

# RURAL DIGITAL CONNECTIVITY

## CHAPTER

RURAL  
PLANNING



RURAL  
ECONOMIES



RURAL  
TRANSPORT



RURAL  
AFFORDABLE  
HOUSING

FAIR  
FUNDING

# Delivering for Rural

*Unlocking Rural Prosperity*



RURAL  
NET ZERO

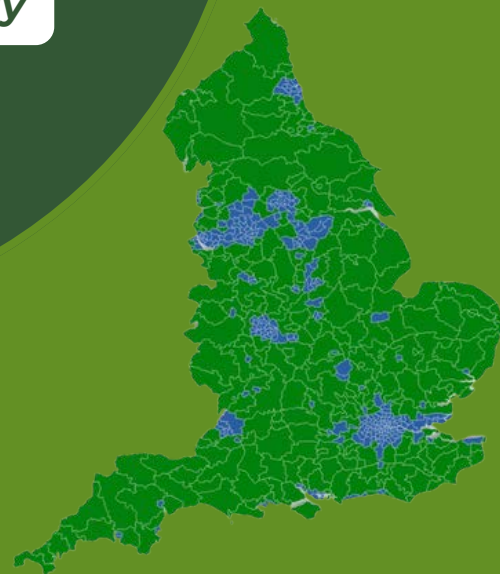
RURAL  
HEALTH &  
CARE




RURAL  
CONNECTIVITY



RURAL  
SERVICES  
NETWORK




## 40% of Constituencies are Rural. Rural Digital Connectivity Matters.



In an increasingly digital world, the lack of robust digital infrastructure in rural areas severely limits access to crucial services and stifles economic growth. Many rural communities, disconnected due to inadequate broadband and mobile networks, face challenges in accessing education, healthcare, and employment opportunities. This digital divide, worsened by poor public transport, significantly restricts both in-person and online service access.

Everybody deserves reliable digital connectivity. In rural areas, this reliable digital connectivity is crucial for businesses to compete and expand, fostering economic vitality and job creation. For residents, it simplifies access to services, mitigating rural isolation. The Government's October 2023 consultation on Very Hard to Reach Premises acknowledges the urgent need for digital infrastructure improvements in these areas, highlighting it as a market failure and emphasising its importance in levelling up rural communities.



However, the digital transition poses unique challenges in rural areas, where alternatives to digital services are limited. The consultation addresses the risk of social and economic exclusion due to poor connectivity, stressing the need for targeted interventions. It's especially critical for vulnerable populations like low-income youth, the elderly, and businesses in remote locations who heavily rely on community-level services and face hurdles in accessing high-quality broadband. The consultation underscores that enhancing broadband services in hard-to-reach areas is vital to ensure equitable living standards and opportunities across the UK, aiming to bridge the economic and social gaps.

# THE NATIONAL POLICY CONTEXT

2021

## Launch of Project Gigabit

The Government's £5 billion delivery plan to deliver next-generation or ultrafast broadband connectivity to areas where there is no commercial roll out plan. Most of the so-called 'intervention areas' are rural. The plan is intended to help Government meet its target that 85% of UK premises have access to gigabit connectivity by 2025 and 100% by 2030. By mid-2023 twelve area contracts were signed, with delivery underway, and procurement was taking place in another eleven areas. Some £1.2 billion of funding has been formally allocated to Project Gigabit up until 2025. In essence the contracts awarded subsidise gigabit roll out or upgrade works by network providers.

2023

## Publication of Wireless Infrastructure Strategy

This Government strategy, seeks to encourage investment which will drive the roll out and take up of 5G mobile networks, emphasising that it wants this to happen with high-quality 'standalone 5G' technology.

### Commitment to 4G Network Expansion

The strategy also restates the commitment to further extend 4G mobile network coverage (see Shared Rural Network). The stated ambition is for there to be nationwide 5G coverage by 2030 in "all populated areas of the UK, including villages and rural communities". One element is a £40 million 5G Innovation Fund to support adoption, such as using wireless technologies in rural areas.

### Gigabit Vouchers Usage

Households and businesses without access to a fast broadband connection (and where there is no planned network upgrade) can apply for vouchers. These can be used to reduce the likely high cost that a network provider will face to upgrade them. By mid-2023 some 117,000 vouchers had been issued and 89,000 of these used for an upgrade.

### Very Hard to Reach

In October 2023 the Government published a consultation about improving broadband access at very hard to reach premises which, by definition, are mainly in rural and remote parts of the UK. This seeks views about the Government's policy position, its evaluation of options, service parameters that such premises may require and the barriers to delivery which remain.

### Broadband USO

The USO gives households or businesses with a particularly slow connection (i.e., a download speed below 10 Mbps) the right to seek an upgrade to their Openreach connection. This comes free, so long as the cost of works entailed does not exceed £3,400 (whilst a contribution can be sought for any excess). In October 2023 the Government published a consultation seeking views about the need for USO changes to keep it up to date.

### Extension Request for Shared Rural Network

The Shared Rural Network (SRN) is an agreement between the UK's four mobile network operators to share masts or permit roaming at locations where this will plug gaps in 4G connectivity. This aims to expand 4G coverage to 88% of the UK landmass by the end of 2024 and 95% by the end of 2025, and it mainly targets remoter rural locations. Government has contributed £500 million of match-funding to this initiative. In October 2023 it was widely reported that network operators had requested an extension of up to two years to complete the first stage of the SRN.

2024



# THE RURAL REALITY

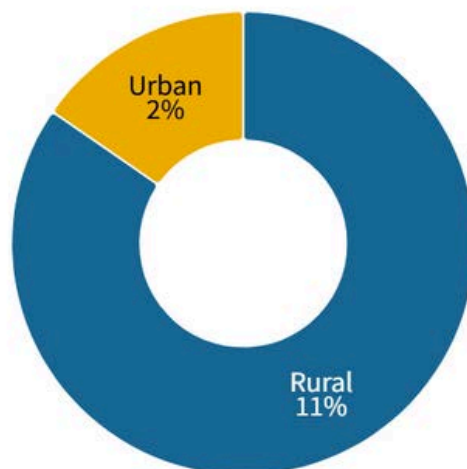
Some 11% of rural premises in England still cannot access a superfast broadband connection of 30 Mbps or more. One in eight rural premises cannot yet benefit from superfast speeds.

There remain an estimated 287,410 premises in England which cannot yet access a fixed decent broadband connection (meeting the USO standard), of whom 30,832 don't have an alternative option to try a wireless connection. The USO is the level the regulator (Ofcom) considers necessary for everyday use, though is likely to prove inadequate for many businesses, home workers and students. Earlier Ofcom reports found that rural premises, including rural SMEs, were many times more likely to fall into this category than urban premises[1].

[1] Rural SMEs were five times more likely than urban SMEs to not have access to a fixed decent broadband connection (Connected Nations 2021, Ofcom).

## Percent of Premises unable to Access a Superfast Broadband Connection

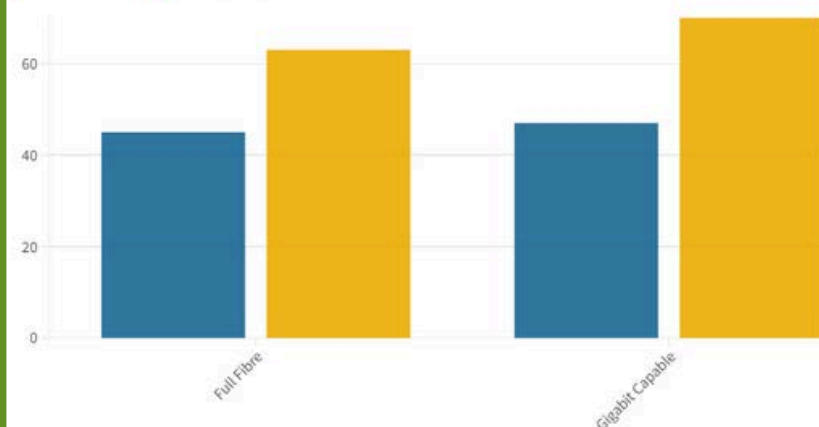
January 2024



## Percent of Premises Unable to Access Gigabit Broadband Connection

January 2024

■ From Rural Areas ■ From Urban Areas



Fixed broadband and mobile networks have become more widely available in rural areas than they were a few years ago. However, there remain some notable connectivity challenges to resolve.

Some 53% of rural premises in England cannot access a gigabit-capable broadband connection and 59% cannot access a full fibre broadband connection[1].

Everybody should have access to reliable digital connectivity.

[1] Connected Nations Spring 2024 – England report, Ofcom (2024) for all broadband and mobile connectivity statistics.

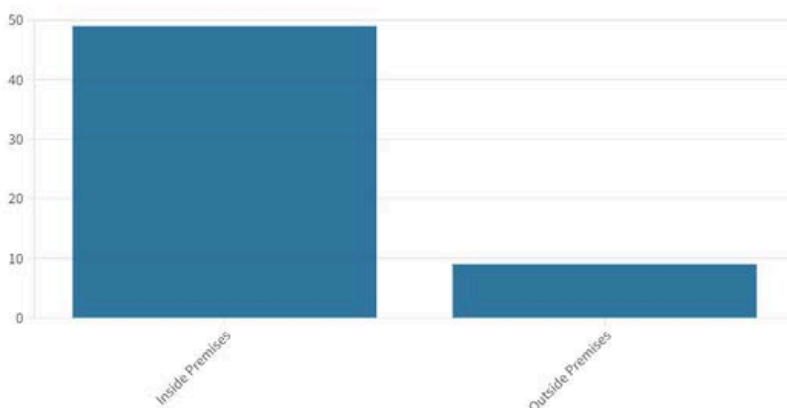
There also remain notable challenges with mobile connectivity at rural premises. At 49% of those in England it is not possible to get a 4G connection on all four mobile networks (BT-EE, Virgin Media/O2, Three and Vodafone) when indoors.

The comparable figure for being unable to get a 4G connection outside of rural premises is 9%.

## Percent of Rural Premises Unable to Access a 4G Connection on all Four Mobile Networks

January 2024

■ From Rural Areas



# RURAL RESEARCH

**Research from 2018 estimated that if rural based businesses could resolve their connectivity and other digital constraints, that would add to the UK economy, a minimum of £12 billion annually.**

**A review of digital exclusion evidence by Ofcom concludes that 6% of UK households had no access to the internet at home in 2021 (while a further 5% only had access via a mobile device). The first of these figures is much higher (26%) in households where the residents are aged 75 plus and somewhat higher where the residents are not working (13%) or from DE socio-economic groups (14%). The Citizens Advice Rural Issues Group reports that its case data shows key reasons rural people give for being offline include thinking digital is not for them, finding it unaffordable, a fear of cybercrime and having poor general literacy.**

**Furthermore, a nationwide 2023 survey found that a quarter (25%) of those who are online could be defined as having the lowest digital capability, meaning they are likely to struggle with accessing online services and are at risk of digital exclusion.**



# SPECIFIC POLICY ASKS IN THE ROADMAP TO RURAL SUCCESS: RURAL DIGITAL CONNECTIVITY



## Calls for the first 18 months of the new Government

### DELIVER

Deliver improved rural connectivity through the effective delivery of Project Gigabit; and creating a clear road map and government funding for connecting very hard to reach premises as soon as possible.

As part of this, the broadband Universal Service Obligation model should be comprehensively reviewed to ensure it is fit for purpose, including raising the 10Mbps minimum which is out of date and inadequate for rural needs. Consideration should be given to how alternative technologies such as fixed wireless access or low earth orbit satellites can provide solutions.

### PROTECT

Protect rural residents from digital exclusion by delivering the Shared Rural Network; ensuring 5G regional innovation funding is focussed on rural areas and use cases.

### ENSURE

Ensure high quality coverage and delivery of TV and radio, supporting the viewing requirements of rural consumers.

## Calls for the first 3 years of the new Government

### ADDRESS

Address the growing digital divide through a fully funded Digital Inclusion Programme, so no one is left behind due to their lack of online skills or their inability to pay for basic equipment and connection charges.

This should be a national approach with a local delivery programme involving statutory, private, and voluntary sector organisations working in partnership.

### DEVELOP

Develop new systems and methods of recycling of IT which benefits both communities and the environment.

### CREATE

Create a digitally savvy, innovative rural workforce by providing accessible training, appropriately funded for rural communities.

## SUPPORT FOR THE ABOVE CALLS

### FUNDING JUSTIFICATION AND SOCIAL VALUE

Rural Services Network urges that funding justifications for broadband in very hard-to-reach (VHTR) areas should prioritise social value, acknowledging the need for government intervention due to market failure.

### FAIR DATA ACCESS

Data caps should be uniformly applied across all premises in the UK, ensuring that VHTR premises aren't unfairly restricted during peak hours

### PRICE SENSITIVITY IN RURAL AREAS

Recognising the higher cost of living and lower incomes in rural areas, Rural Services Network emphasises the need for broadband pricing and affordability to reflect these regional economic realities.

### MANDATORY SOCIAL TARIFFS

Rural Services Network supports the introduction of social tariff options by providers for VHTR premises, making broadband more accessible to financially disadvantaged rural residents.

### NATIONAL INFRASTRUCTURE STATUS FOR BROADBAND

Rural Services Network advocates for broadband to be considered a critical component of national infrastructure, with pricing in rural areas aligned with better-connected regions, potentially supported by government legislation or subsidies.



## RURAL DIGITAL CONNECTIVITY

In addressing the critical need for digital inclusivity in rural areas, a series of targeted policy solutions are proposed. These solutions aim to bridge the digital divide, ensuring that rural communities have access to reliable and high-speed internet, essential for fostering economic growth, enhancing educational opportunities, and maintaining social connectivity. The policies are designed to accelerate existing projects, update standards, and explore innovative technologies, all while ensuring that digital services are affordable and accessible to all rural residents.



### ACCELERATE PROJECT GIGABIT

Fast-track connectivity projects and establish clear funding for very hard-to-reach premises.



### UPDATE BROADBAND STANDARDS

Review the Universal Service Obligation to increase the minimum speed beyond 10Mbps.



### EXPLORE ALTERNATIVE CONNECTIVITY

Explore Alternative Connectivity: Consider fixed wireless access and satellite solutions for remote areas.



### COMBAT DIGITAL EXCLUSION

Implement the Shared Rural Network and direct 5G innovation funds to rural areas.



### LAUNCH A DIGITAL INCLUSION PROGRAMME

Create a comprehensive programme to bridge the digital divide, focusing on skills and affordability.



### ENCOURAGE IT RECYCLING

Develop environmentally beneficial IT recycling methods.



### DEVELOP A DIGITAL WORKFORCE

Offer accessible digital training and funding in rural areas.



# FURTHER READING & USEFUL LINKS



**Digital adoption in rural SMEs published by the National Innovation Centre Rural Enterprise.**

<https://nicre.co.uk/media/q3tp2oqu/nicre-research-report-no-3-june-2021-digital-adoption-in-rural-smes.pdf>

**Infrastructure and networks: rural enterprises and the Levelling Up agenda published by the National Innovation Centre Rural Enterprise.**

<https://nicre.co.uk/media/cg1f3mxa/nicre-state-of-rural-enterprise-report-no-2-may-2022-infrastructure-and-networks-rural-enterprises-and-the-levelling-up-agenda.pdf>

# RSN RESPONSE TO GOVERNMENT CONSULTATIONS



## **Digital Exclusion and the Cost of Living**

<https://rsnonline.org.uk/images/manifesto-2023/further-reading-documents/digital/rsn-response-to-digital-exclusion.pdf>

## **Consultation on reviewing the Broadband Universal Service Obligation.**

<https://nicre.co.uk/media/cg1f3mxa/nicre-state-of-rural-enterprise-report-no-2-may-2022-infrastructure-and-networks-rural-enterprises-and-the-levelling-up-agenda.pdf>

## **Very Hard to Reach Premises Consultation**

<https://rsnonline.org.uk/images/manifesto-2023/further-reading-documents/digital/vhtr-consultation-rsn-response.pdf>

**Find out more about the Delivering for Rural Campaign, click the logos for more details.**



**Think before you print.**

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