

July 1, 2010

Funding boost for rural broadband **€1 million challenge fund to improve countrywide coverage**

Rural communities will be able to bid for a share of a million-Euro fund to bring enhanced broadband to their areas.

The new investment is being delivered by the LEADER scheme which supports small-scale, community driven projects in rural areas and is aimed at improving coverage and bringing faster broadband rural communities.

Rural Secretary Richard Lochhead said:

“The Scottish Government is committed to ensuring that as many people as possible have broadband access and have already carried out a significant amount of work in this area.

“With it being used by more and more households as standard, I hope that this new challenge fund will further enhance Scotland’s broadband infrastructure and help rural firms gain a level playing field at a time when they need it most.

“Fresh investment through LEADER will bring faster speeds, improved coverage or simply research to identify the digital needs of an area.”

Background

Presently €1 million equals just over £800,000. The €1 million amount is fixed, regardless of exchange rate. The deadline for bids to the Scottish Government is September 24, 2010.

Broadband in Scotland:

- As a direct result of Scottish Government intervention, broadband availability in Scotland is over 99 per cent.
- Following broadband projects delivered by the former Scottish Executive and successful completion of SG’s Broadband Reach Project in March 2010, basic broadband coverage, defined as 512 kbps (kilobits per second), is now generally available throughout Scotland.
- The Broadband Reach Project, which was completed in March 2010, is now providing a basic, affordable, broadband service to over 2,400 households and businesses, many located in rural areas, previously unable to get broadband due to distance from the exchange.
- In a separate project, BT is investing £3 million in a programme of upgrades to 81 rural and remote exchanges located throughout Scotland, by agreement with the SG. The exchanges are all experiencing capacity issues. The programme is now two thirds complete; the remainder will be complete by the end of November 2010.

- This latest announcement means that communities will have the opportunity to define their broadband needs and, develop a project which meets these needs. It will then be for the LAGs to assess the merits of these applications and bid for funding to the Challenge Fund.

LEADER aims to increase the capacity of local rural community and business networks to build knowledge and skills, and encourage innovation and co-operation in order to tackle local development objectives. LEADER accounts for 5 per cent of the total SRDP allocation (around £38m). An additional £19.2m Convergence Funding has been awarded to seven Local Action Groups LAGs in the Highlands and Islands in recognition of its previous status as a disadvantaged and remote area. Funding is awarded by LAGs who take decisions on projects which are community driven and have a wide community benefit. These LAGs are a partnership made up of representatives from:

- The local council
- Local Enterprise Company
- Business people
- Other public agencies
- Voluntary action groups
- Community groups

Contact

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