

Julie James AC/AM
Y Gweinidog Sgiliau a Gwyddoniaeth
Minister for Skills and Science



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: MA - P/JJ/7623/16

Assembly Members

24 November 2016

Dear Member

Following my recent oral statement on superfast broadband and the plenary debate I thought it would be helpful to write to you with an update on a number of areas raised during those discussions.

I wanted in particular to address an important point which came up in the plenary sessions about our efforts to improve broadband availability across Wales through the Superfast Cymru contract. I completely understand that continued focus is needed on those homes and businesses in our constituencies that continue to seek broadband improvement. However, it is equally important to recognise the enormous scale of what has been achieved to date and what will be achieved in the final year of delivery. It is also important to recognise that Superfast Cymru is one part of broader set of demand side and supply side activities and was never going to reach each and every home or business.

For clarity, our Programme for Government commitment set out in 2011 was to “seek to ensure that all residential premises and all businesses in Wales will have access to Next Generation Broadband by 2015...” With the introduction of the new Access Broadband Cymru scheme any eligible homes and businesses in Wales can access superfast broadband by applying for a grant through this scheme. Therefore this commitment was met and delivered.

The completion date for Superfast Cymru has been the subject of continuous challenge, yet the facts have been communicated consistently and openly with Members from the outset of this contract. To reiterate, the initial 2015 completion date was moved back by six months to June 2016 due to protracted negotiations between the UK Government and the EU on the National Broadband Scheme which provides state aid clearance for broadband projects across the UK. Work could not start on the ground until those negotiations had been concluded. To do so would have risked non-compliance with state aid rules.

Our definition of superfast broadband from the start of this project has been 30Mbps, this is in line with the EU definition. This is in contrast to England where the definition has until recently been 24Mbps. Our aim has always been to deliver 30Mbps to 90 per cent of premises in the intervention area with a further five per cent between 24Mbps and 30Mbps.

Take-up in Wales currently stands at just over 29 per cent (broken down by Local Authority – see Annex 1). Some seek to represent this as disappointing. However, take-up of new technologies generally follows the same pattern and the current take-up rate is in line with what we would expect at this stage, and already far exceeds the 21% by 2023 originally forecast by BT. In July 2015 I announced in an oral statement that I wanted to see at least half of everyone who can connect to superfast broadband actually doing so.

Further independent research conducted on behalf of Welsh Government confirms 50 per cent by 2023 as a reasonable target for take-up, and I hope that even this aspiration will prove to have been conservative.

I also wish to address concerns about the marketing and promotion of Superfast Cymru and broadband generally. Our new £1.15 million local broadband campaign and £12.5 million superfast business project are direct evidence of our effort to drive take-up and use of broadband. Members should also note that our campaigns complement rather than replace the ongoing marketing spend of the multitude of retail broadband providers that are actively marketing their products and services across the UK.

As Members we all have an important role to play in encouraging our communities to take-up superfast broadband and to remind our constituents that the upgrade does not happen automatically, and that they will need to contact their internet service providers or shop around to find a new service provider.

In my oral statement on 7 July 2015, I announced that the Superfast Cymru contract was to be extended following the outcome of an open market review and that the contract will be extended to June 2017. In line with similar contracts of this size it has always had a six month drop dead period at the end of the implementation phase to complete the works that may have been delayed through adverse weather or land access issues for example. This ensures we can maximise the output of the project at no additional cost. The contract will close, as planned and as communicated clearly to Members, at the end of 2017. At that point we will publish clearly and openly the number of premises achieved against the number of premises targeted.

As I outlined in both my oral statement and in the debate, we are not standing still. We are already planning for what comes after Superfast Cymru, to build on that project and to continue to deliver through the Access Broadband Cymru scheme to tackle the final few per cent.

We are all well aware of the importance to the economy of digital connectivity, no more so than in rural areas. Indeed the specific needs of farmers were raised during the debate. This need was highlighted by the recent announcement by the Cabinet Secretary for Environment and Rural Affairs that Wales leads the way with 100 per cent of CAP applications being made online. I am working closely with her to understand the best way to reach all farmers in Wales.

Given the scale of the task to reach the number of remaining premises that BT is required to reach through the Superfast Cymru contract, I have written to the Director of BT in Wales, and officials have written in a similar vein to their counterparts, seeking assurances that the challenging delivery schedule that BT has set itself between now and the end of the project is achievable. I continue to impress on BT the importance of the project to Wales in my regular meetings with BT's senior leaders.

Turning to mobile connectivity we are working to ensure that we can use the levers available to the Welsh Government to extend coverage and capacity. I mentioned the research on planning that we are carrying out, but we are also undertaking research into how best to make use of public land and buildings and into the costs of building and operating mobile infrastructure, particularly non-domestic rates. This research will help to inform the discussion at the forthcoming mobile round table meeting that I am hosting.

I hope this outlines some of the key issues. If you need more information please do not hesitate to write to me.

Yours sincerely



Julie James AC/AM

Y Gweinidog Sgiliau a Gwyddoniaeth
Minister for Skills and Science

Annex 1 – Take up by Local Authority.

Local Authority	Percentage of Superfast Cymru premises complete (as at end Aug 2016)	Average take up of Superfast Cymru infrastructure (as at end October 2016)
Blaenau Gwent	97.93%	28.03%
Bridgend	88.02%	30.12%
Caerphilly	87.90%	28.28%
Cardiff	59.72%	25.55%
Carmarthenshire	72.26%	25.42%
Ceredigion	60.67%	30.93%
Conwy	88.00%	26.73%
Denbighshire	70.76%	28.65%
Flintshire	75.55%	34.81%
Gwynedd	79.82%	36.77%
Isle Of Anglesey	80.62%	35.97%
Merthyr Tydfil	98.32%	30.34%
Monmouthshire	68.94%	27.01%
Neath Port Talbot	83.65%	27.70%
Newport	80.01%	35.71%
Pembrokeshire	82.32%	32.42%
Powys	65.69%	24.66%
Rhondda Cynon Taf	94.97%	28.90%
Swansea	81.05%	27.99%
Torfaen	88.98%	29.29%
Vale Of Glamorgan	76.63%	34.70%
Wrexham	77.44%	31.56%