

**CAMBRIDGESHIRE AND PETERBOROUGH SUPERFAST BROADBAND
PROJECT GOVERNANCE ARRANGEMENTS**

To: **Cabinet**

Date: **6th March 2012**

From: **Executive Director: Economy, Transport and Environment**

Electoral division(s): **All**

Forward Plan ref: **N/a** *Key decision:* **No**

Purpose: **To seek agreement to the proposed governance arrangements for Phase One of the Cambridgeshire and Peterborough Superfast Broadband Project.**

Recommendation: **Cabinet is recommended to**

- a) Endorse the project partnership approach with Peterborough City Council**
- b) Approve the project governance arrangements**
- c) Delegate authority to the Executive Director: Economy, Transport and Environment Services in consultation with the Leader of the Council to agree the terms of a formal partnership agreement or memorandum of understanding with Peterborough City Council and to proceed with the procurement process up to and including identification of a preferred bidder for the contract or contracts.**

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1. BACKGROUND

- 1.1 In August 2011 Cabinet agreed to invest up to a total of £20m to support the rollout of superfast broadband services in Cambridgeshire to act as a further stimulus for growth across the whole County.
- 1.2 Peterborough City Council has announced an investment of up to £3m to support broadband rollout in the Peterborough area.
- 1.3 This is in addition to the funding allocation to Tier One Local Authorities which is being distributed nationally by the Department for Culture, Media and Sport (DCMS) via Broadband UK (BDUK) and which is subject to meeting certain criteria.
- 1.4 The BDUK funding allocation to Cambridgeshire and Peterborough is expected to be £6.75m. It is anticipated that this combined national and local government investment will in turn generate significant private sector investment to provide a long-term and sustainable improvement to Cambridgeshire's broadband infrastructure.
- 1.5 The target for the project is to ensure access to superfast broadband (defined as at least 25Mbps and upwards) to at least 90% of Cambridgeshire premises and better broadband to all others by 2015.
- 1.6 The purpose of the project is to help drive economic growth in Cambridgeshire and Peterborough as well as supporting the health and well being of communities.
- 1.7 The key benefits are:
 - Helping to make Cambridgeshire an attractive location for new businesses by consolidating, enhancing and spreading the reputation of Cambridge and the surrounding area for technology innovation and enterprise by ensuring a "Connected Cambridgeshire" with 21st Century digital infrastructure services
 - Ensuring that Cambridgeshire businesses have access to superfast broadband services to help them compete and succeed in a globally competitive economy
 - Facilitating remote and home working through improved broadband coverage across Cambridgeshire and Peterborough with consequent reduction in traffic congestion and other inhibitors to growth
 - Targeted support to businesses to help them exploit the potential of superfast broadband
 - Enabling streamlined and innovative public service delivery, including support for an ageing population, via tele-health and other initiatives
 - Helping to improve the life chances of all residents by maximising digital inclusion and ensuring that all Cambridgeshire communities, including the most deprived, have access to digital services

- Improving access to on-line and home based training, education and life-long learning opportunities.
- 1.8 Following initial work undertaken by two advisory groups and the Cambridgeshire County Council project team, a twin track approach has been formulated which will enable a long-term and sustainable improvement to Cambridgeshire's broadband infrastructure.
- 1.9 The twin track approach includes a programme of demand stimulation and registration alongside the competition process to identify an investment partner to deliver the broadband infrastructure. In order to ensure best value for the investment of public funds and to comply with European Union competition and procurement legislation, a formal procurement process will be undertaken with the aim of awarding a contract or contracts to the successful bidder. Meeting the target delivery date of 2015 will be challenging and it is imperative that the project is supported by an efficient and effective decision-making process.

2. MAIN ISSUES

Partnership Approach

- 2.1 In August 2011 the Culture Secretary, Jeremy Hunt, announced the BDUK indicative funding allocations to each Tier One Local Authority. This combined funding allocations to neighbouring authorities where it determined it to be necessary in order to generate economies of scale. This includes Cambridgeshire County Council and Peterborough City Council, where £6.75m has been allocated as a combined funding stream.
- 2.2 In order to access BDUK funding, each authority has to submit a "Local Broadband Plan" and where funding allocations are shared between neighbouring authorities, this requires a joint approach and a formal partnering agreement. A draft plan has been submitted to BDUK.
- 2.3 Cambridgeshire County Council and Peterborough City Council project teams have been working together collaboratively in the planning stages of the project. However, in order to streamline our approach it is proposed that this is now formalised and reflected in the project governance mechanism.

Project Governance

- 2.4 A robust project approach is necessary to ensure that the procurement phase is undertaken in the most effective and timely manner. To support this, and in recognition of the substantial investment of public funds, it is proposed that the Council's embedded audit approach is incorporated within the project structure and that a Prince 2 aligned project management methodology is adhered to. This will include interim audit reporting to the project board and steering group throughout the key stages of the project.
- 2.5 Project decisions will be made jointly between Cambridgeshire County Council and Peterborough City Council. The following project groups are proposed:

Project Steering Group: Will meet quarterly or more often if needed.

Purpose: To provide strategic direction to the Superfast Broadband Project. Responsible for the financial spend and commitment by both Cambridgeshire County Council and Peterborough City Council.

Membership:

- Leader, Cambridgeshire County Council
- Leader, Peterborough City Council
- Cabinet Member for Growth and Planning, Cambridgeshire County Council
- Cabinet Member for Resources, Peterborough City Council
- Cabinet Member for Resources and Performance, Cambridgeshire County Council.

Supported by: Executive Director Economy, Transport and Environment.

Project Board: Will meet monthly or more often as needed.

Purpose: The project board is responsible for oversight of the project. This includes monitoring progress against the agreed plan, ensuring appropriate project management practises are followed and relevant financial regulations are adhered to.

Membership:

- Executive Director Economy, Transport and Environment, Cambridgeshire County Council
- Local Government Shared Services (LGSS) Director of Finance, Cambridgeshire County Council
- Head of Business Transformation, Peterborough City Council
- Head of Corporate Finance, Peterborough City Council
- Superfast Broadband Project Director, Cambridgeshire County Council
- BDUK Area Representative.

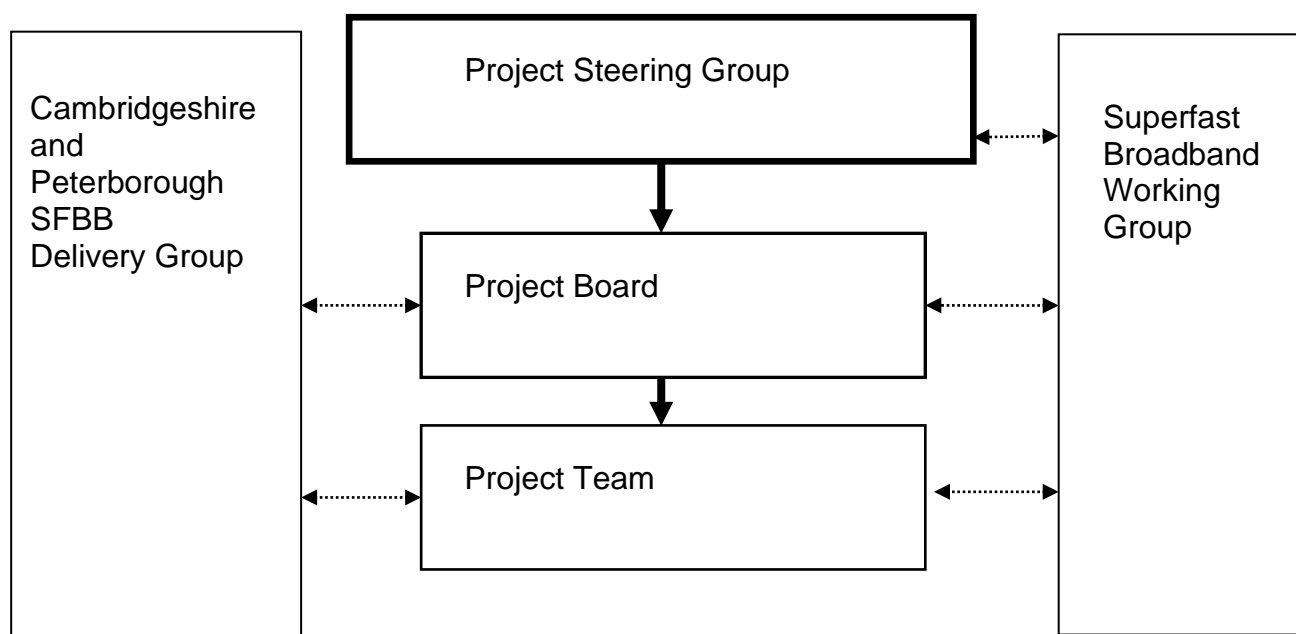
Supported by: Superfast Broadband (SFBB) Project Manager.

- 2.6 Two advisory groups have been formed to research best practice, bring wider public sector, industry and academic experience to bear and to provide detailed local knowledge and information to the project:

The Superfast Broadband Working Group comprises Economic Development Officers from the County Council, Cambridgeshire District Councils and Peterborough City Council.

The Cambridgeshire and Peterborough Broadband Delivery Group comprises representatives from the Local Enterprise Partnership (LEP), University of Cambridge, Cambridge University Health Partnership, Anglia Ruskin University and Urban and Civic, as well as members and senior officers from Cambridgeshire County Council, Cambridgeshire District Councils and Peterborough City Council.

- 2.7 It is recommended that the advisory groups continue to meet, shape and inform the project. A diagram of the group structure is set out below:



Delegation of Authority to Proceed

- 2.8 Cabinet is recommended to delegate authority to proceed with the twin elements of the project, including agreeing the terms of a formal partnership agreement or memorandum of understanding between the Councils and oversight of the procurement process up to and including identification of a preferred bidder, to the Executive Director: Economy, Transport and Environment as Senior Responsible Owner (SRO) for the project, in consultation with the Leader of Cambridgeshire County Council.

3. ALIGNMENT WITH PRIORITIES AND WAYS OF WORKING

3.1 Supporting and protecting vulnerable people when they need it most

The report above sets out the implications for this priority in paragraph 1.7.

3.2 Helping people live healthy and independent lives in their communities

The report above sets out the implications for this priority in paragraph 1.7.

3.3 Developing the local economy for the benefit of all

The report above sets out the implications for this priority in paragraph 1.7.

3.4 Ways of working

The report above sets out the implications for making sure the right services are provided in the right way in paragraph 1.7.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource and Performance Implications

The report above sets out details of significant implications in relation to capital investment in 1.1 above and in relation to partnership arrangements with Peterborough City Council in paragraph 2.2 above

4.2 Statutory, Risk and Legal Implications

The investment may represent a 'state intervention' for which European Commission approval is required. The level of investment also engages the EU procurement rules and requires a tendering process under the Public Contracts Regulations. Both of these will be included within the project planning.

4.3 Equality and Diversity Implications

The implications for digital inclusion are outlined in paragraph 1.7.

4.4 Engagement and Consultation

Public engagement will be undertaken as part of the twin track approach of the project as outlined in paragraph 1.9 above.

Source Documents	Location
None	N/A