



Public Accounts Committee

Sarah Healey
Permanent Secretary
Department for Digital, Culture, Media & Sport
100 Parliament Street
London
SW1A 2BQ
By email: permanent.secretary@dcms.gov.uk

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Shared Rural Network Programme

Dear Permanent Secretary,

Thank you for providing the Public Accounts Committee with a summary of the Accounting Officer assessment (AO assessment) relating to the Shared Rural Network (SRN) programme.

Having reviewed the summary, I have a few points to raise regarding the AO assessment of the feasibility of the programme. Specifically, there appear to be some omissions which may indicate additional risks. I would appreciate it if you could share your consideration of these matters and if appropriate, how the risks are being addressed. These include the following:

1. *The Extended Area Service element of the programme:*
 - a. Given the fragmented nature of networks and infrastructure, the Department will need effective oversight of the suppliers (Mobile Network Operators) as it is depending on them to deliver and relies upon them to have a sound understanding of the existing environment and future infrastructure requirements. The Department also expects the Mobile Network Operators to have relevant expertise to deliver the requirements.
 - b. Supplier capacity may also be a concern given the other commitments suppliers have to deliver to the public sector including the overlap between the Emergency Services Network contract and the SRN, the Scottish 4G Infill programme and the roll out of broadband via Project Gigabit.
 - c. Furthermore, the summary assessment does not refer to the need for engagement with devolved administrations. This is important because most of the mobile network coverage gaps lie in Scotland, Wales and Northern Ireland. The most significant improvements are expected in these areas.
2. *The use of equipment from high-risk vendors:* The summary AO assessment does not mention the potential impact on the programme timeline of the Telecommunications (Security) Act 2021 and its ban on equipment from high-risk vendors such as Huawei. Whereas the Act specifically applies to 5G and fibre roll out, we know that 5G networks may share transport, routing and switching with the existing 4G networks and 4G installations which often form part of the network upon which the 5G network is built. Furthermore, the ban also applies to safety-related systems in the wider critical national infrastructure. Given the ESN programme is linked to the SRN programme this appears to be a complicating factor which was not mentioned as a risk in the summary assessment.



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3. *Delivery at pace:* From our report on [Delivering Gigabit-capable Broadband](#), we know there are major barriers that need to be addressed urgently to enable delivery at pace including legislative and policy changes such as land access agreements and street works. These same barriers are likely to exist for the SRN as well, especially if there are shared sites between 4G, 5G and fibre roll-out.
4. Finally, this summary AO assessment was published in April 2022. However, the agreement with the Mobile Network Operators was signed in March 2020, the grant funding period began in March 2021 and the Gateway 0 review was carried out in June 2021. It would be helpful if you could explain the reasons for the length of time it has taken to publish this summary AO assessment.

I would appreciate it if you could respond by **Friday 27 May**. You should also expect these issues to be raised at the upcoming Committee recall session scheduled for Wednesday 29 June. I will also share a copy of this letter with Julian Knight MP, Chair of the Digital, Culture, Media and Sports Committee.

Yours sincerely

Dame Meg Hillier MP
Chair of the Committee of Public Accounts