

## RURAL ECONOMY AND CONNECTIVITY COMMITTEE

### DRAFT BUDGET 2017-18; BROADBAND

#### SUBMISSION FROM SCOTTISH LAND & ESTATES

##### Introduction

Scottish Land & Estates is a membership organisation representing Scottish land based businesses. The issue of broadband connection underpins the vast majority of the rural development policy topics we discuss with members.

The Scottish Government has committed to spend £90m to deliver superfast broadband access to at least 95% of premises in Scotland by the end of 2017, and 100% by 2021. We welcome these ambitious targets and Scottish Government's intention to publish a refreshed Digital Strategy in 2017 to set out how it will reach these goals.

It is in a UK policy context that much of Scotland's digital policy is set. We have concerns that the Digital Infrastructure Bill which is currently progressing through the UK Government's legislative process may have unintended consequences. The proposals dramatically reduce the attractiveness of hosting telecoms infrastructure. There is currently a steady market which has allowed the rollout of digital communication to much of Scotland in the areas where the operators find it to be commercially viable. By restricting rents to a no scheme basis and giving the operators excessive rights in terms of site sharing, assignation and access we are concerned the current infrastructure network may be at threat and the appetite to provide new mast sites may decline.

- The speed and access standards required to meet the needs of consumers and businesses and the funding necessary to meet these standards.

Scottish Land & Estates believes a speed target should not be static. As broadband technology develops average speeds will improve and subsequently will leave rural areas behind again. We would welcome the minimum standard to be set as a high percentage of the average. This way all areas will have to be continually improved as the technology and infrastructure develop.

We appreciate that commercial operators will prefer to work in areas when they can connect the greatest number of customers. However, a framework must be put in place to ensure connectivity is also delivered to those who live in more sparsely populated areas. We support calls for an obligation on operators to deliver for rural areas.

- The impact of restricted access to high speed internet on the rural economy; in particular tourism and local small businesses.

Digital connectivity is an absolute essential in order to run successful modern businesses. For communities which have poorer physical connectivity due to remoteness or poor transport links, this need is amplified. Today's tourists require the ability to research, book and pay for accommodation, excursions and activity online. The ability to access fast and reliable wifi whether travelling for personal or business reasons, has become a necessity rather than a luxury. Many aspects of

business have moved online – such as the completion of many Scottish Government forms or booking or purchasing products and services. The UK Making Tax Digital agenda will also significantly increase the need for businesses, and indeed individuals to have access to high speed internet. Social media is increasingly becoming a key tool for businesses and is especially rural businesses to engage with customers and prospective customers. Research shows that videos are particularly effective – but slow upload speeds in many areas mean that some businesses are not able to use this effectively if at all.

- Future funding for Community Broadband Scotland and funding related performance of community broadband projects.

We do think Community Broadband Scotland has a continued role to play but from what we understand from members the process is overly bureaucratic, inflexible and some have said it is 'not worth the effort'. There are other models for 'DIY broadband' which have been very successful and we believe should be better supported. Individual businesses have installed satellite broadband and there are various community broadband scheme models, which have the potential to be replicated across rural Scotland. The two examples below demonstrate different technologies delivering for rural communities.

Heriot Community Broadband in the Scottish Borders is a point to point wireless scheme (<http://heriotbroadband.co.uk/>). The scheme is run by a non-profit company financed primarily by grants from local windfarms and a local estate.

Broadband for Rural North (B4RN) (<http://b4rn.org.uk/>) is a community fibre scheme for the north of England. They consider fibre to be the future-proofed solution. Banks were not interested in financing the model so money was raised by establishing as a not for profit community benefit society.

- The level of investment required to meet the Scottish Government's commitment to provide access to next generation networks to 100% of premises by 2021

Scottish Land & Estates is not in a position to estimate what budget should be allocated but we would like to see it sufficient to ensure the target is met. For too long, rural communities have believed they would be connected, or have slow and unreliable connections improved. The delivery of fast and reliable broadband could make a significant difference to rural development and we welcome its priority status for the committee.

We would also like to see success of investment measured on the outputs rather than on level of spend.

Scottish Land & Estates  
November 2016