briefing events are held across the region.
- Seventy-four applications were received for the Connection Vouchers scheme; 65 were approved with a total value of £19,513. The scheme is extended to include Solihull.
- CSW Broadband, with support from Warwickshire County Council's Strategic Economic Development Team, submits an outline application for £3.8m of European funding towards the further roll-out of superfast broadband network infrastructure in Warwickshire. The funding, if approved, will provide 800 businesses as well as approximately 1,000 people who run a business from home or who work mainly from home with broadband access of at least 30 Mbps.

June 2015:

- One hundred and eighty-four cabinets are now live, connecting over 36,000 properties.
- The roll-out expands to include around 5,000 more homes and businesses including parts of Ilmington and Shotteswell, followed in September by Long Compton. The latest expansion

⁴² <http://www.cswbroadband.org.uk/csw-broadband-announces-new-cabinets/>

⁴³ <http://www.cswbroadband.org.uk/broadband-connection-vouchers-now-available-organisations-warwickshire/>

will also include making the high-speed technology more widely available in areas of Walsgrave-on-Sowe.

- There will be further upgrade work from September, which will see faster fibre broadband extended to nearly 9,000 more premises in areas of: Alcester, Bidford-upon-Avon, Coleshill, Fillongley, Lapworth, Leamington Spa, Moreton Morrell, Pailton, Rugby, Shipston-on-Stour, Shirley, Southam, Stratford-upon-Avon, Studley, Warwick, Wolston and Wolvey.

July 2015:

- One hundred and eighty-eight cabinets are now live, connecting over 37,000 properties.

August 2015:

- Two-hundredth fibre broadband cabinet installed in in Lawford Heath, Rugby; almost 40,000 properties have now benefitted from the Project.⁴⁴
- Over one million pounds has been awarded to businesses in Coventry & Warwickshire through the Broadband Connection Voucher Scheme since it launched in early 2014.

September 2015:

- Two hundred and nineteen cabinets are now live, connecting over 42,000 properties.
- 4321Km fibre laid. If laid out this would reach Turkmenistan, Burkina Faso or Nova Scotia.

October 2015:

- Two hundred and twenty-seven cabinets live, connecting over 42,654 properties.

November 2015:

- CSW Broadband has laid 500km of fibre – enough to reach from Warwickshire to Le Mans!

December 2015:

- Two hundred and thirty-one cabinets live, connecting more than 43,000 premises.
- The CSW Broadband Project announces that superfast broadband will become available to an additional 14,600 homes and businesses including areas of Aston Cantlow, Avon Dassett, Edge Hill, Farnborough, Fenny Compton, Great Alne, Little Kineton, Norton Lindsey, Oxhill, Radway, Ullenhall and Upper Tysoe.⁴⁵ The programme will also be extended in parts of Alcester, Bidford-on-Avon, Brilles, Claverdon, Coleshill, Curdworth, Furnace End, Harbury, Haseley Knob, Kineton, Pailton, Rugby, Snitterfield, Southam and Wellesbourne.

January 2016:

⁴⁴ <http://www.cswbroadband.org.uk/residents-and-businesses-enjoy-benefits-of-superfast-broadband-as-csw-broadband-partnership-celebrates-another-major-milestone/>

⁴⁵ <http://www.cswbroadband.org.uk/thousands-more-warwickshire-homes-and-businesses-to-benefit-from-multi-million-pound-extension-of-superfast-fibre-broadband/>

- Surveys commence on the areas to be included in Wave 1 of Contract 2 with the expectation that the first cabinets will go live sometime after Easter 2016.

February 2016:

- Two hundred and forty-five cabinets live, connecting more than 43,000 premises.
- Exchange Only (EO) cabinets Coleshill 22, Ilmington 4, Lapworth 13, Pailton 8, Rugby 97 and Shirley 66 go live with fibre broadband meaning that many properties previously connected directly to an exchange can now access superfast speeds.
- The CSW Broadband Project asks BT to carry out further modelling for Contract 2 Part 2, based on a spend of £9.5m, to explore extending coverage to some of the areas that will not achieve superfast speeds in either Contract 1 or Contract 2, Part 1.
- The CSW Broadband Project announces coverage will be extended to areas of Aston Cantlow, Avon Dassett, Edge Hill, Farnborough, Fenny Compton, Great Alne, Little Kineton, Norton Lindsey, Oxhill, Radway, Ullenhall and Upper Tysoe⁴⁶. The roll-out will reach 3,600 additional homes and businesses by the end of 2016 and the majority of the remainder by the end of 2017.

March 2016:

- Two hundred and forty-eight cabinets live, connecting more than 43,000 premises.
- The CSW Broadband Project announces Contract 2, Part 2 is on hold pending State Aid approval, following the expiry of the BDUK umbrella scheme in summer 2015.
- The CSW Broadband Project launches a new Public Consultation asking suppliers where they expect to be providing NGA-compliant broadband with speeds of at least 30Mbps.

April 2016:

- The CSW Broadband Project announces the roll-out will be extended to new areas including Blackwell, Deppers Bridge, Harborough Magna, Model Village, Monks Kirby, Shawbury, Shustoke, Sutton-under-Brailes and Water Orton.⁴⁷ At the same time, the high-speed technology will be rolled out to additional areas of Bidford-upon-Avon, Ettington, Marcliff and Nether Whitacre.

May 2016:

- Two hundred and eighty-two cabinets live, connecting more than 49,000 premises.
- The CSW Broadband Project announces the roll-out will be extended to Barton, Harborough Magna, Marcliff, Norton Lindsey and The Green area of Long Lawford.⁴⁸

⁴⁶ <http://www.cswbroadband.org.uk/work-gets-underway-to-extend-multi-million-pound-csw-broadband-roll-out-of-superfast-broadband/>

⁴⁷ <http://www.cswbroadband.org.uk/more-warwickshire-communities-to-get-faster-fibre-broadband-for-the-first-time-due-to-10-million-expansion/>

⁴⁸ <http://www.cswbroadband.org.uk/boost-for-more-rural-communities-as-superfast-fibre-broadband-roll-out-gathers-pace-across-warwickshire/>

June 2016:

- Two hundred and ninety-three cabinets live, connecting more than 50,000 premises.
- Areas of Willoughby, Flecknoe, Meon Vale, Rowington and Stretton-Under-Fosse are among the latest areas to be announced. Additional parts of Southam, Stratford-Upon-Avon and Wellesbourne will also be upgraded during the summer, with more areas to follow.
- The CSW Broadband Project submits a bid to the Coventry and Warwickshire Local Enterprise Partnership for £4.3m Local Growth Deal funding that is specifically aimed at addressing the connectivity problems that businesses face. The Project is also in discussions with Coventry City Council about extending this rollout into the city area. The outcome of the bid is expected as part of the Autumn Statement and additional funding to take the network still further is being actively sought. A new procurement will be required to deliver this additional coverage.

July 2016:

- The 300th fibre broadband cabinet goes live in the village of Willoughby, near Rugby⁴⁹. More than 51,400 homes and businesses are now able to access faster fibre broadband as a result of the CSW Broadband project.

August 2016:

- In total 543 applications have been received for the Broadband Connection Vouchers scheme in Warwickshire and 274 in Coventry. 497 applications approved and 47 applications rejected in Warwickshire and 257 approved/20 rejected in Coventry. The value of the vouchers approved is £512,160 for Warwickshire and £284,692 for Coventry, giving a total of £796,852. 81 vouchers were cancelled or removed for Warwickshire and 50 for Coventry. A total of 732 claims are paid.

September 2016 – Contract 3 procurement activity commences:

- 321 cabinets live to date with over 52,790 properties able to connect to the fibre network.
- The CSW Broadband Project reports that Contract 1 take up is showing as 33.27% and that Contract 2, Part 1 take up is already at 16.1%.
- BT is asked to model additional coverage to the value of £9.5m which will form Contract 2, Part 2. This data is expected in October and should enable mapping of new coverage areas by the end of 2016.
- Procurement activity for Contract 3 commences.
- 4321 Km of fibre have now been installed. If laid out this would reach Turkmenistan, Burkina Faso or Nova Scotia.

October 2016:

⁴⁹ <http://www.cswbroadband.org.uk/jeremy-wright-mp-hails-major-milestone-as-roll-out-of-fibre-broadband-reaches-more-remote-warwickshire-communities/>

- Wave 4 of Contract 2, Part 1 is announced, covering areas including parts of Alcester, an area around Arrow to the south west of Alcester, parts of Sambourne and parts of Moreton Paddox. Some areas with Exchange Only (EO) lines will also be addressed.
- Modelling from BT is being awaited in relation to Contract 2 Part 2; it is hoped that additional coverage will be mapped later this year.
- Public Consultation for Contract 3 commences.

November 2016:

- First community funded cabinet goes live in Westwood Heath, supported by BT and the DCMS Better Broadband Voucher Scheme.
- Contract 2, Part 2 modelling return received and rejected due to value for money concerns. BT is asked to model revised additional coverage amount of £2m.

December 2016:

- More than 56,000 homes and businesses are now able to access faster fibre broadband as a result of the CSW Broadband project.
- 13,000 additional properties were connected in 2016.

January 2017:

- BT coverage for Contract 2, Part 2 is received.

February 2017:

- Invitation to Tender for Contract 3 issued, with contract award anticipated in June 2017 will roll-out commencing in October 2017 for two years.
- New mapping shows Contract 2, Part 2 coverage – together with anticipated coverage down to premise level for all areas
- Address-level checker (based on public consultation and OMR responses) available on website, enabling people to check the status of their property at end 2019

Appendix 2: Contexts – the continuing importance of broadband

This section sets out evidence for further investment in broadband to keep pace with changing demands and requirements, particularly in relation to supporting UK businesses.

Broadband usage and take-up continue to increase

How minimum 2Mbps became minimum 10Mbps:

- In October 2014 Ofcom's *Citizens and Communications Services* report⁵⁰ suggested that there is now "an increasingly compelling argument that speeds of 10Mbps are needed to achieve an effective quality of service...the broadband speed required by a typical household is likely to increase over time, as individual applications require more bandwidth, and the number of simultaneous applications increases. We may begin to view around 10Mbps as the effective quality of service broadband consumers expect, with 2Mbps more of an 'essential' level. Last year we estimated that around half of all broadband connections in the UK were at least 10Mbps."
- In December 2014 Ofcom published its *2014 Infrastructure Report* exploring the coverage, performance and capacity of networks and services, use of spectrum, infrastructure sharing and security and resilience.⁵¹ Superfast broadband is now available to 75% of premises in the UK, with take-up at 21% and there is emerging evidence that a typical household now requires a download speed of around 10Mbps. Availability of superfast services is an issue for small to medium sized enterprises (SMEs): the current availability of superfast broadband based on BT and Virgin Media next generation access (NGA) technology is lower for SMEs than for residential premises. At a national level, 56% of SMEs have access to NGA-based superfast broadband, compared to 75% for UK premises overall.
- In September 2015 Ovum published a study on fixed line consumer broadband, a key finding of which is that consumers now require a download speed of at least 10Mbps in order to receive a good quality broadband experience.⁵²
- Ofcom's 2016 *Connected Nations* report⁵³ published in December 2016 reports that over 9 million, or 31% of, UK premises now subscribe to superfast services offering speeds of at least 30Mbps, up from 27% in 2015 and 21% in 2014. The average download speed of all broadband products in the UK is now 37Mbps, up from 29Mbps in 2015; the average download speed of superfast connections is now 74Mbps. Average monthly data volumes per household have increased by 36% over the past year, from 97GB to 132GB. For superfast connections the figure is 169GB, up from 112GB.

⁵⁰ <http://media.ofcom.org.uk/news/2014/citizens-consumers-report/>

⁵¹ <http://media.ofcom.org.uk/news/2014/infrastructure-report-2014/>

⁵² https://www.ovum.com/press_releases/ovum10mbps-has-become-the-new-minimum-to-support-customer-broadband-expectations/

⁵³ <https://www.ofcom.org.uk/about-ofcom/latest/media/media-releases/2016/digital-divide-declines>

European studies:

- In March 2016 the European Commission published preliminary findings from a consultation on the needs for Internet speed and quality beyond 2020.⁵⁴ While bandwidth requirements will continue to increase, other fixed connectivity features will gain significant importance in the future, notably upload speeds, latency, reliability and uninterrupted access.
- In September 2016 the European Commission set out its vision for a European gigabit society: by 2025 all European households should be able to access broadband services offering a minimum of 100Mbit/s with potential for upgrade to gigabit speeds. All main socio-economic drivers (schools, universities, public services, healthcare, enterprises) should be able to access gigabit services. All urban areas and major roads and railways should have uninterrupted 5G coverage, with 5G to be commercially available in at least one major city in each EU Member State by 2020.⁵⁵

Parliamentary Inquiries and related reports

In recent years Parliament has conducted a number of inquiries and debates on the state of broadband in the UK, underlining how broadband is now recognised by Government as a key component of the UK's infrastructure, crucial to future competitiveness and economic development.

Examples include:

- In July 2013 the National Audit Office published a report on the Rural Broadband Programme.⁵⁶
 - the lack of competition and delay in the programme were flagged as areas of concern;
 - the report noted that the Department for Culture, Media and Sport has been successful in securing in-life controls on value for money.
- In September 2013 the House of Commons Public Accounts Committee published a report criticising the Rural Broadband Programme; the Department for Culture, Media and Sport published an immediate response refuting its charges.⁵⁷
- In April 2014 the Government's Public Accounts Committee published a further report examining the roll-out of the rural broadband programme, following on from its September 2013 report.⁵⁹ The continued lack of competition and lack of transparency in roll-out plans are again flagged as issues.

⁵⁴ <https://ec.europa.eu/digital-single-market/en/news/contributions-and-preliminary-trends-public-consultation-needs-internet-speed-and-quality> & <https://ec.europa.eu/digital-single-market/en/news/full-synopsis-report-public-consultation-needs-internet-speed-and-quality-beyond-2020>

⁵⁵ http://europa.eu/rapid/press-release_IP-16-3008_en.htm

⁵⁶ <http://www.nao.org.uk/report/the-rural-broadband-programme/>

⁵⁷ <http://www.parliament.uk/business/committees/committees-a-z/commons-select/public-accounts-committee/news/rural-broadband-report/>

⁵⁸ <https://www.gov.uk/government/news/dcms-statement-in-response-to-the-public-accounts-committee-rural-broadband-report>

⁵⁹ <http://www.parliament.uk/business/committees/committees-a-z/commons-select/public-accounts-committee/news/rural-broadband-report-publication/>

- In October 2014 the House of Commons Select Environment, Food and Rural Affairs Committee launched a new inquiry into rural broadband.⁶⁰
- In January 2015 the House of Commons Public Accounts Committee held further evidence sessions in support of its inquiry into UK rural broadband policy.⁶¹ This was supported by an update from the National Audit Office (NAO) on its review of the BDUK programme.⁶² This follows its previous report in July 2013.
- In February 2015 The House of Commons Environment, Food and Rural Affairs Committee publishes the report of its inquiry into the rural broadband programme.⁶³ The report stressed that the target date of reaching 95% of premises with superfast services by 2017 should not slip and also called for a target date by which the last 5% should gain access.
- Also in February 2015 The House of Lords Digital Skills Committee published *Make or Break: The UK's Digital Future*, a report highlighting the importance of digital skills and infrastructure to the UK's future.⁶⁴
- In July 2015 The House of Commons Culture, Media and Sport Committee launched a new inquiry *Establishing world-class connectivity throughout the UK*, investigating the coverage, delivery and performance of fixed and mobile broadband networks.⁶⁵
- In October 2015 the UK superfast broadband programme was debated in the House of Commons.⁶⁶
- In July 2016 The House of Commons Culture, Media and Sport Select Committee published the report of its inquiry *Establishing world-class connectivity throughout the UK*.⁶⁷ The report welcomed the progress made to date but also flagged that “the UK is a laggard by international standards in providing fibre connectivity”.
- Also in July 2016 the House of Commons Business, Innovation and Skills Select Committee published a report on the Digital Economy. Britain’s digital economy is a success story but the Government must provide greater clarity on regulation and ensure it stays on track in light of the EU referendum result.⁶⁸

⁶⁰ <http://www.parliament.uk/business/committees/committees-a-z/commons-select/environment-food-and-rural-affairs-committee/news/rural-broadband-inquiry-launch/>

⁶¹ <http://www.parliament.uk/business/committees/committees-a-z/commons-select/public-accounts-committee/news/rural-broadband-evidence-session/>

⁶² <https://www.nao.org.uk/report/superfast-rural-broadband-programme-update/>

⁶³ <http://www.parliament.uk/business/committees/committees-a-z/commons-select/environment-food-and-rural-affairs-committee/news/rural-broadband-report-publication/>

⁶⁴ <http://www.parliament.uk/business/committees/committees-a-z/lords-select/digital-skills-committee/news/report-published/>

⁶⁵ <http://www.parliament.uk/business/committees/committees-a-z/commons-select/culture-media-and-sport-committee/news-parliament-2015/terms-of-reference-connectivity-15-16/>

⁶⁶ <http://www.publications.parliament.uk/pa/cm201516/cmhansrd/cm151012/debtext/151012-0002.htm#1510121700001>

⁶⁷ <http://www.parliament.uk/business/committees/committees-a-z/commons-select/culture-media-and-sport-committee/news-parliament-2015/world-class-connectivity-uk-report-published-16-17/>

⁶⁸ <http://www.parliament.uk/business/committees/committees-a-z/commons-select/business-innovation-and-skills/news-parliament-2015/digital-economy-report-published-16-17/> & <http://www.publications.parliament.uk/pa/cm201617/cmselect/cmbis/87/87.pdf>

The importance of broadband for UK businesses

Many studies and reports have been published demonstrating the continuing and increasing importance of broadband for UK businesses, as well as the gaps and deficiencies in some aspects of both fixed and mobile services. Recent examples include:

- In February 2013 the Government published the literature review component of its UK Broadband Impact Study.⁶⁹ Key findings included:
 - a strong consensus that broadband (and particularly faster broadband) has a material positive impact on national economies, including as an enabler for international trade and innovation
 - good broadband connections lead to a net increase in business creation, and more jobs in those communities that benefit
 - increased use of the internet is associated with higher levels of wellbeing, with video entertainment and video communications expected to be major benefits to faster internet access
- In March 2014 a report by the UK Broadband Stakeholder Group (BSG) identified that SMEs are not yet unlocking the commercial potential of online activity and new technologies.⁷⁰ Despite estimates that increasing the digital capabilities of the UK's SMEs can unlock economic returns of £18.8 billion, evidence suggests that SMEs are not capitalising as best they might on this lever for economic growth.
- In July 2014 the Federation of Small Businesses (FSB) published *The fourth utility: Delivering universal broadband connectivity for small businesses across the UK*.⁷¹ The report found that too many small businesses in the UK were unable to access fixed and mobile broadband services that are 'fit for purpose' and meet their commercial needs. Lack of access reduces productivity, stifles innovation and restricts the ability of British firms to grow and compete in global markets. Ninety four % of small business owners consider a reliable internet connection critical to the success of their business, while 60 % expect to increase their online presence in the next year.
- In November 2014 The UK Broadband Stakeholder Group (BSG) published a report on broadband usage amongst 1000 micro-businesses (those with between 0-9 employees). Although 87% of micro-businesses have an internet connection, older businesses – those in operation for more than five years – are less likely to be taking full advantage of the internet in growing their business.⁷²
- In December 2014 the Government announced new analysis showing that productivity could grow faster in the countryside than urban areas over the next decade, with a rise in rural jobs, thanks to a high-tech boost from speedier broadband and better transport links.⁷³

⁶⁹ <https://www.gov.uk/government/news/report-shows-positive-impact-of-broadband-access>

⁷⁰ <http://www.broadbanduk.org/2014/03/06/capitalising-on-connectivity/>

⁷¹ <http://www.fsb.org.uk/media-centre/press-releases/the-uks-broadband-isnt-up-to-speed-says-fsb-pr-2014-30>

⁷² <http://www.broadbanduk.org/2014/11/17/bsg-launches-results-of-survey-into-broadband-usage-amongst-1000-micro-businesses/>

⁷³ <https://www.gov.uk/government/news/rural-productivity-driven-by-hi-tech-boost-and-better-roads>

- Also in December 2014 Ofcom published its *International Communications Market Report (ICMR) 2014* revealing that the UK's internet economy is one of the strongest in the world, driven by record online advertising, spending and entertainment consumption.⁷⁴
- In January 2015 research from the Federation of Small Businesses (FSB) found that half (49%) of rural small businesses are dissatisfied with the quality of their broadband provision. The data shows nearly double the level of dissatisfaction compared to urban small businesses (28% dissatisfied).⁷⁵
- In May 2015 The Institute of Directors (IoD) published results from a survey of its members' priorities; this revealed that improving the UK's broadband capability is seen as the UK's most urgent infrastructure project with 56% of respondents prioritising government investment in high-speed internet.⁷⁶
- In June 2015 Ofcom published a report and action plan on broadband communications services for SMEs.⁷⁷ Ofcom's research found that the market is currently under-delivering superfast broadband connectivity to SMEs and that targeted public policy intervention is required to ensure that all SMEs are able to access superfast broadband.
- In July 2015 the Government published a policy paper *Fixing the Foundations: Creating a more prosperous nation*.⁷⁸ This addressed digital infrastructure as part of a range of recommendations intended to encourage future economic recovery, productivity and growth.
- In August 2015 The Government announced a new 10 point plan for boosting productivity in rural areas which included provisions specific to improving rural broadband infrastructure.⁷⁹
- In September 2015 The UK Broadband Stakeholder Group (BSG) published a study on the broadband requirements of small businesses in the UK.⁸⁰ It concluded that all small businesses will need access to superfast speeds in the next five years and large numbers will soon need ultrafast speeds.
- Also in September 2015 the Federation of Small Businesses (FSB) published a study on businesses' connectivity requirements; this found that while progress has been made there is still much more to do.⁸¹ The Oxford Internet Institute published a study revealing the gap between urban and rural broadband speeds, which risks damaging business, adds to farming costs and could be driving young people away from the areas in which they grew up.⁸²
- In October 2015 Virgin Media published a research report outlining the potential of digital technologies to grow the UK's economy.⁸³ *The UK's £92 billion Digital Opportunity* revealed

⁷⁴ <http://media.ofcom.org.uk/news/2014/icmr-2014/>

⁷⁵ <http://www.fsb.org.uk/media-centre/press-releases/fsb-uncovers-a-two-speed-digital-economy-pr-2015-01>

⁷⁶ <https://www.iof.com/news-campaigns/press-office/details/Government-must-act-on-infrastructure-the-deficit-and-tax-avoidance>

⁷⁷ <http://stakeholders.ofcom.org.uk/market-data-research/other/telecoms-research/smes-research-jun15/>

⁷⁸ <https://www.gov.uk/government/news/productivity-plan-launched>

⁷⁹ <https://www.gov.uk/government/news/new-plan-will-boost-starter-homes-in-rural-areas>

⁸⁰ <http://www.broadbanduk.org/2015/09/02/bsg-publishes-new-model-on-small-businesses-connectivity-requirements/>

⁸¹ [http://www.fsb.org.uk/docs/default-source/Publications/reports/fsb-telecoms-report--september-2015\(2\).pdf?sfvrsn=0](http://www.fsb.org.uk/docs/default-source/Publications/reports/fsb-telecoms-report--september-2015(2).pdf?sfvrsn=0)

⁸² <http://www.ox.ac.uk/news/2015-09-04-effects-two-speed-britain-internet-access>

⁸³ <http://www.virginmedia.com/corporate/media-centre/press-releases/virgin-media-business-reveals-the-uks-92-billion-digital-opportunity.html>

that digital technologies could provide a boost to the economy equivalent to 2.5% of GDP, as well as creating over a million new jobs across all industries over the next two years

- In March 2016 The Institute of Directors (IoD) published *Ultrafast Britain*, a report calling for a new target for households and business to have access to speeds of 10 Gbit/s by 2030.⁸⁴ A survey of IoD members found that 8 in 10 directors said significantly faster broadband speeds would increase their company’s productivity, three-fifths thought it would make their business more competitive and over half felt that faster broadband would enable them to offer more flexible working to their staff.
- In April 2016 The Confederation of British Industry (CBI) reports that a digital divide is opening up across the British economy, with just over half (55%) of “pioneer” firms adopting digital technologies and processes, while the other half (45%) are falling behind.⁸⁵ All businesses now need to be ‘digital’ businesses: “be they dairy farmers and construction companies, or new and different online business models, companies are more reliant than ever before upon digital technology to streamline their operations for productivity, reach their customer base to grow their sales, and create jobs as business thrives.”
- In June 2016 the Engineering Employers Federation (EEF) published its response to the Government’s recent review of business broadband.⁸⁶ The EEF suggests that manufacturers’ primary focus is on a digital infrastructure that is cost effective, reliable and resilient and which must also be future-proof. It also warns that the UK’s ongoing focus on speed is potentially distracting policy makers from delivering what industry really needs, and suggests that the Government must be prepared to take leadership in mandating a full fibre to the premise (FTTP) rollout before it is too late.
- In August 2016 Point Topic reported on a survey of companies that benefitted from the Government’s Connection Vouchers Scheme, undertaken for the Greater London Authority by Adroit Economics with support from Point Topic, The Fifth Sector and the University of Manchester.⁸⁷ The use of faster broadband by London’s small and medium-sized enterprises (SMEs) will enable them to generate £2bn additional sales within the first two years, 32,000 new jobs and to achieve just under £1bn cost savings. Approximately 480 firms took part in the survey and of the respondents that answered, 50% said that faster broadband had a transformational impact on their business.

⁸⁴ <https://www.iod.com/news-campaigns/press-office/details/UK-broadband-ambition-needs-to-be-a-thousand-times-higher>

⁸⁵ <http://www.cbi.org.uk/news/digital-divide-among-uk-business-is-holding-back-the-economy/>

⁸⁶ <https://www.eef.org.uk/about-eef/media-news-and-insights/media-releases/2016/jun/speed-is-not-the-only-concern-manufacturers-push-for-reliable-resilient-and-future-proof-broadband>

⁸⁷ <http://point-topic.com/faster-broadband-brings-3-billion-boost-london-smes/>

Appendix 3: Looking to the future – UK broadband policy and commercial developments

This section provides an overview of UK broadband policy and commercial developments since the approval of the original CSW Local Broadband Plan in March 2012 to date, underlining and illustrating why continued investment in broadband is so important.

2016 Autumn Statement – future fibre & 5G connectivity:

The Chancellor of the Exchequer’s 2016 Autumn Statement⁸⁸ set out the Government’s commitment to the UK’s fibre and 5G future, via a new National Productivity Investment Fund. This will include £400 million for a new Digital Infrastructure Investment Fund, at least matched by private finance, to invest in new fibre networks over the next 4 years, helping to boost market ambitions to deploy full-fibre access to millions more premises by 2020.

Funding will also be provided to local areas to support investment in a much bigger fibre ‘spine’ across the UK, prioritising full-fibre connections for businesses and bringing together public sector demand. The Government will work in partnership with local areas to deliver this and published a call for evidence on delivery approaches in December 2016.⁸⁹ Funding will also be provided for a coordinated programme of integrated fibre and 5G trials, to keep the UK at the forefront of the global 5G revolution; further detail will be set out at Budget 2017 as part of the Government’s 5G Strategy.

Ofcom – boosting investment in fibre networks:

In July 2016 Ofcom set out its intention to promote further investment in fibre by improving access to Openreach’s network of telegraph poles and its ‘ducts’ - the underground tunnels that carry telecoms cables.⁹⁰ This would make it possible for competitors to connect their own fibre optic cables directly to homes and businesses, delivering more choice for people and businesses over the next decade. Ofcom published a consultation on these plans in December 2016, with the intention that companies should be able to build ultrafast, ‘full-fibre’ broadband networks more cheaply and easily as a result.⁹¹

A broadband Universal Service Obligation (USO):

The Government, Ofcom and industry are currently developing a Universal Service Obligation (USO) for broadband. This process is ongoing; recent developments include:

- In November 2015 the Government announced proposals for a USO for broadband with the ambition to give people the legal right to request a connection to broadband with wherever they live, with the minimum speed set initially at 10Mbps.⁹²

⁸⁸ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/571559/autumn_statement_2016_web.pdf

⁸⁹ <https://www.gov.uk/government/consultations/call-for-evidence-extending-local-full-fibre-broadband-networks>

⁹⁰ <https://www.ofcom.org.uk/about-ofcom/latest/media/media-releases/2016/making-digital-communications-work-openreach-bt>

⁹¹ <https://www.ofcom.org.uk/about-ofcom/latest/media/media-releases/2016/ofcom-plans-for-a-full-fibre-future>

⁹² <https://www.gov.uk/government/news/government-plans-to-make-sure-no-one-is-left-behind-on-broadband-access>

- In March 2016 the Government published a consultation seeking views on its proposed approach to introducing the USO.⁹³
- In August 2016 Ofcom published a summary of responses to its consultation on the design of the USO.⁹⁴ Almost all respondents strongly supported increasing the coverage and quality of UK broadband services, although there were different views on how this should be achieved. Ofcom published its final technical analysis of how the USO should be implemented in December 2016.⁹⁵
- The Broadband USO is a key aspect of the Government’s Digital Economy Bill currently being debated in Parliament.⁹⁶

Improving mobile and wireless services:

The Government has acknowledged the importance of improving UK mobile coverage to address slow-spots and not-spots, as well as the need to provide free up spectrum to meet increasing mobile broadband requirements and lay the foundations for future services such as 5G mobile. Government mobile and wireless initiatives include:

- In January 2013 the Government reached agreement with the mobile industry on how the £150m Mobile Infrastructure Project should be financed.⁹⁷ The project was intended to improve mobile phone coverage through building additional mobile phone masts in uncovered areas, whilst ensuring technical solutions are compatible with future technological developments.
- In May 2013 the Government published a consultation on mobile connectivity in England⁹⁸ setting out proposals to change planning regulations which were slowing down the roll-out of 4G in England; it also announced that Arqiva had been appointed to deliver the Government’s £150m Mobile Infrastructure Project to improve mobile coverage in some of the most rural parts of the UK.⁹⁹
- In July 2013 the Government reported on the Mobile Infrastructure Project (MIP)¹⁰⁰; this provided £150m funding to extend mobile phone coverage to areas where no coverage is currently available.¹⁰¹
- In September 2013 the Government reported that the first homes were benefitting from the £150m Mobile Infrastructure Project, with more than 200 premises in the rural North Yorkshire village of Weavertorpe now able to get a mobile signal.¹⁰²

⁹³ <https://www.gov.uk/government/consultations/broadband-universal-service-obligation>

⁹⁴ <http://stakeholders.ofcom.org.uk/consultations/broadband-USO-CFI/summary-of-responses>

⁹⁵ <https://www.ofcom.org.uk/consultations-and-statements/category-1/broadband-uso>

⁹⁶ <https://www.gov.uk/government/collections/digital-economy-bill-2016> &

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/535012/2_USO_Fact_Sheet.pdf

⁹⁷ <https://www.gov.uk/government/news/nationwide-boost-to-mobile-coverage-moves-a-step-closer>

⁹⁸ <https://www.gov.uk/government/consultations/mobile-connectivity-in-england> & <https://www.gov.uk/government/news/speeding-up-mobile-broadband-roll-out>

⁹⁹ <https://www.gov.uk/government/news/mobile-coverage-in-rural-areas-set-to-improve>

¹⁰⁰ <https://www.gov.uk/government/policies/making-it-easier-for-the-communications-and-telecoms-industries-to-grow-while-protecting-the-interests-of-citizens/supporting-pages/improving-mobile-coverage>

¹⁰¹ <https://www.gov.uk/government/news/mobile-reception-around-uk-to-get-massive-boost>

¹⁰² <https://www.gov.uk/government/news/first-homes-benefit-after-government-investment-to-improve-mobile-coverage-nationwide>

- In November 2014 the Government set out its plans to eliminate the poor mobile coverage which affects around one fifth of the UK with a consultation on the various legislative proposals that could help achieve better coverage.¹⁰³
- In December 2014 the Government announced a deal with the four mobile networks to improve mobile coverage across the UK.¹⁰⁴ All four networks collectively agreed to improve coverage to guarantee voice and text coverage from each operator across 90 % of the UK geographic area by 2017, with full coverage to increase from 69 % to 85 % of geographic areas over the same period. The UK's four mobile operators confirmed their commitment to improve mobile coverage across the UK in February 2015.¹⁰⁵
- In November 2015 the Government's Joint Spending Review and Autumn Statement reported that up to £550 million will be invested over this Parliament to make the 700Mhz spectrum band available for mobile broadband use.¹⁰⁶
- In the March 2016 Budget¹⁰⁷ the Government announced that it will deliver a 5G strategy in 2017, based on the National Infrastructure Commission's assessment of how the UK can become a world leader in 5G.¹⁰⁸
- In December 2016 the National Infrastructure Commission published its Connected Future report into 5G technology.¹⁰⁹ The Commission's central finding is that "mobile connectivity has become a necessity. The market has driven great advances since the advent of the mobile phone but government must now play an active role to ensure that basic services are available wherever we live, work and travel, and our roads, railways and city centres must be made 5G ready as quickly as possible."

Ofcom is also working with Government to improve the UK's mobile and wireless capacity and capability:

- In February 2013 Ofcom announced the completion of its auction of 4G spectrum:¹¹⁰
 - Everything Everywhere Ltd, Hutchison 3G UK Ltd, Niche Spectrum Ventures Ltd (a subsidiary of BT Group plc), Telefónica UK Ltd and Vodafone Ltd all win spectrum suitable for rolling out new superfast mobile broadband services to consumers and to small and large businesses across the UK
 - Almost the whole UK population will be able to receive 4G mobile services by the end of 2017 at the latest

¹⁰³ <https://www.gov.uk/government/news/eliminating-poor-mobile-coverage>

¹⁰⁴ <https://www.gov.uk/government/news/government-secures-landmark-deal-for-uk-mobile-phone-users>

¹⁰⁵ <https://www.gov.uk/government/news/mobile-operators-sign-up-to-coverage-improvements> & <http://media.ofcom.org.uk/news/2015/mno-variations/>

¹⁰⁶ <https://www.gov.uk/government/news/dcms-settlement-at-the-spending-review-2015>

¹⁰⁷ <https://www.gov.uk/government/topical-events/budget-2016>

¹⁰⁸ <https://www.gov.uk/government/consultations/5g-call-for-evidence>

¹⁰⁹ <https://www.gov.uk/government/news/government-must-take-action-now-to-secure-our-connected-future-so-we-are-ready-for-5g-and-essential-services-are-genuinely-available-where-they-are-n>

¹¹⁰ <http://media.ofcom.org.uk/2013/02/20/ofcom-announces-winners-of-the-4g-mobile-auction/>

- In April 2014 Ofcom published its *Spectrum Management Strategy* setting out plans to enable the UK to meet the growing demands that will be placed on its wireless infrastructure over the next decade.¹¹¹
- In January 2015 Ofcom launched a new consultation laying the foundations for 5G mobile services, to explore usage of spectrum bands above 6 GHz that might be suitable for future mobile communication services.¹¹²
- In February 2015 Ofcom gave the green light to ‘TV white space’ wireless technology, gaps in the radio spectrum in frequency bands, which can be used to offer new wireless applications to benefit consumers and businesses.¹¹³
- In May 2015 Ofcom published an update on plans to release spectrum in the 2.3 GHz and 3.4 GHz bands that could be used to meet the growing demand for mobile broadband services.¹¹⁴ It confirmed its plans in October 2015¹¹⁵ and issued a consultation on how this spectrum should be auctioned in November 2016.¹¹⁶
- In May 2016 Ofcom announced new proposals designed to speed up Wi-Fi connections for millions of people across the UK. It proposed to increase the amount of 5 GHz radio spectrum available for Wi-Fi and other related wireless technologies, while ensuring protection for other users of this range, such as satellite services.¹¹⁷

Commercial investments and technical developments:

There have been a number of significant commercial announcements over the last 12 months, signalling both expansions to providers’ coverage and the arrival of “ultrafast” technologies such as G.fast. These will be employed to deliver the next generation of broadband services:

- In January 2015 BT announced plans to trial G.fast technology¹¹⁸ which will “help BT deliver ultrafast speeds of up to 500Mbps to most of the UK within a decade”. It connects its first customers in its trials in August.¹¹⁹
- In February 2015 Virgin Media announced its £3 billion “Project Lightning” investment.¹²⁰ This will extend its network to approximately four million additional premises over the next five years, increasing the number of homes and businesses to which Virgin Media can offer services by almost a third, from around half of the country to nearly 17 million premises by 2020. In April 2016 it announces that it will provide fibre to the premise (FTTP) connections to at least a quarter of the 4 million additional homes and businesses being added to the Virgin Media network as part of Project Lightning.¹²¹

¹¹¹ <http://media.ofcom.org.uk/news/2014/wireless-blueprint/>

¹¹² <http://media.ofcom.org.uk/news/2015/6ghz/>

¹¹³ <http://media.ofcom.org.uk/news/2015/tvws-statement/>

¹¹⁴ <http://media.ofcom.org.uk/news/2015/statement-consultation-spectrum-bands/>

¹¹⁵ <http://media.ofcom.org.uk/news/2015/2016-spectrum-auction/>

¹¹⁶ <https://www.ofcom.org.uk/about-ofcom/latest/media/media-releases/2016/ofcom-outlines-rules-for-mobile-spectrum-auction>

¹¹⁷ <http://media.ofcom.org.uk/news/2016/speeding-up-wi-fi/>

¹¹⁸ <http://www.btplc.com/news/#/pressreleases/bt-ceo-sets-out-ultrafast-broadband-vision-1116683>

¹¹⁹ <http://www.btplc.com/News/#/pressreleases/first-customers-connected-in-trial-of-g-fast-ultrafast-broadband-1206553>

¹²⁰ <http://www.libertyglobal.com/pdf/press-release/Virgin-Media-Q4-2014-Investor-Release-FINAL.pdf>

¹²¹ <http://www.virginmedia.com/corporate/media-centre/press-releases/virgin-media-announces-largest-uk-fibre-broadband-rollout.html>

- In September 2015 BT set out its vision for the UK’s digital future, in which it committed to support the Government in delivering a new broadband USO and to deliver ultrafast speeds of 300-500Mbps to 10m premises by 2020 and to the majority of premises within a decade.¹²² BT intends to fund the investment in ultrafast broadband services itself and is ready to co-invest to extend fibre further.
- In March 2016 Openreach announced plans to connect more consumers and small businesses in the UK to ultrafast fibre using its open access network.¹²³
- In August 2016 Openreach announced tests of Long Reach VDSL in the Hebrides, which offers the potential to significantly increase the broadband speeds achievable over the long telephone lines found in remote rural areas.¹²⁴

100Mbps for “nearly all homes”?

The March 2015 Budget included an ambition to bring ultrafast broadband of at least 100 megabits per second to nearly all homes in the country, though no timeframe or funding has yet been confirmed for this.¹²⁵ These commitments were echoed in the Government’s *Digital Communications Infrastructure Strategy* also published in March 2015.¹²⁶

¹²² <http://www.btplc.com/News/#/pressreleases/bt-ceo-delivers-vision-for-britain-s-digital-future-1222020>

¹²³ <http://www.btplc.com/News/#/pressreleases/openreach-expands-ultrafast-fibre-plans-1339239>

¹²⁴ <http://www.btplc.com/News/#/pressreleases/openreach-tests-boost-fibre-broadband-speeds-over-long-lines-in-the-hebrides-1525433>

¹²⁵ <https://www.gov.uk/government/speeches/chancellor-george-osbornes-budget-2015-speech> & https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/416330/47881_Budget_2015_Web_Accessible.pdf

¹²⁶ <https://www.gov.uk/government/publications/the-digital-communications-infrastructure-strategy>