

RURAL BROADBAND

*Relevant report: Rural Broadband (Eleventh Report, Session 2002-03, HC 587, 15 July 2003)
(Government Reply: Twelfth Special Report, Session 2002-03, 16 September 2003)*

“Defra told the Committee in 2003 that Ministers wrote to BT on 16 October 2003, putting forward the view that it was in BT’s interests as well as in the local public interest, for them to be open and transparent about trigger levels for all exchanges. What progress has been made on this specific point; and more widely in rolling out rural broadband?”

Defra response

1. Stimulating broadband across the whole of the UK is one of the Government's top priorities. The Government wants to see every community, irrespective of location, having access to an affordable broadband service from a competitive market.
2. Availability -The overall availability of mass market broadband in the UK currently stands at 94%. In urban areas availability stands at 99%; suburban areas 97% and rural at 73%. The UK currently has the most extensive broadband market of the G7 countries and by summer 2005, broadband will be available to over 99% of all households.
3. Rural coverage will increase as BT’s roll out programme nears completion in July 2005, as the last exchanges on the programme tend to be the more remote ones.
4. As of the beginning of June 2005 BT had enabled over 4,500 of the 5,000 exchanges on their programme. The latest figures will be released later this month in the UK Broadband Report by DTI.
5. Unviable exchanges - In addition to these exchanges BT considers around 550 exchanges in the UK to be unviable for upgrade. The exchanges tend to be the most remote exchanges that serve a low number of customers.
6. The Scottish Executive made an announcement that they will intervene to enable the remaining exchanges. In England, the Regional Development Agencies are taking a lead on responding to potential gaps in coverage –for example Advantage West Midlands, the South West Development Agency, Yorkshire Forward and others have already announced their intention to fill any gaps in the market by publicly funding exchange upgrades and/or other solutions.
7. In addition, Defra is providing a small amount of funding to support the Community Broadband Network in their provision of mentoring and support services to help rural communities find their own solutions to access broadband. To date, over 500 communities have

come together to purchase community broadband networks – in many cases using innovative wireless technology solutions to provide much higher bandwidths than would otherwise be available.

8. Defra has also supported community broadband projects through the Rural Enterprise Scheme. An excellent example is the North Yorkshire Parish of Austwick where assistance from the Defra grant has successfully brought affordable, high-speed broadband access to more than 500 residents and small businesses spread across a 50-square mile area.

9. Take-up - At the beginning of January 2005, Ofcom estimated over 6 million high-speed broadband users in the UK, new subscriptions adding over 60,000 a week. In April 2005 BT announced their Estimates also suggest over 4,000,000 DSL connections and over 1,800,000 cable modem connections. Over 150 Internet Service Providers offer ADSL products through the UK.

10. Policy focus is now moving towards stimulating effective take-up and use of ICT by individuals and addressing the digital divide that currently excludes some groups from benefiting from access to the internet, as set out in 'Connecting the UK: the Digital Strategy', which was launched on 1 April 2005.