I refer to the Infrastructure and Capital Investment Committee’s inquiry into broadband infrastructure in Scotland. The purpose of this letter is to provide the Committee with an understanding of the broadband issues within East Ayrshire and to give the Committee an insight to the levels of investment in broadband infrastructure in East Ayrshire that will be required to bring the area in line with the Government's targets for the provision on both next generation broadband.

Overview of East Ayrshire

East Ayrshire is predominately rural in nature and covers an area of 1,268 Km². Kilmarnock is the largest town in the area with a population of some 43,577 in 2009. Cumnock is the second largest town in the area with a population of some 8,912 and is an important settlement within the southern part of the district. There are five other main centres of population in the area with over 3,000 residents, a further eleven settlements have populations of between 1,000 and 3,000 residents and several settlements have populations between 100 and 1,000. In addition, there are numerous small groups of houses and individual houses scattered throughout the rural area.

Current Levels of Broadband Provision in East Ayrshire

The current levels of broadband provision in East Ayrshire, excluding next generation broadband, are significantly lower than the Scottish and UK averages. According to Ofcom’s Communications Infrastructure Report in 2011 on fixed broadband data, the average sync speed (excluding superfast) was 5.8 Mbps (megabytes per second) with the Scottish average being 7.6 Mbps and the UK average being 7.5 Mbps.

In terms of the percentage receiving less that 2 Mbps, the figure for East Ayrshire was 21.9% with the Scottish average being 13% and the UK average being 14%. According to Ofcom’s report there is no next generation broadband availability in East Ayrshire with the availability of next generation broadband being measured at 41% in Scotland and 58% in the UK. In terms of the take-up of broadband (excluding next generation) in East Ayrshire, the figure is 60%, which is below both the figures for Scotland (65%) and the UK (68%) respectively.

Ofcom’s report shows that East Ayrshire is behind both the Scottish and UK averages in terms of average sync speed and those receiving less than 2Mbps. East Ayrshire has no next generation broadband availability as yet.

Comments and Observations on the Committee’s Remit

1. Assessment of the Coverage, availability and uptake of broadband across Scotland

From the information provided by Ofcom, East Ayrshire is behind both the Scottish and UK averages in terms of coverage, availability and take-up of broadband as well as the availability of next generation broadband. There are no explanations to why this is the case, but it is assumed that the limitations of copper wiring and the distance of households from the exchange may be contributing factors to slower broadband speeds. A number of factors could also relate to why broadband take-up rates are not higher, which may be beyond infrastructure constraints.

In our view, the infrastructure constraints and costs for providing next generation broadband throughout East Ayrshire is not financially prohibitive. The likely investment that is required to provide 85% of the population with next generation broadband would be around £1 million. To increase that provision to 90% of the population, an investment of around £3.5 million would be required. The Council would require significant financial assistance to provide this level of investment but the Council is willing to work in partnership with BT and the Scottish Government and to take the lead in a joint partnership approach aimed at providing next generation broadband in East Ayrshire.

The provision of next generation broadband in East Ayrshire is considered to be a key infrastructure requirement in attracting new economic development and stimulating economic growth. The Council are of the opinion that the investment in next generation broadband should be geared towards providing enhanced speeds of 100 mbps + to assist the Council in attracting businesses, to Kilmarnock and Cumnock for example, who require fast broadband access. The Council would be
willing to explore the costs with BT in providing this enhanced level of service. Therefore, the Council respectively suggest that the Committee look to provide the infrastructure to achieve much greater speeds throughout Scotland than those that are currently being proposed.

2. **Consideration of ways in which different local areas are working to promote access to broadband in Scotland and how good practice might be shared**

The Council consider that an Ayrshire approach to the provision of next generation broadband, such as South of Scotland Alliance, may be worth considering as the economies of scale may be less than undertaking an area by area approach. The Council would be willing to work in partnership with North and South Ayrshire Council’s, BT and the Scottish Government to undertake a strategic approach to the provision of next generation broadband within Ayrshire.

3. **Consideration what work is required by the Scottish Government, infrastructure providers and others in order to expand Scotland’s digital infrastructure**

In our view, the Committee should ensure that areas which will not receive private investment in next generation broadband, especially rural communities, are still able to be provided with access to the same level of service and are not disadvantaged in any way. If there are any disparities in the level of provision, it may well have a knock on effect in terms of the ability for these communities to stimulate economic development and growth within their areas, thus, having a cumulative impact on the Scottish Government’s priority of Sustainable Economic Growth.

I trust that the information provided in this letter allows the Committee to consider the financial costs to provide 90% of East Ayrshire residents with next generation broadband and the Council observations on the Committee’s remit during this inquiry.