



Benefits Arising from Project ACCESS

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Interim Report

Project Name: Project ACCESS

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1 AIMS

The aim of this report is to convey the real benefits that Project ACCESS has realised at the half way point in the marketing program.

2 SUMMARY

Before installation of the Project ACCESS network; broadband availability in Cumbria resided at approx 30%, this situation arose from the lack of investment by telecoms companies. Project ACCESS has now overcome the gap in broadband availability within Cumbria by ensuring that 99% of the county now has access to affordable broadband via our world class network. Consequently adoption has risen significantly from 20% to 49% in businesses, many of them rural, with a domestic increase of 7% to 36%. This was achieved by installing new radio networks, enabling all exchanges, enhancing the core telecoms capacity and by direct marketing to Cumbrian Businesses. In addition, the county and district governments are united over this very high-speed network.

3 BACKGROUND

The objectives of Project ACCESS are to contribute towards arresting the decline in the Cumbrian economy; raising the quality of peoples lives through the provision of affordable broadband and to create a united telecoms platform on which to build and deliver common eGovernment services. This is demonstrably happening as businesses are beginning to show sustainable growth. Overall business indicators show that the decline in business activity has halted and domestic adoption is growing at a faster rate than anywhere else in the UK. A total of 434 government sites are now linked together via the network.

Cumbria has a population of 494,800 with about 26,000 businesses, 220,000 employees and 170,000 households. Rural residents account for 51.6% of the population and it has the third lowest population density in the EU (0.72 pers/hect).

Cumbria's economy has been in decline through the reduction of the heavy engineering, manufacturing, mining and agricultural sectors. A total of 82% of businesses have 10 employees or less, with only 3% having more than 100. The numbers of jobs currently available shows a steady upward growth.

Cumbria's biggest challenge is its real and perceived geographic isolation, something that Project ACCESS, through quality telecoms services, can, and has, helped to overcome. Since the start of project ACCESS this economic decline has been halted and in 2006 Cumbria's growth was 0.6% higher than the UK average.

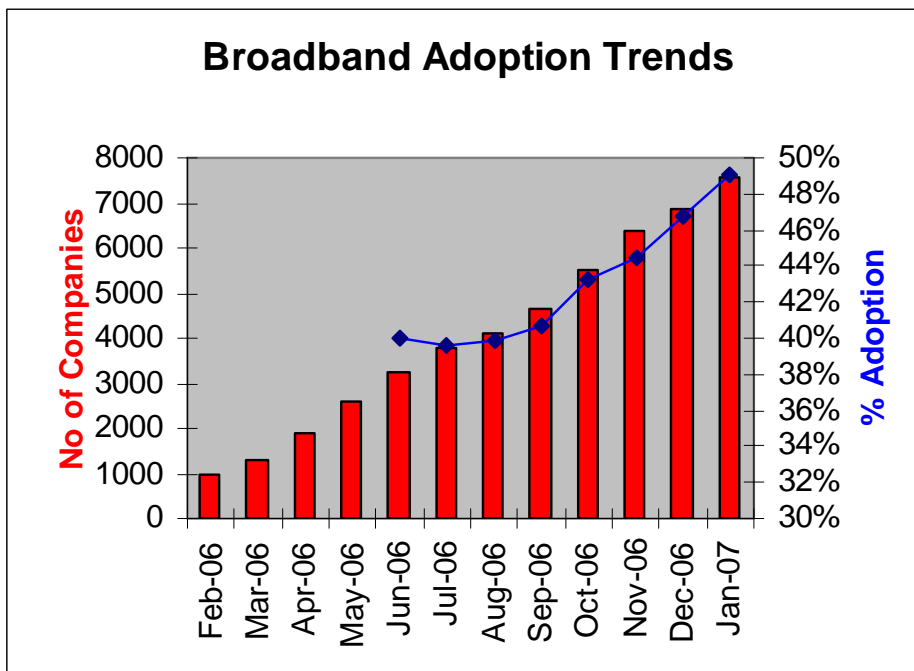
Since the start of Project ACCESS Internet usage domestically has grown from 7% to about 36% and in business has grown from 20% to 49%. We expect this to continue to grow.

4 RESULTS

4.1 BUSINESS

4.1.1 Adoption

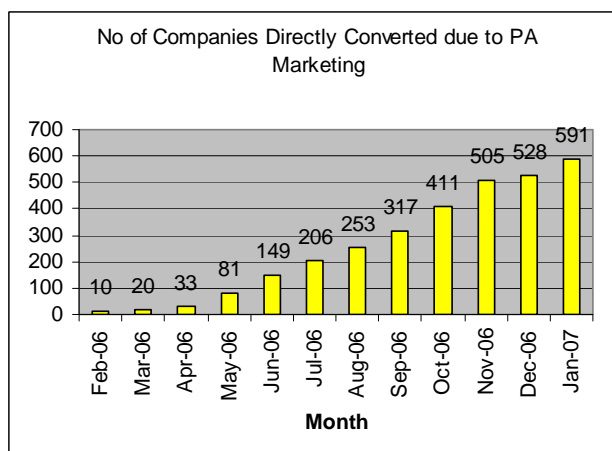
The improving rate of broadband adoption in Cumbria is shown in the graph below. It demonstrates both the value of providing affordable broadband and the benefit of a direct marketing team to ensure take up of this high speed connectivity.



At this point over 15,000 of the 26,000 companies have been contacted in order to market the benefits of broadband and encourage adoption.

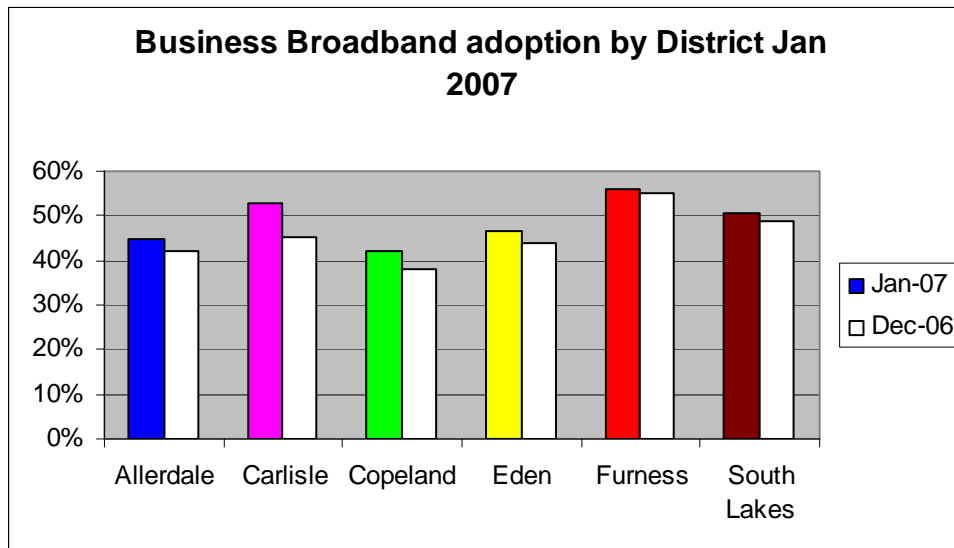
This illustrates the rate of adoption has increased to 49% and the number of companies that are known to have broadband has risen as well to over 7,000.

The numbers of companies Project ACCESS has directly assisted in regards to broadband adoption is also increasing as shown in the graph to the right..

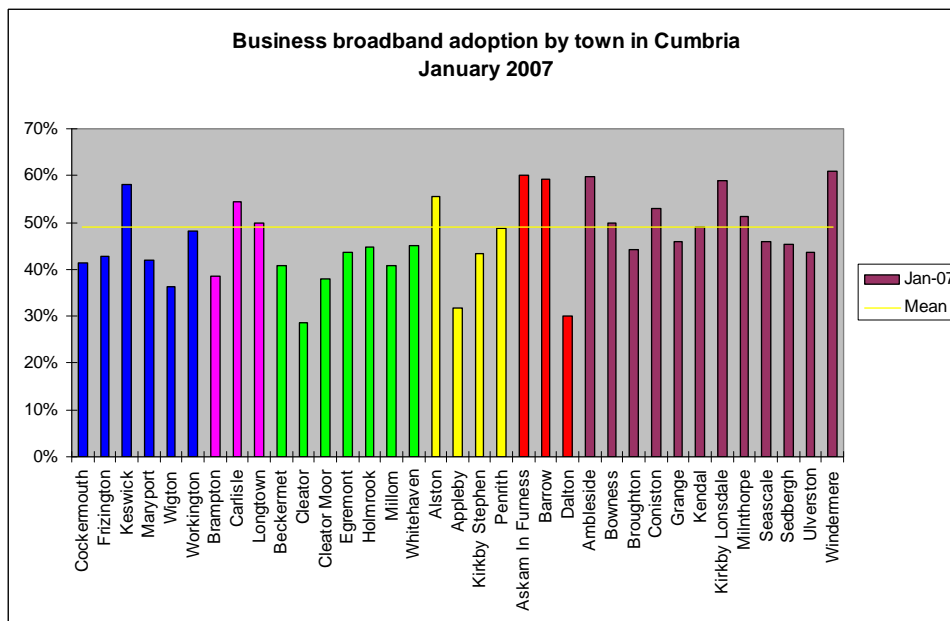


4.1.2 Profile of Adoption

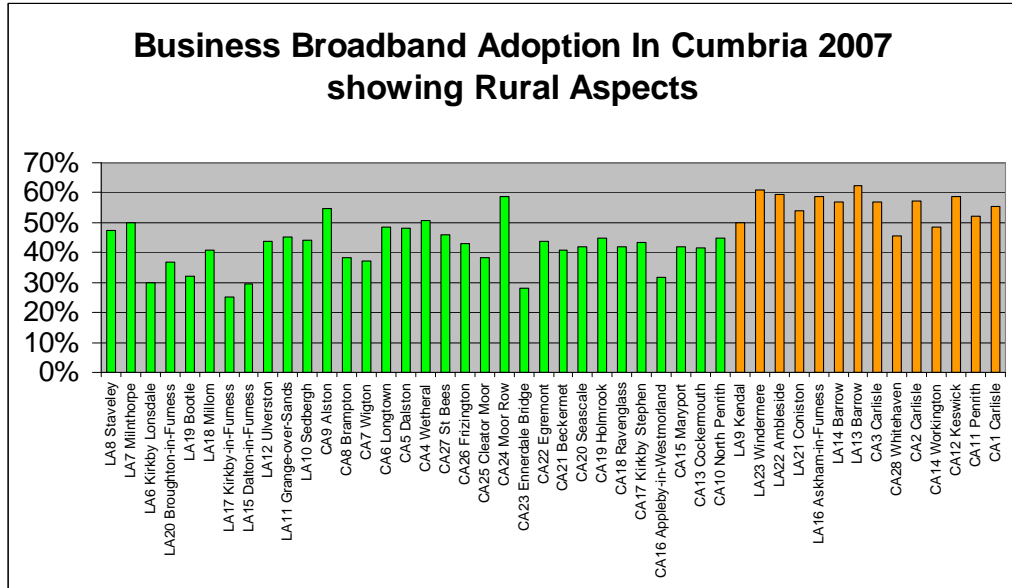
The rate of adoption varies in each district within Cumbria as shown below.



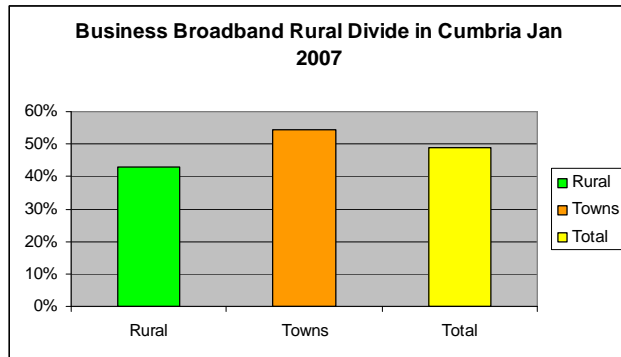
In addition towns also vary in their adoption.



And to look at primarily rural areas adoption also varies. The Postcode areas in green are those that are predominantly rural, though some of these may have towns within them.

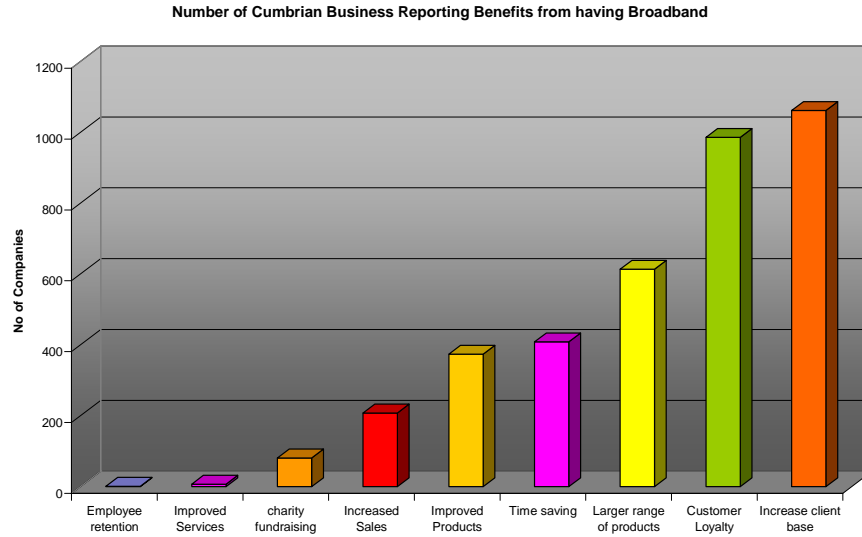


Which demonstrates there is a broadband rural divide in business in Cumbria as show to the left hand side of the graph.



4.1.3 Benefits

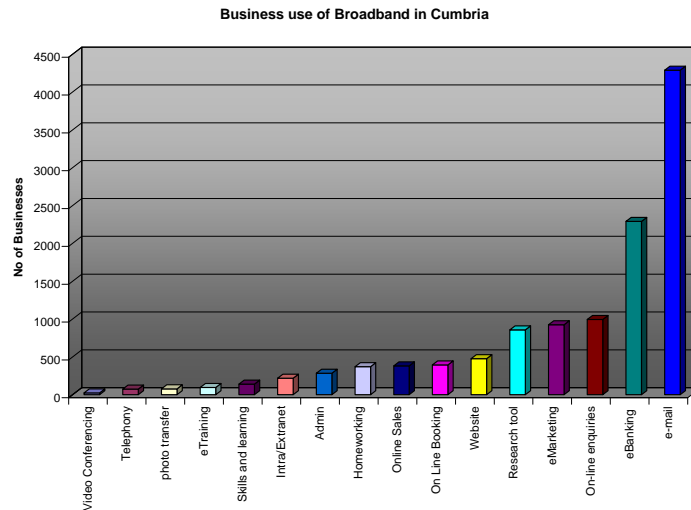
The benefits which those companies have realised themselves through the adoption of broadband are as follows.



It is most interesting to note that more companies see increasing client base as the main benefit

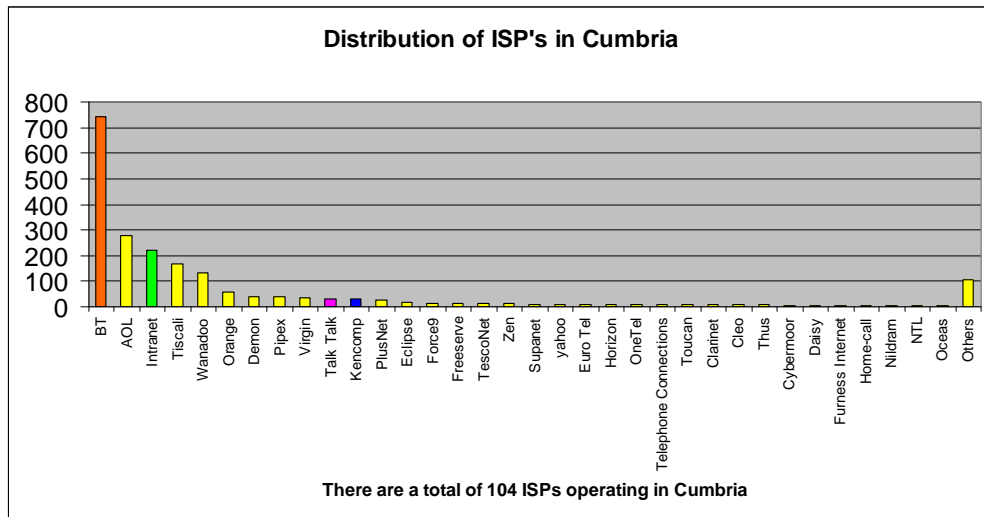
4.1.4 Uses

Cumbrian companies are utilising broadband; however adoption of high end services such as ecommerce, and e-procurement will take time to come to fruition due to the significant learning curve required. This graph shows that a robust start is being made.



4.1.5 Market

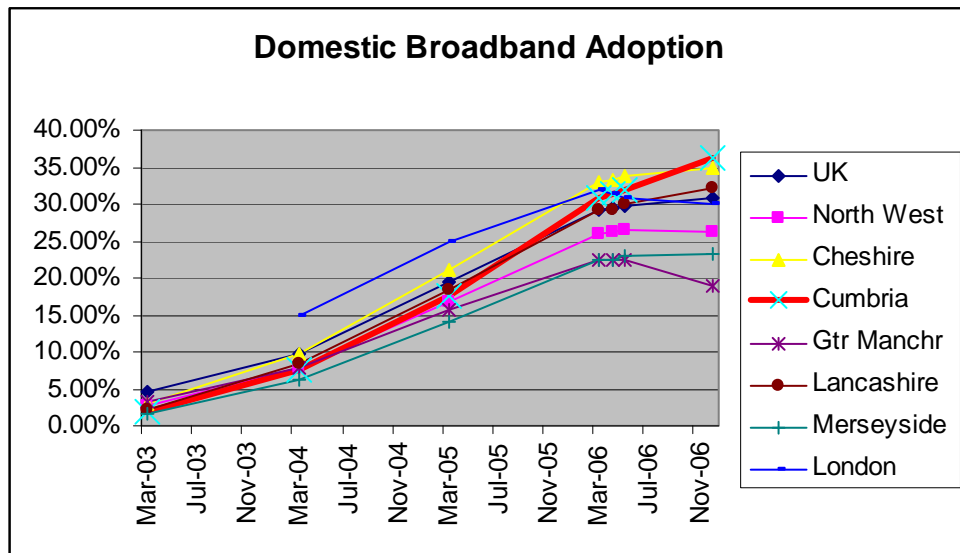
The Broadband market in Cumbria is expanding rapidly as shown below. Whilst still dominated by BT the choice is vast compared to previous analysis before the project began.



4.2 DOMESTIC

The domestic take-up is not measured directly. We use as a measure the conversion to ADSL of lines in BT Telecoms exchanges. It includes business lines but does offer a simple means of assessing take-up in the domestic sector.

The results found so far are as follows.



These results show that Cumbria's adoption rate is faster than anywhere else and indeed that Cumbria has the highest rate in the North West of England.