

DERBYSHIRE COUNTY COUNCIL

IMPROVEMENT AND SCRUTINY COMMITTEE – RESOURCES

22 SEPTEMBER 2016

**REPORT OF THE CHAIR OF THE IMPROVEMENT AND SCRUTINY
COMMITTEE – RESOURCES**

REVIEW OF BROADBAND ACCESS – PROGRESS REPORT

1. The Purpose of the Report

To inform the Committee of the progress made by the working group conducting the review of broadband access in Derbyshire.

2. Information and Analysis

The Committee, at its meeting on 21 July 2016, approved a scoping report for a review of broadband access in Derbyshire. A working group has been appointed and the Members are Cllrs Moesby (Chair), Lauro, Booth, Marshall-Clarke and Kemp.

The main objectives of the review are to consider:

- How well rural communities are connected;
- How businesses are benefitting from the Digital Derbyshire programme
- What plans are in place to provide affordable alternative solutions to rural areas where the broadband service has not been upgraded.

The working group has held an initial meeting with Robert Rowan, Digital Derbyshire Programme Manager, during which the following points were made:

- In August 2011, the Government announced a major national programme to deliver superfast broadband (speeds in excess of 24mbps) to 90% of areas and “standard” broadband (2 Mbps minimum) to the remaining areas.
- The programme, which has had £530m of government funding invested in it, is administered centrally by Broadband Delivery UK (BDUK). At a local level it is being delivered by upper-tier authorities that are following a national framework which established BT as the sole supplier.

- Digital Derbyshire is a public/private partnership between the Council and BT. The programme consists of two separate contracts.
- Contract 1 was signed in August 2013 and is scheduled for completion by the end of September 2016. The initial target of upgrading broadband was 90% of areas by 2015, but later this was extended to 95% by 2017.
- So far (under Contract 1) 399 out of 425 cabinets have been fibre enabled. This means that fibre broadband is available to approximately 91,500 premises in Derbyshire.
- The work has involved the installation of fibre optic lines between local telephone exchanges and street cabinets (green boxes). The existing copper wires that run from the cabinets to the premises have not been replaced. Houses within a mile of the cabinet will benefit from an uplift in service, but if further away than a mile the potential benefit is diminished. For example a village 3 miles from a fibre enabled cabinet is unlikely to experience any discernible benefit. This scenario is referred to as a “long line issue”.
- Contract 2 is now underway. It aims to extend coverage to 98% of Derbyshire by 2018, when the contract ends. Work will include the upgrading of an additional 198 cabinets and also some fibre to the premises (FTTP) installations.
- Residents and businesses do not automatically benefit from the infrastructure being upgraded in their area. They have to sign-up and pay for a subscription service. It is an open access system meaning that consumers can use whichever provider they choose and are encouraged to shop around to find the best deal. To make it clear to residents that the upgraded service is not automatic the publicity material and posters on cabinets say “Fibre broadband is available to order”.
- Built into the contract with BT is a “Gain Share” component, based on the take up of the upgraded service. The greater the take up, the more money the Council can “claw back” and reassign to upgrade services in harder to reach areas. Consequently Digital Derbyshire undertakes public engagement to raise awareness when improved broadband services are available in an area. To do this the Digital Derbyshire team work with parish councils and county and district councillors to disseminate information.
- The take up of fibre services as at June 2016 was 31.5%, this is a significant improvement on the take up in April 2015 which was

10.77%. The improved take up has resulted from closer working relationships with district and parish councils.

- It was also noted that in deprived communities there are affordability issues that limit take up.
- The national framework's guiding principle is to deliver value for money. This means that work has been focussed in areas where there is a high concentration of premises.
- In phase 2 of the programme Digital Derbyshire is working with BT to modify the implementation plan. The intention is to give priority to rural areas with the greatest need. Residents in some rural areas may be reasonably well served by the existing broadband infrastructure (perhaps getting 10mb/sec) whereas other areas may have a very slow service and would benefit more by the service being upgraded in their area (and would be more likely to subscribe to a fibre broadband service).
- BT's original implementation model was based on 20% take up. Therefore to demonstrate to BT that there is a good demand for superfast broadband in rural areas Digital Derbyshire is carrying out demand registration work.
- It is unlikely that there will be any more government funding to support the roll out of superfast broadband. However if take up across Derbyshire continues to be good, gain share monies will be available to continue the roll out to harder to reach areas.
- The Digital Derbyshire team have produced a deployment map which shows existing and expected commercial superfast broadband coverage, areas where the Digital Derbyshire programme has been delivered and areas that are in progress. A revised deployment map for Contract 2 of the Digital Derbyshire programme will be available by the end of September 2016.
- The broadband service to a specific property can be checked by using the online BT wholesale Broadband Availability Checker [ADSL Checker](#) (There is a similar tool on the Virgin website). On entering the telephone number of a property the checker will display the supplying exchange and cabinet, and the broadband speed available. If "fibre to the cabinet" FTTC is listed as a product this means fibre broadband is available.
- In hard to reach rural areas where it's not possible to roll out fibre broadband, the Better Broadband Subsidy Scheme has been

developed by the UK government to provide access to a subsidised broadband installation to homes and businesses that are unable to access a broadband service with a download speed of at least 2Mb per second and who will not benefit from the superfast broadband roll out. The subsidy provides support towards the cost of the equipment and installation of a satellite or wireless broadband service, up to the value of £350.

- There is a link on the Digital Derbyshire website where residents can apply for a voucher and there is a list of participating service providers.
- Larger business in rural locations, sometimes choose to lease a dedicated line so that fibre runs directly to their premises. This is a commercial arrangement, usually with BT, and is an effective but expensive solution.

Next Steps

It is anticipated that at future meetings Members will talk with BT, providers who offer alternative broadband solutions and local businesses.

3. Social Value Considerations

Throughout the course of the review Members will consider the economic, environmental and social benefits of the way in which broadband is being delivered across Derbyshire and, whilst doing so, will look for opportunities to maximise social value.

4. Other Considerations

The relevance of the following factors has been considered in preparing this report; Finance, Human Relations, Legal and Human Rights, Prevention of Crime and Disorder, Equality and Diversity, Environmental, Health, Property and Transport

5. Recommendations

The Improvement and Scrutiny Committee – Resources is asked to;

- (1) Note the investigations undertaken by the review working group and the evidence gathered so far.

Councillor Clive Moesby

CHAIR, IMPROVEMENT AND SCRUTINY COMMITTEE – RESOURCES