

Digital Scotland – Reaching 100% Programme

Public Consultation Report

May 2018

PUBLIC CONSULTATION REPORT

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1. INTRODUCTION AND BACKGROUND

The Scottish Government issued a Public Consultation¹ into the eligible intervention area for investment of public funds into NGA broadband infrastructure on 5th July 2017. The period of consultation closed on 5th August 2017.

The Reaching 100% Programme (“**R100**”) is striving to extend the availability of NGA broadband infrastructure to meet the Scottish Government’s commitment to deliver superfast broadband access to 100% of premises in Scotland by the end of 2021. This commitment is captured in the document ‘Realising Scotland's full potential in a digital world: A Digital Strategy for Scotland’.²

To achieve this, the Scottish Government intends to procure coverage of NGA broadband infrastructure (capable of delivering download speeds of at least 30 Mbps) in areas where such broadband is currently unavailable. Geographically, R100 covers the whole of Scotland.

2. PURPOSE OF THIS STATE AID PUBLIC CONSULTATION REPORT

Under the European Commission’s State Aid guidelines, public sector intervention in broadband infrastructure investment is limited to those areas where there is no current or planned (within the next 3 years) commercial deployments, to avoid distorting what might otherwise be/become a competitive market.

The Scottish Government carried out an Open Market Review of all current and planned infrastructure within the scope area between December 2016 and January 2017. The submitted data allowed us to produce a draft intervention area for the Public Consultation.

The Public Consultation is now complete and this report sets out the responses to the consultation and the actions that the Scottish Government has taken as a direct result of those responses.

¹ <http://www.gov.scot/Publications/2017/07/4529>

² <http://www.gov.scot/Publications/2017/03/7843>

3. PUBLIC CONSULTATION RESPONSE

A total of 52 responses were submitted during the consultation period. Five responses asked to be treated in the strictest confidence. The table in Appendix A summarises the responses and the actions that the Scottish Government has taken as a result.

4. REVISED INTERVENTION AREA

As a result of the Public Consultation, the Scottish Government has revised the NGA broadband map (the basic broadband map remains unchanged, but is included for completeness). In the absence of premise level data from some broadband infrastructure operators, the Scottish Government has mapped areas as white, grey or black at a postcode level, using the following criteria:

For basic broadband (see Appendix B),

- A postcode is turned grey if there is only one broadband infrastructure operator providing basic broadband services (with speeds greater than 2 Mbps) to that postcode
- A postcode is turned black if there are at least two broadband infrastructure operators providing basic broadband services (with speeds greater than 2Mbps) to that postcode
- All other postcodes remain white.

For NGA (see Appendix C),

- A postcode is turned grey if there is only one broadband infrastructure operator providing NGA services (with speeds greater than 30Mbps) to that entire postcode
- A postcode is turned black if there are at least two broadband infrastructure operators providing NGA services (with speeds greater than 30Mbps) to that entire postcode
- All other postcodes remain white.

In addition, the intervention area includes a number of “Grey, under review” areas (coloured blue on the map). These areas have been indicated to have planned commercial coverage for NGA broadband (i.e. mapped as grey or black NGA), but those plans have been reported through the process as being ‘at risk’ (or have otherwise been deemed by the Scottish Government as being ‘at risk’) of not being completed. These areas will be subject to continued monitoring and verification of supplier plans within the proposed delivery period by the Scottish Government and in the event that these commercial plans fall away, these premises will be reclassified as White NGA and form

part of the proposed intervention area and therefore eligible for intervention via this aid measure.³

The mapping analysis of existing and evidenced planned coverage (within the next 3 years) has identified significant remaining 'white NGA' areas. The outcome of the Public Consultation is summarised in terms of NGA White, Grey, Black and 'Grey, Under Review' premises below and in reference to postcode mapping as described above:

	Number of Postcodes	Number of Black Premises	Number of Grey Premises	Number of White Premises	Number of Grey, Under Review Premises
White	29,598*	0	103,613	226,933	118,308
Grey	66,668	3,919	1,245,249	0	0
Black	509	13,017	0	0	0
'Grey, Under Review' ⁴	55,375	0	91,999	0	1,031,264

*692 postcodes do not appear in the R100 AddressBase dataset however are included in the National Records of Scotland 2017, release 1 postcode boundaries dataset, these have been included in the count of NGA White.

The Scottish Government intends to procure coverage to target the remaining 'White NGA' areas by conducting a new procurement under the 2016 National Broadband Scheme (and in accordance with the Public Contracts (Scotland) Regulations 2015).

As noted above, if commercial plans fall away in the 'Grey, under review' areas then these will be considered as eligible for intervention and reclassified as 'White NGA' areas.

Where possible, the Scottish Government will make coverage information available at a premises level within the identified white postcode areas to bidders to ensure that bids can target those premises without NGA broadband coverage efficiently.

It should be noted that whilst this report includes mapping of basic broadband coverage, the procurement will not deploy basic broadband technologies. The intention is to provide bidders with details of all the areas where there is basic broadband coverage so as to ensure, so far as possible, that these areas are

³ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2013:025:0001:0026:en:PDF> (paragraph 65)

⁴ The premises in these postcodes will be subject to monitoring and review as explained above.

only overbuilt by NGA compliant broadband infrastructure where the premises will receive over 30Mbps or at least a doubling of speeds, in accordance with the requirements of the 2016 National Broadband Scheme. Where doubling is not possible, the supplier will be obliged to demonstrate that the design is optimised to limit the overbuild of existing basic broadband networks with speeds that are below 30Mbps.

Note the city centres of Aberdeen, Edinburgh and Glasgow have been excluded from this exercise as they are not eligible for state funding in accordance with the 2016 National Broadband Scheme. A breakdown of the excluded premises is shown below:

City Centre	Total Premises	Premises <30Mbps
Aberdeen City	4,496	1,815
City of Edinburgh	13,072	1,401
Glasgow City	11,744	5,112
Total	29,312	8,328

5. NEXT STEPS

The Scottish Government has used the information in this report to define the Intervention Area in order to submit an application for State Aid Approval to invest public funds into the deployment of NGA broadband infrastructure within Scotland.

The Scottish Government published an OJEU Notice marking the start of the formal procurement process on 14th December 2017. The process required for the provision of NGA broadband infrastructure is expected to take around one year and the Scottish Government expects to have suppliers in place and ready to start building by early 2019.

Four bidders have been shortlisted for the detailed procurement phase, these are:

- Axione
- British Telecom
- Gigaclear
- SSE Telecom

The procurement will initially target the rural areas by removing from scope premises within settlements with a population of more than 125,000 people, namely Aberdeen, Dundee, Edinburgh and Glasgow. This is to ensure that early investment is targeted at those areas of greatest need and to allow the market time to address urban areas. The procurement will also not target premises achieving speeds of greater than 24Mbps as these premises are likely to see an uplift in speed above 30Mbps as a result of supplier technology refresh. A number of further postcodes will not be in scope as a result of an ongoing extension to current NGA contracts.

6. FURTHER INFORMATION

Information about the R100 Programme can be found at:

<https://beta.gov.scot/policies/digital/>

A document “Reaching 100% - Superfast Broadband for All” provides further background and is available to download from:

<http://www.gov.scot/Publications/2017/12/2810>

For further information on the project, please write to:

The R100 Programme Team
Digital Directorate
The Scottish Government
5 Atlantic Quay, 150 Broomielaw
Glasgow G2 8LU

Appendix A – Public Consultation Response

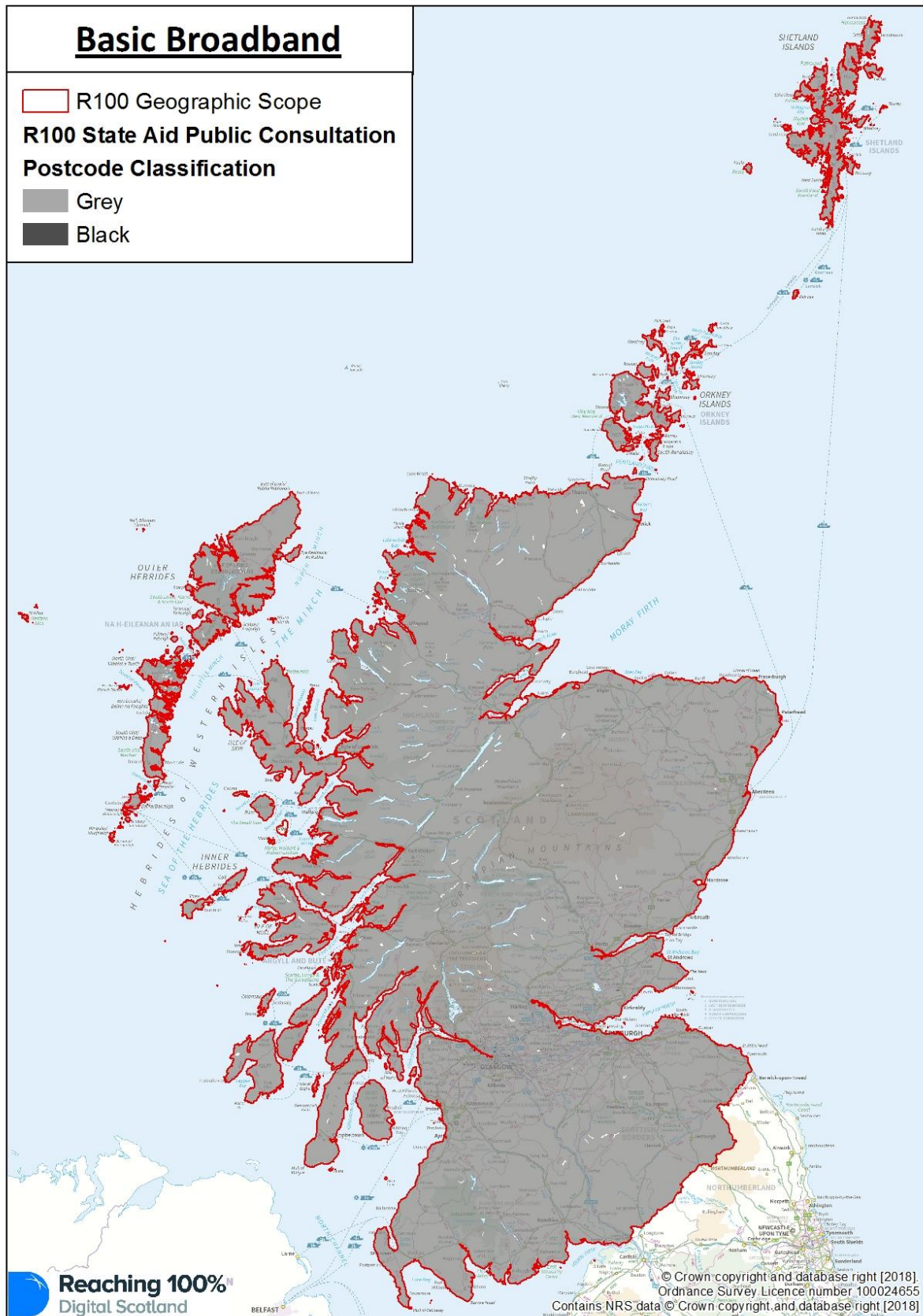
Response	Responder	Comment	Resultant Action
1	Charlie Anderson	Query re whether R100 will address slow speeds in Ky8 5NZ and surrounding postcodes	Advice provided – no change to intervention area
2	Balquhiddar Community Broadband CIC	Actively engaged in a project to deliver hyper-fast broadband to several NGA White post code areas	Invited to submit information for 'NGA Assessment' – intervention area changed
3	Fibreicast Ltd	Confirm intention to respond to the Public Consultation	Invited to submit information for 'NGA Assessment' – no change to intervention area
4	Sianna MacDonald	Superfast Broadband query on individual premises	Advice provided – intervention area changed
5	GreySky Consulting Ltd	Working with Stirling Council to identify unserved 'white' premises	Advice provided – no change to intervention area
6	Angus Council	Angus Council are currently considering a submission to the consultation	Advice provided and follow up stakeholder meeting offered – no change to intervention area
7	Gigaclear	Request to share the draft intervention area	Draft NGA White premise information shared – no change to intervention area
8	Marykirk.com	Confirm intention to respond to the Public Consultation	Invited to submit information for 'NGA Assessment' – no change to intervention area
9	Applecross Community Company	Request for OS maps for the area served by AppleNet	Invited to submit information for 'NGA Assessment' – no change to intervention area
10	Donnchadh Kennedy	Concern about countryside coverage near Kilbrinie	Advice provided – no change to intervention area
11	Tree of Life Enterprises	Feedback that data on basic broadband map is incorrect for PA28 6QR	Advice provided – no change to intervention area
12	Charlie Anderson	Confirm intention to respond to the Public Consultation	Invited to submit information for 'NGA Assessment' – no change to intervention area
13	Alvah and Forglen Community Council	Confirm intention to respond to the Public Consultation	Invited to submit information for 'NGA Assessment' – no change to intervention area
14	Badenoch Broadband & Comms.	Confirm intention to respond to the Public Consultation	Invited to submit information for 'NGA Assessment' – no change to intervention area

15	Highland Community Broadband CIC	Confirm intention to respond to the Public Consultation	Invited to submit information for 'NGA Assessment' – no change to intervention area
16	HUBS	Confirm intention to respond to the Public Consultation	Invited to submit information for 'NGA Assessment' – no change to intervention area
17	CMNet CIC	Confirm intention to respond to the Public Consultation	Invited to submit information for 'NGA Assessment' – no change to intervention area
18	Len Chapman	Raised query on classification for the village of Cousland, Midlothian	Advice provided – no change to intervention area
19	Confidential Response 1	Confidential Response 1	Invited to submit information for 'NGA Assessment' – no change to intervention area
20	Sleat Community Trust	Confirm intention to respond to the Public Consultation	Invited to submit information for 'NGA Assessment' – no change to intervention area
21	Loch Tay Internet	Confirm intention to respond to the Public Consultation	Invited to submit information for 'NGA Assessment' – no change to intervention area
22	Heather Hill	Highlighting issue of slow speeds in the Lowther Hills area	Advice provided – no change to intervention area
23	Scottish Borders Council	Confirm intention to respond to the Public Consultation	Advice provided – no change to intervention area
24	Fife Voluntary Action	Confirm intention to respond to the Public Consultation	Invited to submit information for 'NGA Assessment' – no change to intervention area
25	Scotnet	Confirm intention to respond to the Public Consultation	Invited to submit information for 'NGA Assessment' – intervention area changed
26	Ardvourlie Castle	Highlighting slow speeds on the Isle of Harris	Advice provided – no change to intervention area
27	RCGP Scotland	Confirm intention to respond to the Public Consultation	Invited to submit information for 'NGA Assessment' – no change to intervention area
28	Confidential Response 2	Confidential Response 2	Invited to submit information for 'NGA Assessment' – no change to intervention area
29	Colin Jenkins	Looking for clarity on how individual property is affected	Advice provided – no change to intervention area
30	Scaladale Activity Centre	Concerned that postcode is not on the intervention list	Advice provided – no change to intervention area
31	Lothian Broadband	Confirm intention to respond to the Public Consultation	Invited to submit information for 'NGA Assessment' – intervention area changed

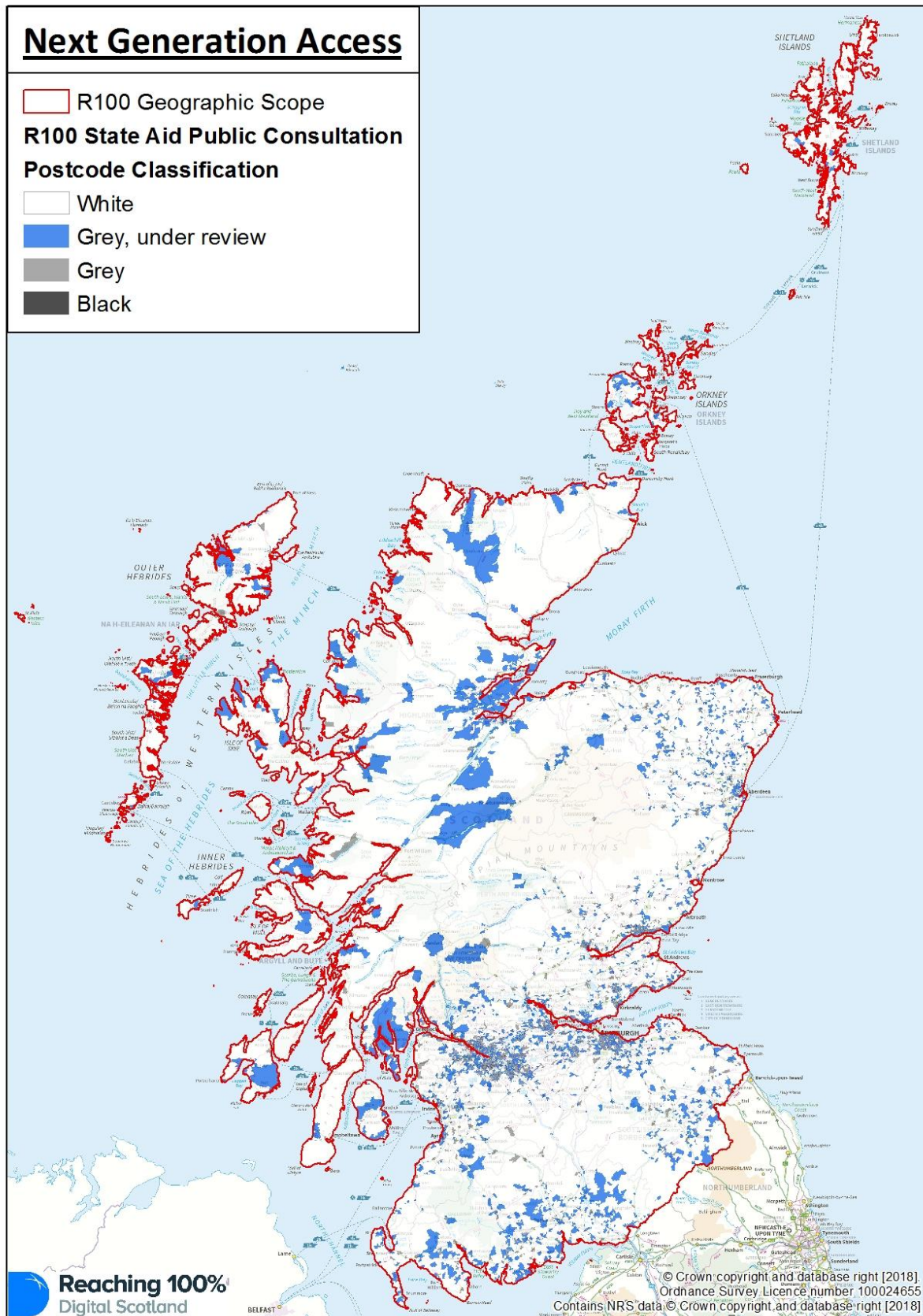
32	Broadway Partners	Confirm intention to respond to the Public Consultation	Invited to submit information for 'NGA Assessment' – no change to intervention area
33	Bob Alexander Landscaping Ltd	Concerned about poor broadband impacting business	Advice provided – no change to intervention area
34	Penny Cousins	Concerned about poor broadband in area	Advice provided – no change to intervention area
35	RFCOM	Company with Wireless Tech looking to be involved	Advice provided – no change to intervention area
36	Confidential Response 3	Confidential Response 3	Invited to submit information for 'NGA Assessment' – no change to intervention area
37	East Lothian Council	Provided comment on consultation	Advice provided – no change to intervention area
38	Andrew Dodds	Provided comment on consultation	Advice provided – no change to intervention area
39	CloudNet	Confirm intention to respond to the Public Consultation	Invited to submit information for 'NGA Assessment' – no change to intervention area
40	South of Scotland Alliance	Provided written response to consultation	Advice provided – no change to intervention area
41	Tiree Community Development Trust	Raised concern around access to affordable backhaul	Advice provided – no change to intervention area
42	Independent Networks Co-operative Association	Provided written response to consultation	Advice provided – no change to intervention area
43	Perth and Kinross Council	Provided written response to consultation	Advice provided – no change to intervention area
44	Lothian Broadband	Confirm intention to respond to the Public Consultation	Invited to submit information for 'NGA Assessment' – intervention area changed
45	Paul & Amanda Russ	Looking for clarity on how property is affected	Advice provided – no change to intervention area
46	Patricia Tucker	Concern over slow speeds around ML11 8LH	Advice provided – no change to intervention area
47	Confidential Response 4	Confidential Response 4	Invited to submit information for 'NGA Assessment' – intervention area changed
48	Andrew Walker	Provided comments on consultation	Advice provided – no change to intervention area

49	Dick Barbor-Might	Provided written response to consultation	Advice provided – no change to intervention area
50	Linlithgow Mill Road BID	Confirm intention to respond to the Public Consultation	Invited to submit information for 'NGA Assessment' – no change to intervention area
51	Cromarty Firth Wireless Networks	Confirm intention to respond to the Public Consultation	Invited to submit information for 'NGA Assessment' – intervention area changed
52	Confidential Response 5	Confidential Response 5	Invited to submit information for 'NGA Assessment' – intervention area changed

Appendix B - Basic Broadband Map



Appendix C – NGA Broadband Map





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