23 December 2013

Our Ref: 241975/ST/17

Edward Garnier QC MP
garniere@parliament.uk

Dear Edward,

Thank you for your email of 2 December about poor mobile telephone coverage.

I am grateful for you in bringing to my attention the issues currently affecting your constituency. I note your concerns and understand how frustrating this must be for your constituents. However you may already be aware that on 3 October 2011, the Government announced up to £150million funding to improve mobile coverage and quality across the UK – known as the Mobile Infrastructure Project (MIP). This is intended to improve mobile phone coverage providing a sustainable solution for people living and working in areas with no mobile coverage.

We issued a tender notice for a MIP Provider in April 2012 and shortlisted six companies in June: Airwave Solutions; Arqiva; BT Wholesale; Ericsson; Telefonica; and Vodafone. Subsequently, BT Wholesale withdrew their interest in July and Ericsson in November. We issued detailed procurement documents to the remaining bidders on 31 January and, after receiving competitive bids, appointed Arqiva as the MIP provider in May.

As part of our planning process, Ofcom have provided us with a list of some 80,000 premises in what we have termed "complete not-spots" in the UK. We have undertaken an initial assessment of the average cost of providing MIP infrastructure to remedy not-spots and that, subject to a range of cost variables and of course planning permission, suggests we should be able to treat in the region of two-thirds of these, as well as the ten roads announced in the 2012 budget.

Arqiva have now undertaken a UK-wide radio-plan which is being used in selecting the not-spots to be put forward for coverage. Delivery of MIP is split between Government's provision of infrastructure and the mobile operators providing the coverage from it, and meeting the running costs for the twenty-year life of the project. In negotiation with the operators, we have developed site selection criteria which reflect the need to ensure that the benefits of improved coverage are spread as widely as possible across the country, and that the Mobile Network Operators (MNOs) can recoup some of their costs from sites. This means that sites will be selected according to the number of people, homes and businesses which are covered, balanced against the cost to build and run each individual site; costs which can vary enormously. This process is now underway.

The MIP Provider will be working with Government and the MNOs in selecting the precise areas which will benefit from the MIP. The prioritisation process we will use is a combination of assessing the number of people who live, work and study in any not spot, the cost of fixing the not spot and how it fits with the practicalities of radio-planning. We will work with Devolved Administrations and affected Local Authorities before finalising sites.

With regards to slow broadband speeds, the Government understands that rural locations are equally commercially and technically challenging. That was why the Government took action to support a transformation in services across the UK. It allocated £530million to support superfast broadband rollout in rural areas. The initial £530million investment has been matched through local authority funding of at least an equivalent amount, which adds up to an investment of £1.2billion in rural locations.

You may like to note that the Government has announced further investment to increase coverage of superfast broadband to 95 per cent of UK premises and is also engaging with suppliers about innovative solutions for improving broadband for 99 per cent of UK premises. We will announce further details at the earliest opportunity.

Ed Vaizey MP
Minister for Culture, Communications and Creative Industries

Approved by the Minister and signed in his absence to avoid delay