



<u>Committee and Date</u> Cabinet
15 February 2011
12.30 pm

<u>Item</u> <b>6</b>
Public

## **RECOMMENDATIONS FROM ENTERPRISE AND GROWTH SCRUTINY COMMITTEE - BROADBAND IN SHROPSHIRE**

**Scrutiny Committee:** Enterprise and Growth Scrutiny Committee  
e-mail: [alan.mosley@shropshire.gov.uk](mailto:alan.mosley@shropshire.gov.uk)

### **Summary**

The Enterprise and Growth Scrutiny Committee considered issues around Broadband in Shropshire at its meeting on 10 January 2011.

### **Recommendations**

Cabinet are asked to consider the recommendations set out below.

### **REPORT**

1. The Enterprise and Growth Scrutiny Committee considered issues around Broadband in Shropshire at its meeting on 10 January 2011. Ian Binks, Regional Manager from BT was present for the first part of the meeting and provided information on broadband infrastructure and recent developments.
2. An extract of the minutes of the meeting are attached at appendix 1. The Committee wishes to make the recommendations set out below to Cabinet.

### **The Enterprise and Growth Scrutiny Committee Resolved to:**

- A recommend to Cabinet that a single Member of Cabinet be responsible for all aspects of Information Technology,
- B endorse the broadband solution in Shropshire as a combination of fibre-optic, wireless and satellite and achieved in partnership with commercial and private sector partners, while being mindful of potential problems relating to the use of the Shropshire Broadband Network.
- C recommend that a Broadband Strategy and Action Plan for Shropshire be developed as a matter of urgency including the prioritisation of action towards proven and real need

- D endorse the proposals for early setting up of high-level workshops with the major broadband providers based around alternative technologies to get their input to the strategy and action plan. Also to accept the proposal of Ian Binks, Regional Manager, BT, to host a Shropshire Round Table event and to liaise with him in developing a next generation plan for submission in a funding bid to BDUK
- E strongly endorse the sentiments in the Chief Executive's letter of 16 December 2010 to BT and write a similar letter of its own
- F add the draft Broadband Strategy and action plan to its work programme in May for consideration before it is approved by Cabinet
- G receive a progress report on development of the Strategy and consider the plans for and receive an update on proposed consultation at its next meeting in March
- H ask that the issue of speed of broadband and next generation access be addressed in the Strategy, as well as the issue of access
- I ask that consideration be given to making broadband available to members of the public at schools.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)**

Report to Enterprise and Growth Scrutiny Committee 10 January 2011 'Broadband in Shropshire'

**Human Rights Act Appraisal**

The recommendations contained in this report are compatible with the provisions of the Human Rights act 1998.

**Environmental Appraisal**

An environmental appraisal would be necessary for any infrastructural development

**Risk Management Appraisal**

A risk appraisal would form part of a strategy and action plan

**Community / Consultations Appraisal**

Broadband survey work represents a full community consultation

**Cabinet Members:**

Councillor Martin Taylor Smith

Councillor Mike Owen

**Local Member**

All

**Appendix**

Appendix 1 – Extract of minutes of Enterprise and Growth Scrutiny Committee 10 January 2011 meeting

## APPENDIX 1

### Extract of unconfirmed minutes of Enterprise and Growth Scrutiny Committee held on 10 January 2011

#### 16. Broadband in Shropshire: Progress and Actions

- 16.1 The Committee received a report outlining actions being taken to improve access to Broadband in Shropshire (copy attached to signed minutes). The Chairman welcomed Ian Binks, Regional Manager, BT to the meeting and invited him to brief the Committee on Broadband issues from a BT point of view.
- 16.2 Mr Binks clarified that he was speaking to the Committee in relation to BT Wholesale and Openreach, and not BT Retail. His presentation to the Committee covered how the Communications Market had developed and was now structured, and how BT was delivering a 'mixed economy' of broadband products and services. There were many factors impacting on the way broadband was delivered in the UK and he explained some technical reasons behind different locations receiving different broadband speeds.
- 16.3 BT Openreach were now investing £2.5 billion nationwide in a new network to enable Superfast Broadband. This was being rolled out on a phased basis. All broadband providers would be able to access this network. Baschurch had recently been announced as successful in achieving the top five in the 'Race to Infinity' and would be receiving Superfast Broadband. Other than that, only Donnington in Telford and Wrekin had been included but Open Reach was expected to announce imminently more exchanges to be included and it had been declared that 40 market towns would be included.
- 16.4 Members noted that in Shropshire there were currently 78 exchanges serving 133,000 residential and business premises. All of these exchanges had been enabled for up to eight megabytes per second and connected to the BT Open Reach infrastructure. Ten exchanges in Shropshire would have been too small for that conversion but Advantage West Midland intervention funding had helped to secure their upgrade.
- 16.5 Public funds would be needed again to support conversion of all exchanges to enable next generation access to broadband, as it would not be commercially viable for this to be done by the private sector alone. Members were referred to ambitious projects already underway such as in Cornwall.
- 16.6 Broadband Delivery UK (BDUK) had been set up by Government to deliver intervention projects into rural areas. Mr Binks strongly advised the Council to make advanced plans in preparing for bidding to BDUK. BT was able to offer to sponsor a round table discussion regarding future access and assist with work on a plan to deliver the network.

- 16.7 Members discussed the importance of Superfast Broadband to businesses. Mr Binks referred to research conducted by Advantage West Midlands into how businesses within the West Midlands utilised broadband. 40% did not use it at all and would probably not benefit. It was therefore considered best to direct efforts to those who would get something out of it.
- 16.8 On being asked what the best way forward was for Shropshire in getting the recognition it needed with regard to broadband, Mr Binks reiterated the need to secure the support of stakeholders in preparing and planning a realistic project setting out what the Council wanted to achieve in preparation for bidding to BDUK. If funding was awarded, the Council could then go out to competitive tender for delivery of the specification.
- 16.9 Members agreed that it was important to pull together a strategy and action plan as soon as possible to target the funding available through BDUK. The Committee was also keen that the offer be accepted for help in setting up a Next Generation Access Roundtable event and Broad Plan for Shropshire.
- 16.10 Members asked about the very remote parts of the county and whether it was likely they could be included in fibre network coverage. They noted that Cornwall had needed to scale back its ambition for all to have access to fibre. Other solutions such as satellite would have to be utilised for the very remote areas, otherwise a great deal of investment might be directed at very few who might not even want broadband.
- 16.11 On being asked for observations on the report before Members, Mr Binks commented that the Council ought to be thinking of the next generation of access, rather than just addressing not-spots.
- 16.12 Mr Binks left the meeting at this point and the Chairman thanked him for the excellent presentation and attending the meeting.
- 16.13 The Head of Economic Development took the Committee through areas of the report not already covered by Mr Binks. 226 businesses had responded to a questionnaire asking them if they were satisfied with their connectivity and of these 6% were unable to access broadband at all and 13% could but were dissatisfied with the speed.
- 16.14 Members commented that Mr Binks had advocated giving up on expensive proposals to enable all to be connected and instead focus on improving what was available now, rather than spending time, energy and money connecting people who might not need or want broadband. They discussed the nature of the economy of Shropshire and the possibilities of cross-border working.
- 16.15 Members noted that the contents of the report cut across the remit of more than one portfolio holder and that a number of portfolio holders were interested and involved in issues relating to IT. The Committee felt that just one portfolio holder should take the lead to ensure that all efforts were driven forward in a co-ordinated way.

- 16.16 Members went on to discuss the take up of the wireless broadband mesh system in the southern part of the county, and the Council's broadband network. They noted that State Aid issues could arise when the public sector provided support for broadband roll out.
- 16.17 The Committee discussed the ongoing debate about possible adverse effects on health from wireless technology receiving and transmitting signals. The Telecomms and Business Support Manager referred to recent research undertaken in this area.
- 16.18 Members were interested to note that Shropshire Council was working with Devon County Council which was using this approach and was approximately 9 months ahead of Shropshire.
- 16.19 Members discussed the need to market test demand as a matter of urgency and agreed that there was not likely to be one solution for Shropshire as there would be different challenges to meet all over the county. In response to questions the Head of Economic Development said that consultation would closely involve Local Members and Local Joint Committees and it was essential to establish need and demand to form a Broadband Strategy. Members emphasised the need to get business representatives on board to be as ready as possible when the opportunity arose to make a bid to BDUK.
- 16.20 Members asked about the timescale for development of a Broadband Strategy and Action Plan. The Head of Economic Development reported that bidding guidance was currently awaited from BDUK.

**The Enterprise and Growth Scrutiny Committee made resolutions A - I as set out in the attached report**