



Department for the
Economy
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Project Stratum : Overview

UK Fibre Connectivity Forum
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Heidi-Beth Hudson, Joint Head of Strategic Affairs



Creating a globally competitive economy that works for everyone

Need for public intervention

By December 2018, approximately 89% of premises in Northern Ireland had access to broadband services in excess of 30 Mbit/s

This is the lowest of the home nations and falls short of even the previous UKG target of 95% by end December 2017

<i>Fixed Broadband Coverage</i>	300Mbit/s +	30Mbit/s+	Below 10Mbit/s
England	52%	94%	2%
Wales	29%	93%	3%
Scotland	44%	92%	4%
NI Overall	38%	88%	5%
NI Rural:	9%	67%	17%

Ofcom Connected Nations Report December 2018

Scale of public intervention

- Approximately 101,000 premises in NI cannot get access to superfast broadband
- Almost all of these are in rural areas and are widely distributed
- Approximately 40,000 of these premises cannot get speeds of 10Mbit/s
- The 'digital divide' is keenly felt in NI

Source of public funding

Following the General Election in 2017, funding was made available to improve broadband services across Northern Ireland through the Confidence and Supply Agreement between the Conservative Party and the DUP which stated:

Both the UK government and the Executive recognise the integral part digital infrastructure in particular plays in opening up new opportunities for growth and connectivity for both businesses and consumers.....The UK government will therefore contribute £75 million per year for 2 years to help provide ultra-fast broadband for Northern Ireland.

Opportunity

- Biggest public investment in broadband infrastructure in NI
- Additional potential investment of £15m from DAERA identified
- Opportunity to close the digital divide and make quality broadband accessible to (almost) all businesses and citizens

Opportunity continued

- FTIR is shaping a strategic approach which has the potential to fundamentally alter the UK telecommunications landscape
- Targeting future-proofed technology at those previously left behind
- An 'outside in' approach for NI

Challenge

- Confidence and Supply source of public funding has a 2 year time limit
- Comprehensive market engagement shows us that this is unrealistic
- Seeking an extension to permit a deliverable rollout
- Compliance with State aid cover under NBS 2016

Challenge continued

- NI currently without an Executive or Ministers
- New legislation permits some decisions to be made by Permanent Secretaries against strict criteria

Objective

- Ensure that as many premises as possible in the Intervention Area can access a future-proofed broadband service as a result of Project Stratum
- Deliver a strategy that identifies the hard-to-reach premises that, industry tells us, present the greatest challenges to deployment and may require a blend of technology solutions
- Deliver the project as quickly as current challenges and industry deployment will allow

Market

- Extensive engagement with market in 2018 to inform the approach to the project
- Market promoted benefits of full fibre solution, with some citing a blend of technologies to access the hardest to reach premises
- Promising initial discussions regarding appetite for market investment in full fibre technology solutions

OMR and public consultation

- Dec 2018 – Jan 2019
- Over 1,000 responses
- Largest response to any consultation by the Department
- Over 35,000 web views
- Support from media, Councils and elected representatives across NI and all parties
- Very high response rate from deep rural areas

Current Activities & Timeline

- Continued examination of approaches to Lotting and procurement
- Conclusion of NICS governance and VFM approvals including Outline Business Case
- Commencement of the procurement process in March 2019
- Award of contract/s later in the year

Thank you.

