House of Commons
Public Accounts Committee

Improving Broadband

Thirty-Fifth Report of Session 2019–21

Report, together with formal minutes relating to the report

Ordered by the House of Commons to be printed 14 December 2020

The Committee of Public Accounts

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Contents

Summary

More than ever, people rely on fast and reliable broadband for work, entertainment and accessing goods and services. The Department for Digital, Culture, Media & Sport's (the Department) Superfast Broadband Programme has helped to extend superfast broadband coverage to harder-to-reach areas over the past decade. More than 95% of UK premises can now access broadband speeds of at least 30 Mbps and, according to Ofcom, the country's infrastructure has held up well to unprecedented internet demand during the covid-19 pandemic. But 1.6 million UK premises, mainly in rural areas, cannot yet access superfast speeds and, as the Department turns its attention to upgrading the UK's broadband connectivity again, there is a risk that rural areas will be left even further behind.

After we took oral evidence from the Department on 9th November 2020, we felt it was clear that Government's 2019 election pledge to deliver nationwide gigabit (1000Mbps) broadband connectivity by 2025 was unachievable. Since then the government has accepted that. On 25 November it published, alongside the November 2020 Spending Review, a revised target of at least 85% by 2025 but will seek to accelerate rollout to get as close to 100% as possible and has committed less than a quarter of the £5 billion funding needed for the Department's programme to support roll-out to the hardest to reach 20% of premises. This is still a challenging target and increases the risk that the very hardest to reach premises will be struggling with slow broadband for many years to come. We are concerned that the Department has yet to make any meaningful progress in delivering the policy and legislative changes deemed essential by industry if it is to achieve rapid roll-out. It is still developing its £5 billion programme to subsidise roll-out to the hardest to reach 20% of the UK's 31 million premises and could not tell us when it intends to deliver major milestones, such as the letting of contracts. We are increasingly concerned that those in rural areas may have to pay more, and may reach gigabit broadband speeds late. Given the impact of covid-19, the Department must do more to protect those with limited access to the internet. We remain unconvinced that, if and when rural users finally do get gigabit broadband, they will enjoy the same choice of service provider and the same protections as their urban counterparts.

Introduction

The Department for Digital, Culture, Media & Sport (the Department) has overall responsibility for government's broadband policies. Building Digital UK (BDUK), a unit within the Department, implements these policies and delivers government's broadband programmes. Since 2011–12, alongside roll-out by industry, the Department's Superfast Broadband Programme has provided £1.9 billion of public subsidy to suppliers to help them deliver faster broadband (download speeds of at least 24 Mbps) to 5.3 million premises in areas that are not profitable. In the programme's early phases, superfast broadband was delivered mostly through a mix of copper wire and fibre technology. The latest wholly fibre technology, while more expensive to roll-out provides much faster 'gigabit' (1000 Mbps) speeds. However, the UK currently lags behind its European counterparts on full-fibre coverage and, to meet future demand, government had pledged nationwide gigabit-capable infrastructure by 2025. The Department expects industry to deliver to 80% of UK premises through commercial roll-out and government announced £5 billion for a new programme to subsidise most of the hardest-to-reach 20% in its Spring 2020 budget. It considers the final 1% of UK properties to be too expensive to reach and will seek additional funding and alternative solutions for these.

Since we took oral evidence, government has published its 2020 Spending Review. This allocates £1.2 billion between 2021–22 and 2024–25 and describes this amount as being for the "first 4 years" of the £5 billion gigabit broadband programme. Alongside the spending review, government also published a new National Infrastructure Strategy in which it has announced a revised coverage target to reach a minimum of 85% of premises by 2025, and says it will seek to get as close to 100% as possible. There are not dates for coverage targets beyond 85%.

Conclusions and recommendations

1. **The pledge to deliver nationwide gigabit connectivity by 2025 has proven to be unachievable.** When we took evidence from the Department in early November we expressed our concern that the pace of roll-out would require rapid acceleration of existing deployment levels to achieve nationwide gigabit connectivity by 2025. While the Department acknowledged the timetable to be extremely challenging, it was not prepared to admit that the 2025 date for nationwide coverage could not be met. Since we took oral evidence, the National Infrastructure Strategy has set out a revised target to reach "a minimum of 85% gigabit capable coverage by 2025" and has dropped the commitment to any date for achieving 100%. The Department wanted a multi-year funding settlement for the future programme. It received a four-year settlement, but totalling less than one quarter of the £5 billion it says needs to reach most of the final 20% of premises. The Department is waiting for Ministerial approvals before it determines the sequencing of its interventions and how quickly industry can complete the roll-out.

   Recommendation: *The Department should set out, on receiving business case approval or within 3 months, a clear timeline of what activities it intends to complete and by when to achieve its revised targets including the final dates by which key milestones must be reached in order to meet those targets. It should publish yearly updates on progress thereafter.*

2. **The Department has failed to make meaningful progress to tackle the barriers faced by operators in maximising gigabit connectivity by 2025.** At the time we took evidence in early November, the Department expected that state aid rules would be a domestic matter from 2021 onwards and EU approval would no longer be required. However, it had not assessed the potential impact were this not to happen in practice. It has yet to secure the legislative and policy changes that industry deems necessary to address major barriers to delivering gigabit infrastructure at pace. Responsibility for addressing many of these barriers, including changes to planning regulations, business rates treatment of fibre and requirements for new build properties, are spread across other parts of government and we got no assurance that they are being addressed urgently. Suppliers believe that legislation recently introduced to enable easier access to properties while welcome addresses only part of the problem. The Department is not clear about the potential for delay or for cost escalation if these barriers are not addressed before suppliers start work. It is also vague on the potential costs and delays from removing telecommunications equipment supplied by Huawei.

   Recommendation: *The Department should identify which risks and barriers have the greatest potential to add delay and cost to the programme and provide a clear plan for how and when they will be addressed and the impact on time and schedule if they are not addressed.*

3. **The Department is not clear how, in a centralised procurement model, it will retain the people, skills and knowledge in local authorities that were critical to success in the superfast programme.** The Department recognises that although it now intends to undertake procurement directly, it will still need the commitment and expertise accumulated previously within local authorities to support delivery

under the gigabit programme. The Local Government Association has called for additional annual funding of £30 million for digital champions to co-ordinate delivery at a local level and to provide the additional capacity needed within highways and planning teams to support an accelerated pace of activity. The Department cannot give any reassurance that local authorities will get additional funding to retain their expert resources at a time when local government finances are under severe pressure from the pandemic.

Recommendation: *The Department should set out in its Treasury Minute response to this report, what steps it is taking to support the retention of knowledge, skills and delivery expertise in local authorities so that the change in approach does not cause delays to the future programme.*

4.   **he Department has been unable to show how it has learnt lessons from the superfast programme into the detailed design of the gigabit programme.** The Department's objectives for its superfast programme were unspecific and delivery of the 95% broadband coverage target by 2017 sat largely with suppliers rather than being within the Department's control. With full-fibre and gigabit coverage at 14%and 27% respectively on publication of the NAO's report, which is behind other European countries, the Department is some way off its superfast programme objective to be "the best in Europe". While the Department agrees that it needs to have clear objectives in place at the time of launching the subsidised element of its gigabit programme, we are not reassured that its new programme objectives will be any better. It is unacceptable that, once again, the Department has set a nationwide target for coverage (now revised from 100% to 85% by 2025), yet it has not published a realistic strategy for rolling it out, and has limited control over the levers necessary to achieve it. Indeed, the Department is relying on suppliers to deliver to 80% of UK premises without government subsidy. We are also concerned that the Department has not learned lessons about where to target areas for subsidy. The Department estimates that of the £1.9 billion public funding for the Superfast Programme, £0.9 billion is due to be repaid, which suggests that the subsidy was often not targeted at the areas in greatest need. It can take up to seven years before the amounts to be returned are calculated and repaid by suppliers.

Recommendation: *As the Department finalises its approach to its gigabit programme it should set out how it is incorporating the lessons learned from the superfast programme including:*

- *Setting out clear programme specific objectives for the subsidised part of the future gigabit programme (the £5bn programme)*

- *How it intends to improve its targeting to ensure it covers only those areas in greatest need, particularly areas with a high proportion of premises which are uncommercial for rollout, and that any money that does need to be returned is done so as soon as possible*

5.   **he Department is yet again failing to prioritise consumers in rural areas.** The Department says that it intends to take an 'outside-in' approach to the roll-out of gigabit capable broadband, focussing on those areas that currently do not have access to superfast so that they do not remain left behind. But the most difficult-

to-reach premises are not neatly grouped together, and the Department is not yet clear on how it will prioritise its interventions to ensure that they are served. The data available to help determine roll-out priorities is patchy and of variable quality. The Department acknowledges it is reliant on a good dataset but is not clear when it expects to have this in place. We had significant concerns that in the event of delays to the programme, the Department would look to deliver to as many premises as possible in a bid to meet its ambitious timetable. In this case, those people who currently lack superfast broadband would once more go to the back of the queue. Government's announcements since our oral evidence session, reframing the target to 85% coverage by 2025 and not allocating three-quarters of the £5 billion allocation until after 2024–25, heighten these concerns. This suggests that many consumers, particularly those in rural and remote areas, will have to wait until well beyond 2025 for gigabit broadband speeds and may not even get superfast speeds before then.

Recommendation: *The Department should set out how it will establish which properties do not yet have superfast broadband, how reliable the data it will use to identify them is, and when they can expect to receive gigabit capable broadband.*

6. **The Department cannot provide certainty to consumers that they will have a choice of internet provider or be protected from overcharging should they become tied to the sole supplier in an area.** The Department wants to encourage greater competition in the telecommunications infrastructure market, but in areas that need subsidy, smaller alternative suppliers may gain dominant positions by default through lack of wider commercial interest. The Department believes that provisions for wholesale access in the gigabit programme contracts should ensure that all internet service providers have access to subsidised networks. However, such access may not be taken up if the most popular internet providers find it commercially unattractive to offer their services over a patchwork of different networks each serving a low number of premises. Some consumers, particularly in rural areas, may not be able to sign up with their service provider of choice and may end up paying more for their services. The Department claims price control provisions should ensure that providers cannot price beyond what is reasonably comparable in a given area, but it is not clear how it will define an area nor how price controls will work.

Recommendation: *In its Treasury Minute response to this report, the Department should set out how it plans to work with Ofcom, suppliers and industry bodies to ensure that all consumers will have a choice of service providers and are protected from overcharging, in particular where they become tied to a monopoly supplier.*

1   Delivering the future programme

1.   On the basis of a report by the Comptroller and Auditor General, we took evidence from the Department for Digital, Culture, Media and Sport on improving broadband.[1]

2.   The Department for Digital, Culture, Media & Sport (the Department) has overall responsibility for government's broadband policies. Building Digital UK (BDUK), a unit within the Department, implements these policies and delivers government's broadband programmes.[2]

3.   Since 2011–12, alongside roll-out by industry, the Department's Superfast Broadband Programme has provided £1.9 billion of public subsidy to suppliers to help them deliver faster broadband (download speeds of at least 24Mbps) to 5.3 million premises in areas that are not profitable. More than 95% of UK premises are able to access broadband download speeds of 30 Mbps, which is now the accepted definition for superfast. Of these, 17% (5.1 million) were reached through the Superfast Programme and the remainder through commercial roll-out. The Department allocated grant funding to local bodies (a local authority or group of local authorities, devolved governments or local economic partnerships) who would then provide additional funding and procure superfast broadband services for their areas.[3]

4.   In the programme's early phases, superfast broadband was delivered mostly through a mix of copper wire and fibre technology. This is where fibre-optic cables run to a street cabinet and existing copper telephone wires connect the cabinet to individual premises and is known as 'fibre to the cabinet'. The latest wholly fibre technology, also known as 'fibre to the premises (FTTP)', while more expensive to roll-out provides much faster 'gigabit' (1000 Mbps) speeds. The later phases of the Superfast Programme have increasingly used FTTP solutions.[4]

5.   Superfast broadband is fast enough for most household use today, but internet traffic is growing at around 40% each year. Much of this growth comes from increased demand for social media, gaming and online media streaming as well as online public services. New technology, such as ultra-high definition displays, which require up to sixteen times more capacity than standard video-streaming, could drive exponential increases in internet traffic. In order to meet future demand, government had pledged nationwide gigabit-capable infrastructure by 2025.[5] The Department expects industry to deliver to 80% of UK premises through commercial roll-out and government had announced £5 billion for a new programme to subsidise most of the hardest-to-reach 20% at the Spring Budget.[6] It considers the final 1% of properties to be too expensive to reach and will seek additional funding and alternative solutions for these.[7]

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1   C&AG's Report, *Improving Broadband*, HC 863, Session 2019–21, 16 October 2020

2   C&AG's Report, para 2

3   C&AG's Report, paras 3 and 9

4   C&AG's Report, paras 6, 12 and 1.2

5   Gigabit-capable infrastructure includes technologies other than full-fibre or 'fibre to the premises,' such as cable or 5G. Current commercial satellite internet services do not offer gigabit speeds, and some do not offer superfast.

6   Budget 2020, 12 March 2020 https://www.gov.uk/government/publications/budget-2020-documents/budget-2020

7   C&AG's Report, paras 4–5, 15. 2.2 and 2.7

6.   Since we took oral evidence, government has published its 2020 Spending Review.[8] This has allocated funding of £1.2 billion up to 2025, divided between each of the years from 2021–22 to 2024–25.[9] It describes this allocation as being for the "first 4 years" of the £5 billion gigabit broadband programme.[10] Alongside the spending review, government has also published a new National Infrastructure Strategy.[11] This includes a revised target; that government is working with industry to achieve a minimum of 85% gigabit capable coverage by 2025, and will seek to get as close to 100% as possible.[12] It does not state a target date for completion of the programme, nor give an indication when the balance of the £5 billion budget might be allocated.

Achieving the 2025 target

7.   We pointed out to the Department that a year has passed since the general election pledge and with 2021 fast approaching, the level of roll-out would have to be extraordinarily quick to achieve nationwide gigabit connectivity by 2025.[13] The Department acknowledged that 2025 was "a very challenging target to meet" requiring it to "strain every sinew to make that happen" but was not prepared to admit that it would not meet it.[14] Since we took oral evidence, government has dropped the 2025 date for nationwide gigabit coverage and, in its National Infrastructure Strategy (NIS) published in November 2020, has announced a revised target to reach "a minimum of 85% gigabit capable coverage by 2025". The NIS says that government will seek to accelerate roll-out to get as close to 100% as possible but there is no date for achieving 100%.[15]

8.   The National Audit Office's report called for the Department to present a detailed plan and schedule identifying how it will meet the timeline.[16] But when we pressed for a broad timetable or indicative dates for the essential steps towards achieving the target, the Department stated that it was awaiting Ministerial approvals. The Department repeatedly declined to provide any firm answers on when these approvals would be forthcoming or when it expected to determine the sequencing of events, beyond stating this would be "as quickly as possible."[17] We were unable to elicit any more detailed information about how long the Department estimates the contracting process to take, nor its view on the latest date by which it believes contracts would need to be in place for installation work to start.[18]

9.   The Department describes the £5 billion it has budgeted for its gigabit programme as 'critical'. It said that it was continuing as if the programme would gain approval from HM Treasury and expected the funding to be confirmed at the forthcoming spending review.[19] We asked whether the spending review was a risk for the programme and the Department acknowledged that the outcome of the spending review was not yet clear but told us it did not expect there to be any change in the government's commitment to investing in

8   HM Treasury, *Spending Review 2020*, CP 330, November 2020

9   Spending Review 2020, paras 3.5 & 6.86; table 6.22

10   Spending Review 2020, table C.6 note 2

11   HM Treasury, *National Infrastructure Strategy*, CP 329, November 2020

12   National Infrastructure Strategy 2020, p. 31

13   Q 40

14   Qq 54–57, 117

15   National Infrastructure Strategy 2020, p. 31

16   C&AG's Report para 24, recommendation f

17   Qq 41–45, 111–114

18   Qq 60–66, 115–125

19   Qq 52–53, 74

gigabit.[20] Since we took oral evidence, the Department has received a four-year settlement totalling less than one quarter of the £5 billion it says it needs to reach most of the final 20% of premises.[21]

Progress in tackling barriers

10.   The Department explained that it was focussed on removing barriers to rapid roll out, such as the cost of streetworks or a planning system that prevents telecoms operators from getting access to premises, by working with other government departments and through legislation and regulation.[22] The National Audit Office's report included state aid as one such barrier and said that the process of securing state aid approval to provide subsidy to suppliers can take 12–24 months to complete.[23] We asked the Department to set out the latest position following its submission of non-binding proposals on state aid to the European Union in late 2019. The Department told us that it expected to be able to deal with state aid as a domestic matter after the end of the transition period in December 2020.[24] It said that it regarded the possibility of remaining subject to EU rules after that time as a hypothetical scenario, for which it had not prepared a contingency plan, but believed that if necessary, the process could be speeded up.[25]

11.   We asked about progress towards resolving the barriers which industry has repeatedly said need to be addressed if it is to progress the commercial roll-out to reach 80% of UK premises by 2025. The Department said that it is working on this, but Openreach told us that the legislation introduced by the Department so far on access to property is insufficient to "meaningfully tackle the numerous barriers;" for example they told us that it does not address landlords that seek excessive costs.[26] Given its responsibility for broadband policy, we pressed the Department on how vigorously it was pursuing the removal of barriers where responsibility rests with another part of government, including changes to planning regulations and the business rate treatment of fibre.[27] The Department stated that it was working with the Department for Transport on streetworks, and the Ministry of Housing, Communities and Local Government on planning, but declined to offer any view or reassurance that the matters are being urgently pursued.[28]

12.   The National Audit Office report stated that the requirement to remove equipment supplied by high risk vendors from telecoms networks puts the schedule at risk.[29] The Department conceded that this might cause a delay to the future programme and that it was consulting with industry on precise implications, but was not able to provide any indication of the possible length of that delay or impact on the roll-out.[30]

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20   Qq 52–53, 93–96

21   Spending Review 2020, paras 3.5 & 6.86; table 6.22

22   Q 59

23   C&AG's report para 2.8

24   Q 29

25   Qq 30–34

26   Qq 69–70; IBB0005 - Openreach, para 7

27   Qq 68, 71

28   Qq 59, 71–74

29   C&AG's Report, para 2.11

30   Qq 98–107

Retaining skills and knowledge in local authorities

13. The National Audit Office report sets out how the Department intends to adopt a centralised procurement for its gigabit programme, even though it considered the partnership approach that it used under the Superfast Programme to have been very successful. The report said that the knowledge and experience of local bodies had been critical to supporting delivery and overcoming obstacles during the superfast programme.[31] The Department told us that although it intended to undertake the procurement directly under the future programme, it needs the continued involvement and expertise of Local Authorities and it is important to retain their skills and records of where and by whom broadband infrastructure has been installed with a public subsidy by participating in the Superfast Programme as outlined in paragraph 3.3 of the NAO report.[32]

14. In its evidence to us the Local Government Association (LGA) called for additional annual funding of £30 million for digital champions in Local Authorities. The LGA expects digital champions to co-ordinate delivery at a local level and to provide additional capacity, for example, in highways and planning teams to support an accelerated pace of delivery.[33] While the Department acknowledged that Local Authorities face significant financial pressures at the moment, not least from dealing with the current pandemic, it declined to say whether it thought the requested funding necessary to retain staff and it could offer no reassurance on what additional funding it is seeking to support them.[34] The National Audit Office report stated that in extreme circumstances, a Local Authority may have to fall back to supporting only the legal minimum services it is obliged to provide.[35] The Department could not say what assessment it has made of the risk to delivery of the future programme if Local Authorities are faced with this situation.[36]

Learning lessons from superfast

15. The National Audit Office's report said that it had been difficult to assess the Superfast Programme's performance because it lacked programme-specific measures against which to judge success. It explained that the Department's coverage targets, for example, to reach 95% of UK premises with superfast broadband infrastructure by 2017, were not specific to the publicly-funded element within the Department's control and could only be achieved in conjunction with industry-funded roll out.[37] We reminded the Department of its target for the UK to be "the best in Europe" and pointed out that the 14% full-fibre coverage and 27% gigabit coverage reported by the National Audit Office put us below the European average.[38] The Department said that latest coverage rates for full-fibre and gigabit-capable had increased and were now 17% and 30% respectively.[39]

16. The Department told us that it wanted to have very clear objectives and to be clear about the benefits for the subsidised part of its gigabit programme but could offer no further detail on how it intends to design and conduct the evaluation of that programme.[40] The

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31   C&AG's Report, paras 3.11–12

32   Qq 126, 146–147

33   IBB0003 - Local Government Association

34   Qq 127–132

35   C&AG's Report, para 3.12

36   Qq 133–136

37   C&AG's Report, para 13

38   Q 81

39   Q 81

40   Qq 153, 156

Department has, once again, set nationwide coverage targets for its gigabit programme; originally 100% and now 85%,[41] and the Department is once again relying on industry to deliver most of it; in this case to 80% of UK premises.[42] As yet, it has published no targets specific to its £5 billion subsidy programme such as the number of premises it aims to cover by when. The Department acknowledged that it was better to have control over all the levers but said that it had demonstrated its ability to have influence over the market when it achieved the nationwide target for superfast broadband.[43] The Department told us that relying on commercial roll-out does not necessarily mean that they cannot achieve these kinds of targets.[44]

17.   The National Audit Office report noted that the Department estimates £0.9 billion of funding will be returned by suppliers where capital expenditure was lower than expected or actual take-up of superfast broadband is higher than expected.[45] The Department told us that because some of this represents future profits measured over a 7 year period from contract completion, it has not yet all been received and it will monitor returns to Local Authorities and central government over that time.[46] While £0.9 billion of money to be returned represents a significant proportion of the overall public subsidy of £1.9 billion provided under the superfast programme, the Department said it believed it had targeted premises as well as it could with the data available.[47]

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41   National Infrastructure Strategy 2020, p. 31
42   Qq 16–17, 36, 153
43   Qq 156
44   Qq 36, 156
45   C&AG's Report, para 1.12
46   Qq 16, 28
47   Qq 14–15, 17

2   Protecting consumers

Consumers in rural areas

18.   The Future Telecoms Infrastructure Review sets out government's intention to take an 'outside-in' approach to rolling out gigabit-capable broadband, where areas that are currently unable to access superfast speeds are prioritised so they are not left further behind.[48] The Department told us that it still aimed to focus on areas without access to superfast broadband so that those areas do not remain left behind.[49] However, it said that the harder-to-reach areas are not necessarily grouped together and it could not tell us how it intended to establish a sequence for reaching them in the subsidised element of its gigabit programme.[50] The National Audit Office's report suggested that the data needed to support an 'outside-in' approach was patchy and of variable quality.[51] The Department outlined the steps that it planned to take over the coming weeks and months to build a robust and reliable dataset on which to base planning assumptions but declined to tell us when it expected to have this.[52]

19.   The National Audit Office's report describes how the Superfast Programme was able to leave the very hardest to reach premises until last when, in a bid to meet its timeline, the Department prioritised maximising the number of premises reached over providing for those in greatest need.[53] We asked for assurance that, should the programme timetable start to slip, the people with the poorest broadband would not be sacrificed and put to the back of the queue once more. The Department told us it was committed to an 'outside-in' approach and that its priority was to ensure that those who do not have access to superfast broadband will receive decent broadband.[54] The National Audit Office's report referred to the final 1% of premises as "prohibitively expensive" and the Department explained that it was assessing the value for money of alternative technologies for delivering the fastest speeds possible to these premises.[55]

20.   Since we took evidence, the government has reduced its coverage target to "a minimum of 85% by 2025" and the Department has been allocated less than a quarter of the £5 billion for supporting the hardest to reach the countries over the four years to 2025. The National Infrastructure strategy contained no revised date for 100% coverage and no date for when those without access to superfast can expect better broadband.

Consumer choice and protection

21.   The National Audit Office was concerned that greater competition in the broadband infrastructure market would not necessarily lead to a greater choice of internet providers for consumers. In its report, it explained that in areas that needed subsidy, smaller alternative infrastructure providers could gain dominant positions. Its report also set out a risk that more popular internet providers may not find it commercially attractive to

48   Department for Digital, Culture, Media & Sport, *Future Telecoms Infrastructure Review*, July 2018. Available at https://www.gov.uk/government/publications/future-telecoms-infrastructure-review

49   Q 27

50   Qq 26–27, 38–39

51   C&AG's Report, paras 3.2–3.6

52   Q 40

53   C&AG's Report, para 3.17

54   Qq 35, 159

55   Q 155

offer their services over many different networks and that consumers, particularly in rural areas, could be left with limited choice.[56] The Department told us that it was aware of the risk but said that the contracts for its Superfast Programme enabled wholesale access to a range of internet providers.[57] It explained that work was underway outside of government to create a platform to make it easier for internet providers to supply their services over alternative networks but provided no information about when this would be ready.[58]

22. We asked the Department how it intended to protect consumers in areas with a single dominant supplier from being charged a lot more without proper competition. The Department told us that its contracts had price control provisions to ensure that internet providers cannot charge beyond what is reasonably comparable in that areas.[59] The Department did agree that local monopolies were not a good thing but did not explain how price controls will work and told us that it had not yet decided how to define an area.[60]

56   C&AG's Report, paras 3.18–3.20
57   Qq 19, 50
58   Qq 50–51
59   Q46
60   Qq 47–49

Formal minutes

Monday 14 December 2020

Virtual meeting

Members present:

Meg Hillier, in the Chair

Mr Gareth Bacon	Peter Grant
Shaun Bailey	Mr Richard Holden
Olivia Blake	Shabana Mahmood
Sir Geoffrey Clifton-Brown	Sarah Olney
Dame Cheryl Gillan	James Wild

Draft Report (*Improving Broadband*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 22 read and agreed to.

Summary agreed to.

Introduction agreed to.

Conclusions and recommendations agreed to.

Resolved, That the Report be the Thirty-fifth of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Thursday 17 December at 9:15am

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the inquiry publications page of the Committee's website.

Monday 09 November 2020

Sarah Healey, Permanent Secretary, Department for Digital, Culture, Media and Sport; **Susannah Storey**, Director General, Digital, Department for Digital, Culture, Media and Sport; **Raj Kalia**, Chief Executive, Building Digital UK, Department for Digital, Culture, Media and Sport   Q1–159

Published written evidence

The following written evidence was received and can be viewed on the inquiry publications page of the Committee's website.

IBB numbers are generated by the evidence processing system and so may not be complete.

1   BT Group (IBB0010)

2   CityFibre (IBB0004)

3   Howkins, John (Director, H&A) (IBB0009)

4   Khan, Ms Miriam (IBB0006)

5   Kiely, Mr Mike (Founder, The Bit Commons) (IBB0001)

6   Local Government Association (IBB0003)

7   Openreach (IBB0005)

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the publications page of the Committee's website.

Session 2019–21

Number	Title	Reference
1st	Support for children with special educational needs and disabilities	HC 85
2nd	Defence Nuclear Infrastructure	HC 86
3rd	High Speed 2: Spring 2020 Update	HC 84
4th	EU Exit: Get ready for Brexit Campaign	HC 131
5th	University technical colleges	HC 87
6th	Excess votes 2018–19	HC 243
7th	Gambling regulation: problem gambling and protecting vulnerable people	HC 134
8th	NHS capital expenditure and financial management	HC 344
9th	Water supply and demand management	HC 378
10th	Defence capability and the Equipment Plan	HC 247
11th	Local authority investment in commercial property	HC 312
12th	Management of tax reliefs	HC 379
13th	Whole of Government Response to COVID-19	HC 404
14th	Readying the NHS and social care for the COVID-19 peak	HC 405
15th	Improving the prison estate	HC 244
16th	Progress in remediating dangerous cladding	HC 406
17th	Immigration enforcement	HC 407
18th	NHS nursing workforce	HC 408
19th	Restoration and renewal of the Palace of Westminster	HC 549
20th	Tackling the tax gap	HC 650
21st	Government support for UK exporters	HC 679
22nd	Digital transformation in the NHS	HC 680
23rd	Delivering carrier strike	HC 684
24th	Selecting towns for the Towns Fund	HC 651
25th	Asylum accommodation and support transformation programme	HC 683
26th	Department of Work and Pensions Accounts 2019–20	HC 681
27th	Covid-19: Supply of ventilators	HC 685