Superfast Broadband Rollout Progress Update

To: **Audit and Accounts Committee**

Date: **23rd September 2014**

From: Noelle Godfrey,Connecting Cambridgeshire Programme Director

Electoral Division(s):   **All**

Purpose: To provide an update on the progress of the Superfast Broadband Rollout and Mobile Infrastructure elements of the Connecting Cambridgeshire Programme

Key Issues:

a. *The broadband rollout project has achieved key milestone targets to date and is on track for completion by December 2015. Plans are in place to deliver a second phase of infrastructure rollout following on from this.*

b. *Speed uplift in many areas has been significant and take-up has generally been high. Early indications show take-up above the national average.*

c. *The central government led Mobile Infrastructure Project is behind schedule with current estimates for a smaller number of additional masts in Cambridgeshire than originally predicted.*

d. *Recommendation: The Audit and Accounts Committee is asked to note the progress of the broadband rollout and the Mobile Infrastructure Project*

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1. BACKGROUND

1.1. In 2011 the Council recognised the importance of having a comprehensive broadband infrastructure across Cambridgeshire, which can be fully exploited by businesses, communities and public service organisations to:

- Drive forward economic growth
- Help build and sustain thriving, connected communities across the county
- Facilitate streamlined public service delivery.

1.2. The Superfast Broadband Rollout programme was set up in early 2012 to provide public funding, on a gap funded basis, to support the rollout and exploitation of broadband infrastructure to areas of the county which would not otherwise be served by commercial operators.

1.3. Shortly after it was set-up the scope was broadened to include additional elements including:

- the provision of public access Wifi,
- mobile voice and data service availability and
- the development of the Cambridgeshire Public Services Network (CPSN).

1.4. The programme includes a number of partners and is funded by a variety of sources, including: central government departments; European Regional Development Fund (ERDF); Cambridgeshire Local Authorities (primarily Cambridgeshire County Council and Peterborough City Council). This is in addition to leveraging private sector investment. The total planned programme investment is just over £50m, with a capital investment of up to £20m from Cambridgeshire County Council.

1.5. In order to comply with state aid regulations, following a market consultation exercise in 2012 each postcode in the County was designated a colour code depending on whether it had one or more telecommunications providers (black), one provider only (grey) or having no anticipated infrastructure within a three year period and therefore demonstrating market failure (white). These white postcodes also known as "intervention" areas and numbered around 95,0000 homes and businesses across Cambridgeshire and Peterborough.

1.6. In 2012 the Council undertook a procurement exercise to find a supplier who would co-invest to rollout a Superfast broadband infrastructure to those areas of the county that would otherwise not be covered by commercial provision.

1.7. In March 2013 at the conclusion of the procurement process the contract to rollout Superfast Broadband to the "white" areas was awarded to British Telecom (BT).

1.8. The Mobile Infrastructure Project (MIP) is a £150m central government project to improve mobile voice and data coverage across the country in areas where there is currently no service. State aid constraints mean that the scope is confined to complete "not spots" , where no mobile signal can be obtained, and does not include areas of poor or weak signal or areas where only one mobile network operator (MNO) has presence.

2. MAIN ISSUES

2.1. <u>Superfast Broadband Rollout</u>

2.1.1. The Superfast broadband rollout delivery is currently on track and in line with the contract schedule for planned completion by December 2015, with the first milestones delivered early. As predicted during the demand registration phase, take-up and pubic enthusiasm for the rollout is generally high. (See Appendix A – Spaldwick case study for a synopsis of the impact of having broadband in one Cambridgeshire village).

2.1.2. For each area the infrastructure rollout includes a series of network planning phases, telephone exchange upgrades, rollout of fibre "spines" to connect exchanges and cabinets and the deployment of fibre enabled street cabinets. Once street cabinets are live residents and businesses are able to order "Superfast" broadband packages from their choice of Internet Service Providers (ISPs).

2.1.3. The first fibre enabled street cabinets to be rolled out went live in November 2013, slightly in advance of the first anticipated milestone delivery date of December 2013. To date more than 175 cabinets have been deployed and the number of previously "white" premises now able to get Superfast broadband services has just passed 34,000. Although the nature of the rollout means that the more difficult to reach areas are likely to be the most challenging in terms of cost and timescale, there is reasonable confidence that the December 2015 contractual deadline will be met.

2.1.4. However there are two new factors which have come to light that mean that a follow-on rollout phase will be required. The first is that some commercial providers have not rolled out their services as extensively as the market consultation exercise in 2012 predicted, which means that a number of postcodes originally designated as "grey" and therefore out of scope need to be re-evaluated. The second is that the baseline data which was supplied by government to support the market

consultation was taken from 2008/9. In a high growth county such as Cambridgeshire this has meant that a number of new housing developments were completed in the intervening period without the requisite broadband infrastructure but were not included within the original intervention scope.

2.1.5. A follow on phase is necessary to address these issues and Broadband UK (BDUK), part of Department for Media, Culture and Sport (DCMS) have made an in principle allocation of up to £1.5m to support a phase two broadband rollout in Cambridgeshire which will be combined with existing funding alongside potential European funds, which will in turn leverage further private investment. Planning for an extension phase is currently underway.

2.1.6. Public support for the rollout of Superfast Broadband remains high and Connecting Cambridgeshire has a network of 120 Broadband Champions countywide, who are keeping their communities informed, helping people get online and encouraging people to take up superfast broadband. Further information can be seen at Appendix Two – Connecting Cambridgeshire Quarterly Briefing.

2.2. Mobile Infrastructure Project (MIP)

2.2.1. In September 2013 the national MIP team identified up to seven "not spot" areas in Cambridgeshire which were candidates for mobile infrastructure rollout locations. The Connecting Cambridgeshire Programme agreed to facilitate the rollout of additional masts by liaising with District Council planning teams and identifying public owned land in order to support the project.

2.2.2. The MIP project team subsequently announced delays to the programme, with the latest update only available in early September. As a result of reviewing the radio planning and resetting the criteria for intervention the current anticipated areas identified for intervention has reduced to a maximum of three – two in South Cambridgeshire and one in Fenland.

2.2.3. Investigation of potential sites for the three additional masts is underway and if suitable locations can be found it is expected that planning proposals will be brought forward by the end of 2014.

Source Documents	Location
n/a	n/a

Appendix Two

Connecting Cambridgeshire Quarterly Brief – September 2014

This quarterly brief aims to update MPs and Members on the progress of the Connecting Cambridgeshire programme. If you have any queries, please contact us on 01223 703290, email contact@connectingcambridgeshire.co.uk, or visit www.connectingcambridgeshire.co.uk

Broadband roll-out

The Connecting Cambridgeshire superfast broadband roll-out has reached over 34,000 homes and businesses across Cambridgeshire and Peterborough with high speed fibre.

This significant milestone was achieved just eight months after the first roadside cabinets went live. More than 175 new green cabinets have been installed in over 50 areas across the county, giving thousands of people access to superfast broadband.

The programme is on track to bring superfast broadband over 90,000 properties by the end of 2015, which would not otherwise get it under commercial provision. Some areas are going live earlier than scheduled with many more to come over the next year.

People can find out when they can expect to get faster broadband in their area and view a coverage map on the 'my area pages' at www.connectingcambridgeshire.co.uk, which are regularly updated. A list of areas across that have gone live in the first two phases of the roll-out is also available.

Digital Minister pays tribute to rapid roll-out

"I congratulate Connecting Cambridgeshire on their excellent progress to date. I'm delighted to hear that 30,000 homes and business in the county have joined more than a million others around the UK who are already benefiting from the Government's UK rollout." – Ed Vaizey MP

Digital Economy Minister Ed Vaizey came to Cambridgeshire in August to hear how communities and businesses are benefiting from faster broadband connections and digital technology through the Connecting Cambridgeshire programme.

After visiting the rural village of Soalcwick, where over a third of residents have already upgraded to superfast broadband, the Minister joined celebrations at Willingham Auctions with Bill Murphy, managing director of next generation access for BT; Kim Mears, next generation access director for BT's local network business, Openreach; local councillors and Connecting Cambridgeshire programme partners.

Extending the roll-out

Although the rollout is proceeding very well, there is emerging evidence that there will be less commercially provided broadband than predicted. In addition the high level of housing growth in Cambridgeshire poses a risk that a number of recently completed housing developments will not have adequate provision.

Connecting Cambridgeshire has been allocated additional Government funding as part of the Superfast Extension Programme (SEP) in order to address these additional challenges

We are now starting the process of consulting with the market again to redraw the "black, grey, white" intervention map to determine where the gaps are likely to be at the conclusion of the current rollout programme and to plan a follow-on phase. We expect to have a clearer picture of what this will look like early in 2015.

By the time the programme is completed, Cambridgeshire will be one of the best connected counties in the country. Most homes and businesses will be able to upgrade to faster fibre broadband, although not everyone will be able to get superfast speeds. In a few very remote areas, alternative technologies will be used to ensure homes and businesses can get better broadband (min 2Mbps)

Broadband Champions

Connecting Cambridgeshire has a network of 120 Broadband Champions countywide, who are keeping their communities informed, helping people get online and encouraging people to take up superfast broadband.

Local councillors, Parish Councils and Community groups are also helping to spread the word when fibre broadband arrives using articles, posters, postcards and display materials provided by Connecting Cambridgeshire.

As the programme progresses, more local volunteers will be needed to help people to make the most of faster Internet access. Connecting Cambridgeshire will be highlighting opportunities during Get Online Week on October (13-19). Volunteers can find out more via the Getting Involved page at www.connectingcambridgeshire.co.uk

Business support - Destination Digital

Connecting Cambridgeshire's Destination Digital programme is ensuring that businesses can make the most of faster connections and digital technology to boost the local economy.

Destination Digital offers small businesses broadband connection vouchers up to £3,000, 40% grants up to £4,000 for digital products and free advice on digital technology.

The programme has already assisted more than 500 small businesses: awarding more than 60 grants for digital products and services and issuing over 30 connection vouchers for installing superfast broadband, with free business advice and digital skills training for many more.

Destination Digital is working closely with District Councils and business networks to promote the programme and run workshops to help businesses learn new digital skills. Businesses are being urged to apply for funding now to ensure they don't miss out as the programme only runs until March 2015. They can get more information and apply direct at www.destinationdigital.info

Women and Broadband

Connecting Cambridgeshire has been awarded £75,000 from the Government's Women and Broadband Challenge Fund to help women start or grow their own businesses by getting online with faster broadband.

The extra funding will provide practical help for up to 1500 women to improve their digital skills, grow or set up businesses, and gain support from women's business networks. The six-month programme will be launched at a women's business network event in late September 2014 with funding available until March 2015.

Women-led businesses now represent 20% of all small and medium enterprises (SMEs) in the UK. This is one way to remove some of the barriers that make it hard for women-led businesses and entrepreneurs to start up. Further details and online resources will be available at www.destinationdigital.info

Public Wi-Fi

Connecting Cambridgeshire is also working to improve public Wi-Fi and mobile coverage across the county and has launched a free Wi-Fi service in central Cambridge in partnership with the University of Cambridge.

Free public Wi-Fi is part of the Government-funded Super Connected Cities project to improve broadband connectivity and expand wireless technology in Cambridge and South Cambridgeshire.

Thousands of people have already logged through The Cloud to use the network, to keep up with friends, work or study on the move and share experiences. A coverage map and further details are available at www.connectingcambridgeshire.co.uk