

Connecting Devon and Somerset (CDS) Programme Update

Report by the Head of Economy, Enterprise and Skills

1. Phase One

At the Scrutiny Committee meeting held on 10th January 2017, it was reported that Connecting Devon and Somerset's phase 1 contractor, BT, had missed their superfast broadband connection target by approximately 11,000 premises. A Remedial Plan has been produced and is being implemented to ensure that the contract target is met by 31st March 2017.

At the time of writing this report BT reported that the number of superfast homes and businesses connected stood at 276,200 with a remaining 1,600 premises to complete by the end of the quarter. An update will be presented to Members at the March Scrutiny meeting.

Much of the remaining deployment is Fibre to the Premise and this requires numerous wayleaves and highways notifications which have in some instances been difficult for BT to obtain. CDS are working with BT where possible to ensure these are secured to support the final connections to be delivered.

Take up of fibre service is now just over 32%, compared to 30% at the start of the year. This increase can in part be attributed to CDS marketing campaigns which have included a mail-out of leaflets to over 143,000 live addresses, press coverage, stickering of cabinets to indicate that a service is available and providing updates to parish councils. Take up now exceeds the 30% level which BT. This is being used to calculate the take up clawback provided for in the contract, this is calculated at the end of the deployment, and at two yearly intervals. This will allow for further deployment of superfast broadband and CDS will begin discussion with BT on how to apply this investment as the current contract completes and planning for the new phase two contracts becomes firm.

2. Phase Two - Airband

As reported to the last scrutiny meeting, Airband Community Internet, the fixed wireless supplier for Dartmoor and Exmoor National Parks, had been experiencing a number of issues hampering the rollout of wireless services across both Moors. A Remedial Plan which sets out the steps the provider intends to take to reach their target by March 2017 has been agreed by the CDS Moors Programme Board. At the same time CDS are working with Airband to provide additional coverage to 1,000 premises across Dartmoor and Exmoor, and these will be brought into the contract for the Moors shortly. This additional coverage has been possible within the existing funding package for the Moors. Some of the premises being brought in will not be covered by the phase 1 programme delivered by BT and can be 'seen' by the masts already planned for delivery. There will also be a small amount of additional infrastructure that will be covered by savings made elsewhere in Airband's programme budget.

At the time of writing this report, Airband had made services available to over 2,500 properties across the National Parks. 2,000 of these properties are on Dartmoor and 500 on Exmoor, with increased build from BT in the national parks furthering delivery in these harder

to reach areas. A verbal update on progress will be presented at the March Scrutiny meeting.

Airband Community Internet is working with Dartmoor and Exmoor National Park Authorities to process the final planning applications for the outstanding sites. Further works are ongoing to connect the remaining premises into the network and install the further infrastructure needed to add in the additional coverage to 1,000 premises. This final coverage on the moors will infill those areas that have been left out of the phase one delivery by BT, and as we near the end of phase one CDS and Airband will work together to ensure delivery goes to those areas that need it and any over-build is minimised.

3. Phase Two Projects

The CDS partnership has concluded its procurement of suppliers to deliver phase two of the programme outside the National Parks and has awarded the contract for Lots 2, 3, 5 & 6 to Gigaclear. Mobilisation meetings are taking place including establishing links with Highways Departments and on marketing and communications Initial survey work is also underway. The CDS Team have been working to develop a website that combines phase 1 completed delivery with phase 2 delivery already underway through the Airband contract and proposed delivery through the new phase 2 contracts recently signed. This website will be live in the next few weeks.

Lot 4 has a lead bidder and final assurance is being carried out so that elevation to preferred supplier status can be completed, and contracts signed shortly. Lot 1 (in the Bath & North East Somerset area) is currently the subject of a legal challenge and this process needs to conclude before a contract may be awarded.

An update on contracts awarded and coverage will be provided at the meeting.

The funding so far for the contracted Lots is over £62 million with much coming as part of Gigaclear's own funding investment. Gigaclear will deliver ultrafast Fibre to the Home within its delivery area and contracted suppliers for the remaining two lots must offer at least Next Generation Access broadband services with a minimum of speed of 30 Mbps. The current contracts will deliver to 35,000 premises in Devon and Somerset and tens of thousands more homes and businesses are expected to be delivered in the two remaining Lots. The phase two projects will run until December 2019. Gigaclear will be invited to a Members briefing once it has completed its initial planning work to confirm its rollout plans.

The phase 2 funding package 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 has been successful in its EU ERDF application and conversations are under way with Gigaclear and BDUK on preparing to introduce this additional capital investment into the Phase Two projects. This investment is secure with government agreeing to continue to fund multi-year projects with signed contracts even when these projects continue beyond the UK's departure from the EU.

The CDS team has also been successful in its bid for further funding from Growth Deal 3. The amount is yet to be confirmed by the LEP; however we expect it to be close to the original request of £10m. This is for both superfast broadband and mobile coverage. The next step is to develop and agree with the LEP a business case for extending superfast broadband coverage further and adding this investment into the contracted phase two projects.

4. Voucher Scheme

CDS is committed to ensuring that all businesses and residents have access to at least 2 Mbps. To support this, the CDS team set up its own highly successful Broadband Voucher Scheme. In total over 6,200 Devon and Somerset residents have applied for vouchers with over 4600 being approved.

The CDS voucher scheme is the most successful in England with over 850 installations to date. Some recipients are looking to use the voucher to encourage suppliers to deliver for the whole village or community and we look forward to a number of community schemes being delivered in the next few months.

The voucher provides £500 towards the installation cost of a broadband connection for properties who receive speeds less than 2Mbps download. Residents and businesses can choose their supplier from an approved list which includes 4G, satellite, wireless and fibre providers; and each solution will guarantee at least 10 Mbps download speed. More information is available on the CDS website.

The scheme is being reviewed alongside the new phase two projects and is currently asking new applicants to register their interest only at this stage. Installations for vouchers already issued should aim to be completed by the end of March 2017. CDS is also speaking to other suppliers keen to join any future scheme.

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Electoral Divisions: All

Cabinet Member for Economy, Growth and Cabinet Liaison for Exeter: Councillor Andrew Leadbetter

Chief Officer for Communities, Public Health, Environment and Prosperity: Dr Virginia Pearson

Local Government Act 1972: List of Background Papers

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Background Paper	Date	File Reference
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Nil