

Report to the Cabinet

Report reference: C-055-2017/18

Date of meeting: 10 April 2018



**Epping Forest
District Council**

Portfolio: Technology and Support Services

Subject: Phase 4 Superfast Essex Broadband Funding

Responsible Officers: John Houston / Mike Warr (01992 564472).

Democratic Services: Gary Woodhall (01992 564470).

Recommendations/Decisions Required:

- (1) That Cabinet agrees that the existing Capital Programme provision of £350,000 for Phase 4 of the Superfast Essex broadband rollout, match funded by contributions from BDUK and with an additional contribution from Essex County Council, be utilised; and**
- (2) That a written agreement be entered into with Essex County Council confirming this funding will be forthcoming.**

Executive Summary:

Epping Forest District Council has seen considerable investment in the enhancement of its superfast broadband infrastructure and network capability in recent years. With coverage scheduled to reach approximately 97% of the district by June 2019, focus has switched to the additional investment in superfast broadband required in order to take the level of coverage across the district closer to 100% of homes and business premises.

Based on the Council's previously submitted Letter of Intent to invest up to £350,000 of additional funding to provide additional superfast broadband coverage and match funded by BDUK with additional funding from Essex County Council, a competitive procurement process has been undertaken by Essex County Council to commission a suitable provider to deliver additional broadband coverage in Epping Forest District.

This competitive process has now been completed and the preferred bidder has been selected. Essex County Council are seeking, prior to formalisation of the contract award, a written agreement with the Council to commit the additional funding of £350,000 in full and Cabinet's confirmed approval of this investment is sought.

Reasons for Proposed Decision:

Aim 3 - To ensure that the Council adopts a modern approach to the delivery of its services and that they are efficient, effective and fit for purpose.

Objective 3 (b) To utilise modern technology to enable Council officers and members to work more effectively in order to provide enhanced services to customers

Other Options for Action:

The district could choose to not pursue this programme of further investment in superfast broadband leaving future developments to be determined by market forces. This would risk the district falling behind if its location, assets or digital opportunities were not appealing in their own right and would put its residents and businesses at risk of not experiencing the best digital outcomes that are possible

Report:

Background

1. Epping Forest District Council has seen considerable investment in the enhancement of its superfast broadband infrastructure and network capability in recent years. Both through private sector service provision and the ongoing Broadband Delivery UK (BDUK) and Superfast Essex rollout programme, levels of superfast broadband coverage have risen to one of the highest levels in the county.

2. The initial Phase 1 Superfast Essex broadband programme, representing an investment of £24.6million in broadband infrastructure in areas where commercial suppliers were not providing service aimed to make superfast broadband available to 87.4% of home and business premises in Essex by summer 2016. A further £10.62m was to be made available to Essex through the BDUK programme provided it was matched locally to enable coverage of 93%. Essex CC asked districts to consider contributing additional match funding in order to enable coverage of 95% to be achieved and Epping Forest District Council agreed funding in the sum of £84,000 to initially enable 95% coverage in the district.

3. EFDC's high level of early engagement with the Superfast Essex programme, at Member and officer level, and the commitment to provide this funding contribution towards the overall Essex funding for Phase 2 of the programme, lead to Epping Forest becoming the best choice for what became known as the Rural Challenge Project or Phase 2(b). This project aimed to deliver superfast broadband to thousands of rural homes and business premises within the north-east part of the district where service provider business models made it difficult to justify the required investment.

4. As a result of the subsequent OJEU procurement exercise, a fibre to the premises broadband provider was awarded the contract and work began to deliver ultrafast broadband speeds (up to 1Gbps) to these rural premises. This represented a total external investment of £7.5m into the district. Due to the high number of properties that the programme will have reached the level of superfast broadband coverage across the whole of Epping Forest District will now reach approximately 97% by the conclusion of Phase 2 of the rollout. Phase 2(b), the Rural Challenge Project, is due for completion by the end of April 2018, with the remainder of the programme (Phase 2(a)) which is being rolled out across the rest of Essex due for completion by June 2019.

Supplementary Phase of Superfast Broadband Rollout Programme

5. Upon completion of Phase 2 of the Superfast Essex / BDUK programme it is anticipated that coverage across Epping Forest District will be approximately 97%, making us one of the best connected districts in the county.

6. The Council's ambitions for the District however go further than this and recognise the importance of expanding superfast broadband connectivity to reach our remaining most rural homes and businesses as soon as possible. The Council has therefore previously considered

a further local investment in broadband infrastructure, under the Superfast Essex programme.

7. The Portfolio Holder for Technology and Support Services sent a letter to BDUK / Superfast Essex as an expression of the council's interest in further investment in the superfast broadband network. The letter confirmed that the Council would provisionally allocate an amount of up to £350,000 as a potential local contribution to a further rollout programme, with the exact amount to be confirmed once bids for the procurement had been received and the size and scope of the local investment more clearly defined. It was intended that BDUK grant funding would be available to match this additional local contribution.

8. At its meeting in June 2017 Cabinet endorsed the expression of interest in further investment in the superfast broadband network sent by letter from the Portfolio Holder for Technology and Support Services to BDUK / Essex CC confirming the council will provisionally allocate an amount of up to £350,000 as a potential local contribution to a further superfast broadband rollout programme to be fully match funded by BDUK grant, noting that the letter did not constitute a firm commitment to invest and the exact amount was to be confirmed and approved by Cabinet once bids for the procurement have been received and the size and scope of the local investment could be more clearly defined.

9. The procurement exercise for this additional phase of superfast broadband rollout has now been concluded and a preferred bidder identified. The full investment of £350,000 from Epping Forest DC is requested by the preferred bidder, which will be match funded by an equal amount from BDUK and an additional £121,000 from Essex County Council. In addition, there will be a significant supplier contribution to the programme.

10. As a result of the proposed investment, a total of 2,188 premises, which currently do not have access to superfast broadband will be connected through fibre to the premises (FTTP) technology. This will mean that total coverage in Epping Forest district will reach 99.67%, leaving 207 premises still to be connected out of a total of 64,267 premises across the district. It is not known at this point what options might exist in the future to connect these few remaining premises but discussions are likely to take place with suppliers to see if additional coverage could be achieved and at what cost.

11. Cabinet's confirmation that the Council may proceed to enter the required written agreement and confirm the full investment of £350,000 is therefore sought.

Resource Implications:

The procurement of the supplementary phase of the Superfast Essex programme will require £350,000 to be allocated from District Development Fund across up to three years.

Legal and Governance Implications:

A written agreement confirming that the £350,000 of funding will be made available will be entered into with Essex County Council.

Safer, Cleaner and Greener Implications:

None

Consultation Undertaken:

None

Background Papers:

Available from Economic Development team

Risk Management:

None.