

Broadband

The Government's broadband policy

The Government believes that rapid rollout and adoption of broadband across the UK is important to both its social and economic objectives. In February 2001, the Government published UK online: the broadband future, which set a new target **for the UK to have the most extensive and competitive broadband market in the G7 by 2005 with significantly increased broadband connections to schools, libraries, further education colleges and universities**. This target is about getting the UK's broadband environment right for business and consumers, as well as ensuring that public sector organisations gain optimum benefit. Extensiveness means extending broadband networks to households throughout the country, including those in rural and remote areas. Competitiveness means providing consumers with value for money, and a wide variety of product choice in the market.

Government policy to achieve the overarching 2005 target was led by the Office of the e-Envoy (OeE), a part of the Cabinet Office, from February 2001 to July 2002, when this responsibility passed to the Department of Trade and Industry (DTI).

In the Government's 2004 Spending Review, DTI was given responsibility for a National Standard to make the UK the best place in the world for e-business, with an extensive and competitive broadband market, judged using international comparative measures of business uptake and use of information and communication techniques.

The Government's broadband strategy includes the following elements in policy formulation:

Working with the Broadband Stakeholder Group (BSG)

The BSG was set up as an independent advisory body to the Government on the development and implementation of a suitable strategy to meet the Government's target to have the most extensive and competitive broadband market in the G7 by 2005. The BSG acts as a focal point for stakeholders to address both short and long-term issues related to the deployment and take-up of broadband services. It is made up of the key players in the broadband value chain from public and private sectors, who are to drive forward the Government's strategy and inform its future development.

In seeking to act as a critical, knowledgeable friend of the Government the BSG is:

- identifying the activities, projects, events, interdependencies and resources required to construct a robust strategic programme for the delivery of broadband services towards 2005 and beyond;

- measuring on a continuous basis the progress of relevant projects and events towards the realisation of Broadband Britain;
- providing information to stakeholders regarding the progress of the Government's strategy and identify potential opportunities or bottlenecks that could help or hinder the deployment and use of broadband services;
- reviewing continuously the appropriateness and feasibility of the Government's strategy as a whole;
- acting as a public face of UK broadband to all stakeholders, particularly the media.

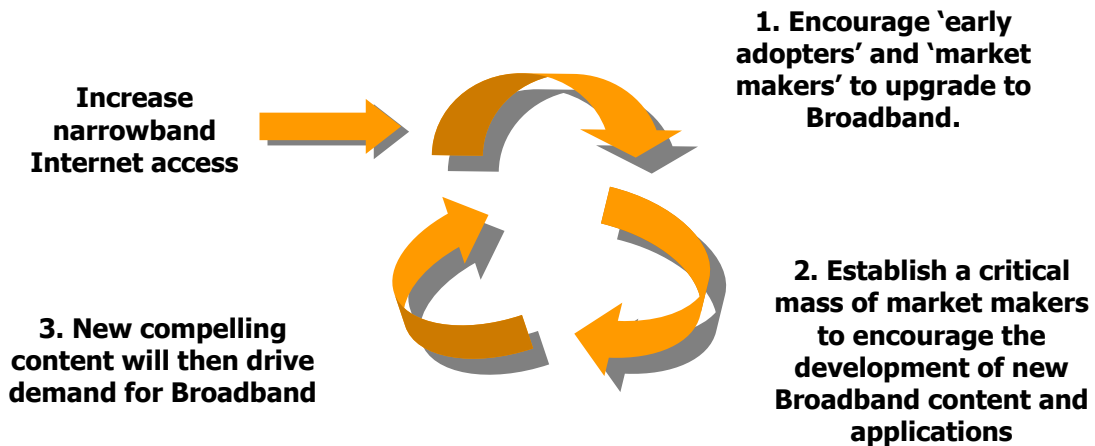
The entire BSG consists of approximately 232 corporate members drawn from the broadband value chain. The group convenes virtually through the BSG discussion forum. Within this wider group there is an executive consisting of approximately a dozen senior industry and government executives and a number of working groups each tasked with looking at a specific aspect of the market. Further details about the activities of each working group are available from the BSG website <http://www.broadbanduk.org/>. The wider BSG and the BSG Executive is chaired by Philip Graf, with the Intellect acting as the Secretariat. For further enquiries please contact:

Camilla Young
Administrator
Broadband Stakeholder Group
Intellect
10-12 Russell Square
London WC1B 5EE

Tel: 020 7331 2028; e-mail: camilla.young@intellectuk.org

Since 2001, the BSG has published three reports with sets of objectives to meet the Government's 2005 broadband target.

In response, the Government accepted there was no 'magic bullet', which could deliver a step change in broadband rollout and use. The Government supported the need for a holistic approach to stimulating the broadband virtuous circle in which demand and supply grow in parallel, each reinforcing each other, with market players as the main drivers and Government working to support and accelerate the pace of change.



Source: Broadband Stakeholder Group.

Figure 1: Building the Broadband virtuous circle

A copy of all BSG Annual Reports and Strategic Recommendations are available on the BSG website <http://www.broadbanduk.org/>.

Responses from the Government and the Office of Telecommunications (Ofcom) to the BSG Annual Reports and Strategic Recommendations are available from the list of broadband publications on this website.

On 27 September 2004, the BSG announced a new programme to accelerate the development of the next generation broadband, which is focusing on eliminating the remaining barriers to the adoption, adaptation and absorption of broadband-enabled technology, content, applications and services by consumers, enterprises and the public sector.

Aggregating demand for broadband connectivity in public services

The Government is a powerful catalyst in stimulating the growth of the broadband market and ensuring this takes place in the less populated rural and remote areas of the UK to close the digital divide between urban and rural areas.

The Broadband Aggregation Programme (BAP), which is a joint central Government and Regional Development Agency (RDA) initiative, was established to aggregate public sector demand for broadband via regional aggregation bodies- Adits. Demand aggregation offers a more attractive market for infrastructure providers and facilitates better value deals, benefiting the private as well as the public sector through increased infrastructure build.

At the beginning of 2005, the BAP had undergone the transition from its centrally guided start-up phase to regionally led operations, with responsibility for the day-to-day operations of the Adits devolved to its respective RDA.

DTI will continue to support BAP objectives via the regional Adits as will the nine RDAs.

Further details about the BAP Adit structure and content and the Supplier Framework Agreements are available from the Adit website <http://www.adit.gov.uk/>.

Addressing the requirement for broadband in rural areas

To ensure that the rural requirements for broadband are addressed, the DTI Broadband Team includes a secondee from the Department of Environment, Food and Rural Affairs (Defra). The Team is focusing on the problems and issues relevant to rural areas and is working closely with both ICT and rural specialists in other Departments, RDAs and local authorities to identify best practice and value for money. The

Examples of the Team's initiatives include:

- a Broadband Case Study CD-ROM, which DTI and Defra are producing. It provides almost 500 real-life examples from around the UK of how businesses, communities and households have benefited from the many new opportunities that a broadband connection has to offer.
- DTI Defra support for the Community Broadband Network (CBN) <http://www.ruralnet.org.uk/>, which aims to offer a collaboration network for those trying to set up community-owned projects driven by need over profit. CBN will be run by RuralNet.
- In partnership with the Museums, Libraries and Archives Council (MLA), the Countryside Agency and the DTI's Broadband Team, ten Wi-Fi hotspot pilot projects are now running in rural libraries, spread evenly around England. The objective of these pilots is to raise awareness of the potential for broadband services, enhance the experience of broadband for rural communities and undertake action research to determine whether the pilot Wi-Fi model could be used nationally.
- DTI's work with UK Villages to create a Broadband Place for the 31,000 communities served by UK Villages.co.uk <http://www.ukvillages.co.uk/>.
- The production of a broadband toolkit to help rural communities and businesses understand the issues surrounding access to broadband http://www.dti.gov.uk/industry_files/pdf/ruralbroadband.pdf, which is also available on this website and at <http://www.dti.gov.uk/industries/telecoms/broadband.html>.

Providing support for business

Achieving Best Practice in Your Business is a key theme within the Department of Trade and Industry's (DTI's) approach to business support. The DTI is committed to ensuring that UK businesses can exploit the immense potential of the information age and has set the goal of making the United Kingdom a world leader in e-business.

DTI has streamlined the way in which it provides advice and support to business in order to make it simpler and more efficient for business to access the support on offer. The e-business agenda has been integrated into the wider business support solution, Achieving Best Practice in Your Business.

A core aspect of the work of this service is to promote the benefits of broadband to small and medium sized businesses (SMEs). Businesses will be able to access publications, tools and advice on adopting best practice to address business problems, including how adopting broadband can deliver improved business performance. This includes a guide to broadband for businesses, case studies and a booklet answering frequently asked questions about broadband. More information regarding the Government's business support solution, Achieving Best Practice in Your Business can be obtained from the website: <http://www.dti.gov.uk/bestpractice>.

Providing a regulatory regime

On 29 December 2003, Ofcom (the Office of Communications) became the new regulator for the UK communications industry. Ofcom inherited the duties of the five existing communications regulators – the Broadcasting Standards Commission (BSC), the Independent Television Commission (ITC), the Radio Authority, the Radiocommunications Agency and Oftel. Among its new obligations under the Communications Act 2003 (Chap 21, s3 (4) (e), Ofcom will be required, when carrying out its functions, to 'have regard', among other things, to the desirability of encouraging the availability and use of high-speed data transfer services throughout the UK. This is a new duty introduced by the Communications Act 2003, which did not apply to the previous regulators.

DTI has also set up an Ofcom Coordination Unit, a joint DTI/DCMS body, which acts as a central point for contacts and liaison between the two departments and Ofcom on all policy and other matters. DTI is also establishing with full Ofcom support, a series of regular meetings between relevant high-level departmental officials and Ofcom staff, at which key policy and operational issues can be identified, including broadband, and where appropriate, a coordinated approach developed. Ofcom is already playing a full part in the activities of the BSG.

The establishment of Ofcom has taken place at a time when the telecommunications sector that it regulates is facing major changes in the future. Since its inception, Ofcom has launched a wide range consultations to

address the challenges that lie ahead. These Consultations include: a review of the Wholesale Local Access Market to increase effective and sustainable competition in broadband, and seeking views on proposals to make a significant number of spectrum bands available to the market over the next few years. This consultation also outlines options for extending spectrum trading and liberalisation to mobile phone services. Further particulars of these and other measures that Ofcom is taking to further the interests of citizens and consumers in the provision of broadband services are available on the Ofcom website: <http://www.ofcom.org.uk>.

Ofcom's The Communications Market 2004, and subsequent Quarterly Updates, which review key developments in the market for Internet and broadband services in the UK, are published on the Ofcom website <http://www.ofcom.org.uk/>.

Commissioning research:

- The broadband market in the UK and in the G7

Since July 2001, the Government has commissioned a rolling programme of research into the broadband markets in the UK and the rest of the G7. The objective is to fulfil the Government's commitment to publish research on a six-monthly basis of the UK's standing in the UK. The metrics for achieving this target were established by the Government and the Office of Communications (Ofcom) in consultation with the BSG. A consensus emerged around a dashboard of six indicators. Further details of the six indicators and the key findings of the latest UK Broadband Coverage Status and International Broadband Market Comparisons Reports are available on this website:

http://www.dti.gov.uk/industry_files/pdf/broadband_progress_july_2004.pdf

- The Society of Information Technology Management

A report published in November 2002, commissioned by DTI and produced by the Society of Information Technology Management (Soctim), provided a snapshot of how local authorities across the UK have adopted and used broadband. It shows that local government has a vital role to play in increasing the availability of broadband and at the same time, is using broadband to deliver high quality public services. Key findings included:

67% of urban local authorities have made a strategic commitment to deliver broadband services, rising to 85% in the next two years; and

46% of rural communities have made a strategic commitment, but are catching-up with urban authorities rising to 81% in the next two years.

The report also showed that the delivery of quality public services continues to be the biggest driver for developing broadband provision. Local authorities with education and library services identify the National Grid for Learning (NGfL) and the People's Network as the main reasons, whilst 93% of smaller

district councils see e-government as the driving force. Content and sophisticated services were cited as major drivers by authorities over and above just providing fast access to the Internet. Local authorities have a stronger role to play in using broadband in the economic regeneration of their area and promoting the benefits to local businesses. Further information on this report can be found at <http://www.broadband.gov.uk/>.

- Strategic Networks Group (SNG)

In 2003, DTI commissioned an Economic Impact Study of the South Dundas Township Fibre Network in Canada from SNG to provide evidence for the economic impact of broadband in a rural community. The research shows that the impact on the local economy has been very positive with the creation of new jobs and inward investment. The full report, including all the key findings of the research are available on this website at <http://www.dti.gov.uk/industries/telecoms/sdcsfi270603.pdf>

Providing a £30 million Broadband Fund

The Government provided £30m via the Regional Development Agencies and devolved administrations to develop broadband networks and run pilot projects. Details about broadband projects developed from this funding are included in the Synopsis of Activity in the English Regions and Devolved Administrations, in the [Government's response to Broadband Stakeholder Group second annual report](#) and [strategic recommendations and subsequent quarterly reports](#).

Further details of broadband projects are available on the websites of the individual RDAs and devolved administrations.

One North East	North West Development Agency
Yorkshire Forward	Advantage West Midlands
East Midlands Development Agency	East of England Development Agency
South West of England Regional Development Agency	South East England Development Agency
London Development Agency	The Scottish Executive
	The National Assembly for Wales
	The Northern Ireland Executive Committee

The Broadband Fund has also supported the Remote Area Broadband Inclusion Trial (RABBIT). This project has been set up to promote the use of broadband to small businesses and organisations in remote areas and to evaluate the effectiveness of the available solutions. Several RDAs and Devolved Administrations are working together to share RABBIT as a joint project, while a central team implements the trial.

Further details are available from <http://www.rabbit-broadband.org.uk/>.

The e-Government Unit

The e-Government Unit, which is housed in the Cabinet Office, is working with other government departments to deliver efficiency savings, whilst improving the delivery of public services by joining-up electronic government services around the needs of customers. The e-Government Unit takes on the majority of the work previously undertaken by the Office of the e-Envoy.

Further details are available from:

<http://www.e-government.cabinetoffice.gov.uk>

[Top](#)