Citizen Participation and Public Petitions Committee

4th Meeting, 2023 (Session 6), Wednesday 8 March 2023

PE1931: Improve the R100 rollout by prioritising properties who currently have speeds of less than 5 Mbps

Lodged on 4 April 2022

Petitioner lan Barker

Petition summary

Calling on the Scottish Parliament to urge the Scottish Government to prevent digital exclusion for rural properties and their households by giving priority in the R100 programme to properties with internet

speeds of less than 5 Mbps.

Webpage https://petitions.parliament.scot/petitions/PE1931

Introduction

- The Committee last considered this petition at its meeting on <u>4 May 2022</u>. At that meeting, the Committee agreed to the Scottish Government and the relevant contractor.
- 2. The petition summary is included in **Annexe A** and the Official Report of the Committee's last consideration of this petition is at **Annexe B**.
- 3. The Committee has received new responses from the Scottish Government and Openreach which are set out in **Annexe C**.
- 4. An <u>update on Superfast Broadband</u> was provided in the Debating Chamber on Wednesday 8 February 2023 and can be found in **Annexe D**.
- 5. Written submissions received prior to the Committee's last consideration can be found on the petition's <u>webpage</u>.
- 6. Further background information about this petition can be found in the <u>SPICe</u> briefing for this petition.

7. The Scottish Government's initial position on this petition can be found on the petition's <u>webpage</u>.

Action

8. The Committee is invited to consider what action it wishes to take.

Clerk to the Committee

Annexe A

PE1931: Improve the R100 rollout by prioritising properties who currently have speeds of less than 5 Mbps

Petitioner

Ian Barker

Date lodged

4/04/2022

Petition summary

Calling on the Scottish Parliament to urge the Scottish Government to prevent digital exclusion for rural properties and their households by giving priority in the R100 programme to properties with internet speeds of less than 5 Mbps.

Previous action

Written to my MSP and MP.

I have had an article published in the local newspaper explaining the problems.

Background information

I live in a property which lies 800 m from fibre. We applied for a community partnership which quoted over £100000 for 6 houses. We are connected by copper back to box number 3 which in turn is connected to Lhanbryde exchange by copper.

Last year a new cabinet was installed on the B9103. This meant running fibre less than 1 metre away from cabinet number 3. The fibre runs down the B9103 and under the minor road to Scotstonhill. This is 800m to my property.

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We are apparently not in the scope for fibre or even a new cabinet at the junction to the Scotstonhill road, yet properties who already have speeds of 70 Mbps are being upgraded to 900 Mbps.

This is digital exclusion. Rural households should have fair access to the internet supplier market rather than being restricted to expensive alternative solutions.

Vouchers provide only expensive solutions and don't allow households fair access to the whole internet provider market, again exclusion.

Annexe B

Extract from Official Report of last consideration of PE1931 on 4th May 2022

The Convener:

PE1931, which was lodged by Ian Barker, calls on the Scottish Parliament to urge the Scottish Government to prevent digital exclusion for rural properties and their households by giving priority in the reaching 100 per cent—R100—programme to properties with internet speeds of less than 5 megabits per second. All legislative and regulatory responsibility for telecommunications rests with the UK Government and Ofcom. The Scottish Government has, however, introduced a programme of work to improve digital connectivity in Scotland, which is what the petitioner seeks to influence.

The petitioner aims to ensure that priority is given to properties with slower internet speeds in rural areas, in particular, and he explains that rural households should have fair access in order to prevent digital exclusion.

The Scottish Government's initial response sets out the measures that it has taken to date in relation to rolling out internet connectivity in rural areas. The response highlights the R100 Scottish broadband voucher scheme, which was created to ensure that everyone can access a superfast broadband service.

Do members have any comments or suggestions for action?

Alexander Stewart

The petition is very important, especially for people who are in rural areas. It would be advantageous if we were to write to the Scottish Government to ask whether an impact assessment was carried out in advance of the R100 programme and the R100 broadband voucher scheme—which you mentioned, convener—being introduced to ensure that the people who are most at risk of digital exclusion were prioritised.

In addition, we could ask the Scottish Government how, in drafting such an impact assessment, it assessed which rural properties had the slowest internet speeds. That is the crux of the matter: the problems that are caused for individuals in rural areas who do not have digital access.

Thirdly, we could ask the Scottish Government whether it has taken any other measures to prioritise boosting connectivity for rural households with the lowest internet speeds.

Those issues are all vitally important, and it is incumbent on us to ask the Scottish Government where we are with all that, because—as I said—it is an area that is causing huge concern across many rural areas.

Fergus Ewing

I suppose I should declare a former interest, in that I was minister with responsibility for what has developed in respect of R100, or at least parts of it.

In addition to the recommendations from Alexander Stewart, with which I thoroughly concur, it might be helpful to approach the contractor—I think that BT has been awarded the contracts—to seek more practical information as to how it goes about the difficult task of sequencing and prioritising the roll-out of the work. The amount of work is considerable in each of the three areas, which all have separate contracts, so the matter is not straightforward at all.

Given that the programme is regulated by contracts, it might be helpful if, in writing to the Scottish Government—and, if colleagues agree, to the successful contractor, which I understand is BT—we were to ask specifically whether the relevant contractual provisions could be shared with us. I do not see any reason why they should not be; now that the tender process has been completed, they should be in the public domain. I just wanted to flesh out and expand on Mr Stewart's suggestions.

The Convener

I am very happy to add those points to our list of considerations. Are colleagues content to proceed on that basis?

Members indicated agreement.

Annexe C

Scottish Government submission of 10 June 2022

PE1931/B: Improve the R100 rollout by prioritising properties who currently have speeds of less than 5 Mbps

Thank you for your letter of 13 May 2022, asking a number of follow-up questions in response to our original letter of 4 April 2022. The answers to these questions are set out below.

- 1) whether an impact assessment was carried out in advance of R100 and the R100 Scottish Broadband Voucher Scheme being introduced to ensure that those most at risk of digital exclusion were prioritised
- 2) in drafting such an impact assessment, how the Scottish Government assessed which rural properties had the slowest internet speeds

State Aid rules dictate that we cannot distort the market by investing public funding in areas where the market will go. Therefore, at the start of the process to determine the parameters of the R100 programme, we conducted an initial Open Market Review (OMR) – an exercise in which we asked every broadband infrastructure and service provider in Scotland to inform us of their existing and, where possible, their planned commercial build plans (at superfast speeds of 30 Megabits per second and above) for the following three years.

In doing so, we were able to identify the premises that would be eligible for public investment. This became known as the 'intervention area'. This draft intervention area was then tested through a public consultation to confirm that it was accurate.

We do, of course, recognise that build plans can change, and so we introduced an on-going OMR process, whereby the intervention area is continually monitored to make sure it remains accurate. New commercial activity is taken into account, as is any previously planned commercial

activity that – for whatever reason – will no longer go ahead, allowing us to update the eligibility of any affected properties on an ongoing basis.

As outlined in our response of 4 April 2022, we chose to exclude urban properties from the procurement for the R100 contracts, as well as taking the decision to mandate infrastructure deployment in key remote rural locations. In addition, we also chose to 'weight' a number of rural locations – while we did not mandate deployment in these areas, we did make clear to bidders that bids which included planned build in those areas would be scored more favourably than bids which did not.

3) whether the Scottish Government has taken any other measures to prioritise boosting connectivity for rural households with the lowest internet speeds

In addition to the direct interventions being provided through the R100 contracts and the R100 SBVS, we have launched our Full Fibre Charter for Scotland, as per our commitment in the Programme for Government 2019-20.

Commercial investment plays a key role in enhancing digital connectivity in Scotland, and we want to create an environment that sees Scotland regarded as the best place to invest in digital infrastructure.

The Charter consists of a series of pledges designed to extend build further into remote, rural and geographically challenging areas. Through these pledges, signatories commit to accelerate deployment of new full fibre networks, prioritise areas of no coverage for broadband and mobile connectivity, and trial new technologies to improve digital connectivity.

In return, we support operators through commitments which include working to identify areas of priority, areas of opportunity and to investigate the barriers operators face to deploying infrastructure.

Through the Full Fibre Charter for Scotland, commercial providers can deliver more and faster, working with us to deliver a future-proofed, national fibre network to support our economic recovery from the impacts of COVID-19 and for the benefit of all.

We have also extended our commitment to provide 10 years of 100% non-domestic rates relief on newly laid and lit fibre infrastructure for an additional five years, meaning it will now be available until March 2034, offering the most extended period of rates relief in the UK.

4) whether the relevant contractual provisions in place with the provider can be shared with the Committee

As with any contract, there are elements that are commercially sensitive in nature and, therefore, cannot be shared. Having reviewed the transcript from the Committee session on 4 May 2022, I understand that committee members had questions regarding the R100 contract deployment phasing and payment procedures.

The phasing of R100 contract deployment was determined solely by BT plc as part of their contract bids. The Scottish Government did not seek to influence this, beyond mandating and weighting certain areas as outlined above. Payments are issued to BT plc upon completion of agreed milestones which acts as an incentive to build as quickly as possible.

If the Committee has further questions regarding specific contractual provisions in mind, then we will be happy to provide this, where permissible.

I trust that this information proves useful to the Committee.

Openreach submission of 1 March 2023 PE1931/C: Improve the R100 rollout by prioritising properties who currently have speeds of less than 5 Mbps

Our approach to the delivery of c. 114,000 premises included in our three Reaching 100% contracts across Scotland has been consistent. We strive to deliver connectivity as quickly as physically possible, but also in the most efficient way using public funding.

When we tendered for and subsequently signed the R100 contracts, we gave a view of the build sequence from beginning to end, noting there were significant timescales associated with each area.

When scheduling the sequence of work, we work whenever possible from an inside-out approach, building from the primary exchange location where the main fibre control unit (known as a headend) is located out into communities. Significant dependencies, including backhaul requirements, determine the build sequence.

Whilst we recognise the appeal of working from the outside in, the most efficient use of public subsidy and build sequencing is to work from the inside out, extending the network as far and as deep as possible with the funding available.

We appreciate that tens of thousands homes and businesses are still be connected as part of this programme but they do form part of a coordinated build sequence designed for maximum efficiency.

In addition, careful consideration must also be given to the logistics of deploying and building a network in those locations from a supply chain perspective – is the contractor base able to resource to work in those locations? In many cases in rural Scotland, local supply chains that live and work in those communities are not available.

Availability of resources; network topography and requirements; infrastructure and logistics are all factors we need to consider when planning an efficient build. Building network in rural Scotland is a very complex undertaking and we are doing all we can to maximise build over and above the contractual commitments made.

Annexe D

Superfast Broadband (Update)

Willie Rennie (North East Fife) (LD)

To ask the Scottish Government whether it will provide an update on its commitment to deliver superfast broadband to 100 per cent of premises in Scotland by 2021. (S6O-01876)

The Minister for Business, Trade, Tourism and Enterprise (Ivan McKee)

As at 31 December 2021, all homes and business across Scotland had the ability to access a superfast broadband connection through one of the three strands of activity that make up the R100—reaching 100 per cent—programme: the £600 million R100 contracts, the demand-led R100 Scottish broadband voucher scheme and commercial coverage.

By the end of December 2022, the R100 contracts had built connections to more than 16,600 properties across the length and breadth of Scotland, with more than 2,800 connections also delivered through R100 vouchers.

Willie Rennie

The minister must think that I am zipped up the back if he expects me to believe that answer. It was not delivered by the end of 2021. I personally do not have superfast broadband in my house—and I am not alone. Hundreds of thousands of other people across Scotland do not have superfast broadband either, and therefore it is not at 100 per cent. A new freedom of information release found that it will not be delivered until March 2028—almost seven years late. Why is the minister insisting that he has met the election promise when he clearly has not?

Ivan McKee

As I indicated in my previous answer, the voucher scheme was put in place to ensure that anyone who wanted to connect as at that date was able to do so. We continue to roll out the programme as planned, with a commitment of £600 million to support that. We have to bear in mind, of

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course, that telecoms provision is a reserved matter, but the Scottish Government recognises its importance to communities, businesses and families across Scotland—hence our commitment to spend that additional £600 million to roll out the programme.