



Policy and Scrutiny

Open Report on behalf of Judith Hetherington-Smith, Chief Information and Commissioning Officer

Report to:	Overview and Scrutiny Management Committee
Date:	18 June 2015
Subject:	Lincolnshire Broadband Programme - update

Summary:

This report provides the Overview and Scrutiny Management Committee with the opportunity to consider progress to date with the Lincolnshire Broadband Programme. In addition to this report a Power point presentation will be made to the Committee at the meeting.

Actions Required:

The Committee is invited to consider and comment on the information provided and to consider the timing of future updates to the Committee.

1. Background

The Overview and Scrutiny Management Committee has responsibility for scrutinising the Lincolnshire Broadband Programme due to the significance and cross-cutting nature of the Programme. Today's update is one of a series of updates the last of which was considered by the Committee at its 27 November 2014 meeting.

This report outlines the current status of the Lincolnshire Broadband Programme. It details the numbers of premises enabled, the number of structures completed, the levels of coverage achieved and the latest financial position. It will also outline the current status of the Phase 2 contract which aims to take Superfast broadband coverage to 95% of all UK premises by the end of 2017.

The key objective of the existing project is an aspiration to achieve 90% Superfast broadband coverage across the County. It should be noted that this objective isn't broken down to District, Ward or community level, but covers the total premises count across Lincolnshire. Additionally, there is a second objective of 100% of premises being able to get download speeds at a minimum of 2Mb/s. This is referred to as the Universal Service Commitment (USC).

At 20th May 2015 we have achieved the following:

1. Total Premises enabled = 96,335 from an overall total 156,667
2. Total cabinets completed = 426, with a total of 593 new structures actually in place
3. Anticipated Superfast coverage in the Intervention Area was quoted at 76.1% by BT in their original Invitation to Tender response. When added to existing commercial coverage, they expected to hit 89% Superfast coverage across the County. We are currently running at 83.9% Superfast coverage in the Intervention Area, so 7.8% above projected
4. The latest Milestone Payment request from BT was up to the end of March 2015. The contractual projected total amount up to that date was £17.89M. The actual expenditure at that date was £10.74M, giving a residual of £7.15M to be carried forward. Under the contract, all residual funding must be utilised to further enhance coverage across the County.

In summary, we are slightly above the projected levels of premises enabled at this point in time, we are over-achieving in terms of levels of Superfast coverage and we are underspent by £7.15M.

We have had recent analysis documentation from BDUK (Broadband Delivery UK) that puts us in the top quartile of all UK contracts in terms of overall financial performance and at a recent visit from their Value for Money team; they stated they were very happy with contract performance.

In addition, I have recently sent a letter to BT asking them to change some structures from a Fibre To The Premises build which is proving highly expensive in Brownfield sites, to a Fibre To The Cabinet build. The result will be an increase in overall Superfast coverage levels by a further 150 premises, with a significant 6 figure saving in capital, yet to be finalised. They are going through this request at the moment and specific figures will be available shortly.

In terms of issues, we have experienced some delays on problem cabinets for a variety of reasons, such as extensive duct damage, new duct provision, complex traffic management and Network Rail property issues. These equate to circa 1.5% of the total structures and whilst we are dealing with these issues, we are bringing other structures forward to maintain momentum.

When Superfast deployment is completed for the current contract, we will have over 4,000 premises that will still be left with download speeds that are less than 2Mb/s and this will need to be addressed under the Universal Service Commitment (USC). To that end, these premises were originally placed into Phase 8 of this project for deployment between 1st January 2016 and 31st March 2016.

However, the Government has recently announced that they have brought forward the USC and all premises in the UK will have a minimum of 2Mb/s download speeds by the end of 2015. In addition, they have scrapped all existing solutions other than Satellite broadband. I have raised concerns with them about this statement for a number of reasons, firstly, capacity doesn't currently exist in Space to handle this huge number of additional users across the UK and on a more basic

level, BDUK and BT have currently no plans in place to show how this will be deployed and how they would manage the installations/communications etc. My view is that LCC would not be equipped to handle the significant administration of this deployment in terms of customer interface/supplier interface etc. and this issue needs to be clarified as a matter of urgency.

With regard to Phase 2, LCC and BT signed a contract under the BDUK Framework on 13th May 2015. The objective of Phase 2 is to provide Superfast broadband to 95% of UK premises by the end of 2017. It should be noted that the Government target is 'all UK premises' and doesn't break down to county level. To that end, the response from BT to our Invitation to Tender, suggests they will achieve at least 93% coverage in Lincolnshire.

Based upon current performance, underspend and emerging technologies, we are confident that we will hit the 95% target.

2. Conclusion

This report and the presentation to be made at the meeting provide the Committee with the current status of the Programme.

3. Consultation

a) Policy Proofing Actions Required

No policy proofing is required for this report.

4. Appendices – None.

5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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