

BRESAT



Satellite Broadband in Scotland Broadband Reach Project 2008/2009 United Kingdom

Avanti Communications

February 2014



Ministry of
Communications and Works



Regione Toscana



JUNTA DE ANDALUCÍA
CONSEJERÍA DE ECONOMÍA, INNOVACIÓN Y CIENCIA



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Case Study of Satellite Broadband Aggregation Scheme and Lessons Learned

The aim of this presentation is to capture the experiences of implementing satellite broadband schemes from regions which have already implemented such schemes, identifying good approaches that worked well, poor approaches that didn't work well and identifying the lessons that can be learned.

Presentations may be posted of the EC Broadband Portal





Objective of the Scheme

What was the objective of the scheme?

- To provide broadband to households in 'Not Spots;'
- To meet the digital objectives of the Scottish Government;
- To create economic growth.

Who were the target end-users?

In 2008 the Scottish Government asked the public to identify where they could not access broadband ("Not Spots") due to distance from an exchange and to register for the scheme - over 4,000 eligible households and businesses did.

Was the Scheme Specifically for Satellite or did it Include Other Forms of Broadband?

It was a technology neutral scheme but it focussed on the most difficult households and therefore satellite was the best technology to meet the need.





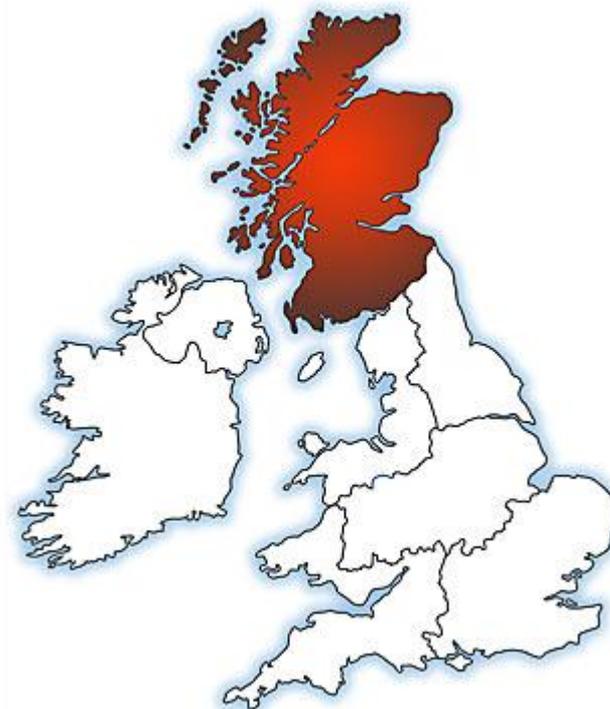
Key Decision Makers

Who were the key sponsors of the scheme?

The key decision makers and sponsors of the scheme were the Scottish Government. The devolved government for Scotland is responsible for most of the day to day issues including health, education, justice, rural affairs, transport and broadband.

Were there any other influencers?

No other influencers.





Funding of the Scheme

How was the scheme funded?

The scheme was funded from Scottish Government Funds.

What was funded?

The Scottish government paid the cost of the satellite dish and installation (originally about €1,200 on Ku - It would be 25% of that today on Ka band).

The monthly charge was not subsidised. However a special price of about €20 per month (lower than usual) for the lowest speed service was offered to consumers because of the economies of scale that the scheme generated. Under the scheme, the monthly charge was fixed until 2013.

What was the approximate cost to the government?

A Capital budget of £3.3m was made available to support the project.





Project Timescales & Take-up

What were the dates for the scheme?

The Scheme was started in 2018.

How long did the scheme run for?

The Installations ran for about 18 months.

How many end-users actually participated?

Over 2000 households were implemented.

All households were upgraded to Ka band satellite broadband during 2011 which offered better speeds and bigger download allowances.

Most households were still connected in 2013.





The End-User Service

What service was provided to the end-user?

In 2008 the cheapest service (€20 per month) offered 512kbit/s which was subsequently upgraded to 1Mbit/s in 2011. Higher speeds of up to 10Mbit/s are available today. Initially the service was based on Ku band technology (2008) and then upgraded to Ka band (2011).

What was the cost to the end-user?

In 2008 the price started at circa €20 per month but higher speed services were available at higher monthly cost.

Was there an SLA?

No. But monthly pricing of packages was contractually fixed for 5 years. Installations typically happened within 2 weeks. Consumers could upgrade packages at any time.





The Approach to Aggregation

The Tender Approach?

An open tender was published in the OJEU.

There was committed funding from the Scottish Government for the first 2,000 households.

Who were the operators involved?

Avanti responded to and won the tender.

Were there others involved in the overall project?

There were local companies involved in installations, and in the WiFi access part of the solution.





Outcomes of the Scheme

Did the scheme achieve its objectives?

The scheme had a very successful take-up.

The central procurement offered economies of scale, so consumer pricing was lower than would have otherwise been the case.

Approximately how many end-users actually took up the service and were implemented?

Over 2,000 households were implemented in Scotland under the scheme.

Is the service still operating?

Most of the households are still using the service.





What Worked Well

What was most successful about the scheme?

- It actually happened!
- The tender process was good and incentivised the correct behaviour;
- It successfully provided broadband to over 2,000 remote households;
- Consumer installations happened within a few weeks of order;
- Services were upgraded in 2011 & most households continue to use the service.

What was most successful about the scheme?

- The rural nature of the area was ideally suited to satellite, so it wasn't marginalised by larger long term fibre-deployment projects.
- It was well managed - there were people accountable for the success of the scheme in the Scottish Government and Avanti.
- There was good local TV and newspaper coverage which lead to good take-up.
- Local champions made a huge difference - they knocked on neighbours' doors to encourage take-up!





What Didn't Work Well

What was least successful about the scheme?

- Some households in Scotland wanted to take up the scheme after it had officially finished. This was difficult because dedicated funding had run out.
- Ku band satellite broadband doesn't provide as fast a speed or download allowance as the newer Ka band technology, so households were upgraded in 2011.
- Getting installation teams out to some of the most remote islands was quite challenging (boat services stop running in bad weather)!

What would you suggest doing to change it?

An annual scheme for households without broadband could be implemented to meet the target of 100% coverage of all households as required by the EC Digital Agenda.





Key Lessons Learned

What were the most important lessons learnt from the case study?

- The structure of the tender drives behaviour!
- Capital intervention had a very positive impact on people who didn't previously have broadband but were stimulated to take it up;
- Aggregation drives volume and a lower price to the consumer.

Would you recommend any changes in future schemes?

None – it was that good!



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Thank You

