

## **CLA response to the interim 'Digital Britain' report**

1. The Country Land and Business Association (CLA) represents over 35,000 members in England and Wales, all of which have a significant interest in the Government's plans to provide a Universal Service Obligation (USO) for broadband by 2012. Our response is limited to the provision of broadband and its effect on rural areas in England and Wales.

### **Background**

2. In 2002, the CLA began a campaign to lobby for the availability of broadband to all rural areas. At this time, there were few ADSL enabled exchanges in the UK and these were located in urban conurbations. As a result of CLA lobbying, BT agreed, firstly to put in place trigger levels per exchange as a means of measuring demand for broadband and then, in 2005, to roll out broadband that would enable the majority of exchanges. This programme was completed in 2006 and meant that, in geographic terms, 99% of the country had access to a broadband service.
3. However, this masked a major flaw in the programme in that it still failed to provide broadband connectivity to a large number of businesses and households in rural areas. It is vital to the well-being of rural areas, both economically and socially, that this situation is resolved as soon as possible.

### **The Government's objective**

4. The interim 'Digital Britain' report states that the primary objective of the Government is the creation on a USO for broadband by 2012. We very much welcome such a commitment but the report itself leaves a number of questions unanswered.
5. Firstly, there is no Government statement as to how much such a USO will cost or how it will be implemented. The CLA accepts the fact that this could be achieved through a variety of technologies, such as ADSL, wireless, mobile and satellite. However, there is no clear rationale as to how these technologies will in fact fit together.
6. We also note the deadline for completion and activity of a USO by 2012. We ask the obvious question: what happens in rural areas between now and 2012 ? The CLA has been collating alarming evidence that the problem of 'not-spots' in rural areas is far more extensive than previously realised. What is more, the broadband service in some rural areas could very well not be defined as broadband.
7. We cannot understand why there appears a reluctance on the part of the Government to recognise that if the USO is to succeed, it will require significant public sector investment. There is clear evidence that in the current economic climate, infrastructure providers are unable and unwilling to put in place the capital investment needed to secure the USO.

### A CLA proposal

8. The CLA notes with interest the comments made by Lord Carter to the Commons Business Select Committee with regard to the role of the BBC in funding superfast broadband. The CLA believes that a proportion of the BBC licence fee should be used to fund the infrastructure provided.

### **Providing broadband for all**

9. The CLA remains concerned that the Government does not appear to recognise or understand that its efforts to encourage more information to be circulated on-line is actually self-defeating if the business in question does not have broadband. Although we support the concept, this is becoming an even greater problem as more and more Government returns or projects are increasingly web-based. Having to use a dial-up connection only merely adds to the frustration felt by not having broadband in the first place.
10. We have made this point on a number of occasions to DEFRA in relation to the Whole Farm Approach and we wish to make the same point to BERR.

### A CLA proposal

11. The CLA is advocating that the Government use the public sector broadband network a lot more imaginatively. We believe that the government should encourage far more widely than is the case at present the use by private businesses of public sector broadband connectivity. We are aware of a number of rural businesses and communities that have been able to 'piggy-back' onto the education broadband infrastructure. However, these examples remain the exception rather than the rule.

### **Unused CAP funds**

12. The European Commission has recently issued a proposal that a proportion of unused funds from the 2008 Common Agricultural Policy budget should be targeted towards providing broadband in rural areas. According to the Commission, this would total €1 billion across the Member States of the EU. These funds would be allocated to respective Member States through using the rural development key which means that the UK would receive 2% of the total allocation, some €20 million.
13. If this proposal is adopted by the Council of Ministers, the CLA recommends to Government that these funds be used for research into rural community broadband schemes and administered directly by rural community groups.

## **Conclusion**

14. The CLA accepts, in principle, the Government's intention to create a universal service obligation for broadband by 2012. Indeed, we have been calling for this commitment since 2002.
15. However, we believe the Government must recognise that without adequate broadband provision today, rural areas will continue to be severely disadvantaged. In effect, what we call the 'rural-urban digital divide' will simply be exacerbated to such an extent that the economic competitiveness of the countryside will be jeopardised.
16. The CLA believes that there are viable options available, such as piggy-backing, that can help to alleviate these concerns.

**Country Land and Business Association  
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