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Dear Hazel,

**SMALL BUSINESS, ENTERPRISE AND EMPLOYMENT BILL:
UPDATE ON GOVERNMENT'S ROLL-OUT OF SUPERFAST BROADBAND**

During the debate of the Second Reading of the Small Business, Enterprise and Employment Bill on Tuesday 2 December you asked that I provide you with an update on the Government's broadband initiative. This was in particular relation to how broadband can support the success and growth of small business across the UK.

Broadband Delivery UK (BDUK), part of the Department for Culture, Media and Sport, is working in partnership with local bodies and suppliers to deliver superfast broadband to the nation. The Government is investing over £1 billion in improving broadband and mobile infrastructure to:

- Provide superfast broadband (24Mbps +) coverage to 90% of the UK by 2016
- Provide superfast broadband (24Mbps +) to 95% of the UK by 2017 and provide basic broadband (2Mbps) for all
- Explore options to get near universal superfast broadband coverage across the UK
- Create 22 'SuperConnected Cities' across the UK by 2015
- Improve mobile coverage in remote areas by 2016

BDUK estimates that UK coverage of superfast broadband is around 80% and coverage is amongst the highest in Europe. Through the Superfast Broadband Programme the Government has enabled even more people to access superfast broadband who would not otherwise have got it. It is investing £780m (Over a billion including local Government match funding) to provide 95% superfast broadband coverage by 2017. BDUK is also market testing a range of solutions through a £10m competitive fund to find solutions to extend superfast broadband even further than 95%.

All 44 local projects in the first phase of the programme are now delivering superfast broadband services to homes and businesses all over the country. Over 40,000 premises are gaining availability to superfast for the first time every week. By November 2014, we had reached 1.5 million additional premises and by February 2015 we will reach 2 million premises, the midpoint of phase one of the programme.

Through a joint initiative between DEFRA and BDUK, the Government has funded five community broadband projects under the Rural Community Broadband Fund (RCBF) which has helped communities in remote locations to develop superfast broadband projects. The RCBF is now closed to applications, but the 5 community projects totalled £1.1m and made available superfast broadband to around 3,269 premises. The projects were Rothbury in Northumberland, Fell End and Fibre Garden in Cumbria, Northmoor in West Oxfordshire and Tove Valley in Northamptonshire.

More background can be found here if helpful

[https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/345792/Statistics_Release - Rural Community Broadband Fund August 2014.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/345792/Statistics_Release_-_Rural_Community_Broadband_Fund_August_2014.pdf)

Of course I recognise that there remains work to be done and not least, in those hard-to-reach areas. This is why on 19 June 2014, we launched eight pilot projects in Wales, Northern Ireland & Scotland, Hampshire, Northumberland, Kent, North Lincolnshire, North Yorkshire, and Devon and Somerset. The Market testing pilots are funded from a £10 million competitive fund opened on 21 March 2014 to market test solutions to deliver superfast broadband services to the most difficult to reach remaining areas of the UK. The pilots are exploring cost effective solutions on how to expand coverage in remote areas using innovative fixed wireless and satellite technologies, a social investment financial model and aggregating small networks. Feasibility reports have now been submitted by all the pilots and those that will proceed into deployment will be announced in early 2015. Final reports on the pilots are expected from the projects by April 2016.

The Government is supporting small businesses through the SuperConnected Cities Programme, a £150m investment to support UK cities to develop the digital infrastructure capability they need to remain internationally competitive and attractive places to invest, visit and do business. Across 22 UK cities, Broadband Connection Vouchers up to the value of £3000 are available to small businesses so they can upgrade to superfast broadband. Small businesses are able to use a range of technologies to make their connection including wireless, fibre, Ethernet, satellite and leased-lines to receive NGA speeds. The Chancellor has just announced the extension of the voucher scheme to more UK cities from April 2015. Details on which cities will benefit will be made available at the same time.

In addition to the Superfast Broadband and SuperConnected Cities programmes, BDUK is also improving mobile connectivity through the Mobile Infrastructure Programme (MIP). The MIP has invested £150m to build infrastructure to provide coverage to the 0.3-0.4% UK premises where there is currently no basic mobile coverage for voice calls or text messages.

The Superfast Broadband Programme is one of the largest infrastructure programmes currently underway. I hope that you will agree that good progress has been made and that it demonstrates the Government's commitment to improving broadband availability.

I am copying the letter to those who participated in the debate and placing a copy in the House libraries.

Warm regards

Louise

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