

FOLLOW-UP RESPONSE FROM THE SCOTTISH GOVERNMENT, DATED 11 JANUARY 2017

Thank you for your letter of 8 December asking a number of questions relating to digital connectivity. I hope that the following additional information will be helpful to the committee.

Internet Exchanges

An Internet Exchange point (IX or IXP) is physical infrastructure through which Internet Service Providers (ISPs – e.g. BT, Talk Talk) and Content Delivery Networks (CDNs – e.g. Netflix) exchange internet traffic between their networks (“peering”).

Most Scottish internet traffic is currently routed through the London Internet Exchange (LINX). For example, a connection from Edinburgh to Aberdeen can take several hops with data travelling all the way to London and back. Though this only takes 20-30 milliseconds, it seriously impacts on Scotland’s ability to attract and retain jobs that rely on very fast data connections, such as financial traders. Reducing this transit time through peering in Scotland would improve speeds, lessen transmission failures, improve resilience and reduce the cost of data transfer.

Internet exchanges have, therefore, been identified by Scottish Government and Scottish Futures Trust (SFT) as one of six key “pillars” of world class digital infrastructure, the development of which, our digital strategy aims to support in Scotland.

The first Scottish Internet Exchange (IXScotland) was launched in 2013 by LINX (which has also established other regional IXPs in Manchester and Cardiff). IXScotland is located at a single site in Edinburgh. It is one of the smaller IXPs in Europe and has, so far, struggled to attract larger ISPs and CDNs.

As part of a wider £100 million capital acceleration package for 2016/17 agreed by Scottish Ministers in September 2016 as part of the Programme for Government, SG committed to invest £500,000 to support the growth of IXScotland by encouraging more peering in Scotland. We are currently developing a number of interventions, in collaboration with LINX and Scottish Futures Trust, to achieve this in the most effective way. Further details about this will become available in the coming weeks.

TV White Space

SG recognises that TV White Space technology could potentially be used to deliver broadband services to rural areas in the future. We have provided approximately £410,000 of funding to the University of Strathclyde's Centre for White Space Communications to trial the use of this technology through two pilot projects in Glasgow and Orkney that are being delivered in conjunction with industry partners.

We are also aware of the broadband service on Arran using this technology which was commercially launched by Broadway Partners in 2016. We understand that the initial rollout covers the south of the island, and the company has plans to extend across the remainder. We have met with the company and are following their rollout in Arran with interest: in particular, we are keen to understand the scaleability of the delivery and commercial model.

The learning from these initiatives will help determine the viability of using this technology as an alternative means of delivering connectivity in remote areas, and, thus its potential role in delivering Scottish Ministers’100% superfast broadband commitment.

I hope this information is helpful; please do not hesitate to contact me if I can be of any further assistance.

Yours sincerely

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