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**Dear Peter** 

Thank you for submitting Oxford's new Super-Connected City Plan. BDUK has now assessed all cities' plans against the vision for projects that deliver growth through connectivity by 2015 as set out in my letter of 2 May.

I am pleased to confirm that almost all of your proposals have been approved in principle as fitting within these parameters. As requested, funding for the following projects will be made available:

- Up to £3.10 million for a voucher scheme
- Up to £1.50 million for a wireless concession
- Up to £0.23 million for wireless on local transport

These approvals will continue to be subject to BDUK assurance arrangements, including confirming the State aid compliance of your proposals as they are refined, value for money and overall deliverability. I know that conversations are already underway to confirm the State aid approach to the wireless transport intervention prior to a final approval being given here.

As part of our review the BDUK team also looked closely at your proposal for general purpose ducting. From the evidence provided it was not clear that these proposals could meet the criteria of connectivity growth deliverable by 2015 free from State aid requirements and at this time I am therefore unable to award in-principle funding for these projects. However I have asked your BDUK Project Director to discuss this with you in further detail and work with you over the next few weeks to confirm the detail of my in-principle approvals and work up a formal conditional offer.



I know that in a number of cases cities will now feel they are ready to move quickly to the delivery phase and I have asked BDUK to move quickly to support you in this. As part of this BDUK will be making available some further support documents in the coming weeks, including toolkits to support the delivery of Wireless Hotspots and Concessions.

As you know, our biggest challenge to moving into delivery has always been the issue of state aid, and in particular how it would apply to the connection voucher scheme. Following my latest visit to the European Commission at the end of May, they remain supportive of the principle of a voucher scheme and are keen to work with the UK to test the market, to gauge the reaction of suppliers and SMEs, and ensure their support. To this end BDUK has launched a four week market consultation, to be followed immediately by some active market tests over the Summer. I will update you again on this following the consultation, but in the meantime, all cities should ensure that they have their demand mapping work in hand over the next 6-8 weeks as a key preparation for rolling out your own schemes.

Finally, I also wanted to take this opportunity to acknowledge the considerable work put in by you and your team over the recent months.

**Ed Vaizey MP** 

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Minister for Culture, Communications and Creative Industries