

Rural Broadband – Briefing for Local Communities

What is the problem?

96.21% of the UK has access to what is known as "superfast" broadband. This is defined as broadband with download speeds of greater than 30mbps (mega-bits per second).¹

That seems an impressive number, but there are a number of important caveats to this:

- 1. the small percentage of households without access to superfast broadband are overwhelmingly in rural areas.
- 2. The percentage is misleading because take-up often heavily lags behind availability. Around 60% of households with access to superfast broadband have actually opted into a deal which offers it.² This can be due to higher prices, not knowing it's available, or not thinking it necessary.
- 3. The word "superfast" is also misleading. As households often have an increasing number of devices connected to the internet, performing tasks requiring greater speeds (streaming, gaming, video-conferencing). This means for many households and businesses, superfast speeds particularly upload speeds will not be sustainable for the future, or even the present.

You can check to see if your broadband is superfast here.

Rural areas are hit by a double whammy when it comes to broadband; they are usually the last place that infrastructure rollout reaches, and even when it does, the speeds achieved are usually slower since homes are often further away from the cabinet.

In rural areas, fewer homes will be served by the same cabinet, but the installation cost is often higher than in more densely populated areas because of trickier terrain for cable-laying. This means there is little incentive for infrastructure to be rolled out in certain rural spots because it would not be profitable. Therefore the government often has to subsidise the cost of getting fast broadband to these areas.

This is exacerbated by the fact the company responsible for broadband infrastructure rollout — Openreach, is owned by BT, the largest provider of broadband. As BT indirectly owns the vast majority of broadband infrastructure, rivals argue they have dragged their heels in opening the network to engineers of other providers, thus effectively forcing people to choose a broadband deal with BT in newly rolled-out areas. This has slowed the speed of rollout across the country, and decreased competition and choice for consumers. The legal separation of Openreach from BT has not substantially allayed these fears.³

¹https://labs.thinkbroadband.com/local/uk

^{2 &}lt;u>https://www.ispreview.co.uk/index.php/2019/12/bduk-q3-2019-superfast-broadband-take-up-by-uk-region.html</u>

^{3 &}lt;u>https://www.theguardian.com/business/2016/jul/26/bt-avoids-openreach-breakup-ofcom-orders-more-investment</u>



The problem is such that in rural areas⁴ of the UK, around 10% of premises are unable to access a broadband connection with a 10 Megabits per second (Mbps) download speed. This is compared to less than 2% in urban areas.⁵

The failure to get sufficient speeds to many rural communities has very real consequences.

Low broadband speeds create a number of problems for businesses. Among other things: creating and maintaining a website becomes difficult, accepting card payments may be unreliable, you become a less desirable workplace for employees, working with others in your sector is harder, and research is more arduous.

For residents, it prevents people fully participating in modern society. Average data usage on fixed networks in the UK increased to 315GB per connection per month in 2019, up from 240GB in 2018. This is the equivalent of watching three to four hours of HD video content per day. On current speeds, many rural residents simply cannot do what is taken as a given in urban areas. This digital divide is only increasing year on year as increases in average internet use outstrip progress in rural infrastructure improvement. The Coronavirus crisis has further revealed the implications of this digital divide; for many people, fast and reliable broadband is essential for working from home and staying in touch with others.

What is being done?

The Conservative manifesto committed to rolling out "full fibre and gigabit-capable broadband to every home and business across the UK by 2025." The government's previous commitment on this was 2033.

Full-fibre connections are capable of delivering download speeds greater than 1 gigabit per second. Since 1Gpbs is equal to 1000 Mbps, gigabit broadband is almost 42 times faster than the definition of "superfast" broadband mentioned earlier.

Currently, only around 11% of the British population have access to Gigabit speeds. This compares to countries such as Portugal, which has full fibre to 89% of homes.

Superfast broadband is usually achieved by having fibre cables to the cabinet on your street, with copper lines making the final leg of the journey to your house. This is known as fibre to the cabinet (FTTC). The government's new goal of achieving full-fibre by 2025 (brought forward from 2033) requires fibre connection from the cabinet to the house. This is known as fibre to the premises (FTTP).

The silver lining for rural areas which currently don't have superfast speeds, is that once infrastructure rollout eventually reaches them, it will likely be with a big jump to gigabit speeds rather than a measly step to 30mbps.

 $^{^4}$ Where rural areas are defined as those settlements with a population under 2,000 – around 13% of the UK

⁵https://www.ofcom.org.uk/__data/assets/pdf_file/0023/186413/Connected-Nations-2019-UK-final.pdf

 $^{6 \}underline{\text{https://www.ofcom.org.uk/}} \underline{\text{data/assets/pdf}} \underline{\text{file/0023/186413/Connected-Nations-2019-UK-final.pdf}}$



In the budget on 11th March, the Chancellor pledged "£5 billion investment in gigabit broadband rollout in the hardest-to-reach areas of England, Scotland, Wales and Northern Ireland."⁷

It is not yet clear exactly how this money will be used, but a number of schemes are already in operation:

Firstly, A new **Universal Service Obligation (USO)** for broadband in the UK came into effect on 20th March 2020. This provides a legal right to request a decent broadband connection wherever you live, where decent broadband is defined as 10mbps download speed, and 1mbps upload speed.

The government have also introduced the **Gigabit Broadband Voucher Scheme**. This is an opportunity for businesses and residents to apply for government grants, through an internet service provider, to pay for installation of gigabit broadband. A modified version of this scheme in rural areas allows for vouchers worth up to £3500 for small and medium sized businesses, and £500 for residents.

A third opportunity is the **Rural Gigabit Connectivity programme** which seeks to provide a gigabit-capable broadband connection to a public building, in areas which would otherwise be unlikely to receive commercial access to gigabit-capable broadband in the near future.

The idea being to produce a community broadband hub where people can have access to higher speeds, and to make the surrounding area more viable for commercial investment further down the line.⁸

Ofcom has also indicated how it will update its regulation from April 2021 onwards. This is intended to promote faster investment in fibre networks in harder-to-reach areas by providing greater access for rival companies to Openreach's infrastructure and varying regulation in competitive and non-competitive areas. ⁹

What can we do?

The main way to increase your broadband speed in the short term is to take advantage of the schemes currently available.

If your broadband speed is lower than 10mbps download and 1mbps upload, and you couldn't get faster speeds with an alternative provider for less than £45 per month, you can make use of the new USO and apply for a free upgrade here. The only other condition being that the installation cost mustn't be more that £3400, or you would need to make up the difference.

⁷ https://www.gov.uk/government/publications/budget-2020-documents/budget-2020
8 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/859588/ RGC Programe Key Information January 2020.pdf

^{9 &}lt;u>https://www.ofcom.org.uk/consultations-and-statements/category-1/2021-26-wholesale-fixed-telecoms-market-review</u>



You could encourage your local authority to apply to be part of the Rural Gigabit Connectivity Programme. Write to your councillor suggesting a local public building which would function as a great broadband hub for your community and why. You can see the background to the scheme and eligibility criteria here, and the submission sheet here.

You might be eligible for the Gigabit Broadband Voucher Scheme, which could boost your speeds significantly. Try and group together with some neighbours and small local businesses and approach a supplier registered to the scheme. You can search for suppliers in your area <a href="https://www.nee.com/here.com

You could also club together with others in your area and request a <u>Community Fibre Partnership</u> <u>with Openreach</u>. This is a joint funding arrangement where Openreach contribute some of the costs and your community funds the rest. This can be done in isolation, or in combination with the Government's voucher scheme. The Openreach option is the most obvious, but the Government also offer advice on <u>community-led broadband schemes</u> more generally.

It might be that 4G broadband is an option for you. In rural areas where good broadband infrastructure has not been rolled out, but mobile coverage is adequate, wireless broadband often offers faster speeds.¹⁰ Although there are likely to be restrictions on internet usage per month which wouldn't be suitable for heavy consumption.

Beyond simply making the most of what is currently available, there is also scope for advocacy around these issues.

We are likely to see more legislation in the coming months outlining exactly how the government plan on hitting their target of full-fibre by 2025, and how they plan on distributing the promised £5 billion for hard to reach areas, so this is a good opportunity to stress the needs of rural communities as these decisions are made.

Although individual letters and petitions may have some value, the best way to influence your local MP to raise concerns when these matters are brought before Parliament is to build a relationship with them. MPs are more likely to take your views on particular issues seriously if they already know who you are. The Joint Public Issues Team have produced a resource called Meet Your MP for exactly this purpose.

^{10 &}lt;a href="https://www.which.co.uk/reviews/broadband-deals/article/what-is-broadband/what-is-4g-broadband">https://www.which.co.uk/reviews/broadband-deals/article/what-is-broadband/what-is-4g-broadband



Whether or not you have a pre-existing relationship with your MP, if you are going to write or speak to them about a particular issue it helps to have some specific asks.

An MP might be sympathetic to your cause if you simply say "rural broadband isn't good enough, something needs to be done", but they are likely to simply refer you to what is already being done. You are more likely to make headway if you specifically point out what is currently insufficient.

A few possible asks based on the current schemes might be:

- The Universal Service Obligation is too low. For many, 10mbps is already insufficient in order to participate in modern life, and in a few years' time it will be even more so. The minimum speed was set in 2018 and times have already changed since then. This number should be revaluated.
- The USO requirement that decent speeds must not already be available for less than £45 per month will price people out of even these low speeds. People who cannot afford, but could still technically access speeds higher than the USO, might still be left without decent broadband. The £45 threshold should be brought down.
- The £3,400 instillation cost limit on the USO is too low for some of the people most hit by the digital divide such as farmers, costs will far exceed this, but they may not be able to make up the difference. Exceptions should be made for the most isolated premises.
- The £67 million being used to fund the gigabit voucher scheme is already running out, but is meant to last until March 2021, and the government have yet to commit to renewing or expanding this scheme.¹¹ The government should renew the scheme early if the money runs out before March 2021.

There will be more issues than those listed here. The best way to find more is to use the schemes which are currently available. If you still encounter problems getting reliable, fast, and affordable broadband, then let your MP know what the gaps in the system are, and encourage them to raise your concerns in Parliament.

^{11 &}lt;u>https://www.ispreview.co.uk/index.php/2019/09/67m-uk-gigabit-broadband-voucher-scheme-runs-low-on-funds.html</u>