

AGENDA SUPPLEMENT (1)

Meeting: Overview and Scrutiny Management Committee
Place: The Kennet Room - County Hall, Trowbridge BA14 8JN
Date: Tuesday 1 November 2016
Time: 10.30 am

The Agenda for the above meeting was published on 24 October 2016. Additional documents are now available and are attached to this Agenda Supplement.

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This Agenda and all the documents referred to within it are available on the Council's website at www.wiltshire.gov.uk

7 **Management Committee Task Group and Project Board Updates (Pages 3 - 6)**

A report from Councillor George Jeans, Scrutiny Representative on the High Speed Broadband Project Board, is attached.

DATE OF PUBLICATION: 31 October 2016

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Wiltshire Council

Overview and Scrutiny Management Committee

1 November 2016

Wiltshire Online Update from Cllr George Jeans

Note from Cllr Jeans: I have prepared this report with the help of officers however this is my report and not an officer report.

Background

1. The Wiltshire Online programme was designed to provide a fibre broadband service to those premises that commercial providers considered to be financially non-viable. Without Wiltshire Council's investment approximately 40% of Wiltshire would not have access to superfast broadband. The Council's approach is designed to deliver fibre broadband to the greatest number of premises for the budget available. This sometimes as must be expected discounts the very remotes properties, for these an alternative of Satellite or a financial contribution of £350 to use an alternative provider, subject to conditions, one of which is the present speed being less than 2 Mbps is available to November 2017.
2. To date over 83,000 homes and businesses have access to fibre broadband due to Wiltshire Council's Wiltshire Online investment. This is a great overall achievement as I see it from the scrutiny prospective. Problems have been experienced where BT have fallen slightly short on promised numbers in a given period, however with Wiltshire being a very rural county, this has not largely impacted on the program. It is true to say our officers have had complaints from those not connected, this is to be expected and the team and I sympathise.

Contract 1 - update on progress

3. Wiltshire Council has received the final claim from BT. The Wiltshire Online delivery team will now work with Broadband Delivery UK, Department of Culture, Media and Sport (BDUK) on a robust contract closure and assurance process over the next 4 months.

The results of which will be fed back to scrutiny.

Contract 2 – update on progress

4. As indicated above contact 2 is progressing but at a slower pace than expected. As the build is entering more rural areas the challenge of getting power to the new infrastructure is greater than ever before.
5. The GWB Board acknowledge this is a challenging build but feel that BT need revise or address their build plan delivery timings, to avoid missing promised delivery times.

6. The GWB Board has written to Bill Murphy, MD of BT detailing our concerns and has also invited BT to meet with the Board for an additional board meeting on November 14th to present their lessons learnt report and future build profile to demonstrate how they will plan for the challenges of Contract 2 build.

Gain share

7. There is a gain share clause in the contract that brings additional funds back into the contract investment pot to allow us to extend our build footprint further.
8. Gain share is calculated on the rate of take-up of the service available via the infrastructure we deploy. To date take-up rates on Contract 1 have exceeded expectations and are currently over 30%. This level of success has resulted in a gain share proposal from BT to the value of £2.8m which results in additional build serving 3500 new premises, this again I consider very good news
9. The Wiltshire Online delivery team is currently reviewing the proposal to ensure it adheres to State Aid principles represents good value for money, serves premises not yet getting a good service and that the rate of delivery is appropriate. To refresh memories State aid principles are connected with Europe, it has realistically prevented some parish and town councils around Wiltshire being able to invest in an alternative provider. It is my understanding this restriction will continue for an indeterminate time.
10. The Wiltshire Online team is working with BDUK (Broadband Delivery United Kingdom) and we hope to be able finish the review and make the announcement about the new deployment very soon.

Ultrafast

11. Wiltshire secured £2m from BDUK's South West Ultrafast fund and £1m match funding has been secured from the Swindon and Wiltshire Local Enterprise Partnership (SWLEP).
12. The Wiltshire Online delivery team is working very closely with Procurement, Legal, BDUK, and central government's National Competence Centre with regards the completion of a State Aid compliant and robust procurement exercise.
13. BDUK's main priority remains getting to the most premises as possible to achieve their UK wide ambitions of 95% superfast broadband coverage by the end of 2017.
14. A map will be produced to show where speeds of 24 to 30 Mbps are not presently available, these areas will be known as white areas.
15. High level guidance from the SWLEP secretariat is that 'Porton, alongside other employment sites, is a key priority for its match funding and they would encourage the team to communicate this in the procurement documentation'

16. A paper was taken to the Wiltshire Council Procurement Board, and the approach agreed, on 19th July 2016.
17. The team has completed a series of pre-procurement State Aid compliant activities including broadband supplier engagement sessions as well as conducting an open market review and public consultation about the extent of coverage across Wiltshire.
18. The documents, our ITT (Invitation to tender) approach and design will be assessed at the BDUK Assurance Board w/c Monday 31st October. Their focus will be on ensuring a robust procurement strategy and State Aid compliance. We cannot commence with the ITT until we have passed through the BDUK assurance checkpoint.
19. The launch of the ITT is scheduled on completion of the Assurance Board w/c Monday 31st October.

BT Commercial plans for new Developments

20. Wiltshire's planning committees need making aware that from now (November 2016) Openreach will provide fibre to premises (FTTP) of developments with 30 or more dwellings, if the developer will agree. A good broadband service I am told will add at least 3% to the worth of a domestic property, which may encourage the developer. For new build this usually involves an external grey colour box external to the premises, as below or similar.



21. The demarcation point or Network Termination Point (NTP) as it is referred to in contracts is the end of the Openreach network. It is the point at which Openreach can test to see whether the line is working and to which the end users can connect their wiring and equipment
22. The small team administering this twenty plus million pound project have done well in my opinion.

George Jeans, Wiltshire Councillor

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