

Connecting Devon and Somerset (CDS) Programme Update

Report of the Head of Economy and Enterprise

At the end of the April to June 2016 quarter, Connecting Devon and Somerset's contractor BT reported that a further 30,000 premises have been connected to fibre broadband, bringing the Total Homes Passed (THP) for phase 1 premises to around 310,000. In addition, the significant milestone of a quarter of a million premises capable of connecting to superfast broadband (24Mbps and over) was reached. The programme continues to remain on track to deliver the contracted 277,878 superfast connections by the end of the deployment phase in December 2016.

As we enter the final 6 months of the phase 1 programme, the pool of structures that BT can build against is getting smaller. Up until now BT have been carrying forward a surplus of around 10,000 premises passed. We can expect this to decrease in the final months of the contract and it will become much more important to resolve historic wayleave issues – something that the CDS team and BT are now monitoring on a weekly basis. A verbal update on achievement since June 2016 will be provided at the September 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 August 2016 is close to 26.5%. 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.

Phase Two – Airband Contract

Airband Community Internet have successfully completed testing of the network and have begun to release postcode areas capable of connecting to the new wireless broadband service.

In order to ensure all businesses and residents experience a high quality connection service, live areas are being released in batches over the coming weeks. The first area went live on Monday 1st August and new areas are being released on a weekly basis. The CDS team, working with the National Park Authorities have emailed the relevant parishes as soon as postcodes have gone live and, information is also available on the Airband Wholesale website.

Airband Community Internet has committed to deliver fixed wireless broadband to over 4,000 premises across the Dartmoor National Park area and these properties will be the primary focus of initial connections, the majority of which will be capable of Superfast Broadband speeds. The wireless network across Dartmoor is close to completion, with only a few planning applications outstanding.

On Exmoor, the majority of planning applications for the network have now been submitted to the local planning authority. The first planning approvals have been received, and network deployment has commenced. To date, 14 masts have been stood, and work continues to install equipment and connect these masts to the power grid. Exmoor remains

on plan, with the first connections expected early in the Autumn. Overall, the project is on schedule to meet its contracted completion date of December 2016.

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

Phase Two – new procurement

The CDS partnership launched their tender opportunity for phase 2 outside the National Parks on 8th July following 12 months of dialogue and early market engagement with the broadband industry. It is anticipated that the available public subsidy of £39.5m public sector investment will attract additional private sector investment and will deliver Next Generation Access broadband services (a minimum of 30 Mbps) and ultrafast broadband (speeds greater than 100 Mbps) to many tens of thousands more homes and businesses across Devon and Somerset in predominantly rural areas, and will contribute significantly to meeting the government's targets for superfast broadband coverage.

The tender opportunity will seek as much Next Generation Access coverage as possible across 6 geographic lots by the end of 2017. Suppliers will also be asked to ensure full service commencement by 2019.

All interested bidders were required to submit an expression of interest by 12th August. CDS has received a number of responses to this showing an intention across all lots. The deadline for submitting full applications is 21st October. The timescale for reaching contract award is dependent on the number of bids received; however, the aim is for all bids to have been evaluated by 14th November at which time the CDS programme will be able to announce the preferred bidder(s) for the phase 2 contracts and begin a standstill period and contract finalisation. Contract(s) award is expected to be announced in December.

As CDS is in a live procurement process we are not, at this stage, able to provide information on which suppliers have submitted expressions of interest. Expressions of interest are non-binding and therefore revealing the numbers or identities of those suppliers would not add any value to the procurement process. Indeed, to do so could actually detrimentally affect the procurement as it could influence bidders' responses, prices, and decisions as to whether or not to submit a tender, all of which could hamper the overall competitiveness of the procurement.

The phase 2 funding package of £39.5m public subsidy includes £4m from the SW Ultrafast fund and this will be targeted at areas with high business density to deliver broadband speeds in excess of 100Mbps. The CDS team are also now working with DCLG to finalise the full application for £4.6m European Regional Development Funding and this will be submitted in September. The government has now announced that all multi-year projects with signed contracts or funding agreements in place, and projects to be signed in the ordinary course of business before the Autumn Statement, will be fully funded, even when these projects continue beyond the UK's departure from the EU. Opportunities for further funding are also being sought through the LEP's Growth Deal 3 bid.

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.

BDUK have confirmed that the CDS voucher scheme is the most successful in England. To date over 2000 applications for vouchers have been made with 1500 vouchers approved and 120 installations completed. The deadline for voucher applications is 30th November to ensure that there is sufficient time for installations to occur before the end of the financial year. A verbal update will be provided at the September Scrutiny meeting.

Keri Denton
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Electoral Divisions: All

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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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