BSG identifies models for public sector intervention in next generation broadband

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The Broadband Stakeholder Group (BSG) – the government's advisory group on broadband – will today publish a report identifying potential models for efficient and effective public sector intervention in the deployment and take-up of next generation broadband in the UK. It makes several recommendations for public sector bodies that might be considering such projects.

Next generation broadband has the potential to deliver significant social and economic value in the long-term. However it will be costly to deploy and will only become available progressively, leading to an uneven distribution of broadband capability across the country. If predictions about the benefits associated with these new services prove correct, then this could have a differential impact on consumers, dependant on where they lived. If this became a critical concern for policy makers, public sector interventions could be required in the future to support deployment to areas that would otherwise remain unserved.

The BSG does not advocate wide-scale public intervention in next generation broadband at this stage. However, a number of pilot projects have been proposed in the UK and these could provide valuable insight into different models of intervention. These pilot projects should however conform with the report's suggestions on best practice.

Antony Walker, CEO of the Broadband Stakeholder Group explains, "Next generation broadband could be of real value to families, communities and businesses across the UK. Even though we are at the beginning of this transition, we need to be vigilant about the risk of new persistent digital divides opening up. That's why this report is important. By testing out models of intervention now, the UK will be better prepared to intervene efficiently and effectively if it needs to in the future"

Having examined various projects across Europe the BSG report identifies six critical success factors, which if met, should help to ensure that interventions prove efficient and effective. The report also makes several recommendations including a call for greater co-ordination at national level between public and private sector organisations involved in broadband projects.

Walker continues, "There remains a lot of uncertainty about next generation broadband and there is much that we can learn through well designed pilot projects. However, we'd like to see better sharing of experience at a national level - from planning to evaluation - and more

cooperation on common ways of doing things, like technical standards and the development of wholesale products. We don't want to see a patchwork of disjointed networks emerging that lack the scale to succeed"

The BSG believes it is appropriate to encourage next generation broadband deployment in areas of new build, regeneration and redevelopment, but argues that pilots must have a clear rationale and must attract multiple service providers in order to offer choice to consumers.

The report begins with a practical definition of efficient and effective public sector intervention. It then examines various public sector interventions in next generation broadband across Europe. Based on this analysis the report categorises the main reasons for intervention and different approaches to it. It finds several common issues in the projects it examined from which the critical success factors and recommendations made in the report are based.

The BSG, with the support of the South East England Regional Development Agency (SEEDA), commissioned Analysys Mason to write the report in early spring this year. It will be launched alongside a report on the social and economic value of next generation broadband at the BSG's conference, 'Beyond Pipe Dreams' in London today. Both reports are available from www.broadbanduk.org

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Notes to Editors
About public sector intervention
The public sector has played a prominent role in the deployment of next generation broadband in a number of places around the world. Across Europe in particular there are now several examples of next generation broadband deployments that have been facilitated to some extent through the provision of public funds. Some point to these projects as pioneering examples of the positive role that the public sector can and should play in facilitating the accelerated role out of next generation broadband for the benefit of local citizens and the economy. Others argue that these projects have pre-empted commercial deployment, created market distortions and will ultimately prove an extravagant misuse of tax payers' money.

About the report
The BSG report 'Models for efficient and effective public-sector interventions in next-generation broadband access networks' reviews the drivers and approaches found in public sector interventions in the deployment of next generation broadband across the world, highlighting six critical success factors that, if followed, should ensure interventions are efficient and effective. The report develops Recommendation 7 from the BSG's April 2007 report 'Pipe Dreams? Prospects for Next Generation Broadband in the UK'. The report was developed through consultation with industry, central and local government, devolved administrations and regional development agencies. The research was undertaken by Analysys Mason on behalf of the Broadband Stakeholder Group, with support from SEEDA.

About the Broadband Stakeholder Group
The BSG was established as a cross-sector government advisory group in 2001 to help the UK lead the G7 in broadband penetration and connectivity. It provides a neutral forum for collaboration between organisations across the converging broadband value-chain with the ultimate aim of helping to create a strong and competitive UK knowledge economy

It aims to be a critical friend of government and the regulator, and comprises companies from the telecoms and technology sectors through to content providers and rights holders. It also has direct representation from government departments and Ofcom. It is funded through a combination of government funding and industry sponsorship.

The BSG focuses on strategic, medium- to long-term challenges, which have latterly included next generation access networks, predicting future bandwidth requirements, the EU Television without Frontiers Directive, digital inclusion and self- and co-regulation in the audiovisual media market.

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