



The Scottish Parliament
Pàrlamaid na h-Alba

Fergus Ewing MSP
Cabinet Secretary for the Rural
Economy and Connectivity

By e-mail only

**Rural Economy and Connectivity
Committee**

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27 October 2017

Dear Fergus,

Digital Scotland – Reaching 100% Programme (“R100”)

The Committee has received correspondence (attached in the Annex) from Dr Peter Heyes, Director, Lyon Internet, regarding the difficulties experienced in delivering a superfast broadband solution for rural homes and businesses in Highland Perthshire.

Dr Heyes states that Lyon Internet has been asked by the Scottish Government’s Community Broadband Scotland (CBS) team to choose between the Reaching 100% Programme (“R100”) or a CBS funded project, with a deadline of 17 November 2017. He expresses concern that a lack of specific information and uncertainties regarding either option makes it extremely difficult for the community to reach a decision by the deadline.

The Committee is aware that this may not be an isolated situation. It would therefore like to ask the Scottish Government to comment on how communities faced with such important decisions on the future of broadband provision in their area can be given access to appropriate levels of information to allow them to make informed choices. It would also be useful to know whether a level of flexibility might be offered to communities to ensure that the most appropriate broadband provision is ultimately provided in their respective areas.

Bearing in mind the 17 November deadline imposed on Lyon Internet by CBS, the Committee would be grateful for a response by 10 November.

Kind regards

A handwritten signature in blue ink that reads "Edward Mountain". The signature is written in a cursive style with a trailing slash at the end.

Edward Mountain
Convener

Annex – correspondence from Dr Peter Heyes, Director, Lyons Internet

Background

Lyon Internet has been working with the Community Broadband Scotland team to bring superfast broadband to 483 remote rural homes and businesses in Highland Perthshire ; we are also currently within the R-100 programme's procurement scope.

Decision

We have been told to make a decision between R-100 or a CBS funded project with a deadline of 17th November 2017. The decision presents us with serious difficulties arising from the lack of specific information and uncertainties about both R-100 and a CBS funded project for our communities.

R-100

We have received no information or assurances since a meeting with R-100 in August about how R-100 would deliver broadband into the communities of Glen Lyon. Our profound concern remains that satellite will be the solution for some of our remote rural locations. We feel we have insufficient information on R-100 to decide whether it is the best or even an acceptable solution for our communities.

CBS

Equally we have insufficient information to decide whether a CBS project would be viable and the reasons lie in delays caused by the R-100 programme. We were prevented from going into State Aid Public Consultation at the beginning of May by the R-100 Open Market Review, and further delayed by the subsequent SAPC for R-100. Given these delays in the procurement process, we do not have formal offers from broadband network suppliers or an analysis by FarrPoint on the quality of offers. Now we have insufficient time to acquire the kind of information we would need to make an informed decision by the 17th November.

Dilemma

We do not want to risk our communities' participation in R-100 by initiating a CBS funded project before we know whether such a project is viable and preferable to R-100. We need time for the early stages of procurement to proceed at least to the point where we have a valid offer from at least one supplier with the necessary financial strength and technical capabilities.

Solution

The R-100 team should allow the Lyon Internet properties to remain in the R-100 procurement scope until such time as we confirm to them that we have entered into a contract with a system supplier. That will give us the time and opportunity to make the right decision.

The R-100 team should provide specific information on the broadband system that R-100 would deliver in our area.

Rural Economy and Connectivity Committee

Can the Committee help us persuade the Government's R-100 team to change its decision requirements and provide us with the information we need? With the deadline of 17th November now close, a resolution is urgently required so that we can communicate any recommendation to our communities.