Press release: Forging a full fibre broadband and 5G future for all

Mandatory full fibre broadband for all new build homes and a new priority to connect hard-to-reach rural areas are key measures proposed in a national, long-term strategy for UK telecommunications.

The new approach is aimed at driving large-scale commercial investment in the fixed and wireless networks that are vital for the UK to remain globally competitive in a digital world.

The Future Telecoms Infrastructure Review (FTIR), announced as part of the government's modern Industrial Strategy, proposes the changes that are needed to give the majority of the population access to 5G, connect 15 million premises to full fibre broadband by 2025, and provide full fibre broadband coverage across all of the UK by 2033. Full fibre infrastructure is vital to underpin 5G coverage.

At its heart is an emphasis on greater consumer choice and initiatives to promote quicker rollout and an eventual full switch over from copper to fibre.

DCMS Secretary of State, Jeremy Wright said:

We want everyone in the UK to benefit from world-class connectivity no matter where they live, work or travel. This radical new blueprint for the future of telecommunications in this country will increase competition and investment in full fibre broadband, create more commercial opportunities and make it easier and cheaper to roll out infrastructure for 5G.

The FTIR's analysis indicates that, without change, full fibre broadband networks will at best only ever reach three quarters of the country, and it would take more than twenty years to do so. It also indicates that 5G offers the potential for an expansion of the telecoms market, with opportunities for existing players and new entrants.

Key recommendations from the FTIR include:

- New legislation that will guarantee full fibre connections to new build developments;
- Providing Operators with a 'right to entry' to flats, business parks, office blocks and other tenanted properties to allow those who rent to receive fast, reliable connectivity, from the right supplier at the best price;
- Reforms to the regulatory environment for full fibre broadband that will drive investment and competition and is tailored to different local market conditions;

- Public investment in full fibre for rural areas to begin simultaneously with commercial investment in urban locations;
- An industry led switchover (from copper to full fibre) coordinated with Ofcom:
- A new nationwide framework which will reduce the costs, time and disruption caused by street-works by standardising the approach across the country;
- Increased access to spectrum for innovative 5G services
- Infrastructure (including pipes and sewers) owned by other utilities such as power, gas and water, should be easy to access, and available for both fixed and mobile use;
- Ofcom to reform regulation, allowing unrestricted access to Openreach ducts and poles for both residential and business use, including essential mobile infrastructure;
- Alongside the FTIR, Government has also published a Digital Infrastructure Toolkit which will allow mobile networks to make far greater use of Government buildings to boost coverage across the UK.

The FTIR will drive competition and commercial investment in full fibre networks across as much of the UK as possible. However there will be some parts of the country where it will be unlikely that that the market will be able to deliver alone.

Nationwide availability of full fibre is likely to require additional funding of around £3 billion to £5 billion to support commercial investment in the final c.10% of areas. These, often rural areas, must not be forced to wait until the rest of the country has connectivity before they can access gigabit-capable networks.

The Government will therefore pursue an "outside-in" strategy, meaning that while network competition serves the commercially viable areas, the Government will support investment in the most difficult to reach areas at the same time. We have already identified around £200 million within the existing Superfast broadband programme that can further the delivery of full fibre networks immediately.

Sharon White, Ofcom Chief Executive, said:

We welcome the Government's review, and share its ambition for full-fibre and 5G networks to be rolled out right across the UK. The Government and Ofcom are working together, and with industry, to help ensure people and businesses get the broadband and mobile they need for the 21st century.

Next steps

We will shortly publish consultations on legislative changes to streamline wayleaves and mandate fibre connections in new builds. The conclusions of the Review will also form the basis of the government's Statement of Strategic Priorities (SSP) to Ofcom, setting out the strategic objectives and outcomes

that the regulator must have regard to in the exercise of its regulatory functions.

Notes to Editors

- 1. The UK has only 4% full fibre connections and lags behind many of our key competitors Spain (71%), Portugal (89%) France (c.28% and increasing quickly).
- 2. Full fibre networks are faster, more reliable, and more affordable to operate than than copper-based networks. 5G will deliver faster and better mobile broadband, and enable new applications in industry sectors like manufacturing, health and transport.
- 3. The strategy seeks to recognise differences across rural and urban areas, and develops solutions that are tailored to both. The Review concludes that the best approach is to promote competition and commercial investment wherever possible, and to intervene only where necessary.
- 4. Market competition should deliver full fibre networks across the majority of the UK if we get the conditions right (c.80%). c.20% of the country is likely to require bespoke solutions to ensure rollout of networks. 5G is not just about faster mobile data connections, it could also deliver a wide range of new opportunities across industry sectors such as manufacturing, energy, transport and healthcare. The Government wants to encourage these new commercial opportunities through policy reforms, including making sure spectrum is accessible to all and used efficiently.
- 5. Running copper and fibre networks in parallel is both costly and inefficient, and a 'fibre switchover' strategy will be necessary to stimulate demand for fibre, to enable new networks to achieve scale quicker, and to ensure a smooth transition process for customers. The switchover process will be industry-led and timing will be dependent on the pace of rollout of fibre networks, and on the take-up of those networks. It is realistic to assume that switchover could happen in the majority of the country by 2030, but the timing will ultimately be dependent on the pace of fibre roll out and on the subsequent take-up of fibre products.
- 6. The EU's new directive for electronic communications the European Electronic Communications Code (EECC) is currently under negotiation. It is likely to be □adopted by the EU □shortly. If adopted, we are minded to □implement, where appropriate, the substantive provisions in UK law, on the basis that it would support UK's domestic policy objectives. This will enable the extension of market review periods to five years and provide mechanisms to aid fibre network rollout in certain areas.

Press release: Cash injection for Northern Powerhouse as Cabinet visits North East

- £780m investment in East Coast Main Line to be confirmed giving passengers more seats and faster, more frequent journeys
- government will lay legislation to make £600m North of Tyne Devolution Deal a reality giving people of Newcastle, North Tyneside and Northumberland a real say in their future

Investments in transport and science alongside positive developments in a historic devolution deal for the North East will be set out today as the Prime Minister prepares to host her Cabinet meeting in Gateshead.

Discussions at today's Cabinet meeting will focus on implementing the government's Modern Industrial Strategy, making sure the government delivers a Brexit deal works for every corner of the UK, and discussing the pivotal role of Local Enterprise Partnerships (LEPs) in boosting growth and prosperity across the Northern Powerhouse.

As part of the government's commitment to overhaul transport in the region, the Prime Minister will confirm an investment of up to £780 million for major upgrades to the East Coast Main Line from 2019, to be completed in the early 2020s.

The work will take place over the next few years and will see significant improvements to platforms, tracks, signals and junctions across the route. Together with new Intercity Express Trains on the East Coast Main Line, this will mean passengers travelling on long distance journeys between northern towns and cities will benefit from more seats and faster, more frequent journeys between Doncaster, Leeds and Newcastle.

Building on the government's devolution agenda for the Northern Powerhouse, the Prime Minister will also confirm that government will lay the legislation to formally conclude the North of Tyne Devolution Deal with Newcastle, Northumberland and North Tyneside. The deal, which marks an unprecedented transfer of powers from central government to local people in the North of Tyne, is worth £600 million over 30 years and is expected to generate 10,000 new jobs in the region.

Alongside this, as part of the wider economic transformation of the North East, Theresa May will announce a further investment of £180 million to drive forward innovation and cutting-edge research in the field of Offshore Renewable Energy Innovation and the High-Value Manufacturing Catapults, which has major facilities in the region.

Today's announcements reaffirm the government's commitment to position the Northern Powerhouse at the heart of its work to spread growth beyond London and the South East across the entire country, and to build a more prosperous and inclusive economy where everybody has the opportunity to reach their full potential.

Prime Minister Theresa May said:

Making Britain a country that works for everyone, in urban and rural regions, is a priority for my government — and a thriving economy across the Northern Powerhouse is central to that.

We have set out major policies and investments as part of our Modern Industrial Strategy to unlock the potential in the North — and more than any government in history, we are making sure that we are delivering the outcomes that really matter to people who live and work here.

<u>Press release: DVLA asks drivers to look again in new EYE 735T campaign</u>

Drivers will be encouraged to take the 'number plate test' — a quick and easy way to check they meet the minimum eyesight requirements for driving. By law, all drivers must meet the minimum eyesight standards at all times when driving — this includes being able to read a number plate from 20 metres.

The campaign is reminding the public that they can easily check their eyesight by taking the 20 metres test and is pointing out some ways to quickly identify 20 metres at the roadside. It is advising that 5 car lengths or 8 parking bays can be an easy way to measure the distance.

The campaign is encouraging anyone with concerns about their eyesight to visit their optician or optometrist for an eye test.

Dr Wyn Parry, DVLA's Senior Doctor, said:

The number plate test is a simple and effective way for people to check their eyesight meets the required standards for driving. The easiest and quickest way to do this is to work out what 20 metres looks like at the roadside — this is typically about the length of 5 cars parked next to each other — and then test yourself on whether you can clearly read the number plate. It's an easy check to perform any time of day at the roadside and takes just a couple of seconds.

Having good eyesight is essential for safe driving, so it's really important for drivers to have regular eye tests. Eyesight can naturally deteriorate over time so anyone concerned about their eyesight should visit their optician — don't wait for your next check-up.

Notes to editors

- DVLA's national awareness campaign will run throughout the summer.
- 20 metres is around 26 steps for a man and around 33 for a woman.
- 22% of those surveyed by DVLA said that they would work out this distance using car or bus lengths, with a further 21% saying they would use paces or steps to measure this distance. Only around 5% said they would use a tape measure or other physical measurement to gauge the distance.
- The minimum eyesight standards for driving are published on GOV.UK.
- DVLA publishes its advice to medical professionals including opticians and optometrists to help them assess their patients' fitness to drive at www.gov.uk/dvla/fitnesstodrive.

Press release: A boost for North East innovation to promote high-quality jobs and growth

- New commitment to offshore and remote island wind to power millions of homes
- Two world-leading North East research centres to benefit from cash boost in the fields of Offshore Renewable Energy and High Value Manufacturing

 driving growth and high-quality jobs
- North East and Tees Valley to benefit from Local Industrial Strategies

Two world-leading innovation centres in the North of England will lead the world in developing the technologies needed for future manufacturing, boosting local growth and creating highly-skilled, quality jobs, as part of the government's modern Industrial Strategy, Business and Energy Secretary Greeg Clark will announce today.

On a visit to Newcastle Mr Clark will confirm that the <u>Onshore Renewable</u> <u>Energy Catapult</u> in Blythe and the <u>Centre for Process Innovation</u> in Redcar, part of the <u>High Value Manufacturing Catapult</u>, will benefit from a cash injection which will support hundreds more businesses to develop products and services which will be in high demand in the future as part of the modern Industrial Strategy.

During his visit, Business Secretary Greg Clark will say:

The UK has a world beating reputation for innovation and we are building on this strength as part of our Industrial Strategy with the largest investment in R & D in 40 years. This investment will drive local growth and innovation across the country, creating more opportunities for high-skilled, well-paid jobs across the country.

The Catapult network plays a key role in building on UK strengths in sectors and technologies that are going to be in high demand in the years ahead, bringing ideas to products and services on the market. Today's investment builds on the unique strengths the North East has in renewable energy and advanced manufacturing, helping drive the region's future economic growth.

We're working with local leaders and businesses who know their areas and its unique strengths best to develop tailored Local Industrial Strategies to create more opportunities and drive growth across the UK.

The UK is already pioneering the latest innovation through 'Catapults' which bring together the best of UK business, science and engineering to work side by side in research and development to 'catapult' products from ideas to market.

Local Industrial Strategies and Review of <u>Local Enterprise</u> Partnerships

The Business Secretary will also announce that the North East, Tees Valley, West of England, Leicester & Leicestershire, Cheshire & Warrington and the Heart of the South West will be the second wave of areas to benefit from working with the government to develop their local Industrial Strategies. Putting local people and businesses in the driving seat, allowing local leaders to harness the strengths of their own areas in a targeted approach.

To ensure these local plans are underpinned and supported by robust institutions, the government will also publish the conclusions of a review of Local Enterprise Partnerships (LEPs) today and will announce up to £20m of additional funding — a 50% increase in resource funding for LEPs.

Andrew Hodgson, chair of the North East LEP, said:

This is fantastic news for the North East and testament to the pioneering work being carried out here to embed innovation that drives productivity and growth. We will build on the strong foundations of the North East Strategic Economic Plan to create 100,000 more and better jobs and the world class science and research already happening here in the North East.

The review will also lay out the government's expectation of LEPs to improve their gender balance and representation of those with protected characteristics, with the aim of equal representation of men and women on boards by 2023.

Guaranteed clean energy auctions in 2019

A major support package for UK industry to power millions more homes and businesses over the next decade is also being announced today by Energy & Clean Growth Minister Claire Perry.

Offshore wind and, for the first time, remote island wind providers will be able to bid for contracts to power up to four million homes from Cornwall to the Shetland Isles. These clean electricity auctions will be held in 2019 and every two years from then on, signalling support worth up to £557 million for industry.

The auction will make the UK a beacon for inward investment and provide renewable energy businesses in the North East the certainty to invest and grow. This will encourage long term investment to help reduce the cost of energy.

Announcing the significant package on a visit to the Offshore Renewables Catapult in Newcastle, Energy & Clean Growth Minister Claire Perry will say:

The UK renewables sector is thriving, with more offshore wind capacity here than anywhere else in the world and 50% of electricity coming from low-carbon sources last year in what was our greenest year ever.

For the last decade the offshore wind industry has been a great British success story: increasing productivity, raising earnings and improving lives in communities across the UK; and today the sector gets the certainty it needs to build on this success through the next 10 years.

With wind turbines already providing 15% of the UK's electricity, today's fresh vote of confidence in the sector will secure its position as a global

leader in a thriving industry, enhance confidence and encourage businesses to make long-term investment. The government has already met its ambition set out in the <u>Clean Growth Strategy</u> to produce 30% of its power from renewable sources by 2020/21 and this fresh support will see the UK secure its position as a world leader in low carbon energy.

Today's announcement also supports supply chains from the south coast to north east. Companies such as Yorkshire-based <u>Osbit Ltd</u>, which specialise in the supply of technical equipment and engineering services to offshore wind projects are now set to benefit from today's boost to the renewables industry to secure their future. It comes ahead of the first ever annual Green Great Britain Week- starting on 15 October — signalling the government's continued commitment to driving clean growth and benefiting from the economic and industrial opportunities it brings.

Benj Sykes, Co-Chair of the Offshore Wind Industry Council and UK Country Manager at <u>Ørsted</u> said:

As well as cost-effectively reducing carbon emissions to meet our climate change targets, the offshore wind industry is powering the clean economy, bringing investment, skilled jobs and supply chain opportunities to businesses up and down the UK. Our sector has proposed a transformative ambition to deliver at least 30GW by 2030, enough to meet more than a third of the country's electricity needs, which in turn could increase exports five-fold, create thousands of skilled jobs and reduce electricity system costs. Today's announcement is a vote of confidence in our industry, and will directly enable more investment in the UK.

Notes to Editors

- This funding package for the Catapults comprises five-year funding for Centre for Process Innovation, part of the High Value Manufacturing Catapult (Redcar) and the Offshore Renewable Energy Catapult (Newcastle/Glasgow); Announcements about other centres will be made in due course.
- The LEP Review is published here.
- <u>Shared Prosperity Funds</u>
- Today's announcement confirms that the next Contracts for Difference allocation round for less established technologies such as offshore wind will open by May 2019. The government will hold another allocation round in 2021 and auctions around every two years. Depending on the price achieved, these auctions will deliver between one to two gigawatts of offshore wind each year in the 2020s.
- The Contracts for Difference scheme is the government's main mechanism for supporting new renewable energy generation projects. Contracts are awarded in a series of competitive auctions, with the lowest price bids being successful which drives efficiency and cost reduction. The scheme has been a success, delivering substantial new investment and helping deliver significant reductions in the costs of some renewable

- technologies. The second CFD auction in 2017 saw the clearing price for offshore wind (£57.50/MWh in 2012 prices) halved compared to the first auction (2015) and secured 3.3 GW of renewable electricity capacity.
- At the launch of the Clean Growth Strategy in October 2017 Government confirmed it would be making up to £557 million (2011/12 prices) of annual support available for further Contracts for Difference, providing industry with the certainty they need to invest in bringing forward new projects.
- In Dec 2017 the government consulted on allowing onshore wind projects on remote islands such as Orkney and Shetland to compete alongside other less established technologies. These projects have characteristics that set them apart from projects elsewhere in the UK to the extent that the government believes they should be considered as a separate technology. For example, they have significantly higher transmission costs, there is the potential for large projects, and they will have higher load factors.

Press release: FCO Minister for Asia and the Pacific arrives in China for five day visit

FCO Minister for Asia and the Pacific, is today (22 July) starting a five-day visit to China. The visit will include visiting Beijing, Chongqing, Chengdu, Nanjing and Shanghai, in a programme reflecting the breadth and depth of business, investment and science and innovation links between the UK and China.

During his second official trip to China as Minister of State for Asia and the Pacific, Minister Field will call on senior Chinese government officials. Meetings are set to include China's Vice Minister Guo Yezhou in Beijing, Executive Vice Mayor Wu Cunrong in Chongqing, Mayor Luo Qiang in Chengdu and Vice Governor Guo Yuanqiang of Jiangsu Province.

In Beijing, the Minister will discuss bilateral issues and UK-China cooperation on foreign policy issues of shared concern, ahead of the UK-China Strategic Dialogue on 30 July. He will also tour the Centre of Excellence for Plant and Microbial Science (CEPAMS), a leading example of the benefits achieved from bringing together UK and Chinese expertise in scientific research to tackle the global challenges of food security and sustainable health care.

The Minister's visit to Chongqing coincides with the celebrations on the 35th anniversary of Chevening, the UK government's global flagship scholarship programme, in China. In Chengdu, he will visit a joint UK-China research project at the State Key Lab of Geo-hazard Prevention and Geo-environmental

Protection. This project is funded by the UK-China Research and Innovation Partnership Fund, which brings together leading researchers and innovators from the UK and China.

On the last leg of his visit, Minister Field will continue to Eastern China. In Nanjing, he will visit BGT materials, a successful example of UK-China collaboration in commercialising scientific breakthroughs. In Shanghai, the Minister will visit the Shanghai Museum exhibition 'Landscapes of the Mind: Masterpieces from Tate Britain' and discuss opportunities with one of China's leading museums about further future collaboration in the cultural and creative sectors.

Speaking on arrival in China, UK Minister of State for Asia and the Pacific, the Rt Hon Mark Field MP said:

As my second official visit to China, I am honoured to have the opportunity to visit different parts of the country to experience the breadth and depth of cooperation between our two countries.

China is an essential partner for the UK in many areas, from science and innovation to trade and investment. I look forward to seeing more partnerships develop as we strengthen our links in the new chapter of our 'Golden Era'.

Further information