
Meeting: Executive
Date: 14 February 2012
Subject: Central Bedfordshire Local Broadband Plan
Report of: Cllr Maurice Jones, Deputy Leader and Executive Member for Corporate Resources
Summary: The report proposes that the Executive consider and approve the Central Bedfordshire Local Broadband Plan, setting out how the Council will support the roll out of superfast broadband in the area by 2015.

Advising Officer: Gary Alderson , Director of Sustainable Communities
Contact Officer: Liz Wade, Assistant Director, Economic Growth, Skills & Regeneration, James Cushing Economic Policy Manager
Public/Exempt: Public, Appendix B information relating to the business affairs of the council is exempt
Wards Affected: All
Function of: Executive
Key Decision No
Reason for urgency/ exemption from call-in (if appropriate) N/A

CORPORATE IMPLICATIONS

Council Priorities:

The Local Broadband Plan directly supports the Corporate Priority of managing growth effectively with significant potential to support business and jobs growth as part of the Councils plans for future growth. Implementing the Broadband Plan will also contribute to a range of wider Council objectives including providing, putting in place necessary infrastructure, delivering high quality value services to the residents and the plan will also directly contribute to the educating protecting and providing opportunities for Children and Young People priority.

Financial:

1. £1 million capital has been proposed in the draft budget (from 2012-2014) to deliver the infrastructure element of the project. This funding will be matched by an estimated minimum of £2.64 million of external resources.

A revenue pressure of £30,000 per annum for the next three years has also been identified to deliver activities to promote take up of services, promote digital inclusion and new business opportunities and increased productivity.

Legal:

2. The Council can undertake activities to promote or improve the economic well-being of its area under Section 2 of the Local Government Act 2000. There are no statutory requirements for the Council to undertake improved broadband. The Council will be able to secure a private sector partner and undertake delivery activities utilising a national BDUK State Aid notification and a procurement framework which is compliant with European Union (EU) requirements. Council legal, financial and procurement rules will also be adhered to throughout delivery of the plan.

Risk Management:

3. Broadband Delivery UK (BDUK) has indicated that they require partnerships of Local Authorities to be formed to secure their funding and maximise the likelihood of private sector engagement. There is a risk in partnership working of agreeing a joint submission. This risk has been minimised by establishing a high level member lead cross working group between partner authorities. BDUK have also highlighted that they require a draft submission of a joint Local Broadband Plan by the end of February 2012. The use of external consultancy support will minimise the risk of not meeting this deadline. There will be a number of risks associated with delivering the plan, in terms of securing a private sector partner and delivery risks. These will be mitigated through the use of the BDUK framework and early market engagement and also putting in place dedicated project management resource and processes for delivery.

Staffing (including Trades Unions):

4. A dedicated project manager for delivery of the project is required. A new fixed term post will be created to meet this need.

Equalities/Human Rights:

5. Public authorities have a statutory duty to promote equality of opportunity, eliminate unlawful discrimination and to foster good relations in respect of nine protected characteristics; age, disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

In developing the Local Broadband Plan consideration of the need to improve access for all has been a core principle.

Community Safety:

6. Improved broadband infrastructure has the potential to support community safety activities including use of CCTV and also delivery of improved services through partner agencies such as the police.

Sustainability:

7. Delivery of the Local Broadband Plan will positively impact on a number of sustainability considerations, including reducing the need to travel (by increasing access to online services and opportunities for home working) and resulting emission reductions. Further to this, the provision of superfast broadband will also support the delivery of jobs growth aspirations for the area.

Procurement:

8. It is proposed to utilise a national BDUK procurement framework (currently going through an EU process). A mini competition process will be used to call off private sector providers from this framework to deliver infrastructure locally.

Overview and Scrutiny:

9. The Central Bedfordshire Local Broadband Plan has not been considered by Overview and Scrutiny at this stage, but the plan and its implementation will be considered at a future meeting.

RECOMMENDATIONS:**The Executive is asked to:**

1. **consider and approve the Central Bedfordshire Local Broadband Plan;**
2. **to delegate to the Director of Sustainable Communities, in consultation with the Deputy Leader and Executive Member for Corporate Resources, to approve a Joint Broadband Plan with Milton Keynes and Bedford Borough Councils or any other partnership arrangements as necessary, for submission to Broadband Delivery UK for approval, subsequent procurement and to make minor consequential amendments to the Central Bedfordshire Local Broadband Plan.**

Reason for Recommendations: To secure external resources and put in place the necessary infrastructure to support the delivery of superfast broadband to 90% of premises and support towards a minimum speed of 2 megabits per second for all in Central Bedfordshire.

Executive Summary

10. The Central Bedfordshire Local Broadband Plan sets out the superfast broadband vision for the area to 2015 to deliver superfast infrastructure to 90% of the premises and support provision on a minimum service of 2 megabits per second (Mbit/s) to all premises in Central Bedfordshire.

11. The Council is required to form partnerships with other neighbouring local authorities to secure BDUK funding and to maximise economies of scale and reach a minimum contract size to increase the likelihood of securing private sector interest and additional investment. Following discussions with BDUK and neighbouring local authorities it is proposed to develop a Joint Local Broadband Plan with Milton Keynes and Bedford Borough Councils for submission to BDUK for approval. Central Bedfordshire's contribution to and approval of this joint plan would be based on the Central Bedfordshire Broadband Plan.

The Central Bedfordshire Local Broadband Plan Background

12. Broadband Delivery UK (BDUK) is a team within Department for Culture Media and Sport set up to deliver the Government's broadband strategy, specifically:

- "deliver the best superfast broadband network in Europe by 2015";
- 90% Superfast availability (>25Mbit/s) by 2015; and
- 100% Universal service commitment (2Mbit/s) by 2015.

One of BDUK's main roles is to allocate and distribute £530 million of Government funding to 2015.

13. BDUK have indicated an allocation of £620,000 to Central Bedfordshire to support the roll out of superfast broadband infrastructure. A requirement of accessing this funding is to produce a Local Broadband Plan (LBP) setting out the strategic need and vision for improved broadband provision in the area, in particular the level of opportunities and challenges we face.
14. BDUK funding is based on a model where BDUK provide in the region of a quarter of the necessary funding. Local Authorities are expected to at least match BDUK funding (though the experience from around the country is that in practice much more is required and local authorities are choosing to invest more) and seek to secure a further funding to at least match total public investment through the procurement of a private sector provider through a national BDUK framework. BDUK are currently undertaking an EU procurement process for the national framework and putting in place the necessary state aid notification process, both of which are expected to be in place by April/May 2012.
15. Under State Aid legislation the Council can only invest in these areas where the market will not invest and must evidence this. The Council has signed a non disclosure agreement with BDUK to share confidential information to develop the Local Broadband Plan. These areas are challenging for private investors due to the cost of deploying infrastructure to less populated areas, particularly the rural areas of Central Bedfordshire.

THE CENTRAL BEDFORDSHIRE LOCAL BROADBAND PLAN

16. Forecasts of the roll out of superfast broadband by private sector in Central Bedfordshire by 2015 shows that 26.2% of premises (29,259 premises, consisting of 28,137 of residential and 1,122 business premises (approximately 10% of all business premises)) will not receive superfast infrastructure.

17. An external Central Bedfordshire Local Broadband Partnership has been formed to help inform the plan and support engagement with our partners. This partnership is chaired by Cllr Wenham (Deputy Executive Member for Corporate Resources), and consists of town and parish councils, Central Bedfordshire College, Cranfield University, the Federation of Small Business (Deputy Chair), Chamber of Commerce, Voluntary sector, Bedfordshire Rural Communities Charity and health sector. Further to this a cross Council project group has been formed to ensure alignment of activity.
18. The plan suggests delivering the following outcomes for the area:
 - **deliver improved standard universal broadband (at least 2Mbits/s) to ALL premises in Central Bedfordshire by 2015. The broadband should be reliable, robust and future proofed using a cost effective solution;**
 - **deliver Next Generation Broadband (of at least 25Mbits/s to at least 90% of premises in Central Bedfordshire area by 2015. The technology should be future proofed, innovative, cost effective and flexible for upgrade; and**
 - **increase choice of broadband services and suppliers of services for Central Bedfordshire residents.**
19. The 90% superfast target within Central Bedfordshire would deliver superfast access to around 18,100 additional premises to receive superfast services.
20. Achieving the 90% superfast broadband goal would have the following impacts:
 - Improving business productivity and efficiency.
 - Support local business resilience, growth and enterprise.
 - Strengthening the rural economy.
 - Help tackle inequality in Central Bedfordshire.
 - Help contribute towards a greener environment.
 - Help educate and provide opportunities for children and young people.
 - Help the transformation of public services.
21. In addition to the outlined infrastructure funding, activities are underway to maximise the supply of superfast broadband this includes consideration of planning policy responses to the roll out of infrastructure and alignment with highways works.
22. A demand registration survey for business, residents and community organisations has also been developed and is available on the Council's website with a web presence and press campaign to promote the council activities and support long term engagement with the project and maximising take up of next generation services.

DEVELOPMENT OF A JOINT LOCAL BROADBAND PLAN

23. The Council is required to form partnerships with other neighbouring local authorities to secure BDUK funding and to maximise economies of scale and reach a minimum contract size to increase the likelihood of securing private sector interest and additional investment. Following discussions with BDUK and neighbouring local authorities. As such it is proposed to develop a Joint Local Broadband Plan with Milton Keynes and Bedford Borough Councils for submission to BDUK for approval. BDUK data indicates that Luton is already adequately covered by superfast broadband so would not be eligible for their investment.
24. In meeting the BDUK requirement, a working group of Members and officers from the three authorities has been formed to work on a joint plan. The Central Bedfordshire LBP will form our requirements to be incorporated into the joint plan. BDUK have highlighted that Central Bedfordshire Council should be the lead partner, based on this Council receiving the largest allocation from BDUK. Financial and legal agreements will be put in place between the councils to minimise any contractual or project risk to the Council.
25. Based on the Central Bedfordshire Local Broadband Plan, it is estimated that a Draft Joint Broadband Plan will be available by the end of February to meet the BDUK deadline. It is proposed that a delegation for the Director for Sustainable Communities to approve the joint plan and make minor consequential amendments to the Central Bedfordshire Local Broadband Plan in consultation with the Deputy Leader and Executive Member for Corporate Resources is agreed by the Executive.

SUBMISSION DATES AND ROLL OUT

26. It is expected that following submission of a Joint Broadband Plan to BDUK in February they would consider the plan and make any comments within four weeks. Following revisions BDUK would approve the plan and then further detailed work would begin on the procurement phase. This will include completion of required state aid requirements including a formal one month market consultation on the plan and in particular proposed white areas (areas where the market will not invest in the next three years), to ensure that the market and wider public are aware of plans and any additional broadband roll out plans are identified. Alongside this, agreements between the councils on funding, procurement and project management will be put in place.
27. Following this the Councils will enter into the BDUK procurement framework to secure a private sector provider. BDUK estimate that this could begin in quarter two or three 2012/13. Potentially a private sector provider could be contracted in early 2013. A detailed infrastructure delivery plan will be developed by private sector providers during the procurement process.

Appendices:

Appendix A – Central Bedfordshire Local Broadband Plan

Appendix B – Information relating to the business affairs of the Council (Exempt)

Appendix C – Glossary of Terms