

DERBYSHIRE COUNTY COUNCIL

CABINET

5th March 2013

Report of the Deputy Chief Executive and Strategic Director for Health and Community Safety

DIGITAL DERBYSHIRE (Regeneration)

1. Purpose of the Report

To update Cabinet on progress in relation to the Digital Derbyshire Local Broadband Plan and to inform about the Government's Digital Strategy published in November 2012.

2. Information and Analysis

Digital Derbyshire Local Broadband Plan

In August 2011 the Government committed £530m investment into the UK's broadband network with the objective of facilitating the delivery of superfast broadband to 90% of areas and "standard" broadband (2 Mbps minimum) to the rest. The aim is to stimulate private sector investment to deliver the best network in Europe by 2015, including future proofing investment to enable next generation broadband.

BDUK is the Government agency within the Department for Culture, Media and Sport responsible for managing the overall programme. BDUK awarded Derbyshire County Council a grant of £7.39 m, subject to:

- a matching amount being found locally
- approval of the Digital Derbyshire Local Broadband Plan

In February 2012, the County Council approved a one-off contribution of £1.056m and agreed to underwrite the remaining balance of £6.334m to secure the Government grant. On 4 May 2012, BDUK approved the Derbyshire Local Broadband Plan, including the proposed delivery timetable.

Since the last report, Derbyshire was given the go ahead from BDUK to commence the formal 30 week procurement process. On 21 January 2013 the Open Market Review was launched, this being the first milestone. Other Key milestones in the procurement process are;

Date	Milestone	Brief description
21.01.13 – 20.02.13	Open Market Review	Consultation with suppliers to refine and clarify “white areas” eligible for public investment.
28.02.13 – 29.03.13	Public Supplier Consultation	Further consultation with suppliers for legal baseline of eligible areas (State Aid requirement).
8.04.13	Issue Draft Invitation To Tender	Derbyshire baseline draft Invitation To Tender.
29.04.13	Issue Final Invitation To Tender	Final Invitation To Tender for framework suppliers to respond.
1.07.13 – 19.07.13	Receive final tenders and conclude evaluation	All tender responses received and evaluated, progress governance and standstill.
30.07.13	Cabinet approval to award contract	
16.08.13	Contract signed	Preferred supplier in contract with the Council.

Given that the authority is now in the formal procurement process, Cabinet agreement is sought to approve the launch of the draft Invitation To Tender. As the Council is procuring from the national BDUK framework the Invitation to Tender is a standard template document which has been populated with Derbyshire specific information from the Local Broadband Plan. The draft Invitation to Tender is a baseline document which will be further developed and refined following supplier engagement and before the final Invitation To Tender is issued.

The engagement, education and market stimulation work continues at a high pace with over 3,300 residents and businesses now registering their demand and a wealth of partner support and joint initiatives. Libraries are championing Digital Derbyshire with links to the registration tool on public access computers, front line staff raising awareness with the public and promotional sessions.

The authority has been working to secure European funding and an application has been submitted for £2.5m ERDF, to support the capital costs underwritten by the Council and £350,000 revenue to support the demand, education and to deliver business support. A decision will be known shortly.

Government’s Digital Strategy

The Cabinet Office published the Government’s Digital Strategy in November 2012 setting out how the government will become “digital by default”. ‘Digital by Default’ means digital services that are so straight forward and convenient that those who can use them will chose to do so, whilst those who cannot are not excluded. People will only use government services digitally if they are convenient and straightforward. 82% of the UK population is online, but most people rarely use online government services.

‘Assisted Digital’ will be designed for people who are not online or are unable to use online services. People may continue to use face to face, phone, or intermediaries and in some cases, people will be supported to use the digital service.

It is estimated that savings of around £1.8bn each year can be realised by moving services online. There are over 650 government transactional services; people use the online option for only a handful of these services and half of the transactional services don’t offer digital options at all.

In April 2013 the Government’s first switch to ‘Digital by Default’ will see Universal Credit being an online transaction, meaning that all in receipt will need to use the internet to access their benefits. Many organisations and individuals remain unaware of this change in delivery and the Council is working across partners to push this message out.

The Council is part of a national focus group, Digital Exploitation Group, co-ordinated by the Local Government Association which is focussing on how authorities can maximise the improved broadband connectivity to deliver services, transaction and communicate with people and businesses. This group will seek funding for pilot initiatives to trial new way of delivering services digitally and make reports and justifications for implementation.

In delivering the Changing the Way Derbyshire Works programme and changes in service delivery, it is important that the workforce is appropriately trained and future ICT procurements are aligned to mobile and home workers.

3. Financial Considerations

Digital Derbyshire Local Broadband Plan

BDUK has awarded £7.39m to the County Council towards the programme. The County Council has approved a one-off contribution of £1.056m and agreed to underwrite the remaining balance of £6.334m. It is anticipated that funding from partners and national programmes, such as ERDF will be secured to reduce the funding underwritten by the Council. Approval is sought to issue the draft Invitation to Tender and any costs will be contained within existing budgets.

Governments Digital Strategy

In responding to the government’s digital agenda and transforming the way in which the Council transact and communicate with people there will be cost implications. It is known that this will be offset by significant future budget savings going forward. Further details will be subject to future reports.

4. Legal Considerations

To ensure the integrity of the procurement process, any direct or indirect communication with potential suppliers must be managed through the process and properly recorded.

5. Other Considerations

In preparing this report the relevance of the following factors has been considered: prevention of crime and disorder, equality and diversity, human resources, environmental, and property considerations.

6. Key Decision

Yes

7. Call-in

Is it required that call-in be waived in respect of the decisions proposed in the report? No

8. Background Papers

Previous Cabinet reports
Local Broadband Delivery Plan
Draft Invitation to Tender
Governments Digital Strategy

9. OFFICER'S RECOMMENDATIONS That Cabinet:-

- 9.1 Notes the progress being made to deliver the Local Broadband Plan.
- 9.2 Approves the launch of the draft Invitation to Tender
- 9.3 Notes that the next stage in the process for Cabinet approval would be upon completion of procurement and to seek approval to award the contract.

David Lowe
Deputy Chief Executive
Strategic Director for Health and Community Safety