Report of the Overview and Scrutiny Task Group - Rollout of Superfast Broadband

June 2017

Introduction

The topic of Superfast Broadband has been raised by residents over a number of years and identified as a potential task group topic. The Overview and Scrutiny Committee wanted to review the rollout, current provision of Superfast Broadband and plans for any remaining properties.

A task group was established and met twice in March and April. This report details information about the witnesses with whom the task group met; the information the task group received and the conclusions that the task group reached. It also includes a list of recommendations that the task group wish to put forward to the Executive Cabinet for their consideration and implementation.

I would like to thank my fellow members of the task group, those partners and officers of the council who gave presentations and information at the meetings.

Councillor Kim Snape - Chair of the Overview and Scrutiny Task Group

Recommendations

For Superfast Lancashire
1. To have discussions with Virgin about the current issues in Buckshaw, Rivington and White Coppice and encourage them to provide Superfast Broadband.
2. To highlight the issues of new estates not having Superfast Broadband from the outset with Broadband Delivery UK (BDUK).
3. To provide hints and tips on resolving broadband issues, including residents speaking to their own provider first before speaking to other providers and not placing electrical devices next to the router etc for distribution to Councillors and Town/Parish Councils.
4. To utilise different technologies available to provide Superfast Broadband to white areas (having minimal coverage and open market review failure).

For BT
1. To update the call centre operative information in regard to Superfast Broadband accessibility, particularly around Wheelton, to avoid no further distress to residents who enquire going forward.
2. To review structures in areas which flood, to ensure that they are located in the best place.

For Chorley Council
1. To consider methods of encouraging new properties to have access to Superfast Broadband from the outset.
2. To liaise with BT about new developments, both residential and commercial.
3. To lobby Broadband Delivery UK (BDUK) to give broadband the same status as utilities.
4. To raise awareness with the public and businesses that the service would not upgrade automatically – there is a need to order Superfast Broadband from their provider if they wish to receive the service.
5. To include an action to investigate the provision of town centre WiFi within the new Digital Strategy.
6. To work with the Combined Authority through the Digital Lancashire project to implement these recommendations.
7. To support the future projects within the Digital Strategy,
   - integration of My Account and eCitizen,
   - the continuation of digital skills training to give the right training to the right people in a flexible way,
   - a tablet loan scheme,
8. To tailor digital skills training to the needs of particular groups
9. To ask Town / Parish Councils to advertise digital skills training in their newsletters,
10. To highlight the availability of good digital access within the Economic Development Strategy as a selling point for businesses to re/locate to Chorley.
11. To create a role within the Members' Allowances Scheme for Member Responsible for Customer and Digital Services.

Chorley Council

Membership of the Task Group

Councillor Kim Snape (Chair)
Councillor John Dalton
Councillor Gordon France
Councillor Sheila Long

Councillor Alistair Morwood
Councillor Matthew Lynch
Councillor June Molyneaux
Councillor Mark Perks B Ed (Hons)

Officer Support
Chris Sinnott, Director (Policy and Governance)
Ruth Rimmington, Democratic and Member Support Officer

Scoping the review

The objectives were to understand the issues and concerns by BT and Lancashire County Council (LCC) on the rollout of Superfast Broadband, in particular:

1. How the areas to receive superfast broadband were prioritised and what will happen to those areas not eligible.
2. To understand why the speed of superfast broadband is not consistent throughout the borough and to receive the average speed of superfast broadband throughout Chorley.
3. To gain an understanding of the publicity campaign undertaken to make residents aware that they are able to access Superfast Broadband.
4. To understand if there are any budgetary implications due to the savings required by LCC.

The desired outcomes were:

- To gain an understanding of how areas were prioritised and the timescale for completion on the rollout.
- To be informed on other initiatives that LCC are exploring for those residents who will not qualify for superfast broadband.
- To make recommendations in line with the Council's Digital Strategy.

Witnesses

The following witnesses met with the task group and shared information:

- Gemma Johnson, Project Manager from Lancashire Superfast Broadband
- Nick Kershaw, Project Officer from Lancashire Superfast Broadband
- Rebecca Huddleston, Head of Customer Transformation, Chorley Council
- Paul Heyworth, Business Advisor, Chorley Council

Background

Officers from Superfast Lancashire attended a meeting to advise that Superfast Lancashire was a collaboration between Lancashire County Council (LCC), British Telecom (BT), Broadband Delivery UK (BDUK) and Blackburn with Darwen and Blackpool Councils.

LCC secured around £37 million of Public Sector Investment to intervene in 'white' areas (in additional to commercial rollout). A 'white' area is defined as having minimal coverage and open market review failure.

Chorley
Council

Phases of the contract

Contract One of the Superfast Lancashire programme consisted of 21% of the fibre rollout. 67% was BT/Openreach commercial fibre rollout and 9% was other operators' high speed broadband services. This left 3% remaining.

At the end of Contract One (Lancashire wide) 137,007 premises, 9,000+ eligible businesses (in the 'white' area) and 100+ business sites had access to Superfast Broadband. 454 Small Medium Enterprises (SMEs) had received business support related to the exploitation of Superfast Broadband access and 934 structures had been built and were providing service.

Contract Two, referred to as the Superfast Extension Programme (SEP) will deliver a further 2% to achieve 99% coverage, leaving 1%. This final 1% will be addressed through future plans such as Gainshare Advance, and only when demand is identified.

Superfast Lancashire enabled deployment to the final third of Lancashire that is not commercially viable for operators. By March 2016 it was planned that 97% of Lancashire homes and businesses would have access to broadband speeds above 24mbps, and 99% by March 2018. The 97% was achieved by June 2016. It is not cost effective to use public money to enable some rural areas.

Technology

There are main three types of technology used by BT:
1. Copper ADSL & ADSL2+ - This provides speeds of up to 20Mbps downstream and up to 2Mbps upstream.
2. FTTC (Fibre to the Cabinet) - Up to 80Mbps downstream and up to 20Mbps upstream.
3. FTTP (Fibre to the Premises) - Up to 330Mbps downstream and up to 30Mbps upstream

Hardest to reach areas

Work started in September 2016 on the Superfast Extension Project (SEP). There has been an additional £7.6m in external funding for this project which is expected to conclude by the end of December 2017. More than 11,000 extra homes will gain access to fibre broadband through the project. The SEP will be more expensive than the first phase, as it targets delivery in the hardest to reach areas involving more build and use of Fibre to the Premise (FTTP).

A consultation has recently been undertaken with providers to highlight areas still to be covered through commercial rollout. BT is modelling in white areas and LCC and BDUK will review this. BT will sell access to their network to other providers, where Virgin has a closed network.

A potential funding stream for additional work is the European Agricultural, Farming and Rural Development Fund (EAFRD). The aim of LEADER is to create jobs and help businesses grow, which will then benefit the rural economy.

Chorley
Council

In preparation for this, LCC have acknowledged the need to identify geographic 'white' areas for targeting and as such the Superfast Lancashire team are assessing the final 1%, the hardest to reach premises, against rural postcodes and business locations, to construct clear evidence of the demand and economic impact of intervention in these areas.

The closing date for applications was May 2017. Further information can be found here: http://www.lancashire.gov.uk/rural-development/about-the-fund.aspx

Going forward

Officers from Superfast Lancashire advised that LCC will review technologies, costs and consider funding options, including:

1. External Funding

2. Better Broadband Scheme
The Government has committed to giving access to 2Mbps download speed to every premises in the UK. As part of this commitment, local bodies in conjunction with Broadband Delivery UK (BDUK) are making available the option of a subsidised 'better broadband' scheme for eligible premises. This provides support towards the cost of equipment and installation of an alternative broadband connection so that a basic broadband service can be purchased for a first year cost of no more than £400 (taking account of any up front costs and the 12 month service charges). The subsidised installation can also be used to access higher cost packages with higher speeds or greater monthly data caps.

Customers will only be eligible if their premises does not have access to speeds of more than 2Mbps. Note: as well as the major broadband networks such as BT Openreach and Virgin Media, customers may also be able to get a basic broadband service from other suppliers who have coverage within the area.

If customers are eligible for a subsidised installation they will be able to choose a service from any of the retail service providers that are part of the scheme, each of which will be offering a variety of packages based around the amount of data they need and the speed of the connection.

Further information can be found here:
http://www.lancashire.gov.uk/council/strategies-policies-plans/corporate/superfast-broadband

3. Gainshare Advance
This is revenue Lancashire County Council is entitled to from BT under the contract in relation to connections above 20%. The initial estimate had been £6 million, but modelling has been made in relation to £4m due to a value for money assessment, whereby the £2m remains unallocated at this time. These hardest to reach areas will benefit from Gainshare Advance.

4. BT's Community Fibre Partnerships
A Community Fibre Partnership is where BT works with a local group – this can be the residents of a rural village or a block of flats in a city centre or even a group of business owners in an industrial park – that isn't covered in an existing fibre upgrade

Chorley
Council

plan to find a solution to bring fibre to their area. There usually needs to be a joint funding arrangement, where BT cover the costs in line with their commercial model used throughout the country and the community has the option to self-fund the remaining gap. BT looks for solutions to be as affordable as possible. Further information can be found here: http://www.communityfibre.bt.com/

There is an organisation called Independent Networks Co-operative Association (INCA) whose members are private, public and third sector organisations promoting, building and supporting the creation of next generation broadband networks throughout the UK. Members include large and small companies, fibre, wireless and satellite providers, cities, rural councils and community schemes.
http://www.inca.coop/

Chorley

Officers from Superfast Lancashire advised that by December 2018 up to 97.5% of Chorley will benefit from Superfast Broadband coverage through further rollouts. This is a 3.8% increase from the 93.7% of Chorley covered by Superfast Broadband after Phase One.

Phase One
- 2,748 postcodes in Chorley were identified in 2013 (equalling 49,679 premises. 18,363 were classified as 'white' and eligible for public funding.
- 17,212 premises were able to receive superfast fibre broadband.
- This left 1,151 premises.

Under current future build plans 703 white premises are eligible through SEP and Gainshare, which leaves 448 premises.

Around 600 further premises are due to benefit through Openreach's Commercial programme, including new premises on Buckshaw Village, as well as two cabinets related to the Milestone Meadow area of Buckshaw and Foxglove Drive area of Whittle-le-Woods. Members noted that many residents of Buckshaw Village expect Superfast Broadband to be available as it is a relatively newly built village. The following website can be used to check when fibre service will be available
https://www.homeandwork.openreach.co.uk/when-can-i-get-fibre.aspx

Less than four years after Superfast Lancashire deployment began, coverage in Chorley significantly increased. In May 2013, coverage in Chorley lagged both the UK and Lancashire average at >30Mbps and overall fibre broadband. By February 2017, fibre coverage had increased by +35%, while >30Mbps had increased by almost 33%. Chorley was already ahead of the UK Government target of 95% of homes and business having access to >24Mbps by the end of December 2017.

Helping residents

Adoption of Fibre Broadband is high within Chorley, with an average of 41.3%. Members considered the take up of Superfast Fibre Broadband in different wards within Chorley and noted potential issues with residents being aware that an order needs to be placed with a service provider to upgrade and that residents need to regularly check for availability.

Members felt that it may be helpful to provide hints and tips on resolving broadband issues, including residents speaking to their own provider first before speaking to other providers and not placing electrical devices next to the router etc. This information can then be distributed to Councillors and Town/Parish Councils.

There are issues with unreliable data, with residents being told by BT they can't have Superfast Broadband, when they actually can. Any cases should be referred to the Superfast Lancashire team for them to investigate via email: superfast@lancashire.gov.uk.

Speed tests

There is a website that members of the public can use to access speed test information http://www.thinkbroadband.com/speedtest.html#page_content. The Internet Service Providers will offer packages with up-to speeds and Superfast Fibre Broadband is any speed in excess of 24mbps. Comparison sites such as https://www.uswitch.com/broadband/ provide such information.

Allocations within a structure for fibre broadband are based on a first come, first served basis. Availability on structures can change in very short timescales and might explain why a resident had an issue with one particular supplier. There is a procedure in place that once a structure is nearly full to request BT to increase capacity.

Training

Some residents, particularly older residents benefit from some training to get online. LCC have a Digital Inclusion Programme, part of which includes free training sessions delivered in Libraries across the County. In addition, Chorley Council also has an established digital inclusion programme and organises regular beginners' sessions in community venues across the borough. Sessions can start with the absolute basics and residents can learn on Council laptops or bring their own laptop and tablet if they have one.

There has been marketing initially by BT, in schools and on structures. The Superfast Lancashire team have launched a revamped website www.superfastlancashire.com.

Funding

Officers from Superfast Lancashire confirmed that the budget for the Superfast Lancashire project is not affected by the LCC budget cuts, as the funding is leverage to secure external funding.

Digital Strategy for Chorley Council

The Head of Customer Transformation, Chorley Council, advised that the Digital Strategy is under review and due to be considered by Executive Cabinet in June.

There are four strands of the updated strategy:
1. Increasing digital take up: it is cheaper for the Council for residents to access services online and there are increasing customer expectations to be able to access services digitally. Future projects included the integration of My Account and

eCitizen. Online services should be 'digital by default' – designed specifically for the web.

2. Increasing Digital inclusion: The Council has a Digital Inclusion Officer with a remit to make to digital services more accessible as not all residents have access or can afford access. This includes the provision of access points across the Borough and the provision of training. Work is being undertaken with partners to achieve this, both for residents and businesses. Following training programmes, and where there is the demand and interest local people have volunteered to continue to run local computer clubs, so that people have sustained and sustainable support to practice and develop their skills further. Future projects included digital skills training, free Town Centre Wi-Fi and a tablet loan scheme.

The advertisement of the training sessions was considered and noted that leaflets were distributed in the locality, but word of mouth was also an effective tool as the sessions were all fully booked. Members could suggest areas/localities for training if they were aware of a need. The Council were working with partners to provide and signpost training.

3. Working smarter: Chorley Council staff need to have the right tools, training and encouragement to be able to work in a smarter and more efficient way, resulting in improved productivity. Future projects include the redevelopment of theloop (intranet) and delivery of voice over IP.

4. Putting customers first: Customers should be at the heart of everything we do as a Council, and providing excellent customer services was a key element of that. Future projects included embedding customer service values and responsibilities, through incorporating it into the Council's organisational development and training plan and also developing a plan to migrate further services into the Single Front Office.

Economic Development Strategy for Chorley Council

The Council's Business Advisor advised that part of the Economic Development Strategy aims to help businesses grow, and sometimes this means businesses having an online presence. Previously some rural areas have struggled with the provision and reliability of broadband, but businesses that receive advice from the Council are reporting that this issue is decreasing. Businesses are not always aware of the need to order Superfast Broadband.

Sessions are run on a regular basis, by the Council, to give advice to businesses on the use of social media and the web.

There is a need to ensure new developments have the infrastructure for Superfast broadband from the outset, and to lobby for broadband to have the same status as utilities. Virgin has been in touch with the Council to discuss new business development areas that are in the planning stages to consider the provision of broadband from the outset. This will be a massive benefit to businesses and can be used as a selling point for businesses to relocate to Chorley.

Chorley Council

Some businesses rely on having access to reliable broadband, for example, Members highlighted a pub using wireless devices to place food and drink orders. Any cases can be referred to the Superfast Lancashire team for them to investigate.

There is potential for Chorley Council to consider taking responsibility for laying cables within the Town Centre to progress the Digital Strategy / Town Centre Masterplan. If there is free Wi-Fi in the Town Centre there will be massive benefits for the local businesses.   Superfast Lancashire is meeting with District Councils to discuss their needs to facilitate a co-ordinated approach with Network providers where possible.