



PRESS RELEASE

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**SUPERFAST BROADBAND PARTNERSHIP WILL CREATE JOBS AND PROVIDE UP TO £750
MILLION BOOST TO THE DEVON AND SOMERSET ECONOMY**

A £94 million project to transform broadband speeds for businesses and residents across Devon and Somerset within the next four years was announced today.

Connecting Devon and Somerset has agreed a deal with BT which aims to deliver high-speed fibre broadband to around 90 per cent of premises by the end of 2016 and to ensure a minimum of 2Mbps broadband speeds for all - making this one of the best connected areas in the UK.

The contract for the Connecting Devon and Somerset programme and BT, the private sector partner, was signed on 29th January 2013, at County Hall in Taunton, Somerset. BT was chosen by Connecting Devon and Somerset following an extensive and thorough procurement process.

Surveying work on the project will start immediately and the first locations to be upgraded will be announced during Spring 2013.

This major infrastructure project will also provide a big boost to the local economy. The programme team estimates that this will generate an estimated additional £750m¹ in GVA by 2020,² creating high tech jobs and attracting new businesses and investors to the area.

Faster broadband will help local businesses find new customers and become more competitive and efficient, whilst for households the high-speed technology will offer new educational, training and leisure opportunities.

BT's £41 million financial contribution will bolster the public sector investment, which includes £10 million each from Devon and Somerset County Councils, £32m Government

funding from Broadband Delivery UK (BDUK) and contributions from other public sector partners.

The programme will transform broadband speeds. Average speeds are currently around 9 Mbps in Devon and around 8Mbps in Somerset whilst approximately 14 per cent of premises across the two counties receive less than 2Mbps.³

The combination of rural, urban and coastal geographies will offer various engineering challenges, but the most predominant technology will be fibre optic broadband.

Most of the programme area will receive Fibre to the Cabinet (FTTC), where the fibre runs from the telephone exchange as far as the nearest BT street cabinet. It can deliver download speeds of up to 80Mbps and upload speeds of up to 20Mbps.

Fibre to the Premises (FTTP), where the fibre runs all the way to the home or business and which can deliver the top current download speed of 330Mbps,⁴ will also be available in certain areas. In addition, from Spring 2013, BT aims to make FTTP technology commercially available on demand⁵ in any area where fibre broadband has been deployed, should local businesses want the ultra-fast speeds it offers.

Openreach will install the fibre network which will be open to all communications providers on an equal wholesale basis. Devon and Somerset consumers and businesses will therefore benefit from a highly competitive market, bringing greater choice and affordable prices.

With fibre broadband, large video and data files can be sent and received almost instantly and hi-resolution photos posted online in seconds. Faster upload speeds also boost flexible and remote working, reducing office overheads and improving employees' work-life balance. High quality voice and video calls mean businesses can keep in touch with customers while cutting down on travel.

Superfast broadband can also transform communities, enabling better access to public services, online shopping and keeping in touch. Families can download a movie, watch a TV replay service, surf the net and play games online simultaneously.

BT is already in the process of rolling out fibre broadband to homes and businesses in some areas of Devon and Somerset as part of its commercial plan to reach around two-thirds of UK premises.

Councillor David Hall, Deputy Leader of Somerset County Council and Heart of the South West Local Enterprise Partnership Board Member, said: "Breaking down the rural broadband divide will give our residents, communities and businesses opportunities that they've only been able to imagine up till now. Fast and reliable internet is becoming more important to daily life and going online will soon be the only way to access some key public services. Superfast and improved broadband will help us to strengthen our economy, grow and develop our businesses while enhancing community activities. This is an important milestone for all who live and work in our region."

Councillor Cherry Beath (Lib-Dem, Combe Down), Bath & North East Somerset Council Cabinet Member for Sustainable Communities, added: "This is a project of huge significance to businesses and local communities across Bath and North East Somerset.

"Superfast Broadband will enable even our smallest businesses to compete on a level playing field with other companies nationally and internationally. That means businesses can expand without having to relocate and benefit from improving productivity. It'll mean a big boost to our economy and the creation of new jobs as firms take advantage of their new-found competitiveness. And families in rural areas will be able to enjoy all the benefits of our digital age, such as downloading films and music, which have so far been denied them."

Bill Murphy, Managing Director, Next Generation Broadband from BT Group, added: "This project is vital to the future economic strength of the heart of the South West. Reliable access to broadband is an integral part of 21st Century living. It's much more than streaming video and music or online shopping: it's increasingly the way business is conducted and services are delivered. It will enable businesses to compete on a level footing regardless of location – making Devon and Somerset a more attractive proposition for business relocations and start-ups – including the creation of new, high-tech jobs.

Communications Minister Ed Vaizey, said: "It is projects like "Connecting Devon and Somerset", the largest of all the English Local Authority projects and encompassing six

different local authority areas, that will help us achieve Government's aim for the UK to have the best broadband in Europe by 2015. Superfast broadband is a powerful tool for driving growth, and this ambitious £94m project, set to generate an additional £750m for the local economy by 2020, will bring countless benefits to both businesses and households alike."

Ends

Notes to Editors

- ¹Devon and Somerset Local Broadband Plan: <http://www.connectingdevonandsomerset.co.uk/additional-information/devon-and-somerset-local-broadband-plan/>
- ² Gross Value Added (GVA) measures the value of all goods and services produced in an economy. GVA combines wages and operating profits from companies and other organisations. Growing GVA can reflect improvements in workforce skills, productivity, R&D and innovation.
- ³Ofcom data indicates that the average broadband speed for Devon is 9.2Mbps with 13.7 per cent of the county getting less than 2Mbps. The average broadband speed for Somerset is 8Mbps with 14.7 per cent getting less than 2Mbps
- ⁴These are the top wholesale speeds available from BT's local network division Openreach, to all broadband service providers; speeds offered by service providers may vary.
- ⁵Openreach will levy an installation charge for FTTP on demand. It will be up to broadband service providers to decide whether they pass that on to businesses or consumers wishing to use the product.

For more information please contact the following:

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- Comment: For BT enquiries, contact 0800 085 0660 or BT Group Newsroom 24-hour number: 020 7356 5369. From outside the UK dial + 44 20 7356 5369. All news releases can be accessed at our web site: <http://www.bt.com/newscentre>

About Connecting Devon and Somerset

Councils across Devon and Somerset are working together to bring faster broadband to the area and deliver improved broadband for rural Devon and Somerset – the “final third” – rural areas that are unlikely to benefit from commercial investment in broadband.

The Connecting Devon and Somerset project covers Devon County Council, Somerset County Council, Bath and North East Somerset Council, Plymouth City Council, Torbay Council, and North Somerset Council areas.

The project has secured £32 million of funding from the government agency Broadband Delivery UK (BDUK) and both Somerset and Devon County Councils will be putting in up to £10 million each. Further funding from Bath and North East Somerset Council who joined CDS in February has brought the total close to £53 million.

For more information, visit www.connectingdevonandsomerset.co.uk

About BT

BT is one of the world's leading providers of communications services and solutions, serving customers in more than 170 countries. Its principal activities include the provision of networked IT services globally; local, national and international telecommunications services to its customers for use at home, at work and on the move; broadband and internet products and services and converged fixed/mobile products and services. BT consists principally of four lines of business: BT Global Services, BT Retail, BT Wholesale and Openreach.

In the year ended 31 March 2012, BT Group's revenue was £18,897m with profit before taxation of £2,445m.

British Telecommunications plc (BT) is a wholly-owned subsidiary of BT Group plc and encompasses virtually all businesses and assets of the BT Group. BT Group plc is listed on stock exchanges in London and New York.

For more information, visit www.btplc.com