

From the Office of the Minister



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Mr Danny Kennedy MLA
Room 304
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21 DECEMBER 2016

Dear *Danny*

During Oral Questions on 6 December, you sought details of the level of commitment required to provide an adequate and effective system of broadband in Newry and Armagh and an indication of how much money has been earmarked for that in the immediate future.

The draft Programme for Government (PfG) Delivery Plan in respect of the indicator to Improve Internet Connectivity highlighted a range of potential costs to bring broadband solutions to all areas of Northern Ireland using a number of technologies. The Delivery Plan can be accessed at the following link:

<https://www.northernireland.gov.uk/sites/default/files/publications/newnigov/dp-proportion-of-premises.PDF>.

The outcome of the discussion on the draft PfG will determine the scale and nature of my Department's future telecoms interventions. Officials are also exploring with officials at Westminster how Northern Ireland will benefit from the additional investment announced in the Chancellor's Autumn Statement.

In terms of the amount of funding earmarked for Newry and Armagh in the immediate future, my Department is delivering the Superfast Roll-out Programme across rural areas of Northern Ireland. The overall cost of the project is £17m, consisting of both public and private funding. It is expected that some £2.66m will be paid under the project in the final quarter of 2016/17, and a further £4.08m in 2017/18. Again, it is not possible to disaggregate this information further. The postcode areas and specific premises which benefit are determined by BT's complex engineering model, which seeks to ensure maximum value for money for the public investment. Information on the areas expected to benefit have been published on the Department's website at <https://www.economy-ni.gov.uk/articles/superfast-rollout-programme-phase-2> and includes postal code areas in Newry and Armagh.

In addition, discussions are ongoing as to how we can best utilise the gain-share investment funding and residual funds to make further improvements in broadband infrastructure across Northern Ireland under my Department's NI Broadband Improvement Project. This will allow more premises to see improvements.

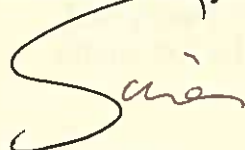
Looking ahead, the Universal Service Obligation (USO) announced by the Prime Minister in November 2015, will provide all citizens with the right to request an affordable 10 Mbps broadband connection from a designated provider, up to a reasonable cost threshold, by 2020. The detail has still to be agreed, and we await the outcome of those considerations.

It is important to recognise that alternative services delivered via fixed-wireless and satellite technologies are being made available under the Better Broadband Scheme, delivered by the Department in Northern Ireland and funded by the Department for Culture, Media and Sport. Details of the scheme can be accessed through the following link: <http://www.economy-ni.gov.uk/articles/northern-ireland-better-broadband-scheme>.

I will arrange for a copy of this letter to be sent to the Speaker's Office and that a copy will be placed in the Assembly Library.

I hope this information is of assistance.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Simon', written in a cursive style.

SIMON HAMILTON MLA