

DSG(2013)0066

Alex Paterson, Chief Executive
T: 144(0)1463 244 210 F: +44(0)1463 244 351
E: alex.paterson@hient.co.uk



Highlands and Islands Enterprise
Iomairt na Gàidhealtachd 's nan Eilean

David Flear Esq
Chairman
Dounreay Stakeholder Group
c/o June Love
DSG Secretariat
Traill House
7 Orlig Street
THURSO
Caithness
KW14 7BJ

14th November 2013

Dear David,

Broadband Rollout Announcement

Thank you for your recent letter regarding Broadband Rollout. This is an important development for the whole Highlands and Islands.

The recent news about the Next Generation Broadband project was the first of what will be many such announcements over the next three years. This project is a major undertaking requiring significant levels of surveying, planning and engineering. By the end of 2016 more than 156,000 premises across the Highlands and Islands will have access to superfast broadband. In addition, high-speed Ethernet services will be more extensively and more cheaply available than ever before.

A project of this scale requires careful planning and tightly managed implementation if it is to successfully achieve, and ideally exceed, its various objectives. In developing the project and managing the procurement, HIE has sought to further these various requirements stressing to BT the importance of key areas such as Enterprise Areas, the desire to maximise premises passed while ensuring equitable coverage across all our Local Authority areas, and the need to achieve value for money.

The rollout timetable has therefore been designed to build out as quickly as possible from existing "next generation capable" infrastructure (which currently is only centred on areas such as the Inner Moray, Fort William and Oban where BT has invested in commercial rollout) while at the same time planning and implementing the significant backhaul and exchange upgrades required to improve the infrastructure across the region. You will have seen details of the extensive subsea and land cable laying that is needed in the west and to the islands. What has perhaps not been sufficiently understood is the work needed to improve power supplies and replace electronic equipment in key exchanges to ensure they are able to maximise the potential of existing fibre routes and service the local access network which delivers improved broadband to customers. Other exchanges already have these facilities through BT's own investment and therefore rollout can progress more quickly.

Providing Next Generation Broadband to Caithness and Sutherland requires extensive work in all four key exchanges – Thurso, Wick, Helmsdale and Melvich. Although work has already begun there is a lead time involving surveys, equipment procurement, installation and testing followed by installation of local fibre spines and the building of cabinets. It is currently estimated that Next Generation Broadband will be available to customers in Thurso and Wick in the first half of 2015 and others parts later in the year. As the work moves forward HIE and BT will review and assess progress and look at ways of accelerating completion.

In the meantime it is important that we all, both locally and regionally, concentrate on the positive aspects of broadband rollout, and avoid highlighting any perceived weaknesses. After many years of wishing for superfast broadband, we can move forward positively in the knowledge that contracts are signed, deployment is underway, a timescale can be provided for its delivery, and on the basis of all of that, planning with more certainty can be undertaken. Its also important to recognise the connectivity available currently and soon to be available in Caithness. There is a live Point of Presence (PoP) in Thurso offering a range of Ethernet services. Broadband speeds of up to 16Mbps are already available in Thurso through ADSL2+ services. A similar boost to broadband speeds in Wick is imminent and an Ethernet PoP will follow in 2015.

The Next Generation Broadband project is a transformational initiative for the whole of the Highlands and Islands and potentially one of the most positive economic development boosts for many years. It is a good news story and we all need to work hard to ensure that it is promoted as such.

Yours sincerely



ALEX PATERSON
CHIEF EXECUTIVE