

**Open Report on behalf of Richard Wills,
Executive Director for Environment and Economy**

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| Report to: | Environment and Economy Scrutiny Committee |
| Date: | 12 September 2017 |
| Subject: | Lincolnshire Broadband Programme Progress Report |

Summary:

Onlincolnshire is part of Lincolnshire County Council, working with partner organisations to promote good connections between people, services, communities and places. Lincolnshire County Council and the seven District Councils are providing public funds for the Lincolnshire broadband programme.

This means:-

- I. ensuring every home and business can have a reliable broadband connection and maximise superfast coverage
- II. achieving widespread use of digital technologies by businesses, residents and communities
- III. responding to increasing demand for public services on-line, ensuring that no community is disadvantaged due to lack of access to superfast broadband.

Further information can be found at - <http://www.onlincolnshire.org/>

Actions Required:

Members of the Environment and Economy Scrutiny Committee are invited to review the progress of the Lincolnshire Broadband Programme and highlight any comments for future consideration.

1. Background

The current Lincolnshire Broadband Programme comprises of two distinct projects, working under the existing BDUK (Government) Framework Contract and executed by BT.

Project One:

The start date was 13th March 2013 and a completion date of 31st March 2016. The objective of this project was to deploy Superfast broadband (>24Mb/s download speeds) to 90% of premises across the county. The second objective

was to ensure that all premises across the county had a minimum download speed of at least 2Mb/s.

The first objective was achieved with 151K premises being fibre enabled (wholly or partially fed by fibre) and 122K of these premises having download speeds in excess of 24Mb/s.

The second objective was modified by BDUK where all sub 2Mb/s premises were offered subsidised satellite or fixed wireless solutions. This is still ongoing, but BDUK has decided that by doing this, they have allowed every county to meet this second objective.

Project 1 was completed on time and having met the key objectives. It was also completed with an underspend of circa £14M, yet to be finalised. In addition, customer take up is well in excess of projected and under a clawback agreement in the contract, BT has made an advance payment of £4.65M. Current take up is 44% against a projected 20%.

It is worth noting that our strategy has always been to maximise coverage whilst delivering value for money and on that basis, we have deployed to those areas where we get the best return on investment. This has resulted in greater than expected levels of coverage and significant financial savings which now allow us to go further.

Project Two:

Also known as 'Phase 2' or 'SEP'. The start date of this project was 1st April 2016 with a finishing date of 31st December 2017. The key objective was to push county-wide Superfast coverage up to 95% or as close to that as possible.

The project is ongoing, running ahead of schedule and will complete around the end of September 2017. It will deliver a further 7K fibre enabled premises under the original agreement when Phase 2 was signed.

Since that date, we have both underspend from contract 1 and the clawback funding to allow us to embark upon an additional tranche of Superfast broadband deployment. At this stage, all additional funding hasn't been committed, but we have added an additional 17K premises to Phase 2. It is important to note that the residual funding can only be spent upon the provision of Superfast broadband.

With the increase in deployment size, it is now expected that Phase 2 will complete on 31st December 2019 and it is expected that at that point, 97% of all premises will receive Superfast broadband.

There are a number of subsidiary issues ongoing which include the consideration of alternative technologies to deliver to the remaining 3%; we are currently bidding for additional government funding to deliver more full fibre networks and we are still trying to resolve an issue where West Lindsey District is currently excluded from the work programme.

Mobile communications in terms of 3G, 4G and 5G coverage currently sit outside the scope of this programme

Broadband as a Utility

The superfast broadband programme is very effective at delivery in an area of market failure. As part of the role that LCC has of facilitating private sector schemes we have been working with developers and providers of utility (gas, electricity, water) services to identify ways in which developers can have reassurance that utilities will be provided in a timely fashion and at a reasonable price. Broadband is increasingly being seen as an essential utility by businesses and by home builders. It may be appropriate for LCC and partners to adopt a similar approach to the one that is emerging for utilities when supporting developers. The views of the Committee on this would be welcomed.

How we are helping businesses to use broadband

The Business Lincolnshire Growth Hub is supporting businesses across Greater Lincolnshire to increase their use of digital technologies (and superfast broadband as a result). A range of support including one to one tailored advice and a range of technology related workshops on subjects such as digital marketing, ecommerce and cyber security are being offered. The Growth Hub also works with partners to deliver the Technology Hubs, where businesses can access cutting edge equipment and digital design expertise. There are also a range of grants between £1,000 and £10,000 available with intervention rates between 30% and 50% to assist eligible businesses with growth ambitions to implement their digital projects.

Future Plans

Lincolnshire County Council has now signed an agreement with BT to enter into a third phase of the Lincolnshire Broadband Programme. Phase 3 will provide faster broadband to over 9000 additional premises across the county, of which 97% will be in areas designated 'Rural' or 'Very Rural'.

The timescale for Phase 3 is a start date of autumn 2017 and a finish date of December 2019. These timescales align to Government aspirations as we attempt to push Superfast broadband coverage up to 97% of the county.

2. Conclusion

Members of the Environment and Economy Scrutiny Committee are invited to consider the work of the Lincolnshire Broadband Programme and highlight any comments for future consideration.

3. Consultation

a) Have Risks and Impact Analysis been carried out?

N/A

b) Risks and Impact Analysis

N/A

4. Background Papers

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

This report was written by Steve Brookes, Lincolnshire Broadband Programme Manager who can be contacted on 01522 552450 or stephen.brookes@lincolnshire.gov.uk