

DÁIL ÉIREANN

AN COMHCHOISTE UM CHOIMIRCE SHÓISÍALACH, FORBAIRT POBAIL AGUS TUAITHE AGUS NA HOILEÁIN

JOINT COMMITTEE ON SOCIAL PROTECTION, COMMUNITY AND RURAL DEVELOPMENT AND THE ISLANDS

Dé Céadaoin, 20 Deireadh Fómhair 2021

Wednesday, 20 October 2021

Tháinig an Comhchoiste le chéile ag 9.30 a.m.

The Joint Committee met at 9.30 a.m.

Comhaltaí a bhí i láthair / Members present:

Teachtaí Dála / Deputies	Seanadóirí / Senators
Jackie Cahill,	Paddy Burke,
Joan Collins,	Róisín Garvey,
Paul Donnelly,	Eugene Murphy,
Claire Kerrane,	Mark Wall.
Marc Ó Cathasaigh,	
Éamon Ó Cuív.	

Teachta / Deputy Denis Naughten sa Chathaoir / in the Chair.

National Broadband Plan: Discussion

Chairman: Apologies have been received from Senators Gavan and Garvey. Before we commence, I remind members participating remotely that they must do so from within the precincts of Leinster House.

We are convened to discuss the issue of the roll-out of the national broadband plan, NBP, with particular focus on rural Ireland. The pandemic and the move to remote working and education has only heightened the awareness of the need for high-speed broadband in every home in Ireland, regardless of its location. This vital plan for rural Ireland is now months behind schedule and the evidence that has come into the public domain over the past number of weeks does not instil confidence that the project has overcome the challenges behind these delays. We are told that, on average, 5,000 homes a month have been passed by the end of this year, the first full year of the network build. That is far short of the original target of 9,500 homes in year one and the evidence we will hear today is that this is primarily a result of the pandemic. However, the projections in the Government estimate for 2022 show that just 5,800 homes will be connected in an average month, down from the original target of 7,500 homes. I find it hard to believe that after the country has come out of the Covid pandemic, which has been blamed for this year's delays, only an additional 800 homes can be reached every month next year. It does not add up. These delays mean that 75,000 homes that should have access to high-speed broadband at the end of next year under the original targets will not have such access unless there is a practical catch-up plan.

The committee wants to hear a good news story today. We want to hear about the solutions for catching up on these delays. It is imperative that the pandemic is not used as an excuse for delays in the roll-out that just wallpaper over fundamental problems that need to be addressed because this infrastructure is needed now more than ever.

I welcome Dr. Stjohn O'Connor, principal officer and Mr. Jake Ryan, assistant principal officer, Department of Rural and Community Development; and Mr. Ciarán Ó hÓbáin, assistant secretary, communications division; Mr. Patrick Neary, chief technical officer, communications division; and Mr. Fergal Mulligan, NBP programme director, Department of the Environment, Climate and Communications.

Witnesses are reminded of the long-standing parliamentary practice that they should not criticise or make charges against any person or entity by name or in such a way as to make him, her or it identifiable or otherwise engage in speech that might be regarded as damaging to the good name of the person or entity. If the witnesses' statements are potentially defamatory in respect of an identifiable person or entity, they will be directed to discontinue their remarks. It is imperative that they comply with all such directions.

Members are reminded of the long-standing parliamentary practice to the effect that they should not comment on, criticise or make charges against a person outside the Houses or an official either by name or in such a way as to make him or her identifiable.

I call Mr. Ó hÓbáin to make an opening statement.

Mr. Ciarán Ó hÓbáin: I thank the committee for the opportunity to provide an update on the roll-out of the national broadband plan. I am joined by Mr. Fergal Mulligan, programme director for the NBP, and Mr. Patrick Neary, chief technology officer in the Department of the Environment, Climate and Communications.

Over the past year and a half, Ireland's broadband infrastructure, both fixed and mobile, has allowed hundreds of thousands of people throughout the country to continue working and learning through lockdown restrictions and social distancing. The importance of high-speed, quality, reliable broadband is now more evident than ever. Had the pandemic occurred a decade ago, Ireland's transition to remote working and remote education would not have been possible. The evidence of the past 18 months has, however, further heightened awareness of the importance of access to a reliable, quality broadband service for so many aspects of our daily lives and has also heightened awareness of the challenges faced by those who do not currently have access to such a broadband service. The national broadband plan contract, which was signed in November 2019, will ensure a future-proofed, high-speed broadband network will be deployed by National Broadband Ireland, NBI, to the more than 1.1 million people living and working in the intervention area. The NBP intervention will ensure that in the future, decisions on where people live and work will no longer be influenced by availability of broadband. The contract is for at least 25 years and provides that the new network will be built over a seven-year period, reaching every premises in the intervention area. Over the 25 years of the contract, all new builds in the intervention area will also be connected to the network, ensuring that into the future, nobody is left behind.

The NBP contract is future proofed and requires NBI to upgrade the infrastructure over the 25 years of the contract to match the level of service available in our cities and major towns. The manner in which NBI has approached the deployment of the network gives a clear indication of its commitment to deliver on this aspect of the contract. The procurement process for the NBP contract provided for a minimum service of 30 Mbps download speed, based on EU state aid guidelines, and the tender from NBI and the NBP contract increased this to 150 Mbps. The NBP network will provide an initial minimum service of a standard of 500 Mbps download speed to all premises in the intervention area, with service of up to 1 Gbps available to businesses and other users on request.

For people who will be waiting until the later years of the network build for a connection, the Department recognises that today, they are more likely to be concerned about the timeline to get connected to a reliable broadband service than to the very high speeds that will be available over that network and the future-proofed nature of the contract. Over time, however, the future-proofed nature of the contract will ensure that people living in the intervention area do not, in the future, once again find themselves on the wrong side of a digital divide.

The year 2020 was the first of the NBP contract and saw a significant level of mobilisation activity by NBI, including recruitment of personnel; procurement of materials and contractors; installation of equipment in exchanges and building IT systems to support the network. Surveys and designs were progressed to inform the build, resulting in the first homes being connected to the new fibre network in January of this year in County Cork.

The network deployment which began in late 2020 ramped up in 2021 and is now active throughout the country. Today, more than 113,000 premises are under construction in 30 deployment areas and more than 27,000 premises can order or preorder a connection in counties Cork, Galway, Limerick, Cavan and Monaghan. As of 8 October, more than 266,000 premises have been surveyed, with detailed designs completed for more than 226,000 premises. By the end of this year, National Broadband Ireland has forecast almost 60,000 homes will have been passed and will be able to connect to the network. There are now more than 270 staff employed directly by NBI, along with more than 900 contractors working throughout the country on the network roll-out every day.

NBI has installed 382 broadband connection points, BCPs, which are a key element of the NBP and will provide high-speed broadband in every county in advance of the roll-out of the fibre-to-the-home network. This includes 141 school BCPs and under an acceleration of this aspect of the NBP, a total of 679 primary schools will be connected by the end of next year. BCPs are live on Inishbofin, Clare Island, Bere Island and Sherkin Island. Agricultural marts located in the intervention area have also been contacted and are now in line for connection as a BCP.

The NBP contract was awarded on the basis of a capped subsidy, with National Broadband Ireland carrying the risk for any cost overrun or shortfall in revenue. When the contract was awarded in November 2019, the total capped subsidy, including contingency and VAT, was €2.9 billion. As a result of a ruling by the Revenue Commissioners on VAT, the total cost is now capped at €2.7 billion. At a meeting of the Joint Committee on Transport and Communications on 15 September last, NBI informed the committee it was confident it could deliver the network build in under seven years and within budget.

The roll-out of the national broadband plan network has been impacted by the Covid-19 pandemic. While telecommunications activity was deemed essential work under Covid-19, activities relating to network build generally involve multiple-person crews and the onset of significant Covid-19 case numbers and the implications of close contacts severely impacted NBI's ability to have multiple-person crews operating during certain periods in 2020 and 2021.

The Department has worked closely with NBI to put a remedial plan in place to address delays experienced to the NBP roll-out. Under this plan, NBI is implementing a number of measures to help lessen the impact, including increasing the level of throughput in the Eir make ready programme and bringing in additional resources in NBI and its subcontractors.

In addition to the challenges to the delivery of the NBP due to the Covid-19 pandemic, NBI has faced a range of other challenges due to the sheer scale and complexity of rolling out fibre-to-the-home network in a rural environment. These include significant tree trimming to ensure cables can be placed on overhead poles; remediation of ducting that has been in place for many decades; the co-ordination of hundreds of contracting crews and addressing the many issues arising day to day and week on week, which could not have been foreseen until the build crews commenced work on the ground. The Department has worked closely with NBI to put in place a remedial plan under the contract. This plan addresses delays experienced by NBI, primarily arising as a result of the Covid-19 pandemic, and re-bases milestones for 2021. Work is under way to re-baseline milestones for 2022 and beyond. This has resulted in some changes to time-frames for connection for end users.

Exploring the potential to accelerate the network roll-out is being undertaken in parallel with the measures required to mitigate delays arising as a result of Covid-19. The primary focus must be on addressing the delays which have arisen and ensuring the National Broadband Ireland build programme gets back on track and is building momentum month on month.

Publication of Ireland's NBP strategy almost a decade ago has influenced investment in high-capacity broadband infrastructure in Ireland, which is on a steep upward trajectory. In terms of commercial providers, Eir is upgrading its existing fibre-to-the-cabinet network to a fibre-to-the-home network, for approximately 1.9 million premises. SIRO has completed the first phase of its fibre deployment, which has now passed more than 400,000 premises with gigabit services. Virgin Media is offering 250 Mbps as a standard offering with 500 Mbps and 1 Gbps available to many of its customers in the more than 1 million premises it reaches. Many

other network operators and telecommunications service providers throughout the State also continue to invest in their networks.

Data published by ComReg clearly demonstrate that where high-capacity networks are available, demand will follow. ComReg's latest quarterly report indicates 46% of broadband subscriptions are for services offering speeds in excess of 100 Mbps download and that there are more than 308,000 fibre subscriptions throughout the country, representing a 54% increase on last year.

When the national broadband plan procurement process was commenced, the EU digital agenda had an ambition of broadband speeds of 30 Mbps being available universally in the EU. Today, under the EU digital compass, the ambition is universal access to gigabit broadband by 2030. With the national broadband plan State intervention, together with the significant ongoing investment by commercial operators, Ireland is well positioned to be the leading EU member state, with gigabit connectivity available on a universal basis in the second half of this decade and well in advance of the 2030 target. Through the Department's governance and management of the NBP contract, we will work with NBI to ensure the national broadband plan is delivered on time and within budget in order that the opportunities that will flow from a fully connected Ireland can be realised. We look forward to assisting the committee members with any questions they may have today.

Deputy Éamon Ó Cuív: Gabhaim buíochas leis na finnétithe as ucht teacht isteach inniu. D'éist mé go cúramach lena raibh le rá acu. Mar is eol dóibh, tá sé thar a bheith tábhachtach go mbeidh leathanbhanda ar fáil ag gach uile dhuine. The first thing I notice here is the highly unambitious EU target of 30 Mbps for which we were working for a long time. The present committee Chairman received a fair chinwag for this over the years from me where I said it was utter nonsense and that whatever Europe was saying, we should have been going for fibre. I am delighted that in general, this is what we are going for.

I have a series of questions, which I will go through together rapidly. First, will the build-out happen within five years from the time of the signing of the contract or will it be seven years? We were promised that this work would be done within time. Second, is there a penalty on NBI for failure to reach targets, which it is doing at the moment? Is that in the contract? Third, when will we get accurate forecasts of how many premises will be passed at the end of each year from 2021 to 2025, inclusive? People want to know and to know accurately by Eir-code postcode also.

Mr. Ó hÓbáin mentioned the islands. As far as I am concerned, it is very bad news for anywhere a broadband connection point, BCP, has gone in, because it is a clear indication that it is way down the list. Boasting that there are BCPs on islands is a worrying feature for somebody like me, because I know what the demand on the ground is. There is nobody in rural Ireland that wants anything less than fibre-to-the-home, FTTH, or in other words, parity.

As an aside, one curious thing I noticed was that if one looked for broadband in certain Eir-code postcodes on the mainland in Connemara, one will be told that it will be in 2025, 2026 or whenever but that there is a BCP nearby out on Inishbofin. Whoever organised that had a sense of humour, in that every time one wanted to connect to broadband one would have to travel to the island.

Specifically, on the island issue, can the witnesses tell us whether fibre cable will be rolled out to the islands? If so, has there been consultation with the Department with responsibility for

the islands and with, for example, ESB Networks and the local authorities to see whether, when the dredging for the cable goes in, other utilities such as water in certain cases or improved power generation, particularly in view of renewable energy, can be put in at the same time rather than having three boats coming at three different times to provide three different types of delivery? It is very important that this issue would be dealt with.

We have been told there has been a 54% increase in FTTH pick-up. Can the witnesses tell us what percentage of people who have FTTH passing the house have actually got FTTH now? As far as I am concerned, in most cases the constraint in getting FTTH or fibre to the home or to business is its unavailability outside one's front door. I am curious to know what percentage of houses that are passed have now taken up the option of FTTH? Can I ask that it be broken down between urban and rural?

On the cost, it is very likely that in the next five or six years, 80% to 90% of houses will take the very good quality broadband, in the way they used to have a phone in the old days. I understand there is a clause in the contract that states the more people that pick it up, the cheaper the broadband is going to cost the State. What is the current estimate, based on the present and growing demand for FTTH, for the expected cost of the actual roll-out of this NBI project if there is a very high take-up in line with what we seem to be getting on the ground at the moment? For example, have the witnesses any projections that if we had 80% of premises passed taking it, or 70%, or so on, as to what the actual costs will be and which, if my understanding is right, will prove this to be probably the most effective value investment ever undertaken by the State? This will also prove that those Jonahs who believed that nobody in rural Ireland would take up these connections did not know anything about rural Ireland.

Mr. Ciarán Ó hÓbáin: There were a number of questions and I will ask both my colleagues, Mr. Fergal Mulligan and Mr. Patrick Neary, to come in on aspects of them.

First, to clarify, on the issue of the contract, it is on the basis of a seven-year build programme. That is a seven-year contract that we are two years into. There are five years to the end of that contract. NBI said before the Joint Committee on Transport and Communications in September that it would deliver the full contract, notwithstanding that it is behind today, inside that seven years. The ambition remains higher than that and we will get deeper into that in respect of some of the questions that the Deputy has asked, particularly around locking down numbers for 2022 and beyond. Clearly again on that, there is an exercise that is to happen in the coming weeks, which will be around locking numbers down for 2022 and looking further forward.

We will come back later to a wider question around providing the maximum information that can be provided. NBI provides this information to the public in the intervention areas in order that people have the maximum clarity and yet the challenge of doing that is that as one moves through the build programme, one is never able to give 100% certainty today. Should I give 98% or 97% certainty today or should I give nothing until I am sure? I favour giving the person the best I can but telling them that it may change. We will come back to that point later.

On the roll-out programme, the future projection and the roll-out to islands, perhaps I might ask Mr. Neary to come in on that point in the first instance. I will deal quickly with the costs issue and then Mr. Mulligan might expand on this on how clawback works and on dealing with the penalties issue.

The cost of the programme is made up of a base subsidy of €2.1 billion and €480 million

of contingency subsidy, plus VAT. It is very early in the build but the indications are not just that it will come in under subsidy but that our target from the outset would be to keep as close to the €2.1 billion base subsidy as possible. The potential benefit back to the State of a high take-up flows in two ways. One is that it means that the project and the business model works and continues to work.

Mr. Mulligan can then explain to the joint committee how it works where there is a claw-back to the State. There is a different clawback to the State where the project is going well because the capital costs are kept under control and are lower than was in the tender and there is an immediate impact of that. There is a more long-term impact if it is that the project is a success over the life of the project.

I will ask Mr. Neary to come in first on the network roll-out and Mr. Mulligan can then pick up on clawback and the penalties.

Mr. Patrick Neary: On the overall roll-out, as Mr. Ó hÓbáin has stated there, NBI has indicated that it is very confident that it will deliver the project within the overall timelines and it has a high ambition to exceed those timelines. We are pressing them very hard to do that.

On the accuracy of information that is being issued to everyone, it is worth stepping through how this information comes out and is published. NBI is giving out the best information that it has available to it at a point in time. It is on the website and down to an Eircode postcode as to when broadband will be available to that premises. For a number of premises, that will be very accurate because it is at the last throw to build the infrastructure out to that premises. If the premises is further out and NBI have not started the surveys to that area, or the low-level design is not fully completed yet, then there are definitely caveats as to the accuracy of that information. The further away that premises is in the build, the more the possible estimation of risk is not as accurate. As Mr. Ó hÓbáin has said, it is giving out the best information that is available to it and for the vast majority of premises, it tends to be reasonably accurate. It gives an indication as to when that build will be available to that premises.

As NBI goes through the surveys - it inspects the infrastructure in the area and looks at the local issues that may disrupt the deployment - the accuracy of that information is improved. As NBI starts the pre-works and the preparation works with Eir, it further improves and as it gets closer and closer to the actual deployment date, it becomes very precise, down to the point where it is giving out specific dates to industry as to when that individual premises will be available. NBI's website gives the best information it has available across the full seven years as it stands today. That is something NBI implemented this year on the basis of high demand from citizens and public representatives that the information it has on the deployment forecast be made available.

The solution for the islands is that a local exchange will typically be deployed, with fibre rolled out from that exchange to each individual house. That is the template for the solution for the islands. One of the key questions is what the connectivity to that exchange will be. It is done on a case-by-case basis, looking at the best solution possible for the exchange. In some cases, subsea cable is appropriate, available and can be used. In other cases, it is a matter of bringing fibre to the nearest point that is close to the mainland and putting in a small-gigabit wireless connection to the exchange. That is the template but it really needs to be examined on a case-by-case basis as to what is feasible and possible to do. It is about bringing the fibre as close as possible to the local exchange on the island.

Deputy Éamon Ó Cuív: I want to get to the nub of this issue. Electricity was initially generated on the islands, as Mr. Ó hÓbáin knows, but it was subsequently considered better to bring in cables. I am not sure about Inishturk but Tory Island and all the rest are connected by subsea cable because it is better than other options. Fibre is better than any radio system. The question then, and it is a valid question, is if there is a cost difference between fibre and radio signal and if the Department of Rural and Community Development is willing to pay the difference, will there be a facility for NBI to go with the proper model and not short-change the islands by putting in something that is not as good as fibre? If the alternatives were as good as fibre, they would be installed all over the place. We might not have time to go into the detail of this today but the conversation needs to happen. There is no reason that the Department, in order to get the best solution, should not fund that extra cost, if there is such a cost, over what might be acceptable to the Department of the Environment, Climate and Communications but would not be optimal. As I said, it can be done in a cost-efficient way. Many of the islands have electric cables but cannot export electricity, whereas they would have opportunities in the renewables field if much more resilient ESB cables went in at the same time and so on. Doing the undersea work is not that expensive. I oversaw the installation of undersea cables on a number of lightly populated islands. It is quite quick and cheap to do if there is a sandy bottom.

Mr. Ciarán Ó hÓbáin: I know the Deputy has long experience and knowledge of infrastructure development in remote areas. We certainly will consider his comments. However, the principle of the contract is that the standard of service for people on the islands, and the key performance indicators, KPIs, that would apply in terms of the service, is the same standard that applies on the mainland. There will be no difference. The contract requires the same level of service to every premises in the intervention area. Nevertheless, the Deputy has raised a practical point and we will certainly consider it.

I want to make a quick comment on BCPs. Nobody should interpret the presence of a BCP close to their location as an indication that broadband is not coming to their area until the last year or two of the roll-out. The decision that had to be made around BCPs was more about whether, if broadband was coming very imminently, would it better to invest six or 12 months upfront. All of the locations were chosen by the local authorities, in consultation with the Department of Rural and Community Development, as being very important locations. The fact there is a BCP should not be read into as meaning that broadband is not coming to that location until the final year of the project.

Deputy Éamon Ó Cuív: With respect, the locations of the BCPs seem coincidentally to be the same areas where if one puts in one's Eircode postcode, 2025 or 2026 is indicated as the timeframe for availability. For a large part of the area I represent, including parts of counties Galway and Mayo, that seems to be the timeframe when one checks it on the computer. They are also areas in which BCPs are located. I put uimhir a haon and uimhir a haon together and perhaps I should not have got uimhir a dó, but that is what I usually get.

Mr. Fergal Mulligan: In regard to the commercial model, the Deputy made several points about take-up, clawback, penalties and the financial implications of higher take-up on the project. As Mr. Ó hÓbáin said, the project has a maximum capped subsidy of €2.1 billion in the first instance, as well as a contingency fund, of €480 million, which it is always necessary for projects to have in the event of a rainy day. That funding is there for 25 years and will ultimately be monitored, week by week, month by month, quarter by quarter and year by year, by our financial experts and engineers to ensure we are getting value for all moneys that are spent.

The clawback kicks in for a number of areas, as we have explained before. Where NBI

spends a lot less money than anticipated on the capital costs of building a network - where, for example, it buys fibre cable or other materials at a much lower than expected cost - that will be clawed back 100% by the State. Something like 80% of the bill costs, if they come in under budget, are clawed back 100% by the State. That is the first saving of State money, regardless of take-up, in terms of subsidising the network. The second major area of clawback, which is very relevant to the commercial model of NBI - which is, after all, a commercial company - relates to the outturn, year on year, for the next 25 years. There is a clawback of 60% on any excess profits it may make.

That year-on-year model will really only come to pass in the next ten or 12 years, when we see the reality of the take-up and, more important, the reality of what it is costing to run this business. It is only then that net profit will become apparent, or, indeed, it could be a loss. Time will tell. If there is an excess profit, the State will claw back 60%, which will reduce, incrementally and over time, the overall cost of €2.1 billion to the State. We hope to have recouped a significant amount of profit from the overall project by 2025 such that the €2.1 billion allocation is reduced in aggregate terms. However, as I indicated, that is not something we will see in the next five years.

On the take-up scenario, there was a wonderful newspaper article a few years ago in which colleagues unearthed an article run by a newspaper in the 1950s or 1960s with a headline indicating that the take-up of ESB networking in rural Ireland was expected to be 10%. I put a copy of the article up on the wall at home because there were a lot of articles going around at the time about the national broadband plan and whether there would be any take-up of fibre broadband in rural areas. Articles claiming that there is a 5% or 10% take-up on the NBI network need to be seen in a context where, as we have seen in Cavan, Monaghan and all the places where broadband is now available for order and preorder for 27,000 premises, the take-up rate, in the majority of those areas, is in excess of what we expected in 2019 when the contract was signed.

Obviously, that is very positive news for the business case of NBI. We expect now, as the project gets into a steady state of roll-out, that there will be at least 1,000 connections per month, which will increase as we go from 27,000 premises to 60,000, 100,000 and 200,000. The rate of 1,000 connections per month will ramp up on the graph over time. The business model of this network, like the business model of Eir, SIRO or any other commercial operator, is based on a slow trajectory of take-up in the initial years. That is the way every commercial business model works in broadband, in Ireland and across every other EU member state. They work off a base of getting to 5% and thereafter to 10%, 20%, 30% and so on. We have always said, as we have stated before in this committee, that the expectation is that, over the next eight to ten years, 80% of the addressable market in the intervention area will buy into the private broadband service. We do not expect anything less because we do not see a reason people would not buy it. The price will be on a par with that in urban areas and the service will be second to none. It will be a 24-7, 365-days service, managed by the significant KPIs set out in our contract and at a price point that is similar to that offered in urban areas. Today, customers will get 500 Mbps; I have no doubt that in a few years' time, NBI will be offering probably a minimum speed of 1 Gbps.

In terms of future-proofing and take-up, we certainly have no concerns on that level. One of the indicators so far is that take-up will be in excess of what we predicted in the first place, which is what the Deputy is alluding to. Covid-19 has proven that and has pushed that demand curve steeper than it might have otherwise been absent of Covid. That is really it on take-up and clawback.

At the very end of the project there is also a third clawback mechanism whereby we claw

back the value of the business. If it is a very successful - and we would hope it is - company by the end of the year 2025, we claw back 40% of the terminal value of that company. In aggregate terms over 25 years, therefore, if we are all sitting here then, I will be telling the committee the exact story on what we will have clawed back and what the ultimate cost to the State will be of this project. We all have a fairly high expectation that it will come in below budget, we will have significant clawback and take-up will be very positive.

The penalties on delayed build are in the contract. There are a number of penalties in the contract, which we have explained before but I will go through them very briefly. There are three particular penalties on the company of National Broadband Ireland. The first one, which is not a direct penalty in the contract, is the commercial loss to the company if it is slower building this network than it should have been because it will not get customers onto its network. Like any business, therefore, if it does not get the doors open quickly, it will not get customers. That is the first penalty commercially on that company, which will reduce its revenue while its costs are still ramping up. That puts a fairly significant working capital pressure on the company if it is not getting the revenue in the door.

The second big problem for the company is that it will not be getting subsidy from us if it is not built. There are, therefore, many commercial pressures on the company to get this built as fast as possible in order that it gets the subsidy in the door from the State and revenue in from customers. On top of that, for every day it is late from February next year, there is also a daily penalty in the clause in the contract for every milestone it misses by whatever daily penalty there is in the contract. Other penalties have been there since day one and continue for 25 years, which are key performance indicators that Mr. Neary and his colleagues would monitor. If customers make orders, for example, the company is required to process 90% of those orders within ten working days. If it does not do that over the next 25 years for every order it receives, and it will be receiving thousands of orders every week, it will suffer key performance indicators, KPI, and deductions from subsidy. If it does not fix the network within a certain period where there is downtime given a storm or whatever might happen in any given time, and people are without a service, it will be suffering penalties for that as well. Again, that is a critical point because particularly from Monday to Friday but also for businesses at weekends, the network cannot be down. In this environment with Covid-19, if people cannot make a video call, work from Monday to Friday or do business at weekends, a network that is down for an hour or three or four hours costs everybody a lot of money. There are, therefore, significant KPIs in the contract to incentivise NBI to have a robust business recovery plan for every time there might be a network outage.

I will note that many Deputies were invited to NBI's head office and headquarters yesterday and it went through the network operating centre, which showed them clearly the controls and procedures NBI now has in place to monitor and proactively ensure that the network never goes down. It can, therefore, predict where something might happen. If, for example, there is an ESB outage because of a storm that will bring the broadband network down, it has the crews ready and waiting to go and fix the network. Those things are, therefore, all in place to ensure that it does not suffer penalties. The first thing NBI does is to ensure that it does not suffer a penalty. It is not in its interest commercially to do so and it also does not want to lose subsidy. We believe all the incentives are there for it to avoid penalties in the first place.

Chairman: I thank Mr. Mulligan. I will ask a question before Deputy Kerrane comes in and Mr. Ó hÓbáin might come back when he has responded to the Deputy. He said the Department was currently looking at re-baselining the 2022 figures. He might explain how in the Govern-

ment Estimate that was published last week, the target was set out for 130,000 homes to be passed by the end of next year, which would mean 70,000 homes will be done next year. Mr. Ó hÓbáin might clarify that when he is answering Deputy Kerrane.

Deputy Claire Kerrane: I thank the witnesses for coming in this morning and for their time. First, targets are important, of course, and particularly important where, obviously, in an awful lot of cases, people are very much waiting to access broadband which is, in many cases, badly needed in their homes. I understand the initial target for the end of this year was 115,000 premises. According to the opening statement, Mr. Ó hÓbáin cited 27,000 premises as being ready for order or preorder and said the Department aims to get to 60,000 by the end of the year. That is my read on it. That is, therefore, more than 30,000 in the next two and a half months. Can Mr. Ó hÓbáin confirm that with regard to the target?

Regarding next year's target, can Mr. Ó hÓbáin detail what the initial target was and what the target now is for next year? With regard to any kind of catch-up programme, might Mr. Ó hÓbáin be able to tell the committee what is needed with regard to the ability to catch up? He might perhaps speak to us about staff. I note in the opening statement that Mr. Ó hÓbáin mentioned 270 staff are directly employed. Had he an initial figure as regards numbers the Department would like to recruit? I know it has more than 900 employed as contractors but 270 staff does not really seem like a lot to be directly employed. Could he comment on that?

County Galway was one of a number of counties that Mr. Ó hÓbáin referenced. It was going to be the starter as regards build. If Mr. Ó hÓbáin cannot respond to this today that is fine but he might come back to me with a response. Have there been specific issues regarding County Galway? In the last couple of weeks, I have been contacted by a number of constituents from Ahascragh, which is a village outside Ballinasloe. They were of the view that Ahascragh was going to be able to access this broadband now or in the very near future. It was listed on a number of press releases at the time and the main street there does not seem to be getting any access at all. Was there any particular challenge with regard to County Galway or have issues come up there?

Eleven marts are to be connected and are in line for a BCP, which is really welcome. On the best of days, it can be hard to sell cattle in person never mind online. There have been huge issues. Mr. Ó hÓbáin might be able to tell us where those 11 marts are located.

I believe Mr. Ó hÓbáin said there are penalties for milestones missed. If NBI and the Department meet and milestone targets are being revised downwards, however, and the milestones are being brought down like they were this year and I assume will be for next year, how will that work with regard to penalties?

Finally, this seems to be an issue across my constituency in both counties Roscommon and Galway. Again, I do not expect Mr. Ó hÓbáin to have this detail today but it is just an example because it seems to be happening in many areas. One of my constituents lives in a village called Castleplunket just outside Castlerea. One side is the Roscommon side, which is served by NBI, and the other is Castlerea. He had signed up to the quarterly emails and was told that he could preorder between August and October of this year. He was delighted. He then got his next quarterly email and was told that his address was back to survey status and that he would not be able to order or preorder until between January and December 2023. Therefore, one side of his house - the Roscommon side - is being done at the moment and the Castlerea side is not. He is caught in the middle. How many times has it happened that someone was told his or her area was in build stage and that he or she would be able to order in 2021, and that person then

received an email to say it will actually be two years later? Can Mr. Ó hÓbáin roughly speak to that?

Chairman: This is related to Deputy Kerrane's question. In his opening statement, Mr. Ó hÓbáin said 113,000 premises are under construction in the deployment areas and that 27,000 premises can either order or preorder. In total, how many are under construction? The figure of 27,000 is not on top of the 113,000 premises. The figure of 113,000 includes some of those 27,000 premises. In total, therefore, what numbers are we talking about who have fibre or where work is ongoing at their homes at the moment?

Mr. Ciarán Ó hÓbáin: I thank the Deputy very much and, again, I apologise. I will speak this way but it is an unusual setting in the room. We are normally sitting looking across at members.

To start, the revised target for this year is 60,000. That is contractualised with NBI and I believe that has been in place since May of this year. NBI appeared before the Joint Committee on Transport and Communications a month ago. It is NBI's role to deliver that target. It is our role to manage the contract and have oversight of that. That is something we do hour on hour, day on day and week on week. We take a very strong governance approach to it. We also take a collaborative approach in working with NBI in terms of where the Department and the State can be of assistance in trying to remedy issues. On the Chairman's question and the figure of 130,000 for next year, that number is based on what National Broadband Ireland has communicated it will deliver in 2022. It said it would deliver between 70,000 and 84,000 premises next year, which is 130,000 to 144,000. That is what NBI recently told a committee of the Houses of the Oireachtas. Earlier this year, we agreed a remedial plan for 2021 with National Broadband Ireland. It has to submit a remedial plan with revised targets for 2022. We hope to receive that plan shortly. The target for 2022 agreed through that process will be contractualised. In terms of the budget and the number, it is based on the number that National Broadband Ireland has communicated it can deliver next year. It is a number we understand on the basis of the detailed engagement we have had with NBI.

In regard to staff, I will ask Mr. Mulligan to speak to what the contract expected at tender stage. The Deputy mentioned the Ahascragh issue. I will not provide an answer on that because to do so might be to breach protocol, in that the Minister will provide that answer later today by way reply to a parliamentary question. We receive hundreds of parliamentary questions per annum in regard to the national broadband plan, which demonstrates the importance of it. When it comes to responding to questions, I regularly seek detail on the circumstances of the inquiry. I have looked at Ahascragh. I am not sure that the response to the parliamentary question is actually a response to the issue there. It appears the entire village is in the blue area and that the premises which are in the national broadband plan area, which I think are on the road out to Fohanagh, are just outside of the village and, thus, they are in the amber area. It is potentially the case that the person who contacted the Deputy is in the village and is having a difficulty within the blue area in terms of service provision. It is a common issue that arises, one that we have to get behind. In terms of the parliamentary question, if the response provided does not address the issue, the Deputy might contact the Department directly and we can follow up on the matter.

I will ask Mr. Neary to respond on the question regarding details on the marts. If he does not have that information, we will forward a written response to the committee. In terms of the Castleplunket issue, I do not propose to go into the details of the case but I refer the Deputy to the point I raised earlier when answering questions from Deputy Ó Cuív, that is, you are in that difficult space where people want the maximum information you can give them today and

yet you are in an imperfect world because, as outlined by Mr. Neary, there are people who are further down the line in terms of that seven-year programme where surveys may not have been carried out. The Deputy mentioned low-level design. When people have not gone out and walked the roads, worked out where the infrastructure is and figured out how it is proposed to bring broadband to a premises, what might have seemed intuitive at the tender stage changes when you get down to the detailed design. I will ask Mr. Neary to speak generally as to what he is seeing to date in relation to that issue.

Mr. Patrick Neary: I am not familiar with the Castlerea area but in general, what we have available to everybody via NBI's website is the nominal plan, which gives the sequence for when each of the deployment areas is anticipated to come live. In regard to a deployment area, the first thing NBI does is survey the infrastructure in the area to uncover the complexities of how to bring broadband to a specific premises in that complete deployment area. At that point, it will unravel whether the information on which it based its initial high-level design needs to be updated or whether there needs to be optimisation of the design. In general, 99% of the premises that are within a deployment area remain in that deployment area. There is movement of certain premises. NBI will attempt to bring premises into a deployment area if, following a survey, it is determined that the infrastructure is there to bring in extra premises and the technology allows for it. That happens consistently across the deployment areas. However, there is a counterbalance to that. Where the infrastructure is not fit for purpose, there is a particular local issue, an area is designated an area of special conservation or there is some other special circumstance such that for certain premises the infrastructure is not there or feasible to be re-used, those premises are then allocated to a neighbouring deployment area where the infrastructure is serving those homes. What happens in that case, unfortunately, is the scheduling of those premises follows the adjacent deployment area. Whereas the existing deployment area may have been scheduled for this year - I am not sure if that is the case in this instance but there is a deployment area in Roscommon scheduled for this year - the adjacent deployment area may be scheduled for 2023. The premises that move to the adjacent deployment area become part of the deployment area low-level design. When the low-level design is completed, what is in and what is out of a deployment area is pretty much settled. It is often the case that only a very small number of premises are moved. Typically, there are additions rather than removals. At that point, there is a higher level of accuracy on the deployment timeline, but there is still further work to be done, including pre-works, which is the Eir make ready activity. This is followed by the build. The accuracy of timeline increases as you get through those activities, to the point where NBI can give an absolute date for when coverage at a premises will be available. In the circumstance where a date has moved substantially, it is most likely the case that a premises has been moved to an adjacent deployment area because of what was uncovered during the surveys on the ground. If the Deputy provides me with the Eircode, I can look into the matter.

Mr. Fergal Mulligan: On the staff numbers, National Broadband Ireland ultimately is responsible for making sure the company is sufficiently staffed to meet the demands of the project. The numbers anticipated at bid stage, again, were modelled by the bidder, not the Department. NBI put forward its best business case. The numbers provided are not too far off where the numbers are today. It is important to make the point that National Broadband Ireland was a brand new company in January 2020. We all know what happened in March 2020. NBI went from an initial staff of 30 to 40 in early 2020 to 230 today. This is one of the areas where Covid did wreak a bit of havoc in terms of efficient outcomes for the project. There were delays in getting from 30 to 40 staff to 230 because of Covid. The staff complement could be 240 next week because NBI is still engaged in recruitment. It was a very difficult environment to recruit people. When recruiting in telecommunications, you are recruiting engineers, accountants, de-

signers and so on, who are very specialist people in a very small pool. NBI was trying to hire these staff online, with no in-person engagement and when they started their job there was no office to go to. As is the case with regard to starting a new job in any company or business, new staff feed off being able to work in an environment where people work together in offices, rooms and workshops. That did present a big challenge for NBI over the past 12 to 14 months. I visited the NBI offices yesterday. The car park was full and the office is now fully ramped up. Everything is in place, with teams working diligently in the office and across the country. NBI is in a very different place today than it was, say, 12 months. That is one of the areas where Covid was not kind from a staffing perspective.

On staff numbers, I believe NBI has sufficient numbers. It certainly has sufficient brain power within the company. There are some excellent staff at senior management level and right down through the value chain from engineers to accountants to legal and everything else that they need to run this project. We are very confident in the business's capacity to run the project. Whether it might need another ten or 20 staff to make sure the project is delivered is again a matter for the board of the directors, but it is in a very good position staff-wise at the moment.

Deputy Claire Kerrane: My last question is on penalties for milestones missed. If the milestones are being revised, as they were this year and will be next year, how will these penalties work? Will they not just be dodged, although that is not the right word?

Mr. Fergal Mulligan: This is a commercial contract between us and a commercial company. Every contract, including public private partnership contracts, contracts for road or rail projects or this contract, will include two specific clauses. One is for relief and one is for delay. A relief clause allows companies to apply to the authority, which is us in this case, to say that something beyond the companies' control happened - which may include force majeure, an act of God, a storm or so on - which means they cannot meet the demands of the contract. In certain circumstances, which we have to oversee and review, such companies can seek relief from a penalty under the contract. This relief provision was invoked due to Covid in this particular context. We look at delay based on milestones rather than on months but National Broadband Ireland, NBI, itself said the project was delayed by six months. It attributed the majority of that six-month delay to Covid issues. Throughout the process in March and April of this year, we went through all the reasons it believes it was delayed. Our independent experts reviewed that and came back to us with the opinion that NBI had objectively demonstrated why Covid-related issues had impacted on the build. We gave NBI relief for the majority of the period of the delay. Some of that delay was not related to Covid. That will come into play next year. If the company has not then made up for that lost time on the build, penalties will apply from February of next year. The company is not dodging the penalties. They were always to kick in from February of next year under the contract. They will kick in next year if the company has not made up for lost ground relating to the delay for which relief was not given or in the event of the company being delayed even further, which we do not anticipate happening. The penalties will kick in in those circumstances.

Chairman: Do Mr. Ó hÓbáin or Mr. Neary want to answer regarding the total figures? The build is active on 113,000 premises at the moment. In total, 27,000 premises can avail of pre-ordering or can be connected. What is the total number at the moment?

Mr. Ciarán Ó hÓbáin: Is the Chairman's question on the number completed as opposed to in construction?

Chairman: Yes.

Mr. Patrick Neary: There are 111,000 in progress where either preliminary works or building is under way.

Chairman: The figure Mr. Ó hÓbáin gave a few minutes ago was 113,000 so we are 2,000 short already. How many have been actually built or passed?

Mr. Patrick Neary: Just under 17,000 have been fully passed.

Senator Eugene Murphy: Cuirim fáilte roimh Mr. Ó hÓbáin, Mr. Neary, Mr. Mulligan, Mr. Ryan agus Dr. O'Connor. I have a number of questions. I will try to keep them brief. Some have been already answered. First, I support Deputy Kerrane's comments on the Ahascragh area. I accept that Mr. Ó hÓbáin cannot give us clear answers today but, as the Chairman will know, there is a famous hurling team in the area, Ahascragh Fohenagh. The Chairman and I have relations in that area and we had better look after them. The people I am talking about are actually not in the village. Approximately 15 residents living outside the village are affected. I will get more details for the witnesses. They have been campaigning for a number of years. They have absolutely no supply which is a real drawback for them. I would certainly like to see further clarification on that issue.

To return to the 60,000 homes that will be connected to the network by the end of the year, is it possible to indicate how many of these connections are in rural areas and how many are in urban areas? The witnesses have been asked about the agricultural marts. I accept that Mr. Neary will come back to us on where those particular marts are located. That is important. The witnesses used the phrase "timeframe changes" a number of times. Will that affect mainly rural areas? I am anxious to know that. Linked to that question, now that we have a number of hotspots set up by Government in parts of the country, will the areas where these are located be less of a priority for NBI than they would have been before? The hotspots are really good, particularly for business, but do not provide broadband to everybody in the locality.

With regard to the main build works, I recall speaking about the connections to Ballinasloe and Roscommon some years ago, back when the Chair was the Minister. Is that work almost finished now? It is something I have meant to check in recent times. I refer to Ballinasloe and Roscommon town.

I am no expert on this and do not pretend to be. I know very little about the technology. I will not talk as if I know more but I will bring it down to the practicalities. I have to work my office from home now. I have an Oireachtas line. I am told that Eir has brought ducting to either side of my house. The Chairman knows the area very well. The ducting comes down 2 km from my house on one side and less than 1 km from it on the other side. Even with my Oireachtas line, I cannot get into half of my meetings. Many of my neighbours are in similar situations. The service is broken down half the week. It is of no benefit to me and this is a very significant drawback from my perspective. It means that, on days when I would prefer to be at home, I have to be out, but that is beside the point.

How long will it be before those dots are joined up? There are cases like this all over the country. It is very significant for rural Ireland. If we do not join up those dots, many people will lack a proper broadband service for a number of years. In a number of rural areas, there are people with very successful businesses who come to my office every week to tell me their broadband is really bad and that this is a drawback for their businesses. They could be employing two, four or five people. They seem to be given very little hope by anybody. They are in outlying rural areas.

To be honest, there are huge problems with rural broadband across Europe. It is not just Ireland. There is chaos in parts of rural Britain because people cannot get broadband. It is the same in parts of Germany. It is not only an Irish problem. Nobody can pretend it is all going to be fixed over two or three years. It is not but we must go out of our way to ensure those businesses can continue to operate in today's business world because it will have a bigger effect on rural Ireland. These people will certainly not be able to continue as is. How can we improve the lot of those people, of whom there are many in the Roscommon-Galway region, as my colleagues here will know? I appreciate this is challenging and difficult. I appreciate that progress can be slow at times but I would appreciate clarification on the questions I have asked.

Chairman: Before the witnesses come in, I will ask for clarification on two of the questions that have been asked. One of these was asked by Senator Murphy and another by both Senator Murphy and Deputy Kerrane. On Senator Murphy's own personal situation, he is caught in the Eir rural viable deployment area. There is fibre broadband on either side of him but he is caught in no man's land in the middle. The witnesses might address that question and the related question. I understand there has been engagement between National Broadband Ireland and Eir about dealing with some of those isolated homes in urban areas that are not getting a minimum of 20 Mbps and circumstances like Senator Murphy's. Will the witnesses clarify whether Senator Murphy's home and similar homes are part of that discussion?

The related issue has regard to Ahascragh. I raised this issue here on 16 December when the witnesses were last before the committee. I specifically spoke about the Ballinasloe deployment and the homes that were designated as dark blue but which were not getting a minimum speed of 30 Mbps. There are people in Ahascragh whose homes are designated as dark blue but who are not getting 30 Mbps. They are the ones we are talking about here. In response to me last December when I raised this specific issue, Mr. Neary told us that a team of people were monitoring the maps and making sure those houses we believe are getting speeds of 30 Mbps at home are actually getting them. Clearly, the community in Ahascragh feels abandoned because that mapping work did not happen. I flagged in the committee last December that this was going to cause a significant problem, and I am sure it is being replicated elsewhere. What is happening in regard to communities such as Ahascragh and elsewhere, where people are not getting the minimum of 30 Mbps and feel they are now being bypassed? Perhaps Dr. O'Connor will speak on this issue in respect of the broadband officers, because I know the broadband officers have relayed specific concerns at forums in Carrick-on-Shannon and across the country that this was going to cause a problem. We are now seeing that working out in Ahascragh and hundreds of such places across the country. I just wish to clarify both issues.

Mr. Ciarán Ó hÓbáin: Senator Murphy raised a number of issues. He rightly says that the question of access to high-speed broadband for people in rural areas is not just an Irish problem, but what the national broadband plan will ensure in the future is that it is not a problem in Ireland. Ireland will be standing out as the leading country in Europe that has addressed the problem. It is a very difficult one to address. Across Europe very significant investment is being made in high-speed broadband networks. They are really reaching out; they are not just in major urban areas. In the countries we look at and know most about, we are seeing that no country of the scale of Ireland or larger has adopted the level of ambition that Ireland has and said, "We will continue to reach out to get to everyone". The national broadband plan will ensure that.

The Senator asked how many of the 60,000 are rural and urban. While there are dots in urban areas, the national broadband plan is almost exclusively a rural project because the com-

mercial operators have built in the cities, towns and villages. With regard to Ahascragh, we can come back and look at that. If any Eircode is given to us in respect of a blue area where somebody says he or she cannot get a high-speed broadband service, we investigate it. We find in many cases that the person can or there is an issue to be resolved. In some instances we have found that people should be in the national broadband plan because they are not, and will not be, served by a commercial operator.

Chairman: The difficulty with that, Mr. Ó hÓbáin, and I flagged this last December, is that the Department is waiting for people to go cap in hand and say this is happening. What the broadband officers have said to both Departments and to me, and what I said to the Department's officials last December, is that there must be a proactive strategy to say to those communities, "This is where the fibre is starting from and if you are inside this area and you are not getting 30 Mbps, something needs to be done". NBI has put up posters all over the area, and even called some parts of County Roscommon as parts of County Galway. You made that mistake here this morning as well. The reality is that something proactive has to be done so we do not have a replication of Ahascragh. What has to happen immediately is that some proactive information must be provided to the communities in the Ballinasloe deployment area to tell them to make contact if they are not getting the minimum 30 Mbps.

Mr. Ciarán Ó hÓbáin: I accept your comments, Chairman. We will continue to engage on the mapping exercise, but the most proactive thing that is happening, which will resolve the issue not just for those people who have under 30 Mbps today or are on that borderline and are in a blue area, is that the commercial operators in this country that are currently serving those areas are engaged in a very significant ramp up of a roll-out of fibre to the home. We are talking today about circumstances where somebody might or might not be above or below the 30 Mbps. That is not the future, it is not the ambition for the future and it is not where Ireland is going. If that was 100 Mbps and if the European Commission had settled on 100 Mbps or on a gigabit, those people would be in a different place from the majority of people in urban areas and from all the people in rural areas who are served by the national broadband plan. That is the most significant thing that is happening. However, I absolutely accept your comment about the communication to the public on it.

To run quickly through the questions, and we will come back on the list of marts, the 60,000 is almost all rural. In terms of the question on the BCPs and the broader area, I will have to refer back to the committee. We will provide the Ballinasloe update. On the point about where the Senator is living, we are seeing instances of that. It is replicated throughout the country because of the ribbon nature of the development of the commercial operators' networks. Typically, they have built out in villages and have come out of the village to a certain degree on the more populated roads and stopped. Depending on how close that village is to the next village, there will be that middle ground. National Broadband Ireland will be picking up that right across Ireland. Its roll-out plan is focused on that.

On the BCP, the question was about whether these were in more isolated locations and therefore they would not be in areas to which National Broadband Ireland would be as invested in rolling out its network. NBI has no choice. The contract is a contract to deliver high-speed broadband to 544,000 premises, and that is increasing as new builds take place. Its deployment plan deliberately does not go after the easiest-to-reach homes first or the largest centres of population first. It is built out methodically from exchanges and then built out in a ring around that. It has to get to everybody. That is what the contract provides for, so there is no question that somebody should be concerned that because he or she is in a more remote and less popu-

lated area he or she will not be delivered the connectivity that is going to happen elsewhere in the plan.

Does Mr. Neary have an update on Ballinasloe?

Mr. Patrick Neary: In Roscommon there are 4,609 premises, in total, which are scheduled for completion before the end of the year. As regards activity across all of Roscommon, 42% of the premises have undergone a survey at this point. Some 7,700 premises are in pre-build and build work. There is substantial activity happening across Roscommon in total. While I have the opportunity I will clarify the numbers I gave earlier and the reason there is a discrepancy. Mr. Ó hÓbáin referred to 113,000 in build. That was at the date stamp of the end of September. The number I have of 111,000 is because up to a number of days ago 2,000 have moved into complete. That is the only difference. They are the same figures. I will refer back to the committee on the list of marts.

Senator Eugene Murphy: The witness has partly addressed joining up those dots, but realistically when can it happen? I gave my situation as an example. The witness is correct that they are all over the country. When can we realistically expect to see progress on that front, where areas are just left out and the cable is not down? Obviously, it is an issue between the witnesses and Eir, but when can we expect progress?

Mr. Ciarán Ó hÓbáin: Some of those dots are being joined up in 2021 and more will be joined up in 2022. Anybody in those areas can use the NBI website to get the up-to-date information for his or her Eircode. However, all the build programme in every deployment that is being built at present is meeting premises like the Senator just described.

Chairman, you asked a question about isolated premises and engagement with commercial operators. The NBI has gone to a public tender in that regard to seek expressions of interest. I understand it has communicated that it has received five expressions of interest to date in that regard and it is moving to the next stage of that process, so it is looking to see where it can use other operators to better reach premises in a more effective and faster way than through the roll-out of the deployment plan.

Dr. Stjohn O'Connor: I wish to come back in on two points. You are absolutely correct, Chairman, in your point about the broadband officers. The broadband officers have been identifying premises. One of the core functions of a broadband officer is to identify locations that may not be getting the commercial speeds that are advertised and to report that back to the Department. That process has been ongoing and has been quite successful. There is good communication between the two Departments. The process is very well understood. In fairness to the Department of the Environment, Climate and Communications, it came in and presented to a number of telecommunication action groups, TAGs, as to how to do that, how to understand where premises were and what type of premises they were. That process is well understood and continues to this day.

The other point I would make is around the broadband connection points to which there have been a couple of references. It is probably worth clarifying again. As Mr. Ó hÓbáin said at the outset, broadband connection points were identified for the most rural locations. Rather than those communities not having access to any high-speed broadband for the duration of the roll-out, the decision was taken to put access into those communities. I have to say the response to date has been hugely positive. We have close to 220 of those public access BCPs; there are different types but 220 of those are already live at this point in time. Mr. Ryan and I were down

on Clare Island on Friday and we heard brilliant stories coming out of that BCP. For example, we heard of somebody who defended their dissertation via the BCP, we had a husband and wife team who have their own company and were working remotely from the centre in Clare Island throughout the process and we also heard from a number of students who were using the remote working centres throughout the period of Covid because that connectivity was there. That is being replicated all across the country. Without fail, it is a positive, good news story and the communities are delighted.

The Minister, Deputy Humphreys, launched the connected hubs call earlier this year. We spent about €10 million building up this national network of remote working hubs and BCPs and a good 40% to 50% of the money we have supported has been to upgrade BCPs. We now have our portal and we are delivering activities across e-health, remote working and arts and culture. For example, we have a film night coming up in December that is going to be run through the BCPs, we have taught people painting online using the BCPs and we have had uilleann pipe training. These are the kinds of activities that build communities. Yes, we might only get one BCP in one county but, across the country, we are bringing a network together.

What we see very much for next year, as the deployment finishes on those public access BCPs, is that we are going to move into the next phase, which is very much about driving activity, in particular community activity. I sat here last September and I said exactly the same thing, namely, the BCP is whatever the community needs that BCP to be. For some, that will be remote working, and we will be doing training with Ludgate quite soon for all of those BCPs that want to pursue that, and for others it will be about social activities. Even down on Clare Island, they have a festival every year and there is no reason they cannot broadcast that festival through the BCP to other BCPs. Again, we are bringing new things and different things to these communities that would not otherwise be available. It is a very positive story and all of the reports that are coming out are very positive.

Chairman: Thank you. I call Senator Róisín Garvey.

Senator Róisín Garvey: I thank the witnesses for coming in. I do not envy them, especially on the back of a lockdown, where people will say it is all their fault. It is not. This has caused huge delays.

I have to say the BCPs have been brilliant. We have ten in Clare and we are getting one in my own village of Inagh, which is brilliant. There are a few questions I want to ask. How is the Department getting on with Eir and what is the relationship like? Is it a co-operative relationship? Is it slowing things down or is it progressive? We have had issues where Eir has brought in fixed-line broadband very close to houses but they are not allowed to connect to it. In my own case, I am 5 km from Eir fixed broadband and the NBI website tells me I will get it at Christmas 2023, which is not too bad. When I talk to people in Ballyvaughan who are only 2 km from broadband, they have been told they will be waiting until the period between January 2025 and December 2026. Are the logistics being done around trying to get as many done as possible for those who need it most? I work from home and I have good broadband although, of course, I would love to have fibre broadband. However, there are businesses like Gregans Castle Hotel in Ballyvaughan that have to pay €450 per month, and they cannot go to a BCP to do their work as they have to have it in-house. It seems an awfully long time to wait. How does it take that long?

There are people who come together on the ground in communities. In my own townland of Ballyea, we have 121 houses and we have surveyed them all. They are all ready to go and we

have fibre broadband very close to us. Maybe it is much more complicated than I realise but it seems it is not very far away physically, so I do not understand what the big delay is, apart from Covid, which has definitely set things back.

Mr. Ciarán Ó hÓbáin: I thank the Senator, who raises a good question in terms of getting broadband to the people who need it most. Within the Department, we measure in terms of “premises”, and that is the word we use, but if we look down through the narrative, it repeatedly refers to “households”, “businesses” and “schools”. The committee members are public representatives, so they are out there all of the time, meeting a very wide range of people and not just within their constituencies, so they cannot help but get it. The two men in the room with me from the Department have been working on this for almost a decade and I am almost four years working on it. As public servants working on a project like this, we cannot help but get the human impact of the absence of broadband. It varies. It could be educational, it could be that people are in the kind of household that uses the Internet just in their daily and social lives, it could be they are trying to run a business or it could be they cannot work where they want to work from and the opportunities are not there. We get it.

The approach that has been taken to the national broadband plan is that nobody gets left behind. We did not try to rank people on the basis of “living more remotely”, or “further from” or “the cost of”. When we get to the most difficult to reach premises, there has to be a check in terms of the cost and an alternative strategy might be found. However, the philosophy of the broadband plan is that it has to get to everybody and we treat everybody equally.

In terms of the deployment, if we had attempted to take an approach that said we will identify premises or locations that are deemed a higher priority, we would not be looking at a seven-year roll-out plan and I think we would be looking at a 15-year roll-out plan to get to the people at the end of it. We might get to that 70% or 80% within the seven years but the last 30% would be awfully slow. The approach that has been taken is not that far removed from the approach that was taken with the vaccine roll-out, when we went away from the very elderly people in nursing homes or health workers and it was done on an age basis. The roll-out of the broadband plan is on a logical basis for rolling out a telecommunications network to the total of the deployment area that it has to reach. It comes out of the exchanges it is building from and it then connects, basically, in a ring around where it has come out from. Unfortunately, that means the reality is that in each deployment area we reach, there is a mix of people in terms of the value they will get from that broadband on day one, and in each deployment area that is at the end of the roll-out, there is a mix of people in terms of the value they will get from it. There are a very significant number of people in every deployment area whose day-to-day lives are negatively impacted on the basis of not being able to access a reliable service.

All I can say to the Senator is that in terms of the Department and the governance of the contract, we are very clear on what came out of the tendering process and the contract in terms of a seven-year build. We are at a place today where there is a variety of circumstances, principally related to Covid and things we would expect to find in any mobilisation, that means National Broadband Ireland is about six months behind in that delivery. For all of the engagement we have had with NBI, and NBI can speak for itself, it has said it believes it will deliver this inside seven years. The Department will continue to work with it and to lean on it in terms of meeting that target but being ambitious in getting well short of that. We do get it in terms of how important this is to people. We will do our utmost to ensure the programme that has been committed to by National Broadband Ireland is delivered, and delivered on time.

Senator Róisín Garvey: To clarify, I asked about the Department’s relationship with Eir

and whether it is a co-operative one. It seems madness that it is literally bypassing houses and businesses very close to its infrastructure. As I said, Gregans Castle is 2 km from Eir broadband and it was not given any opportunity to link in with it at all. I wonder how it works. Is it slowing things down or how is the Department's relationship with Eir?

Mr. Ciarán Ó hÓbáin: The key relationship is the one between National Broadband Ireland and Eir, because, Eir is a key subcontractor to it and it is building on that network.

Senator Róisín Garvey: Yes, that is why I am asking about it.

Mr. Ciarán Ó hÓbáin: My understanding and observation is it is a strong, deep and committed working relationship. We have a strong relationship with the major telecommunications operators in Ireland and engage with them on a range of issues. I am clear that Eir is committed to seeing the national broadband plan delivered and to delivering its aspect of it. I ask Mr. Neary to come in on the day-to-day engagement and talk about some of the complexities being faced.

Mr. Patrick Neary: NBI's network is reusing, to a large extent, the infrastructure owned by Eir, that is, its poles and ducts. One of the first steps of building that network is to indicate to Eir where it intends to reuse that infrastructure. Eir then goes off and remediates and makes sure the poles and ducts are available and can be used for NBI's fibre. An intensive exercise is happening between NBI and Eir on that basis. There is a huge complexity to unblocking those ducts that have been there for many years and ensuring the poles are fit for purpose, a number of which would need to be replaced. Eir has undertaken and committed to that huge exercise as part of NBI's delivery. Ensuring that happens efficiently and well is a high focus for the whole project. The NBI interface into Eir is a positive one. They work through much of that detailed, high-volume and high-capacity complexity and are doing that day to day and week on week. The output from that is, ultimately, the premises are passed with fibre. NBI and Eir are working closely on that huge exercise. The Senator asked why fibre is so close to her and she cannot get access. I am assuming that is Eir's network and the question is why Eir cannot extend further. Why it does not go any further than it has is a matter for Eir. It has announced it is focusing on the urban suburban areas and will deploy a fibre network to that footprint. That seems to be the priority for Eir at present.

Senator Róisín Garvey: I suppose it is not as financially viable. Eir does not make as much money out of us people in rural areas. It is sad to hear a business has to pay €450 per month. I nearly would happily see it get its broadband before me. I thank the witnesses for their time. Are you cutting me off, Chair?

Chairman: Dr. O'Connor wants to answer the Senator's question.

Dr. Stjohn O'Connor: I wanted to come in on one of the Senator's points on BCPs. One of the features of the BCP process, as everybody has spoken about, has been Covid. The solution we have had to put in place changed completely due to the demand for remote working. All of the BCPs connected these days are enabled for remote working facilities, including splitting it out to facilitate dedicated networks for individual companies. We also quite deliberately supported those BCPs and remote working hubs through the connected hubs call. If there is a demand for a specific solution, that can be accommodated within the BCP network. I encourage contact with us. We are more than happy to talk to the site managers. One can talk to a local broadband officer because, we have accommodated that. If there are people who do not have access to what they need, we can accommodate that through the BCP network. There are some

restrictions on the base offering. It is sitting on a Government network, but we have accommodated specific offerings for individual companies.

Senator Mark Wall: I thank the guests. Senator Garvey has mentioned much of what I wanted to speak about, which is businesses, especially rural business. I have a number of problems with businesses within 500 m of fibre broadband but that cannot connect. There is no doubt it is affecting their business and quality of life. I appreciate the answer given to Senator Garvey that one cannot change the broadband schedule for that but it is affecting rural Ireland. In Mullamast, just outside Athy, four businesses are on a road less than 500 m away from fibre broadband and they cannot connect or there is no possibility of them connecting. Those businesses are being affected. They cannot grow or provide rural employment. Surely, there must be some way of looking at a case such as that in which important rural employment can be provided if fibre broadband was brought to those businesses.

There is great excitement in all areas when people see the signs going up that a survey is happening in their area, only to be told they are three, four or five years' away. I appreciate an answer has been given to this question already but is there a way we can develop what is involved in a survey and a timeframe in order that such anticipation is dealt with? It comes back on us as public representatives, in that when people see the signs going up, they believe they are within a short timeframe of receiving fibre broadband. It is causing significant frustration in rural Ireland. A local newsletter or leaflet drop in the area to explain exactly what is going on would help the situation.

I compliment the broadband officers in County Kildare, who I have dealt with on a regular basis. How much availability is there for broadband connection points in rural areas? I know community groups that are discussing this at the moment. What help is there? Is it true the broadband officer in the county should be the first point of call? A number of local communities would benefit from a broadband connection point. I have mentioned Kilkea and Castledermot before, a number of miles outside Athy, where even phone reception is poor, never mind broadband reception. What can be done in developing and helping community groups?

Chairman: I ask the witnesses to clarify on Senator Wall's example of someone being within 500 m of the fibre. What is the technical possibility of getting a point-to-point wireless connection from the neighbour? What is the legal situation in that regard? I ask Dr. O'Connor to respond to the last issue the Senator raised on mobile phone coverage and give us an update on what in God's name has happened to the mobile phone and broadband task force, which was supposed to be dealing with these issues. Who wants to take the first question?

Mr. Ciarán Ó hÓbáin: I can start off. The first question was about the 500 m and the technical solutions. We can give you an answer in terms of the potential technical solution, rather than saying that is a solution that can be applied to a set of circumstances in the national broadband plan. The Senator makes a good comment on the communications on surveys. We want to see areas being surveyed early and designs being developed because that gives us the confidence that when National Broadband Ireland is ready to move to the next stage, which involves making the network ready; tree trimming; unblocking ducts; putting up new poles and laying fibre, all of that preparatory work is done. It is the case because of the volume of surveys which have been carried out to date that surveys have been carried out for premises that will not be connected for a couple of years. The communications around that is certainly something we can take away and look at.

At a general level in terms of those areas which are 500 m from fibre broadband, if one

brings it back from 500 m, some areas which are adjacent to commercial premises will fall into the category of being part of the NBI build. It is where the two networks will meet, but some of them will likely be a part of what National Broadband Ireland is considering. It has to deliver the full solution to the contract. It has gone to a tender and engaged with commercial operators on where they could potentially help. Some of that might come into that conversation. As for the task force, we can all speak on that issue and I may come back to it later in any event. Dr. O'Connor will deal with the general point on BCPs. Mr. Neary will speak about the more technical solution.

Mr. Patrick Neary: In any NBI roll-out, there will always be the issue of the next premises along the road. When the NBI defines an area it is going to, the next premises down the road will see fibres come within a certain distance of it that will not go any further. The main strategy is to make sure that NBI can deliver this as quickly as possible to all premises.

NBI has looked at whether commercial fibre can be extended out so that those premises are served. Mr. Ó hÓbáin alluded to the fact that NBI went to the market to see what solutions are available. There was a high level of interest from the market that was shortlisted down to five providers. NBI is hopeful it can run pilots next year whereby it can extend commercial fibre to premises that are very adjacent to those who already have it. That is certainly something that is on the cards that it is trying to investigate. It includes not just the extension of existing commercial fibre but alternative technology as well, such as, potentially, wireless and other technologies. A body of work is definitely being conducted by the NBI to investigate that.

From the point-to-point perspective, there are providers in the market today that provide point-to-point wireless connections. A number of these businesses might rely on that at present or, if they do not, are certainly investigating it, if they see the NBI roll-out is a number of years away.

Chairman: I will give a very practical example from my constituency, where there is an older person who has no interest in connecting to the fibre network. This person is on the fibre network and a commercial business that requires broadband is within 400 m of him or her, by line of sight. It is technically possible to put a point-to-point connection from the back door of that older person's house to the front door of the commercial premises. Is it possible for that older person to buy a 500 Mbps contract with Eir or some other provider and then provide a wireless connection to his or her premises?

Mr. Patrick Neary: I would have to think about that one. That is-----

Chairman: We look forward to a response coming back to the committee on that one.

Dr. Stjohn O'Connor: The Senator has raised a good question. Kildare is probably one of the counties with the fewest BCPs. It only has three BCPs, all of which are connected and live at this point. Our focus is on closing off the BCP discovery process because we have been through at least two, if not three, iterations of BCP discovery with the local authorities. Our intention is to, hopefully, close out that build phase by the end of the year. That is what we are all collectively working towards.

We see that we have the connected hubs call, which comes in behind all of these facilities. One of the things we are looking at in the context of next year is opening up the BCP network to new BCPs. We will not necessarily provide people with connectivity, but we will give them a means of getting it. They can take the benefit of being part of the BCP network and can have

access to all those services we will run through it, but they will be also able to draw down funding via the connected hubs call. In the first instance, therefore, if communities are interested in joining the BCP network they should approach the broadband officer. That is the mechanism by which we would see them coming into the network next year.

Chairman: Deputy Ó Cuív wants to come back in and there may be other members who also want to. I will ask a couple of questions because I am going to the House later and would not like the officials to miss out on them. Will somebody give us an update on what is happening at EU level? The basic high-speed broadband definition at EU level at the moment is 30 Mbps per second. None of us believes that is high-speed broadband. When I was Minister, I pushed hard to get that definition increased to 100 Mbps per second. I understand there is ongoing engagement between the Commission and member states on this, so I ask for an update on it.

On a positive aspect, last December, when the officials were before the committee, I raised the issue of broadband connections to marts around the country, explained the difficulties marts were having and gave a list of those I identified where there were specific problems. In fairness, the officials came up trumps with 11 of them, including the mart in Castlerea where there was very poor broadband service, which is a very positive development.

Mr. hÓbáin referenced on a number of occasions that the Covid-19 pandemic has been a big part of the problem in the failure to deliver this year. As I said in my opening remarks, the planned build next year is just 800 homes more per month than this year, despite the projection that we will not have the issues related to Covid-19 next year. It just does not add up that there is big problem with Covid-19 this year and yet we are only able to deliver 800 homes more next year when we do not expect a problem with Covid. I have gone through the transcripts from the Committee of Public Accounts and the Department of the Environment, Transport and Communications, in addition to the evidence we have heard this morning, and Eir does not seem to have a problem with Covid-19. It has achieved its make-ready target and gone beyond it for this year. How is it that one telecommunications company has been able to achieve its targets for delivery of the national broadband plan on the make-ready target despite Covid, yet the reason NBI has given for not meeting its targets is the issue of Covid? If Covid has been such a problem in terms of teams on the ground, was this ever communicated to the HSE? The HSE specifically established teams to look at serious infection rates in meat plants. I scrutinised this in a lot of detail in relation to various outbreaks and not once did I hear of any of the public health teams throughout the country talking about a problem with telecommunications companies. Will the officials clarify that for me?

I received a tweet from an individual this morning, to which Mr. Neary might respond. It states that this individual is just finding out that he or she cannot have NBI fibre and a landline telephone. Apparently, NBI connections do not support the two. The mobile phone reception for this person is not good at home and he or she really relies on a landline. Will Mr. Neary provide an answer to that?

On the issue of communications, Mr. Neary spoke about the example in Castleplunket and said that NBI works on the best information it has available to it. Last week, I furnished details of a case of a constituent of mine to Mr. Neary, who this summer received correspondence from NBI stating that he or she would be connected to the high-speed fibre network by this autumn. This person has now received a further communication stating that it will be a further five years, 2026, before he or she will get it. In this instance, the surveys and the design were completed. The design was completed months before my constituent got this particular correspondence.

The best information available to the company was not reflected in the communication to this individual. This is just one example. I can bring Mr. Neary to communities in south Roscommon, east Galway and mid-Roscommon that have received similar correspondence from NBI. What exactly is going on with the communications strategy?

Mr. Neary said that the contractor will go as far as it can where it is technically possible to do so. What is the limit of that technical possibility?

SACs and so forth have been mentioned but what is the technical limit of the build-out?

The core of the problem is that Covid-19 is not the single biggest factor causing the problems and delays. All we have to do is look at what the Tánaiste said to me in the House last week, and said in the House two weeks before that. He flagged there was a problem in getting permission to erect poles. That is a problem from local authorities across the country.

I received a reply on 14 October to a parliamentary question regarding the mobile phone and broadband task force, which was established to deal with these problems where there was a lack of connection between telecommunications companies, local authorities and other State and semi-State agencies. Bizarrely, that task force sat for the last time the month before the contract was signed. In the reply of 14 October, we were told a joint utilities local authority user forum was being used to address the problems between local authorities and the contractor. Why were guidelines issued by the Minister for Housing, Local Government and Heritage in August and why did the Minister bring the planning officers together last May if this forum was already working? My understanding, and Dr. O'Connor can correct me if I am wrong, is that the County and City Management Association, CCMA, has written to the Department asking that the task force be re-established. That association obviously believes there is a problem, if it is seeking the re-establishment of a task force that has not sat in the last two years.

The Secretary General of the Department in evidence before the Committee of Public Accounts last week said one of the three original contractors, the UK-based Kelly Group, decided not to do work here and that left us high and dry with the delivery of 140,000 km of cable. How big a factor has the Kelly Group's decision not to take up that contract been? What action is being taken to recoup some of the costs resulting from that?

The task force was abandoned in October 2019. The contract was signed in November 2019. The programme for Government was published in June 2020 and promised to fast-track the national broadband plan. The Government's remote working strategy stating it wanted to prioritise the delivery of the broadband plan was published in January 2021. The guidelines issued by the Department of Housing, Local Government and Heritage happened 21 months after the contract was signed, 14 months after the commitment was given in the programme for Government and eight months after the remote working strategy was published. I understand there is a new agreement between National Broadband Ireland and Eir on fast-tracking the make ready programme. Why has it taken 23 months since the signing of the original contract for this review to take place, given that 16 months ago, a clear commitment was given in the programme for Government to look at fast-tracking it and the remote working strategy was published ten months ago?

I know there has been a problem with Irish Rail. Fibre cable has gone as far as Irish Rail and will not go under or over the rail line. I understand there is now an agreement in place with CIÉ, 23 months after the contract was signed, 16 months after the commitment to fast-track this in the programme for Government and ten months after the remote working strategy was pub-

lished. We have, in terms of Transport Infrastructure Ireland, a trial taking place in Blessington concerning anomalies there in accessing the licensing and infrastructure. That is 22 months after the contract was signed, 15 months after the commitment in the programme for Government and nine months after the remote working strategy. There is clearly a lack of joined-up thinking between Government, State agencies, semi-State bodies and local authorities. One mechanism that could have dealt with much of this was the task force that was established specifically to do that and was stood down the month before the contract was signed. It is not just me coming up with this interpretation. The CCMA believes the same thing or it would not have requested that this be re-established. The Chairman of the communications committee, Deputy O'Donnell, said last month:

...it would appear that one of the areas that probably requires a bit of tightening up is ... to get [the] road opening [and] planning licences [streamlined] through the local authorities.

The answer from National Broadband Ireland is that if “dedicated resources within each local authority [could be put in place to] handle our licence applications and [processes] in a timely fashion, it would be of great benefit to us in attempting to complete this plan in less than ... seven years”. The witnesses have been aware of the problems for two years. Why has the task force not been re-established? Why have these issues been left to drag on? As a result of that, 75,000 homes must wait for longer. If the witnesses could address those issues, I would appreciate it. They are the issues to which the public wants answers. Members of the public want to know there is joined-up thinking across Departments, Government agencies and bodies to deliver this because it is a basic piece of infrastructure that every citizen wants and should have the right to receive as quickly as is humanly possible.

Mr. Ciarán Ó hÓbáin: The Chair has given views on a range of points and asked a number of questions. I will focus on the questions. I will start from the bottom up with two points. In his opening remark, the Chair referenced Covid and said it was being blamed and used as an excuse. He also questioned whether Covid was a reason for the delays. I have to deal with that upfront. Covid was the most significant reason and has had the greatest impact on the national broadband plan being six months behind. That is not an excuse; it is just a reality. We have lived through a pandemic and it has impacted every business in the State and how it operates.

The Chair is correct that telecommunications was a service that was allowed to continue through Covid but Mr. Mulligan already has outlined some of the issues and challenges around recruitment, mobilisation of key contractors, supply chain and logistic delays. The Chair mentioned the Kelly contractor. It has been replaced but there is an immediate impact of not having one of the key contractors there. There were travel restrictions in Ireland. These people have to be on the road building networks and surveying. They would normally be staying in hotels and bed and breakfasts. They could not, so journey times are longer. The recruitment process took longer. Can the Chair imagine if a group of us here today tried to do a redesign of something we were involved in, like NBI was trying to do in designing a network, and having to do that over Zoom as opposed to at a whiteboard? It was a difficult time. It is not an excuse or a question of blame. It is stating a reason. It is a matter of fact that Covid has impacted.

Looking to the year ahead, the impact continues because things that did not happen in that first period impact on timelines for the next period. As for the number that is there for next year, NBI has stated it is 130,000 to 144,000. The Department will challenge every aspect of what NBI submits to it in the coming weeks in relation to what it can deliver next year. As Mr. Mulligan has outlined, where relief is granted it can be granted, but delays are delays. I am not going to prejudge what will come to us or what the outcome of the Department's assessment of

that will be but the assessment will be the same as it was in 2021, namely, an intensive scrutiny of what NBI put forward as being the reality of the world it faced and the challenge that it faced. The Chairman has offered a view but I must defend and assert that the team of people from the Department who looked at the issue did their job and did it well. They had external advisers to assist them where the technical, financial or commercial expertise was not available in-house and we used people in-house as well. I must stand over the job that was done and say that they came up with the right decision on that. They were hard in their engagement and scrutiny of what was before them and will continue to be so.

The Chairman referenced the task force. He obviously feels quite strongly about it. I am aware that he has a history in relation to its establishment. Reflecting back on what the task force was established for, it was very much in advance of the National Broadband Plan, NBP. It was when Ireland was in a procurement process for a national broadband plan and there was not a company there to deliver that plan that could engage for itself in terms of what it was going to need to do. The task force was very effective and delivered over 70 actions over three years. It had a much longer life in that period than had been anticipated because the procurement took longer than any of us wanted.

The Chairman is correct to state that the task force last meet in October 2019. There might be a perception out there that people have done nothing since and the work has not continued; it absolutely has. One of the core issues that the task force focused on was access to infrastructure, the licensing regime with local authorities and developing contributions, and it took actions that were successful. However, after the international broadband contract was signed, the world had moved to a new place, where we were not talking about doing things in advance of a potential contract that the Government might agree to; we were talking about the implementation of a contract that the Government had signed. If the Chairman is looking for evidence of action, the contract was signed on 19 November 2019. One day later, the CCMA had its regular quarterly meeting with the Department. At those meetings, those at CEO level of local authorities meet the Secretary General of the Department and the assistant secretaries general responsible for specific areas. There is a four- or five-item agenda. One day after the contract was signed, the national broadband plan was on the agenda for that meeting. It has been on the agenda for every meeting the Department has had with the CCMA since.

Colleagues in the Department of Rural and Community Development managed the telecoms advisory group. That group met on 13 December 2019. It met nine times in 2020, has met seven times in 2021, and I believe it is meeting tomorrow. Our Departments work together through that group. As the committee has already heard today, National Broadband Ireland uses that group as a conduit for the transfer of information back and forth with the local authorities. Every local authority is represented by the broadband officers.

The section 254 licences were recognised as being a critical issue, which has been raised by National Broadband Ireland. In the early days of the engagement, we pressed National Broadband Ireland as hard as they might be pressing the State today in terms of its level of performance, in that we were pressing them to ensure they had the team in place with the right skill sets and the right bandwidth to deal with every local authority in Ireland, which have a range of other projects coming at them as well. I believe that today, National Broadband Ireland has that team in place. Guidance was developed by the Departments, working in conjunction with the Local Government Management Agency, LGMA, the CCMA, the Roads Management Office, RMO, and the broadband officers. The two Departments that are represented here today and the Department of Housing, Local Government and Heritage were involved in bilateral meetings.

There was extensive engagement there. That culminated in new guidance being delivered to all local authorities and the Minister for the Environment, Climate and Communications, Deputy Eamon Ryan, addressing a conference with senior representatives of every local authority in May of last year, just when the build programme was taking off and at the time when section 254 applications were going to become live. The number of such applications received to date are not as high as they will be in the next year, so that guidance is critical.

Since the guidance was put in place, a steering group was established, which involves our Department, National Broadband Ireland, the CCMA and the RMO. Effectively, it is a trouble-shooting house to deal with issues that arise, because we know that when you get down to individual areas there will always be unforeseen issues that will crop up.

I must push back very hard against any contention that the work of the task force has not continued. Even when you step outside of the actual broadband space, from May 2020, the power of the work of the task force was that it brought national Departments, State bodies, local authorities, telecommunications companies and regulators together. That has continued. When we found ourselves in a pandemic where people without good broadband were going to have to rely on mobile broadband and when there was an immediate spike of more than 40% in voice traffic and 20% in data traffic and networks could potentially be challenged, actions were taken there. Our Department worked with the telecommunications companies and with ComReg. It also worked with the Department of Education on issues in that space. The work that the task force began has been powerful. The relationship and the collaboration, which it has instilled as a way of working in Ireland, has continued.

In terms of the actual forum itself, the two Departments are at a very advanced stage of developing a work programme to put to the Ministers to agree for the next phase of the work of the task force. However, the fundamental point I wish to make is that in terms of the NBP and its roll-out, there is nothing that would have been achieved with a task force meeting. In fact, the energy that was invested in what I have just described and in new engagements, which were more appropriate to circumstances where there was a contract in place rather than a potential for a broadband plan, has actually been a powerful tool in ensuring that we are as far advanced as we are with the plan today.

I am conscious that the Chairman raised a number of other questions, which we should go back over. I will deal with one of them. He referenced the EU definition of state aid. We are interested in that from the perspective that we may find ourselves having completed the commercial roll-out of the NBP plan that I have described, and with an ambition of gigabit broadband in Ireland. There may be dots around our country and we may need to consider how we might deal with them. We are interested in that. Principally, the issue for Ireland is more the digital compass, which is that gigabit ambition, which is where we are going.

I welcome the Chairman's positive commentary around the marts. Perhaps Mr. Neary might respond on the landline issue and Mr. Mulligan might speak to the communications strategy. I believe I have covered most of the Chair's points, but if we have missed any of them, he can come back to us. I am aware that he is due in the Chamber.

Mr. Patrick Neary: On the landline issue, NBI is delivering a high-speed broadband connection of 500 Mbps at a minimum. That can be used by a service provider to provide, say, a voice over Internet protocol service, but primarily, it is a broadband connection. There is no prohibition on having a fixed-line phone service from another operator to an individual premises but it is a different service from a different operator.

Chairman: Thankfully, I am a fibre broadband user now. Just to clarify, and correct me if I am wrong, there is no impediment for me to have, as part of my package, voice, broadband and television on that. Is that correct?

Mr. Patrick Neary: That is correct.

Chairman: So, the network can carry that? A different handset may be required.

Mr. Patrick Neary: It is the same.

Chairman: My question is this: is there an issue with the landline number? Can it be transferred over?

Mr. Fergal Mulligan: It is completely portable.

Chairman: Is it completely portable to the fibre network?

Mr. Fergal Mulligan: Yes.

Chairman: There then should be no reason someone should not be able to take out his or her copper wire broadband and continue to have a fixed-line phone service based on whatever package he or she purchases from a provider. Is that correct?

Mr. Fergal Mulligan: I am pretty sure but I can come back to the Chairman on that. Com-Reg looked after the all the porting of numbers to mobile and fixed-line services. As I understand it, the landline service is the same as the mobile service. For example, if you were to change from Vodafone to Three, you would keep your number; the same applies for landlines. What Mr. Neary can confirm is that National Broadband Ireland offers under the contract a voice service as well as a broadband service. Obviously, it has to put in the fibre cable first but once it is in, you can buy a landline service if your retail provider offers it. What I would question in respect of the person who queried that is from whom he or she asked to buy the landline service. The retailer may not have offered that service, but there are now 23 retailers selling over NBI's network and the majority of them offer a landline service and will send customers out their own handsets. National Broadband Ireland does an in-house service not only for Wi-Fi but also for voice. It is all available and will be the equivalent to what people got over copper, although it will be a lot cheaper. With the landline, when you got only a voice service you paid a rental fee of maybe €30 or €40 a month for just the voice service. Now you will pay €30, €40 or €50 a month for broadband and voice, so it will be a much cheaper solution for voice and broadband.

I will take up the point about the communications strategy. It is difficult when you are dealing with 540,000 premises. The issue National Broadband Ireland faced on the communications front was that, with the best will in the world, as Mr. Ó hÓbáin said, 99% or probably more of premises are staying in their deployment areas. You can send them out feet on the street, that is, people to tell them when the service is expected. You can give them leaflets saying a survey is happening there. NBI is very clear that if a survey is happening in your area, you are probably at least 12 months away from getting a fibre broadband connection. NBI can do all that but there are anomalies whereby the infrastructure is not there in that deployment area or it makes sense to move those few premises into the next deployment area. Then, in fairness to the communications people in National Broadband Ireland, they pull their hair out because they have just told Johnny Murphy he will get the service next year but he will now not get it until two years' time. It is a problem, but I think Mr. Ó hÓbáin made the point that you cannot really bring everything down to the lowest common denominator whereby if there is one problem, no

one will be communicated with as to when they will get the service. We could have decided last year that nobody should be told anything about when they will get connected. We all agree that that is not the best outcome. There will be 1%, maybe, of people who will be very frustrated, like the examples the Chairman has given us, and that will continue because, unfortunately, the only way to solve that problem is not to tell anybody anything, and that is not a good outcome. I will bring the matter back to NBI and it will work on it. The question is how we fix that anomaly in order to defuse that frustration a small number of people feel while not preventing us from telling the mass market what is happening. It is a problem every utility provider faces. This is done by Eircode postcode. There are 2.3 million of them in the State. It is hard to get every one of them right, and we will just have to work around that.

Chairman: I have to go to the Dáil now, but the difficulty in this case is that the mapping was done, the survey was done and the build design was done yet this family was told it would get the service and it subsequently did not. It comes back to the question I asked earlier about the physical limits on the build. This family is less than 500 m down the road from where the current build completes.

Mr. Patrick Neary: The example the Chairman gives is not related to the technical limits but to the infrastructure available in the area. When NBI did the surveys it found that the infrastructure is being fed from an exchange in the opposite direction from those homes. It has nothing to do with the technical reach of the technology or anything like that. It is that the pole and duct infrastructure feeding that area is coming from a different location. When NBI did the high-level design it assumed it was coming, say, from east to west; when it did the survey it found that the infrastructure it anticipated to be there was actually not and was coming from west to east. We have looked at a lot of these cases. Typically, a very small number are moved in a deployment area but, unfortunately, the solution, if you want to be more accurate, is to wait until that analysis is concluded, but you are then very close to the start of the deployment. For 99% of people it will not have an impact, but there is that 1% that will be impacted.

Chairman: I wish to say to Mr. Ó hÓbáin before I finish and call Deputy Ó Cuív that I do not dispute anything he says. I know that Covid-19 was a difficulty. I do dispute, however, what he says about the re-establishment of the task force. I think it would have made a difference. The key difference it would have made is that there would have been a Minister leading that task force, which was the case in the past. As anyone who has been involved in the task force knows, it made a significant difference in moving issues along. That is not an issue for Mr. Ó hÓbáin and is above his remit but I just wanted to put that on the record.

Senator Eugene Murphy took the Chair.

Deputy Éamon Ó Cuív: I have a case which is typical, I think, of what we have talked about but which is a specific and quite interesting one. In this case NBI advises that the connection date is January 2025. The person concerned then went to Eir. What they are getting at the moment is a service of between 0 Mbps and 8 Mbps and it is costing €69 a month. The Eir engineers have confirmed that there is a fibre broadband pole only 125 m away from the premises. The person has given me the number of the pole, which I will not read out because it might identify where they are or who they are. A neighbouring house - I have the Eircode postcodes of the premises - is connected to fibre broadband.

These are my questions. Can NBI ask Eir to deal with this case and cases like it, rather than waiting for the big NBI build-out? Second, unless NBI does ask Eir, is Eir precluded from encroaching on the NBI area? My understanding was that it cannot encroach since it got a last

chance saloon to say what it would cover commercially and then it was not allowed to cherry-pick after that. Is it the case that NBI could ask Eir but that Eir cannot just unilaterally walk in and say it has changed its mind, there is bigger pick-up and it will cover the area? I have two other points on that. The point-to-point solution would seem to be a possibility in such cases, going to the nearest house and asking whether point-to-point will be allowed. Can the witnesses confirm that?

I have one final question. I have dealt with cases - and the Department has been helpful, in fairness - in which areas that were included in the Eir or in the commercial roll-out were, as Mr. Neary said, subsequently found not to be getting a 30 Mbps service and were transferred to NBI. If NBI is taking those extra houses on board, is there any chance it could offload a similar number of houses adjacent to Eir areas back to Eir and get them done by Eir in order that NBI and the State would not wind up with an extra load and that what the Department was told would be covered would be covered by a swap basis?

There are basically three questions there. I look forward to getting the list of the marts and the criteria by which they were selected.

Mr. Ciarán Ó hÓbáin: Deputy Ó Cuív began and ended with two related questions. I will ask Mr. Neary to come in on point-to-point if he wishes to expand further on what I say about this. I will take the second question first. It was about preclusion from encroachment. There is no prohibition on any commercial operator building anywhere in Ireland. What the mapping exercise sought to do was to understand where commercial operators had high-speed broadband and where they intended to go in order that the State would go only to the remaining areas. That concluded just before the contract was signed in 2019. There is a risk and a reward. If a commercial operator decides to build out in the intervention area, those homes will be connected more quickly to high-speed broadband, potentially, and there will be a risk to the commercial case for the national broadband plan if those homes would cost less to get to but give revenues. However, there is no prohibition.

As to whether NBI could engage with Eir to deal with specific premises, it is in a process at the moment. It could do so only by an open procurement methodology. It has gone to the market, identified the types of issue where it could seek the assistance of commercial operators, and sought expressions of interest. It is halfway through that process. It has received the expressions of interest at the first phase and is working its way through the process. I cannot say whether the scenario the Deputy outlined will be one of those that NBI could-----

Deputy Éamon Ó Cuív: I am sorry, but could Mr. Ó hÓbáin indicate whether we are talking about the type of scenario in which the market might be interested because a premises is adjacent to someone who might be willing to put a paw into his or her pocket?

Mr. Ciarán Ó hÓbáin: I anticipated that the Deputy would want a deeper understanding, which is why I told Mr. Neary that he might pick up on this point when we move to him. That is as much as I want to cover, though.

There is no prohibition on encroachment. There is a process. Mr. Neary might speak about the details of that process and then point-to-point.

Mr. Patrick Neary: NBI has gone to every operator in the market and asked for potential solutions to address specific scenarios. One of the scenarios is exactly what the Deputy represented, that being, if Eir or another commercial operator's fibre is going past a particular

home, can NBI extend it to address that home? Five companies have been shortlisted as part of the process. NBI is anticipating that it will start piloting the implementation of solutions for scenarios like that early next year. If the pilot is successful, it could be rolled out to a greater number. It could potentially include point-to-point solutions from wireless solutions. Where the best and most feasible solution to a scenario in the shorter term is point-to-point from a wireless provider and if there is an opportunity to do so, then that will be on the table through the process in question.

Deputy Éamon Ó Cuív: I thank the witnesses for their answers.

Mr. Ciarán Ó hÓbáin: I am meant to be at the Department of the Taoiseach for a meeting. I wanted to alert someone. My apologies.

Acting Chairman (Senator Eugene Murphy): That is grand. I will allow Deputy Kerrane to ask a question.

Deputy Claire Kerrane: I will be brief. To be clear on the figures, fewer than 17,000 premises have been fully passed and the target for the end of the year is 60,000. Is that 60,000 premises where order or pre-order is available or 60,000 that have been fully passed? What is the target for fully passed premises by the end of the year? Did the initial target of 115,000 have to do with being fully passed or just ready for pre-order?

People have received emails telling them they can pre-order for the autumn but have since found out that they cannot get access until 2023. I used Castleplunket as an example, as did the Chairman. Castleplunket is a small village and people there have been given a date of 2026 whereas the resident to whom I spoke was told 2023, so I am not sure how that works. Infra-structural issues and other issues can come about - that is acceptable - but surely they will have been identified during the survey or build stage or, preferably, before people are told they can pre-order or order between August and October of 2021. The issues should be identified before the email offers go out.

I was contacted by one business person and two residents in Ahascragh whose speeds were approximately 12 Mbps to 15 Mbps even though, when they put in their Eircode postcodes, they are told they are in a 30 Mbps area and are not included in the roll-out. They have sent me screenshots of upload speeds of 2.8 Mbps and download speeds of 14.3 Mbps. There is clearly a major issue and I doubt that Ahascragh is the only area affected. I can provide the witnesses with the Eircode postcodes. Will they undertake to examine the matter?

Acting Chairman (Senator Eugene Murphy): I agree with the Deputy's request that the witnesses examine the issue. Does Mr. Ó hÓbáin wish to answer her questions?

Mr. Ciarán Ó hÓbáin: Certainly. We will take away the Eircode matter with us. I am happy to look at it.

Regarding this year's target, it is 60,000 homes passed. That means available to order. The order and pre-order emails are tools used to give people an indication that broadband will be coming to them in a couple of months' time. They allow people to make plans and to consider which retailers to buy from.

Mr. Patrick Neary: The Deputy gave the example of Castleplunket, but the Chairman cited a different example, the one to which I was referring. That will be 2025 or 2026. I have not examined the case of Castleplunket specifically, but I expect it is the same scenario. When

someone goes to NBI's website and signs up for regular updates, he or she is given an initial indication of the time that he or she will be able to pre-order or order. At the start of the summer, NBI gave people a view of that process over the seven-year build period. Up to June of this year, if people were not in the immediate 18-month timeline, they were told they were in a later stage of the deployment. In June, they were given a further indication of whether the date would be 2024, 2025 or 2026. I expect someone got an initial email based on the information that was available at the time. When NBI completed the low-level designs and sequencing of deployment in respect of that premises, it triggered an updated letter to the individual to the effect that the deployment schedule was now 2023.

I would appreciate it if the Deputy gave us the Ahascragh Eircodes. We will happily undertake an investigation. Quite a number of people come to us with queries on the availability of broadband in their areas. We successfully address the majority of those queries with the commercial operators in question.

Acting Chairman (Senator Eugene Murphy): I believe the Deputy is happy with the response.

I thank the officials. This discussion has been constructive and, at times, robust. That is a good idea in light of what we are trying to achieve and how we have to answer people's questions. Our consideration of these proceedings will form part of our deliberations under our work programme. I wish everyone a good day.

The joint committee went into private session at 11.57 a.m. and adjourned at 12.15 p.m. until 9.30 a.m. on Wednesday, 3 November 2021.