

Report to: **Hub Committee**
Date: **1st December 2020**
Title: **Broadband Community Support**
Portfolio Area: **Leader**
Wards Affected: **all**
Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken:

Author: **Steve Mullineaux** Role: **Director of Customer Service Delivery**

Contact: **01803 861412** steve.mullineaux@swdevon.gov.uk

Recommendations:

That the Hub Committee is recommended to:

1. Approve development of a Broadband Community Support Strategy to support the Councils Economic and Health & Wellbeing Objectives.
2. Recommend to Council to approve the creation of a Broadband Community Support earmarked reserve of £100,000, to be financed by;
 - a. Transferring £50,000 from the existing Business Rates Retention earmarked reserve.
 - b. Transferring £50,000 from the Business Rates Discretionary fund (Additional Restrictions Grants, ARG Scheme)
3. Approve the Council entering into a memorandum of understanding with the Sydenham Damerel Community Fibre Partnership on terms to be agreed by the Director of Customer Service Delivery in consultation with the Head of Legal Services and Monitoring Officer
4. Subject to completion of the memorandum of understanding, Approve the Council entering into a contract with BT Openreach to provide a scheme in Sydenham Damerel on behalf the Sydenham Damerel Community Fibre Partnership.
5. Note and endorse the current actions taken to date.

1. Executive summary

- 1.1 The purpose of this report is to set out how the Council will support communities that will not be included in the current Connecting Devon and Somerset programme.

- 1.2 The rationale is that effective Broadband is a factor that impacts all aspects of the Borough.
- 1.3 For small start-up businesses it is a key avenue to market, for school children, a key educational tool, by enabling home working it can reduce commuting and have a positive impact on climate change and of course in the current pandemic for individuals and communities it can help reduce isolation and for some is a lifeline.
- 1.4 Therefore in conclusion, effective Broadband solutions impact on the economic prosperity and the health and wellbeing of our individuals and communities within the borough.

2. Background

- 2.1 In England 97.1% of households have access to superfast broadband (defined as speeds of 26mbps). West Devon currently sits at 93.5% and in the bottom quartile of local authority areas. <https://labs.thinkbroadband.com/local/councils>
- 2.2 At a constituency level, there are two parliamentary constituencies in West Devon: Torridge and West Devon & Central Devon. Superfast coverage in the two constituencies are 88.7% and 89.3% respectively - figures that are significantly below the UK figure of 96%. Out of the 650 parliamentary constituencies, Torridge and West Devon is ranked 613th for broadband coverage, and Central Devon is ranked 611th. <https://labs.thinkbroadband.com/local/index.php?tab=1&council=2>
- 2.3 Connecting Devon and Somerset (CDS) is a programme that is centrally funded by Central Governments Building Digital UK (BDUK) department to improve broadband and increase superfast connectivity across the Devon and Somerset County Council areas. This scheme continues to operate and only recently agreed a further roll-out with a supplier to provide broadband Fibre To The Premise (FTTP) in a number of communities across West Devon. It should be noted that this scheme will not be completed until the end of 2021.
- 2.4 Even with this additional CDS scheme and existing commercial providers, it is estimated that approximately 2,700 homes / business premises in the Borough will not have access to Superfast Broadband.
- 2.5 BDUK have an offer known as the Gigabit Voucher Scheme and support additional communities. This scheme enables rural communities (residents and businesses) with broadband speeds of less than 100Mbps can use vouchers to apply for funding for a commercial provider to provide superfast / FTTP solutions that otherwise would not be commercially viable. The vouchers are

worth **£1,500** per home and up to **£3,500** for each small to medium-sized business (SME). Details of the scheme are available here;

[Gigabit Vouchers – Department for Digital, Culture, Media & Sport](#)

- 2.6 How the Gigabit Voucher Scheme works;
- a. A community agrees on the need for a scheme.
 - b. They then apply to a provider for a quotation to provide a service.
 - c. On receiving the quotation, the community assess whether they will have enough interest to pay for scheme with the vouchers.
 - d. If they do, they can apply for the vouchers from the DCMS. Residents and Businesses apply for the vouchers and once the value of the vouchers applied for reaches the quotation value, DCMS authorise the provider to start the delivery of the scheme.
 - e. Within 12 months of completion of the scheme the residents must apply for a broadband connection.
 - f. At this point the supplier is paid by DCMS.

3. Proposal for supporting West Devon Communities

3.1 Sydenham Damerel Community Fibre Partnership (CFP)

3.1.1 This group have approached the scheme in an exemplary fashion, providing clear community leadership and as a result they are now very close to achieving the point where the provider commences the engineering work. However as part of the process the supplier (in this case BT Openreach) insist on a contract between them and a legal entity before they will commence the work. The purpose of this is to ensure that once the scheme is completed that residents and communities do indeed take up a service and that they (the supplier) can recover their costs from DCMS.

- 3.1.2 Details of the Sydenham Damerel Scheme are set out below;
- a. 138 addresses will be provided with FTTP
 - b. The suppliers quoted costs are £174,202
 - c. 73 residential properties and 33 businesses have indicated that would sign for vouchers achieving a voucher total of £225,000, which is 129% (£50,798) above the required costs.

3.2 Whilst the above CFP have been extremely successful in engaging the wider community, it is anticipated that others may need support and guidance. This 'support' could go beyond being the legal entity, it could be around engagement or could be financial in that the

scheme could have a gap between the value of the vouchers and the cost of the scheme.

- 3.3 It is then proposed that as stated in Recommendation 4 that West Devon Borough Council becomes the legal entity and signs a contact with the provider on behalf of the Sydenham Damerel CFP.
- 3.4 That the Council uses the process followed by the above CFP to develop a template that can be used to support other community groups as best practice and develops a longer term strategy as set out in Recommendation 1.
- 3.5 By creating an Earmarked reserve as set out in Recommendation 2, that the Council can support a number of schemes to reach a successful outcome.
- 3.6 That officers investigate what resources can be used from external funding to support the Council in its aspirations. Discussions are ongoing with the Economic Development Team in Devon County Council, the CDS team and the Local Enterprise Partnership (LEP). Officers have also bid for a match funded grant from the LGA to support a post of a Community Broadband Support Officer.
- 3.7 If the bid is successful the post would be responsible for liaising and supporting communities, identifying additional funding streams for individual projects, proactively working with CDS to identify areas and communities that could benefit from a scheme, and ensuring that the community (individuals and businesses) maximise the potential benefit of the new broadband infrastructure.

4. Consideration of risk

- 4.1 Having had discussions with CDS and the supplier, officers can confirm that;
 - a. There are no risks should the cost of the scheme exceed the original supplier estimate. These costs sit with the supplier.
 - b. If the number of vouchers does not meet the original supplier estimated cost of the scheme the Council can decide to subsidise the gap, as it will be aware of the financial implications before making any decision to commit.
 - c. In entering a contract with the supplier on behalf of a Community group the Council could be liable to the loss of income of the supplier if those residents and businesses do not take out a broadband service with any provider on the infrastructure that the supplier has provided with the scheme.
 - i. As an example if a scheme needed 100 residents or businesses to proceed and on completion of the scheme 50% of residents failed to take out a service in year one we estimate that the Council could be liable for approximately £9,000. However it would be highly unlikely that this would happen.

4.2 In order to try to mitigate any risks for the Council, it is proposed that a Memorandum of Understanding (MOU) is signed between the Community Group and the Council before any contract signature with Council. The MOU would set out the responsibilities and expectations of both parties.

4.3 It is recommended that any future agreement with any other community group is presented to Hub Committee for approval in line with the strategy that is to be drafted.

5. Proposed Way Forward

5.1 That the Hub Committee agrees the recommendations and officers provide a further update in April 2021.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	The Localism Act 2011 section 1 gives the Council a general power of competence to do anything not prohibited by legislation, albeit subject to the usual public law principles. The purpose underlying the power is to enable local authorities to explore innovative solutions to deliver more or the same services with less, and to generate income by charging and trading in line with existing powers, and to provide indemnities and guarantees.
Financial implications to include reference to value for money	Y	The creation of a Broadband Community Support Earmarked Reserve of £100,000 is recommended to Council, to be financed by; <ul style="list-style-type: none"> • Transferring £50,000 from the existing Business Rates Retention earmarked reserve. • Transferring £50,000 from the Business Rates Discretionary fund (Additional Restrictions Grants, ARG Scheme)
Risk	Y	See section 4. There is a limited financial risk that would be mitigated by ensuring that the number of rural gigabit connectivity vouchers granted by the Department for Communities, Housing and Local Government exceeds the supplier's estimated costs and by making provision for any losses by the earmarked reserve stated above.
Supporting Corporate Strategy	Y	Economy Health and Wellbeing
Climate Change - Carbon /	Y	Agreeing to these recommendations will make a small positive difference to carbon reduction by enabling homeworking for more residents

Biodiversity Impact		
Comprehensive Impact Assessment Implications		
Equality and Diversity		Non as a direct impact of this report
Safeguarding		None as a direct impact of this report
Community Safety, Crime and Disorder		None as a direct impact of the report
Health, Safety and Wellbeing		None as a direct impact of the report
Other implications		None

Supporting Information
Appendices: Not Applicable
Background Papers: Not Applicable

Approval and clearance of report

Process checklist	Completed
Portfolio Holder briefed/sign off	Yes
SLT Rep briefed/sign off	Yes
Relevant Heads of Practice sign off (draft)	Yes
Data protection issues considered	Yes
Accessibility checked	Yes