

Connecting Devon and Somerset (CDS) Programme Update

Report of the Head of Economy and Enterprise

Up to the end of the January to March 2016 quarter, the CDS Programme had delivered a total of 288,563 Total Homes Passed (THP) of which 239,081 were at Superfast speeds of 24Mbps or more. The programme remains on track to deliver around 273,000 superfast connections by the end of the deployment phase in December 2016. A verbal update on achievement for April to June 2016 will be provided at the Scrutiny meeting.

Take-up of superfast broadband services for the CDS Programme is reported based on Adoption Reports produced by BT for the Programme at a ward level. The current take up for the area up until the start of May 2016 is close to 25%. This data is derived from live ports within cabinets that have been deployed as part of the Programme which serves the entire area. BT provides a separate Customer Report to CDS which also includes data relating to take-up. BT have verified the information contained in both these reports and have confirmed that around 65,000 connections have been achieved.

BT appears to have under-reported live ports in previous customer reports and this has led to a lower take up figure being reported nationally and published in ISP Review. BT and BDUK have now reviewed and verified both reports and the same dataset that is used to measure take-up is being used to support the Gainshare calculation and the investment returned to CDS where take-up exceeds the 20% take-up used in the BT contract.

Phase Two – Airband Contract

Airband, the wireless broadband contractor for Dartmoor and Exmoor National Parks, has recently announced that their wireless transmitters are live on South West Dartmoor. Airband has also worked closely with Connecting Devon and Somerset (CDS) and BDUK to set up a 'wholesale open access platform' that will make the service available to a range of internet service providers. This platform is being promoted through the trade press to encourage as many local Internet Service Providers as possible to offer a service to customers on Dartmoor and Exmoor.

Before the service can be made available to residents and businesses, testing of the system and network must be carried out to make sure it is robust. This commenced at the start of May with the identification of 10 customers who have agreed to participate in a trial. Installs have already taken place and the testing will conclude in early June after which businesses and residents fed by the live transmitters can place an order.

All parishes that are capable of receiving a wireless signal will be contacted by the CDS team to inform them when they are live. Installation of the rest of the network is progressing well across Dartmoor, many now have planning permission and the remaining few applications are expected to be submitted shortly. It was hoped that the build of the network would have been completed by the end of March; however the spell of wet weather has severely hampered the build in some places. Some of the challenges experienced by the build teams have included difficulties in getting the diggers and cherry pickers up steep hills in the wet conditions as well as having to locate poles where there is granite underground.

On Exmoor, around 10 planning applications for the core network have now been submitted and are going through public consultation, with the first approval received already. A further 29 planning applications are due to be submitted over the coming months. Network build on Exmoor is expected to begin towards the end of May and the first connections are expected in the summer.

A verbal update on progress will be presented at the June 2016 Scrutiny meeting.

Phase Two – new procurement

The CDS team continue to progress work to launch a tender for the remainder of the CDS area. The Open Market Review (OMR) public consultation was launched in March inviting infrastructure providers to comment on the proposed intervention area drawn up using existing data held by the CDS team. BT has made a commitment to BDUK to respond to the OMR at a premise level and the situation will be reviewed once it is clear whether more accurate information will be available by the beginning of June. The OMR consultation has been extended by 2 weeks at the request of a number of suppliers, given that more detailed premises level information is being sought.

BDUK have successfully concluded negotiations on a new National Broadband Scheme and the EU have now approved the scheme for the UK. This now clears the path for CDS (and other national schemes) to launch their procurements. All that remains is for BT and other firms to respond swiftly with their commercial plans and the CDS programme can keep to its schedule of awarding a contract or contracts this year. CDS will run an open procurement procedure and taking into account suppliers feedback on the time required to submit responses and some new open access requirements being requested by the Commission the new anticipated date for contract(s) award is December 2016.

Dialogue and engagement with the industry has continued to help develop the procurement strategy and refine the draft statement of requirements which will form the basis of the tender. Following advice from BDUK and the EU, the CDS Board have agreed to apply a lotting approach to procurement which will divide the intervention area into 6 smaller sized lots in order to encourage SMEs and alternative networks to bid for the contract. Options on boundaries are being shared with suppliers during the final round of Extended Market Engagement (EME) to gauge reactions and refinements. CDS board will approve the intervention area and lotting approach in early June.

Following the Chancellor's Budget announcement of £14.5m funding for Ultrafast Broadband in the South West, the CDS team has been notified that it has been successful in its bid for funding. The CDS programme is set to receive an extra £4m which will be used to deliver ultrafast broadband speeds of up a minimum of 100 Mbps. The CDS team will now work with BDUK to agree a detailed business plan for the funding which will form part of the phase 2 roll out.

The team have been working with Teignbridge to explore the possibility of providing further funding to the CDS programme and a verbal update will be provided at June Scrutiny meeting.

Broadband Voucher Scheme

CDS has committed to ensuring that all businesses and residents can have access to at least 2 Mbps by end of 2016. To support this, the CDS team has set up its own Broadband Voucher Scheme which is now live and processing applications.

Anyone within the CDS area that currently has a broadband speed of less than 2 Mbps can qualify for a voucher for £500 to go towards the installation cost of a new broadband connection. Residents and businesses can choose their supplier from an approved list which includes satellite, wireless and fibre providers; and each solution will guarantee at least 10 Mbps download speed. To date around 600 vouchers have been issued with 11 installations completed. A verbal update will be provided at the June Scrutiny meeting.

Independent audit of first phase two procurement

South West Audit Partnership have concluded their independent audit of the CDS phase 2 procurement undertaken in 2015. The report has made the following observations/recommendations which have been used to inform the current process.

- The procurement processes used were found to be robust in the case of both the National Parks open tender and the Superfast Extension call off. No significant areas of non-compliance were identified although some process and assurance issues are raised in the body of this report and should be addressed ahead of future procurement activity.
- BDUK gateway approval processes were found to be used in both procurements and a good level of assurance can be given based on compliance with these processes.
- A review of processes used, which has been completed by documentation review and interviews with evaluators, moderators, and observers gives no indication of procurement outcomes being reached in a non-satisfactory manner.
- Governance for the Connecting Devon and Somerset programme is clearly in place and involves a broad collaboration of Elected Members and Senior Officers from partner authorities. A great deal of decision making is delegated to officers which is compliant with governance arrangements. Recommendations are made in this report to ensure continued oversight and strengthened governance as the programme enters a new procurement phase.

The audit report has raised a number of issues relating to Board governance in relation to the use of deputies should board members not be able to attend and formal forward planning as part of Board governance arrangements. The report also noted a number of minor administrative discrepancies and recommended that there be a separation of duties between the authorised signatory of the contract award notification and the evaluation of the tenders.

The CDS team will ensure that these recommendations are taken forward.

The Audit report shall be available on the CDS website shortly.

CDS Map and Data Accuracy

The CDS team have undertaken a review of the website and mapping and an improved map is due to go live in early June. A verbal update will be provided at the June Scrutiny meeting.

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Local Government Act 1972: List of Background Papers

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Background Paper	Date	File Reference
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Nil

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