

TELFORD & WREKIN COUNCIL

CABINET - 19 MARCH 2015

UPDATE ON SUPERFAST TELFORD BROADBAND PROGRAMME

REPORT OF ASSISTANT DIRECTOR: DEVELOPMENT, BUSINESS & EMPLOYMENT

LEAD CABINET MEMBER – CLLR CHARLES SMITH

PART A – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

- 1.1 In July 2014, Cabinet approved funding for the Superfast Telford Broadband Programme as part of the Broadband Delivery UK (BDUK) £250m Phase 2 Superfast Extension Programme (SEP).

This Programme is part of the government's £1 billion national broadband delivery strategy, which aims to provide superfast broadband (over 24Mbps) to 95% of the UK by 2017 and basic broadband (at least 2Mbps) for all by 2016.

This report provides an update on the Superfast Telford broadband programme which aims to provide Superfast Broadband to at least 96% of residential and business premises across the borough.

2. RECOMMENDATIONS

- 2.1 **That Cabinet notes the programme delivery dates, scope of intervention and the process for establishing a delivery plan for eligible areas**
- 2.2 **Cabinet delegates authority to the Assistant Director; Development, Business & Employment to take all actions necessary to finalise the funding package required to deliver the programme**
- 2.3 **Cabinet delegates authority to the Assistant Director; Development, Business & Employment to sign and execute any documentation necessary, including, but not limited to, awarding the contract to the preferred bidder**

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	Protect and create jobs as a Business Winning and Business Supporting Council.
	Will the proposals impact on specific groups of people?	

	No	
TARGET COMPLETION/ DELIVERY DATE	Contract signature: Mobilisation: Programme start: Programme completion:	27 March 2015 April to September 2015 September 2015 onwards June 2017
FINANCIAL/ VALUE FOR MONEY IMPACT	Yes	There is a capital allocation of £4m to deliver the Superfast Telford Broadband Programme. An announcement was made on the 29 January that The Marches LEP would receive an additional allocation through the LEP Growth Deal. It is anticipated that £1m of the additional funding will be available to fund the Telford Superfast Broadband Programme although this is yet to be confirmed. If received, the LEP Growth Deal funding will be used to displace TWC prudential borrowing. JAC 27.02.15
LEGAL ISSUES	Yes	Compliance with the Public Contracts Regulations is assured through the use of the central Government Framework Agreement, enabling the Council to procure the project through a Call-Off Contract. Central Government has obtained the necessary EU clearance, in relation to State Aid compliance, and the Council will operate in accordance with Central Government requirements. The Council's Constitution would ordinarily require a contract of this value to be sealed by legal services, however, due to practical issues with the likely preferred bidder executing the contract as a deed within the required timescales approval is sought to execute the contract under hand. EH 10.02.15
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	
IMPACT ON SPECIFIC WARDS	No	As this report is for noting only there are no ward implications

PART B – ADDITIONAL INFORMATION

4. INFORMATION

Background

- 4.1 The key objectives of the Superfast Telford Programme are to:
- improve access to services for those that live and work in the borough recognising the increasingly important role that ICT plays in daily life
 - increase home based employment opportunities and encourage entrepreneurship
 - support our young people and the services that assist them

- support the digital economy for consumers in rural areas
- improve business productivity and access to global markets through the development of new and more efficient models
- assist in the reduction of operational costs for SMEs
- act as a unique selling point for inward investment, particularly in key sectors
- support economic growth and job creation

Intervention and Contract Procurement

- 4.3 In July 2014, Cabinet granted delegated authority to the Director for Development, Business and Customer Service in consultation with the Cabinet Member for Housing, Development & Borough Towns to procure a supplier using the BDUK Call Off framework.
- 4.4 Alternative procurement options were considered at an early stage, such as a new open (OJEU) procurement, however these would have been resource intensive and significant delays to delivery would have been incurred.
- 4.5 A number of checkpoints had to be completed prior to issue of a tender to secure approval to proceed from the BDUK Assurance Board. These were required to ensure compliance with EU Regulations and they have been successfully completed by the project team.
- 4.6 An Open Market Review was undertaken in 2014 to establish existing and planned (next 3 years) commercial coverage of broadband services in Telford and Wrekin by all broadband infrastructure providers. Data from the Review was used to identify those areas of the Borough that would be eligible for intervention and two maps were drawn up showing the areas eligible for both Basic Broadband and Superfast Broadband. Copies of the intervention maps are attached at appendix 1. The areas eligible for intervention are shown as White on these maps. The number of premises eligible for intervention are:

	Number of Premises	% of Total
Total Premises	75,237	100%
Total Premises in Out Of Scope Area (i.e. not eligible for intervention as have existing or planned coverage in place)	64,273	85%
Total Premises In-Scope For NGA Superfast Intervention (Shown as white on attached maps)	10,221	14%
Total Premises In-Scope For Basic Broadband Intervention (Shown as white on attached maps)	743	1%

- 4.7 A 30 day State Aid Public Consultation took place in October 2014 which provided residents, businesses and suppliers with the opportunity to comment on the Councils interpretation of the potential intervention areas for superfast broadband. Using BDUK compliance guidance, communications on the consultation included direct e-marketing and communications activity including social media. All relevant information was available on the Superfast pages of the Council website and a business survey was issued to the 4000+ database of Telford and Wrekin businesses.
- 4.8 The Invitation to tender was issued on the 1 December 2014 with a return date of the 20 February 2015. Contract signature is scheduled to take place with the successful supplier on 27 March 2015. The supplier has requested that the Council agree to sign the contracts rather than execute them as a deed as this is much simpler and more efficient for them due to signatory availability.

Delivery Programme

- 4.9 Following contract signature there will be a period of mobilisation, with surveys and detailed design to start within 6 months of the supplier being commissioned under the terms of the contract.
- 4.10 The Superfast Telford programme is part of a significant national scheme and there is now only one active supplier within the BDUK Framework. This means that a number of Local Authorities will be engaged in procurement at the same time as Telford, which will have an inevitable impact on delivery timescales.

Current key programme dates are:

Contract signature:	27 March 2015
Mobilisation:	April to September 2015
Programme start:	September 2015 onwards
Programme completion:	June 2017

Delivery Plan

- 4.11 As part of the supplier contract discussions, Telford & Wrekin Council have had limited opportunity to influence the Delivery Plan for roll out of the programme. It is a BDUK requirement that the supplier develops a plan for roll out that achieves maximum coverage and is the best value for money whilst being commercially viable. Any requests made for prioritisation are a secondary consideration. In view of this, the Council has taken into account feedback received during consultation and has provided the following preferences:

Telford54 – strategic commercial site for inward investment with existing businesses and land for potential businesses

Ironbridge Gorge World Heritage Site – core to the visitor economy and the destination as a place to live

Southwater – a £250m development which aims to develop a vibrant and sustainable heart for Telford Town Centre - including a night time economy
Lawley – a strategic housing site (3300 new houses / approx. 1000 built)
Lightmoor – a strategic housing site (750 new houses / approx. 450 built)

- 4.12 The supplier Delivery Plan will be submitted as part of the bid submission due to be received on 23 February. This will break down delivery into phases, showing the postcodes that are included in each. As with any major infrastructure works the programme will be subject to a number of unknowns that may impact on the delivery timetable.

Demand Stimulation through marketing and communications

- 4.13 The promotion of Superfast Broadband and its benefits are essential in order to stimulate demand across the borough and thus secure a revenue receipt for all high speed take up above an agreed percentage take up per cabinet. Typically the receipt applies to any take up above 20% of the overall intervention area which typically equates to around £16 per premise.
- 4.14 A robust marketing and communications plan with supporting resource will be put in place and all of the Councils existing channels of communication with residents and businesses will be used to:-
- Raise awareness of the programme and superfast broadband
 - Communicate the Delivery Plan
 - Encourage the take up of superfast broadband

The marketing and communications plan will target the following stakeholders:-

- Residents
- Businesses
- MPs/Councillors/Parish & Town Councils

Key activities include:-

- Developing a programme brand
- Launch event (June)
- Press and PR activity linked to key programme milestones
 - Contract signature (March)
 - Mobilisation (April to September)
 - Programme start (September +)
- E-marketing and stakeholder engagement through GovDelivery
- Website development
 - Phase 1 – Holding pages with basic information and FAQ's (March)
 - Phase 2 – Fully functional self-serve information / who gets what, where and when (June)
- Social media – 'Superfast Telford' Twitter account
- Targeted advertising (off and online)
- Branding delivery using printed marketing material e.g. 'Superfast Telford Enabled' cabinet stickers and 'Delivering Superfast Telford' works signage etc.
- BDUK/Supplier collaborative marketing e.g. door knocks and drops

- 4.15 National best practice models around developing a Digital Champions network are also currently being reviewed to run alongside the marketing and communications activity. They vary across programmes but essentially engage with key stakeholders in an area, particularly if they are already proactive in lobbying for Superfast Broadband, so that they can encourage their communities to take up superfast broadband once it has been delivered. A programme may also link into existing ICT based initiatives and training programmes for businesses and residents that are delivered by the Council and its partners.

Governance

- 4.16 The governance arrangements for the programme are summarised in the table below:

4.17

Name	Purpose	Membership	Frequency
Superfast Telford Project Board	Strategic: To monitor, review and challenge progress, provide strategic direction and cover relevant decision points	Director/Assistant Director Programme Manager BDUK Project Director Supplier Strategic Lead	Quarterly (1 month after QTR finish)
Superfast Telford Project Meeting	Operational: To review the suppliers overall performance and delivery of the contract	Programme Manager Supplier Operational Lead Highways Planning Finance Communications	Monthly

5. IMPACT ASSESSMENT – ADDITIONAL INFORMATION

Financial Comment

Capital funding of £4m has been allocated to deliver the Superfast Telford Broadband Programme.

Since the Cabinet report in July 2014, an additional allocation from LEP Growth Deal funding has been announced. The allocation is to be confirmed, but it is anticipated that circa £1m will be available to fund the Superfast Telford Broadband Programme. If received, the LEP Growth Deal funding will displace TWC Prudential Borrowing. The overall funding allocation for the programme will remain at £4m.

6. **PREVIOUS MINUTES**

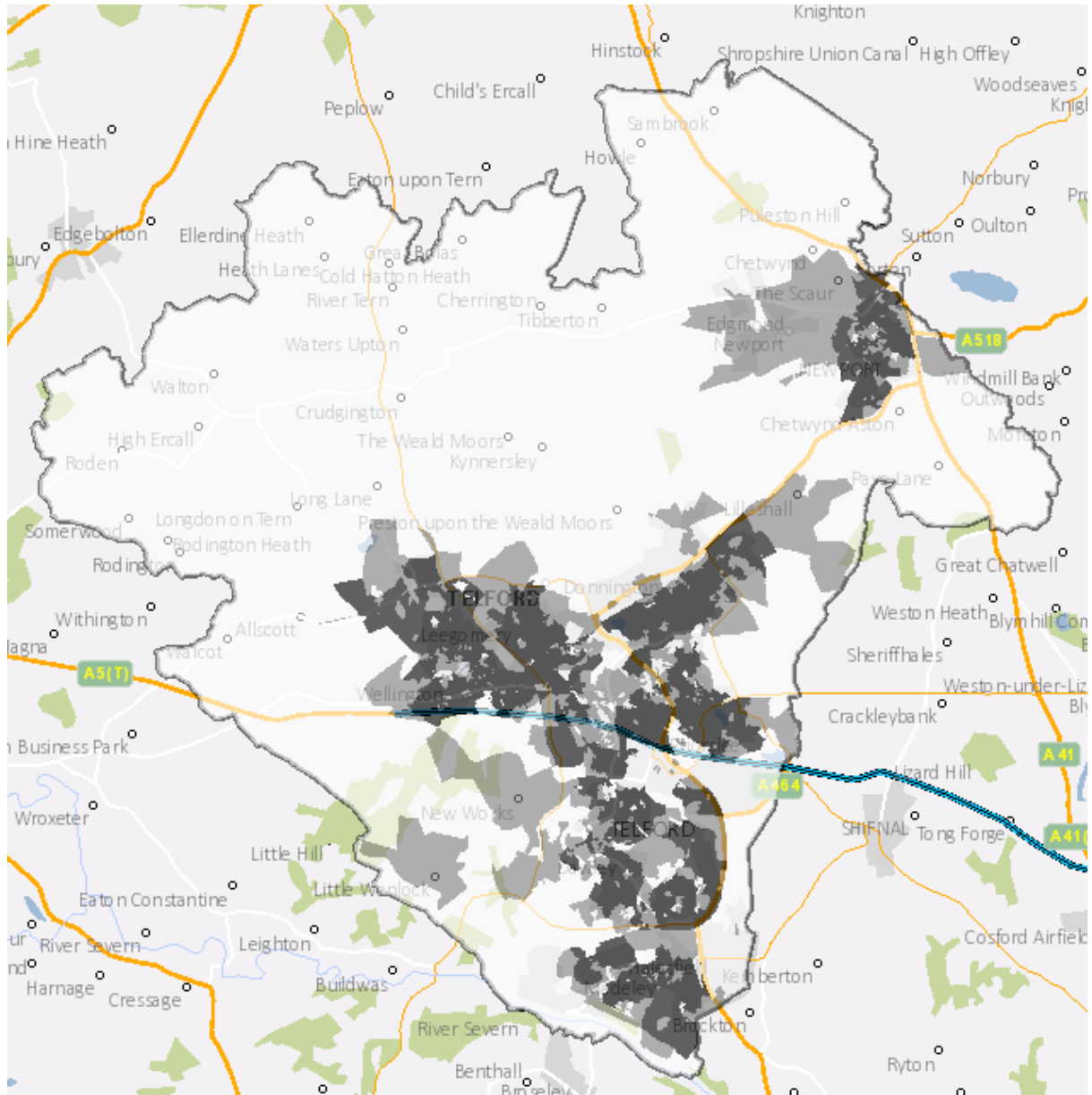
Cabinet meeting held on 24 July 2014: Minute number CB-23

7. **BACKGROUND PAPERS**

None

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**Appendix 1 – Eligible areas – Intervention Plans
Superfast Broadband – White Intervention Areas**



Basic Broadband – White Intervention Areas

