

Fibre broadband player Gigaclear digs deep in hunt for new funding

Gigaclear, the fibre broadband network provider, is plotting to raise hundreds of millions of pounds of further funding amid an industry-wide race to modernise Britain's communications infrastructure.

Sky News has learnt that Gigaclear is working with bankers at Rothschild to raise between £200m and £300m of additional capital for its rollout.

The capital-raise, which could comprise a combination of debt and equity, is one of a string of attempts by alternative network providers – or altnets – to secure sufficient funding to build businesses of genuine scale.

The market is led in terms of number of premises by BT's Openreach division, with Virgin Media 02 and CityFibre Holdings trailing behind it.

Dozens of altnets have been launched in recent years, with many focused on specific regions of the UK.

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Like Gigaclear, Hyperoptic, G.Network and Community Fibre have raised substantial sums to fuel their expansion.

Gigaclear's network has a presence in 22 counties, and in May crossed the 300,000 premises threshold.

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That milestone meant the company, which is focused on rural areas across central and southern England, was 60% of the way towards its target of connecting 500,000 premises by December 2023.

Founded in 2010, Gigaclear has already raised hundreds of millions of pounds from investors including Infracapital, the infrastructure investment arm of M&G.

A Gigaclear spokesman declined to comment.