



Department for Digital, Culture, Media & Sport

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26 October 2022

Claire Baker MSP
Convener, Economy & Fair Work Committee
The Scottish Parliament
economyandfairwork.committee@parliament.scot

Our Ref: MC2022/11834/dm

Dear Claire,

Thank you for your correspondence of 1 July, in your capacity as Convenor of the Economy and Fair Work Committee in the Scottish Parliament. I apologise for the delay in replying to your letter, which has only just been brought to my attention.

The UK Government is committed to ensuring that world class digital connectivity is deployed to as many premises as possible across the UK, including within Scotland. Our £5 billion commitment through Project Gigabit will see 85% of UK premises covered by gigabit-capable broadband by 2025 and close to nationwide coverage by 2030. In delivering these ambitions, we need to ensure that our investment delivers value for money for the taxpayer, and this is likely to mean that there will be a small number of premises which are not within the programme criteria. However, we are willing to be as flexible as possible within this constraint, for example, by adopting a match funding approach using Scottish Government or other locally held funds allocated for digital infrastructure. We have already employed this partnership model successfully through deploying an additional £16 million of UK Government investment into the R100 South (£6.6 million) and North (£9.4 million) contracts, alongside a £20.2 million investment from the Scottish Government. A further 2,600 premises will receive access to a gigabit connection through these contracts.

We consider any premises which are outside the scope of our current funding envelopes and also unlikely to be delivered by the market commercially or through voucher schemes to be potentially 'Very Hard to Reach' and candidates for alternative solutions. We have welcomed the input of the Scottish Government, as well as other stakeholders, to our call for evidence which asked for information about potential alternative technologies and solutions which could be used to provide access to improved digital connectivity in these areas.

You also ask how Project Gigabit funding will be allocated to Scotland and on what timetable. As for the rest of the UK, funding will be allocated to procurements based on a full assessment of the premises which need subsidy. Following a Public Review with suppliers and other stakeholders to confirm commercial coverage plans, and identification of intervention areas for each procurement, the process then uses a funding model to determine the expected cost of providing coverage to the eligible premises in each project.

While an initial Open Market Review was undertaken by the Scottish Government earlier this year, currently the Scottish Government does not have a firm timetable or plan for undertaking a Public Review and sharing the results with the UK Government. Therefore, it is not possible



at the moment to say how many premises might require the support of Project Gigabit and when the consequent Scotland funding figures will be confirmed. Scotland is now behind the rest of the UK in this process. I would therefore welcome the support of your committee in encouraging the Scottish Government to move more quickly to ensure the commencement of the procurements for gigabit coverage across Scotland.

Thank you for your Committee's correspondence on this subject. I can reassure you that DCMS officials remain in close contact with the Scottish Government in taking this work forward to deliver on our shared digital connectivity ambitions for Scotland, and that I take the mission to provide good connectivity to every part of the UK extremely seriously.

With best wishes,

A handwritten signature in black ink, appearing to read 'Julia', with a large, stylized initial 'J'.

Julia Lopez MP
Minister of State
Minister for Media, Data and Digital Infrastructure

cc: Secretary of State for Scotland, the Right Honourable Alister Jack MP