

# Broadband speed boost sees home values jump by £3,500

- UK-wide superfast programme pushed broadband speeds up a gear for 5.5 million homes
- £2.7 billion of economic benefits created by rollout including 17,600 jobs, says new report
- Digital Secretary Oliver Dowden: “Our mission to level up the country with faster broadband is delivering much more than quicker downloads”

The £2.6 billion government scheme to roll out superfast broadband to ‘commercially unviable’ parts of the UK sparked a surge in home values of up to £3,500, according to a new report.

More than 96% of homes and businesses can now access superfast broadband, which provides a minimum of 30 megabits per second and fast enough to allow multiple people to hold video calls, watch high-definition movies and enjoy online gaming at the same time.

But as the government prepares to kick off its new £5 billion programme to roll out even faster gigabit broadband, Digital Secretary Oliver Dowden highlights that 11 million – or two in five – homes are yet to upgrade to superfast despite it being available in their area.

The [independent review](#) of the Superfast Broadband Programme, which secured faster connections for 5.5 million homes and businesses, found it had created £2.7 billion in economic benefits since starting in 2012, including:

- A surge in the value of homes sold in programme areas between 2012 and 2019 by up to £3,500, a rise of 1.16% worth £1.52 billion
- 17,600 more jobs in programme areas, including 2,100 lifted from long-term unemployment creating an increase in gross value added (GVA) by £125 million
- £1.1 billion gained in GVA through increased workplace productivity

The availability of faster coverage also helped power businesses and sparked a £1.9 billion increase in total annual turnover for firms based in areas upgraded through the programme.

The report, conducted by Ipsos MORI, concludes the programme’s value for money is continuing to rise. For every £1 invested by the government in the programme, an additional £2.70-£3.80 of economic and social benefits has been created in the UK economy.

Digital Secretary Oliver Dowden said:

Our mission to level up the country with faster broadband is delivering much more than just quicker downloads. It’s boosting the value of homes and businesses while helping to create thousands of

jobs and keep the economy moving.

96% of us can now access superfast broadband, but 11 million homes are still missing out on faster speeds available in their area. I encourage anyone fed up with slow loading times or shaky video calls to check with their provider or an online switching service and see if they can join the superfast lane.

The programme saw the UK government join forces with councils and devolved administrations to invest more than £2.6 billion to ensure superfast speeds were rolled out to areas across England, Scotland, Wales and Northern Ireland where no plans for commercial build were in place.

Gareth Williams, CEO at Gigaclear, said:

The Superfast Broadband Programme has extended fast, reliable connectivity to areas that would have otherwise been left on the wrong side of the digital divide.

For our part, 2020 saw us extend our network footprint to over 150,000 premises, all served with 'full fibre' gigabit capable connectivity. A large part of that has been delivered through the Superfast Broadband Programme, connecting areas that, without the support of the programme, would be unlikely to receive this service due to the high cost to connect them.

We are proud of the role we have played in this programme and look forward to working with DCMS, BDUK and local authorities in extending gigabit capable connectivity across the UK as quickly as possible.

Openreach CEO, Clive Selley, said:

It's great to see how the UK is reaping the benefits of superfast broadband connectivity and we should recognise the huge contribution of an army of Openreach engineers and planners, who have helped build this new network throughout the country over the last decade. But technology never stands still and we're now busy future-proofing the UK with the next generation of ultrafast, ultra-reliable Full Fibre broadband.

Great connectivity's more important than ever to our economic and social wellbeing – and it's going to be critical to building back better and greener, post-pandemic.

These research findings chime with a detailed study from the Centre for Economics and Business Research (Cebr) which found that nationwide Full Fibre broadband would boost UK productivity by £59 billion by 2025 – and updated modelling suggests it could enable

nearly one million more people to access employment including over 300,000 carers, nearly 250,000 older workers and 400,000 parents.

UK Government Minister for Scotland, Iain Stewart said:

Joint working between the UK Government, devolved administrations and councils to invest more than £1.9 billion in superfast broadband is delivering real results for millions of homeowners and businesses.

It has improved connectivity in many remote areas – which is more welcome than ever as the coronavirus pandemic has forced us to work, learn and socialise online from home – and it's also seen an increase in property prices, according to new research.

There is still more to be done and that's why the UK Government will soon be launching a new £5 billion programme for even faster connections as part of the commitment to level up every part of the country.

The Government is now focused on delivering even faster 'gigabit' connections to all homes and businesses through a new [£5 billion rollout programme](#). More details on the first areas to benefit from the scheme will be announced shortly.

One in three premises already have access to gigabit speeds which are capable of delivering 1,000 megabits per second. These allow people to enjoy next-generation technologies such as 4K and virtual reality streaming.

The UK is on track to connect 4.5 million premises per year, a higher build rate than most comparable countries, and by the end of this year more than half the country will have access to gigabit-capable networks.

In response to Covid-19, the government and Ofcom agreed a set of commitments with the UK's major broadband and mobile operators to support vulnerable consumers during the pandemic.

Providers committed to working with customers who are finding it difficult to pay their bill as a result of Covid-19 to ensure that they were treated fairly and appropriately supported, in addition to providing new and generous landline and mobile offers, such as free or low cost mobile data boosts.

The government is investing over £400 million to support access to remote education and online social care services, including securing 1.3 million laptops and tablets for disadvantaged children and young people.

The major mobile network operators are also supporting a government project enabling schools to request an uplift in mobile data caps for disadvantaged children who rely on mobile data to access remote education. Furthermore, a number of websites, including the NHS and educational websites, have been

zero-rated.

The government is closely monitoring the situation, and will work with communication providers if further additional support options are required to ensure consumers get the connectivity they need.

## **ENDS**

### Notes to editors

- The Ipsos MORI report, 'Superfast Broadband Programme: State Aid Evaluation 2020', is available to view and [download here](#)
- A summary of the report's key findings can be [accessed here](#)
- Since the report was completed a further £640m of contracts have been taken forward as part of the Superfast Broadband Programme, bringing the total spent on the programme from £1.9bn (as published in the report) to £2.6bn.

### More details on the '11 million'

- According to figures from Ofcom calculated for its Connected Nations 2020 report, 11 million households are currently able to access superfast speeds if they choose to upgrade or switch provider, but have not yet done so.
- A household which has taken a fibre package but is unable to get superfast speeds (30Mbit/s) because of distance to the cabinet is not included in this figure.
- However, if the household was also able to access coverage via another provider which could supply 30Mbps or more they would be included in the 11 million as they could get super/ultrafast broadband speed by switching.

### More details about the benefits:

Reducing the digital divide and providing public value The findings suggested that the programme led to an increase in house prices of between £1,700 and £3,500, 0.56% and 1.16% uplift in prices respectively. At a programme level, land value uplifts have contributed to between £742m and £1.52bn.

This estimate represents how much house buyers valued access to a superfast broadband connection, accounting for many of the programme's indirect effects such as enabling greater remote working and reducing commuting times.

Driving growth in the economy Overall net economic benefits of the programme from 2012-2019 are estimated between £1.9bn and £2.7bn. This is broken down into the following benefits:

- Gross Value Added (GVA) increase through productivity gains: £1.1bn
- GVA increase through reduction in long term unemployed: £125m
- Land value uplift: low scenario of £742m and high scenario £1.52bn

Targeted areas have benefited from higher employment and wage growth and businesses have increased turnover.

The evaluation evidence suggests that the programme's value for money is improving over time as more evidence emerges: for every £1 invested by the Government in the programme, an additional £2.7-£3.8 of economic and social welfare has been created in the UK economy.

Stimulating the broadband market Government subsidies for broadband have provided a necessary 'incentive effect' for network providers to invest in their expansion of their networks. The Programme has also had the effect of increasing competition in the telecommunications market in areas where smaller providers have won contracts.

As a result of higher than expected take-up of superfast broadband services, network providers are expected to return over £860 million to the public sector in 'clawback' clauses.

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## **Business Secretary sets out new subsidies system that works for the UK**

- UK to create a new subsidy control system that empowers local authorities and devolved administrations
- new system will be a clear departure from inflexible and bureaucratic EU state aid regime, and tailored to better support start-ups, small businesses and new industries
- consultation on plans will ensure new approach works for the UK and supports businesses and jobs in every part of the country

A new UK-wide system for providing more flexible and tailored financial support to businesses has been set out under plans by the Business Secretary today (Wednesday 3 February), taking advantage of the UK's newfound freedoms as an independent trading nation.

The new subsidy control system, which will be the long-term replacement for the EU's prescriptive state aid regime, will allow the UK to be more dynamic in providing support to businesses, including in innovative, R&D-focused industries, to encourage job creation and growth across all parts of the UK.

Previously, public authorities had to follow a bureaucratic, detailed set of EU controls – and may have needed prior approval from the European Commission before providing vital funds to viable businesses or pursuing key domestic policy objectives.

Under the proposed UK system, local authorities, public bodies and the devolved administrations in Edinburgh, Cardiff and Belfast will be empowered to decide if they can issue taxpayer subsidies by following a set of UK-wide principles. These principles will ensure subsidies are designed in such a way

that they deliver strong benefits and good value for money for the UK taxpayer, while being awarded in a timely and effective way.

The new system will be designed to be more flexible, agile and tailored to support business growth and innovation as well as maintain a competitive market economy and protect the UK internal market. At the same time, it will help protect against wasteful spending.

The system would also better enable the government to deliver on key priorities such as levelling up economic growth in the regions, tackling climate change, as well as supporting our economic recovery as we build back better from the COVID-19 pandemic.

Business Secretary Kwasi Kwarteng said:

This is a significant milestone on our historic journey as an independent, sovereign nation.

Our new, more flexible system will empower public authorities and devolved administrations, and ensure fair competition for businesses across the UK.

Now we have taken back control of our money and laws from the EU, we want to use our newfound freedoms to propel the UK to the forefront of innovation and help create the jobs of the future, while also making the UK the best place to start and grow a business.

With a modern, tailored approach to supporting businesses, we will also be able to press ahead with our long-term ambitions to tackle climate change and to level up opportunity as we build back better from the pandemic.

The system will ensure the UK honours its international obligations under World Trade Organisation (WTO) rules, the [UK-EU Trade and Cooperation Agreement](#) and other free trade agreements, and will not be a return to the 1970s approach of government trying to run the economy or bailing out unsustainable companies.

The consultation will seek views from businesses and public authorities on a number of areas, including:

- whether the UK should apply its own additional principles on subsidy control, as well as those set out in the UK-EU Trade and Co-operation Agreement
- how best to ensure transparency across the system
- the possible roles and responsibilities of the independent body that will oversee the new system
- how this independent body could have some role in supporting enforcement of the principles, alongside normal judicial review standards
- how the system could seek to introduce exemptions consistent with our

international obligations, such as ensuring subsidies of low value, those given to support natural disaster relief or in response to global economic emergencies

The government has committed to consulting closely with the devolved administrations in Scotland, Wales and Northern Ireland, so that all 4 parts of the UK can take advantage of the greater flexibility afforded by leaving the EU.

A UK-wide subsidy control regime will ensure that subsidies do not unduly distort competition within the UK's internal market. For example, it will ensure that a Welsh firm is not unfairly undercut or disadvantaged by a subsidy decision in England, and vice-versa. It will also mean that big companies cannot play off the regions, nations, towns, and cities of the UK against each other in a competition to benefit from taxpayer subsidy – protecting the dynamic and competitive market economy across the UK.

The government has always been clear that the regulation on subsidy control is a reserved matter. The UK Internal Market Act 2020 clarifies that the UK Parliament alone should legislate for the regulation of subsidies. The Act also helps to ensure that there is no confusion or ambiguity in law about the interpretation of the State aid elements in the Northern Ireland Protocol.

As set out in the UK Internal Market (UKIM) Act 2020, the Business Secretary will provide a draft of the proposed response to this consultation to devolved authorities and consider any representations they may have before a final response is published.

The consultation will run for a minimum of 8 weeks. Subject to the outcomes of this consultation, the government will bring forward primary legislation to establish in domestic law a system of subsidy control that works for the entirety of the UK.

The government has previously published guidance for public authorities on the [UK's subsidy control international commitments](#). This covers the relevant commitments in Free Trade Agreements, including the UK-EU Trade and Cooperation Agreement, the World Trade Organisation rules on subsidies and the Northern Ireland Protocol.

The Protocol on Ireland / Northern Ireland, part of the UK-EU Withdrawal Agreement, contains provisions relating to subsidy control. Article 10 of the Protocol provides that the EU State aid rules will continue to apply in the limited circumstances where the subsidies affect trade in goods or wholesale electricity between Northern Ireland and the EU. The EU's declaration in the Joint Committee has clarified that subsidies granted in Great Britain are only in scope of Article 10 where there is a genuine, direct link between the subsidy and companies in Northern Ireland.

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# Peru and UK meet virtually to discuss issues of bilateral importance

Lima, 02 February 2021 – Representatives of the governments of the United Kingdom and Peru met virtually today for the III Meeting of the Political Consultations Mechanism. The two countries celebrated their diverse bilateral relationship that goes back to Peru's independence. The UK indicated that it will collaborate with the bicentennial celebrations, including the development of a National Botanical Garden in Peru and pre-Columbian Peru exhibition at the British Museum in London.

During the dialogue, both sides welcomed the recent entry into force of the UK – Colombia, Ecuador and Peru Trade Agreement, and the progress in the process of Reconstruction of Peru's Northern Regions under the Government-to-Government Agreement framework. They agreed to strengthen their cooperation in science and health, and highlighted the importance of joint cooperation to fight the COVID-19 pandemic.

Both countries said they will continue to promote long-term trade and investment, and Peru welcomed the United Kingdom's interest in joining the Comprehensive and Progressive Agreement of the Trans-Pacific Partnership (CPTPP). In addition, they agreed to advance negotiations on a double taxation convention. Peru reiterated its interest in achieving a short-stay visa waiver for Peruvian citizens travelling to the UK.

Hugo Shorter, Director for the Americas at the Foreign, Commonwealth and Development Office said:

The Peru-UK Political Consultations Mechanism Meeting – the second I have led from the UK side – is a chance to take stock of the strong bilateral relationship between our two countries and identify opportunities for further cooperation.

Today we discussed everything from the UK's ground-breaking government-to-government agreement to help solve Peru's infrastructure needs, to joint research into Peru's unique biodiversity, to tackling the greatest global challenges in climate change and COVID-19

Both sides agreed on the importance of continuing the positive momentum to address climate change challenges ahead of COP26, highlighting their increasing commitments during the Climate Ambition Summit 2020. Fiona Clouder, COP26 Regional Ambassador for Latin America, said:

I am delighted to have attended the III UK Peru political consultations, the discussion around climate was very fruitful and I am sure we will keep the momentum to strengthen our cooperation



and move towards a low carbon and resilient future together”.

The UK emphasised its continued commitment to Peru in the fight against organised crime and other threats to stability, including corruption.

In turn, both delegations discussed the current regional situation and particularly highlighted the efforts of the Lima Group and the International Contact Group in the search for a peaceful, democratic and constitutional solution to the political and multidimensional crisis in Venezuela.

Finally, the delegations welcomed the recent announcement by the COVAX Facility that a first batch of COVID-19 vaccines will be delivered to Peru in the near future.

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## [UK applies to join Pacific free trade area where Chile is a member](#)

The UK government is formally applying to join one of the world’s largest free-trade areas, to position the UK at the heart of emerging economies in the Pacific and support jobs across the UK.

UK International Trade Secretary Liz Truss spoke with Ministers in Japan and New Zealand on Monday morning (1 February 2021) to request to join the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP), the first formal step before negotiations start later this year.

UK membership would enhance trade with CPTPP nations, including Chile, by opening up new markets and opportunities for UK businesses while encouraging greater inward investment and strengthening the UK’s ties with the Indo-Pacific region and the Americas. Membership would also help the UK go further and faster in areas like digital trade and services. Last year trade from the UK to CPTPP member nations in these fields hit £18.7 billion and joining now would create an opportunity to unleash other sectors of the UK’s economy.

The UK’s accession would increase CPTPP’s combined GDP from £9 trillion to £11 trillion. Last year, trade between the UK and the 11 member countries was worth more than £111 billion and has grown on average at 8% each year since 2016.

More specifically, trade between the UK and the three Latin American CPTPP member countries was over £7 billion in the final four quarters to the second quarter of 2020, (Chile £1.8 billion, Mexico £4.5 billion, Peru £764 million) and its accession will increase its opportunities in the fastest growing sectors in these countries: agriculture, manufacturing, healthcare and life sciences and in a vast majority of other sectors such as automotive, food and

drink, mining, digital and financial services.

The UK's membership to CPTPP is a key part of the UK's Government's plan to position the UK at the centre of a network of modern free trade deals that drive jobs and economic growth.

UK Prime Minister, Boris Johnson said:

One year after our departure from the EU we are forging new partnerships that will bring enormous economic benefits for the people of Britain.

Applying to be the first new country to join the CPTPP demonstrates our ambition to do business on the best terms with our friends and partners all over the world and be an enthusiastic champion of global free trade.

International Trade Secretary Liz Truss said

Our ambition, as an independent trading nation, is to champion free trade, fight protectionism and remove barriers to trade at every opportunity – all of which are values that CPTPP member countries promote.

CPTPP is an exclusive club of fast-growing countries who trade together, and our accession would secure increased trade and investment opportunities for all members and put the UK at the centre of a dynamic, free-trade area.

Spencer Mahony, Her Majesty's Trade Commissioner for Latin America and the Caribbean, said:

I am delighted that the UK has officially notified CPTPP members of its intention to join. CPTPP membership will complement the bilateral trade deals the UK has across Latin America and support our efforts to increase UK trade with this exciting region.

Latin America is a dynamic, innovative and increasingly open region, with huge growth potential. Chile, Mexico, and Peru, just like the UK, are advocates for free trade and a rules based global trade system. CPTPP represents a further opportunity to work closely with them on this agenda.

## **Notes to Editors**

- CPTPP is a trade agreement between 11 countries (Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Vietnam), covering 500 million people, and representing 13% of

global GDP in 2019; rising to 16% if the UK were to join

- The UK will publish its negotiation objectives, scoping analysis, and consultation response in advance of negotiations expected to start later this year
- Data sources: ONS UK trade: all countries, non-seasonally adjusted, Q2 2020 ; IMF World Economic Outlook, October 2020 ; ONS, Modes of Supply, 2019

## Further information

If you want to know more about the UK's accession to the CPTPP and Chile, please contact [Gabriel Henriquez](#), Trade and Economic Policy Officer, British Embassy Santiago.

For more information about the activities of the British Embassy in Santiago, follow us on:

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## [Russia: UK responds to Navalny sentencing](#)

Press release

Foreign Secretary Dominic Raab has called for the immediate release of Alexey Navalny after his sentencing in Moscow.



Foreign Secretary Dominic Raab said:

The UK calls for the immediate and unconditional release of Alexey Navalny and all of the peaceful protesters and journalists arrested over the last two weeks. Today's perverse ruling, targeting the victim of a poisoning rather than those responsible, shows Russia is failing to meet the most basic commitments expected of any

responsible member of the international community.

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