



**FOR PUBLICATION**

**DERBYSHIRE COUNTY COUNCIL**

**IMPROVEMENT AND SCRUTINY COMMITTEE - PLACES**

**WEDNESDAY, 18 MAY 2022**

**Report of the Executive Director - Place**

**Update on the Broadband Programme in Derbyshire**

**1. Purpose**

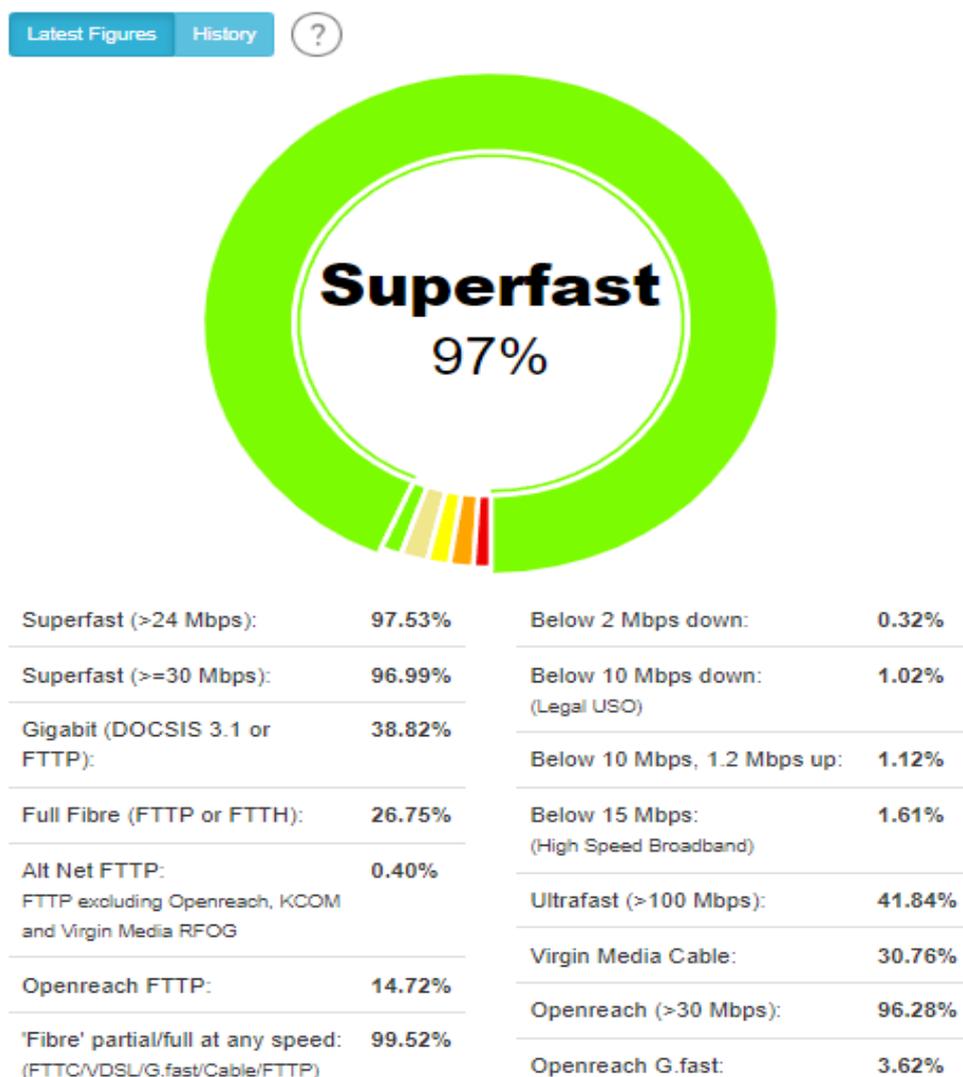
- 1.1 The purpose of this report is to update the Scrutiny Committee members on the progress made under the Digital Derbyshire Superfast Programme and plans for the future rollout of Gigabit-capable broadband across the County. This report will be accompanied by a brief presentation at the Scrutiny Committee meeting.

**2. Information and Analysis**

- 2.1 The Digital Derbyshire Superfast Programme has now concluded. The Programme was delivered nationally by British Telecom's Openreach, under contract with the Department of Culture, Media and Sport (DCMS) and commenced in 2013, finally concluding in November 2021.
- 2.2 Over the nine year period, broadband access has improved for over 120,000 residential and business premises across Derbyshire as a direct result of the £24 million Programme. The funding package was made up of the following financial contributions: £4.89m contribution from Derbyshire County Council (DCC); £9.58m from state subsidy; £4.81m from British Telecom (BT); £2.5m from European Regional Development Fund (ERDF); and £2.19m match funding from the Derby, Derbyshire, Nottingham and Nottinghamshire (D2N2) Local Enterprise Partnership.

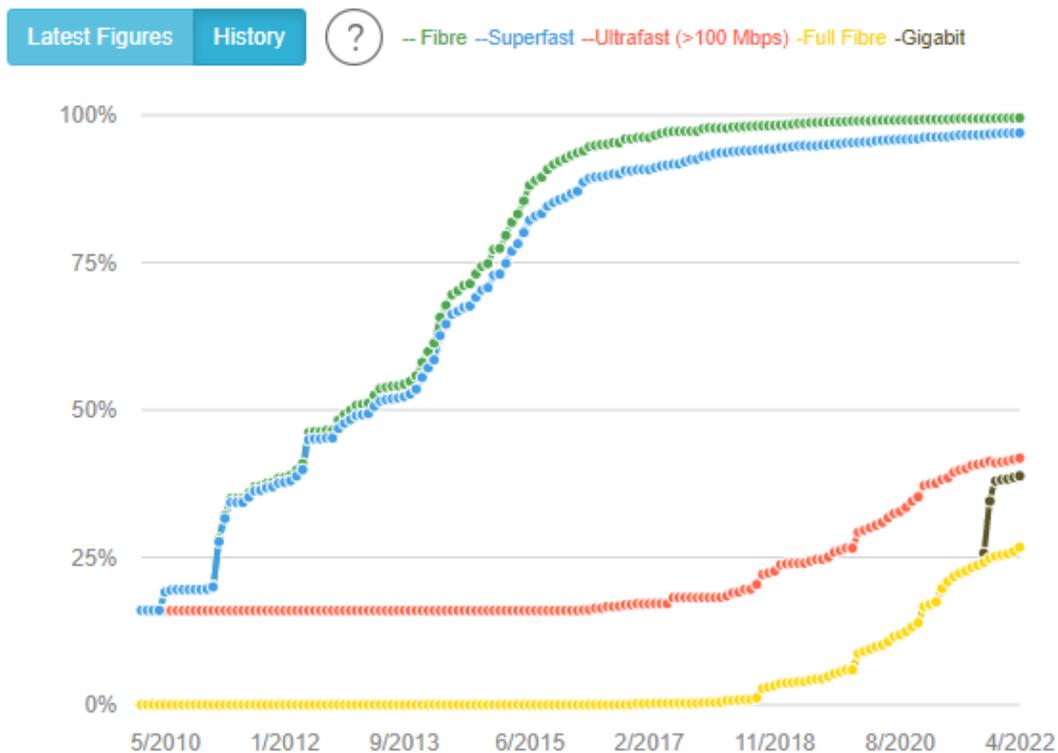
2.3 The chart below demonstrates the current level of broadband coverage across Derbyshire. A total of 97% of all premises now have access to Superfast broadband (>24 Mbps) and 41.84% have access to an Ultrafast service (>100 Mbps). However, around 4,000 premises do not have access to broadband speeds above 10Mbps; the majority of these are in rural, hard to reach locations in the Derbyshire Dales and High Peak. This situation needs to be addressed to ensure Derbyshire residents and businesses are not excluded or left further behind – a critical consideration in our efforts to fully achieve ‘levelling up’.

### Derbyshire Superfast and Fibre Coverage



2.4 The second graph demonstrates the increase in Fibre Broadband coverage across Derbyshire since 2010. The blue line represents Superfast availability.

# Derbyshire Superfast and Fibre Coverage



Source – think broadband <https://labs.thinkbroadband.com/local/E1000007>

## Closing the Gap for Hard to Reach Locations

- 2.5 As stated above, around 4,000 premises do not have access to broadband speeds above 10Mbps in Derbyshire. The Digital Derbyshire Team has been actively lobbying Government over a number of years to redirect local Gainshare funding (secured as a performance reward in the BT contract) and encourage dedicated monies and programmes to be established nationally to address this gap – which is evident in many rural counties.
- 2.6 There are significant challenges in delivering full fibre to more remote premises with cost and commercial viability being the most prevalent; it is not unusual for infrastructure costs to remote premises to exceed £10,000 – and often more.
- 2.7 As a result, a number of schemes have been developed recently to help residential and business premises in these more remote locations access reliable and speedy connections. A summary is provided below:

- 2.8 Derbyshire has been allocated Government funding from **Project Gigabit** to help close the gap. This initiative is planning to upgrade broadband services to approximately 67,000 hard to reach homes and businesses with Full Fibre, Gigabit-capable broadband (FTTP). A consultation process commenced with the Derbyshire Open Market Review in October 2021. Officers are working with the DCMS to validate responses and agree a way forward that maximises benefit for Derbyshire residents and businesses, particularly in relation to ‘not spots’ of connectivity. A fuller update on the public consultation exercise, pending procurement and community engagement programme will be provided at the Scrutiny meeting.
- 2.9 The **Gigabit Voucher and Derbyshire “Top Up”** schemes enable residents, who have a poor broadband service to pool together to create a Community Partnership in which FTTP can be delivered to residents that take part. At a Cabinet meeting on 11 March 2021, Derbyshire County Council agreed to contribute a ‘Top Up’ fund of £500,000 to match Building Digital UK’s (BDUK) original voucher contribution (this equates to £1,500 for residential and £3,000 for business premises). The primary benefit of the ‘Top Up’ scheme is that an even greater number of residential and business premises in the hardest to reach locations in Derbyshire have the opportunity to access exceptionally fast broadband or improve the speed and quality of their current provision. This opportunity was considered essential to levelling up economic advantage and supporting sustainable growth in areas which typically would not be able to access the current Digital Derbyshire programme. Currently, Council funding of £242,000 has been spent to facilitate 14 community projects serving up to 453 premises, with a total combined Council and DCMS investment of £559,000.
- 2.10 The **GigaHubs Programme** is an initiative funded through Project Gigabit to provide subsidy towards the delivery of Full Fibre broadband to community buildings in rural locations. DCMS requires this to be managed as a large procurement and the Council is participating in the regional project being managed by Midlands Engine. It is early days, but around 100 premises have been identified in Derbyshire that could potentially be included in the scheme. These are predominantly schools and medical practices but there are also a few libraries and community centres. There are a number of issues to be resolved with DCMS in relation to the procurement process, but work will continue with Midlands Engine to maximise any opportunities for Derbyshire locations.
- 2.11 **Supplier Commercial Plans:** several broadband infrastructure suppliers have announced plans to increase the availability of Full Fibre broadband in Derbyshire. These companies include, Openreach, VirginO2, Full Fibre Ltd, Glide, Gigaclear, City Fibre, Axione and

Netomnia. This upgrade work is taking place independently from Project Gigabit and is unlikely to benefit homes and businesses with poor broadband in the harder to reach parts of the County.

- 2.12 Improved Wi Fi in town centres: Last year a bid was put forward to obtain Community Renewal Fund (CRF) monies to deliver Wi-Fi in market towns across Derbyshire. The proposal was to start with three pilot towns (identified on the basis of CRF priority criteria) and to improve Wi-Fi connectivity and enable data collection that would support increased understanding of how our urban hubs were being used/ how patterns of behaviour changes following the pandemic. Unfortunately, the bid was not successful but currently officers are exploring a “Smart County” initiative as part of the Vision Derbyshire programme to assess how digital connectivity can be used to improve all aspects of living in, working in or visiting Derbyshire. The aim being to integrate this with the Council’s new Integrated Transport plan, net zero objectives, and emerging County Deal proposals. This proposal is at a very early stage of development and more will be known when the initial scoping has been concluded.

### **3. Consultation**

- 3.1 No consultation is required as a direct result of this report, however, the Digital Derbyshire Team has a dedicated Engagement Officer undertaking outreach work with local communities to encourage greater understanding of the various schemes and opportunities, and increase take up as appropriate – particularly in relation to Project Gigabit.
- 3.2 The Digital Derbyshire Team is also working closely with infrastructure suppliers to maximise opportunities for broadband improvements under the Gigabit Voucher scheme.
- 3.3 Work has now commenced on developing a coherent communications campaign for local communities, households and businesses to ensure greater awareness of implementation issues, greater understanding of the funding opportunities available for improving connectivity and how best the Council can support those harder to reach properties.

### **4. Alternative Options Considered**

- 4.1 Do Nothing: This is not considered an appropriate option as approximately 4000 premises in Derbyshire do not have access to broadband speeds over 10Mbps; this means some communities, businesses and households are at risk of being left further behind.

- 4.2 Support for Government-funded schemes: Government is currently proposing to invest between £64m and £110m in Derbyshire under project Gigabit to subsidise the delivery of Ultrafast broadband to around 67,000 premises across the County. The target premises have been identified through extensive research supported by the Digital Derbyshire Team and this represents the best option for improving connectivity across the County to the poorest served communities. Suppliers' commercial delivery will not extend to many of these locations (due to high costs) without state subsidy. Consequently, Project Gigabit and its associated initiatives (supported by State Subsidy funding) represent the most realistic and achievable solutions for improving broadband coverage across Derbyshire.

## **5. Implications**

- 5.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

## **6. Background Papers**

- 6.1 None.

## **7. Appendices**

- 7.1 Appendix 1 – Implications.

## **8. Recommendations**

That the Committee:

- a) Notes the strong progress that has been secured through the early Digital Derbyshire contracts in providing 97% of all premises with access to Superfast broadband (>24Mbps) and 41.84% with access to an Ultrafast service (>100Mbps).
- b) Notes the challenges that remain in delivering full fibre connection to hard to reach premises in the County.
- c) Notes the £500,000 funding commitment made to Rural Gigabit and the top up voucher scheme in bridging the gap on rural connectivity.
- d) Notes plans to develop and deliver a coherent communications campaign targeted at hard to reach communities and ramp up communication strategy.
- e) Notes the work that is being actively pursued to ensure full connectivity, including the recent investment by the County Council in Top Up provision, the drive to secure additional external funding to support programme delivery and lobbying of Government.

## **9. Reason for Recommendation**

- 9.1 To ensure fuller understanding of the programme of work that is taking place and that the County Council continues to make progress in achieving full fibre connectivity and the Government's levelling up agenda.

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**Implications**

**Financial**

- 1.1 The level of financial contribution made by Derbyshire County Council to digital infrastructure is set out earlier in the report, notably £4.9m as contribution to the BT Contracts 1 and 2 and an additional £500,000 as match funding to the Top Up Voucher scheme. Derbyshire County Council is not required to contribute funding directly to Project Gigabit, however, the Digital Derbyshire Team, which is also funded by the County Council for a further three years, will continue to work with local communities to improve full engagement in the various connectivity opportunities.

**Legal**

- 2.1 The original BT Contracts 1 and 2 have now concluded. Project Gigabit is being managed centrally by DCMS with the Council providing clear advice on the local issues and pressures – including ‘not spots’. There will be no procurement contracts involving the Council in relation to Project Gigabit Lot 3 (Derbyshire).

**Human Resources**

- 3.1 There are no human resources issues directly associated with this report.

**Information Technology**

- 4.1 None.

**Equalities Impact**

- 5.1 Delivery of improved broadband services under Project Gigabit to harder to reach locations will deliver significant benefits to residents, businesses and communities across the County, contributing to the Council’s “levelling up” objectives.

**Corporate objectives and priorities for change**

- 6.1 The Council has a clear commitment to ensure full Broadband coverage, including rural areas, in support of the Council Plan objective to create a green and prosperous economy in Derbyshire.

**Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)**

7.1 None.