

14 JUL 2008

Minister for Enterprise, Energy and Tourism  
Jim Mather MSP



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Your ref: PP/AM/C20  
Our ref: 2008/0027244

10<sup>th</sup> July 2008

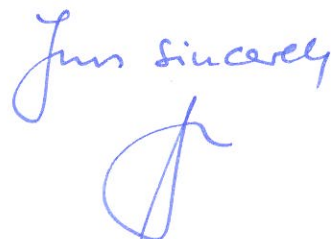
Dear Peter

Thank you for your letter of 02 July 2008 regarding broadband provision in the Western Isles.

As you are aware, HIE recently undertook a review of options for broadband provision in Northbay and has decided that continuing with Connected Communities represents the quickest means of providing broadband coverage to that area. Therefore for them to make further funds available for an additional broadband solution in Northbay would constitute double public funding.

I would also like to explain that even if this were not the case, HIE could not simply direct funding to BT for exchange upgrades. HIE would have to run a technology- and supplier-neutral procurement, and therefore there is no guarantee that this would achieve the outcome desired by some Western Isles residents, which is the ADSL enablement of their local exchange by BT.

I hope this information is helpful.

Yours sincerely  


**JIM MATHER**

28 JUL 2008



Highlands and Islands Enterprise  
Iomairt na Gàidhealtachd 's nan Eilean

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**Your Ref:** PP/AM/C20  
**Our Ref:**  
**Date:** 24 July 2008

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Dear Peter

### **Broadband in the Western Isles**

I refer to your letter of 17 July 2008 regarding our discussions about broadband in the Western Isles.

I confirm that the recent Scottish Government infill procurement process excluded the Western Isles on the basis that broadband coverage in the Western Isles would be progressed through the existing Connected Communities project.

If, following the roll out of phase two of the Connected Communities project, there are people who still cannot receive broadband, HIE is considering using satellite technology to extend coverage. However, on the basis of current predictions of wireless coverage, the number of people still out of reach would be very small.

To the extent that we can, HIE has assessed the impact of BT's 21<sup>st</sup> Century Network on the Connected Communities project. Once BT has improved its core network and enabled all exchanges in the Western Isles for ADSL2+, it is likely that a proportion of the business and residential Connected Communities customers will move to use ADSL to take advantage of the mass market pricing and range of services available from the mainstream service providers. However, it is our understanding that the reach of the next generation of ADSL and the ability to provide higher bandwidths at a distance from the exchange will not improve significantly and that for some customers the Connected Communities wireless network will still provide a higher bandwidth service.

The position for public sector customers is more clear cut – ADSL2+ will still fall short of the high bandwidth, low contention and high quality links that these customers require and it is anticipated that Connected Communities will have a continuing role in providing broadband to schools, Council offices and Health Board premises.

There have already been two third party reviews of the future of Connected Communities. The second of these, which looks at the market for broadband services (including price) and the longer term sustainability of the project, is currently being finalised. At this stage we therefore do not feel that another review would add anything new.

Yours sincerely



Stuart Robertson  
Head of Regional Infrastructure

c.t. Donnie Morrison, HIE