



Committee and Date

Cabinet

13th July 2016

CONNECTING SHROPSHIRE – BROADBAND STRATEGY

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1. Summary

The report sets out Council's updated strategy for broadband, known as the Local Broadband Plan, and sets out the approach for improving broadband speeds across the Shropshire Council area till 2020.

2. Recommendations

It is recommended that Cabinet:

- 2.1 Adopt the revised Local Broadband Plan Shropshire for 2016-2020.
- 2.2 Agree that the Local Broadband Plan is hosted on the Connecting Shropshire website as a public document at the earliest opportunity.

REPORT

3. Background

- 3.1 Broadband is no longer seen as a luxury, but an essential component in modern day living. Whilst significant improvements in superfast broadband¹ provision have been made in many rural parts of Shropshire, further work will be required to provide ubiquitous access to all our communities.
- 3.2 By the end of the current contracted phases of delivery (Phases 1 and 2), in winter 2017, we estimate that over 55k premises will have been upgraded to superfast broadband, with an additional 10,500 premises having access to faster broadband speeds. All premises now have the ability to order a basic level of broadband (of 2 megabits per second), a commitment that was originally made by the Council in 2012.

¹ Defined as 24 megabits per second

- 3.3 The Local Broadband Plan sets out the Council's aspiration to provide all premises with superfast broadband by 2020.
- 3.4 Connecting Shropshire is currently in the preliminary stages of preparing its next procurement (Phase 2b). The first step is an Open Market Review (OMR), which is carried out in consultation with the supplier market to understand their current commercial plans to build broadband networks in Shropshire up to 2020.
- 3.5 Connecting Shropshire will provide an update on the outcome of the OMR to Cabinet later in July. The report will also include a recommended approach to the Phase 2b procurement process.

4 Risk and Opportunities

- 4.1 It is currently estimated that at the end of Phase 2 (by winter 2017), between 12k and 20k premises will not have access to superfast broadband as a result of either commercial build or from the Connecting Shropshire contracts with British Telecommunications PLC. The OMR process will help to identify the actual commercial gap, which may be larger or smaller than estimated.
- 4.2 The aspiration to provide access to superfast broadband to all premises will be challenging given the costs of delivering broadband technology into the remotest parts of the Shropshire Council area.
- 4.3 Phase 2b will include an Open Procurement exercise which will potentially attract a more favorable supplier contribution than Phase 2.
- 4.4 Owing to the Council's current financial projections, no additional funding from capital has been assigned to support broadband infrastructure above the previously approved allocation of £8.2 million.
- 4.5 The Authority will continue to look to central government and the Local Enterprise Partnership for additional capital funding to support its broadband aspirations.

5 Financial Implications

- 5.1 The Council has £11.7m of public funding for Phase 2b comprising £6.68m from Broadband Delivery UK and £5.02m from the Marches LEP Local Growth Fund.
- 5.2 Undertaking a further phase of contract delivery beyond Phase 2 will incur additional revenue expenditure. A report will be prepared for Cabinet at the end of the Phase 2b procurement (estimated as winter 2016) to outline the revenue implications.

6 Conclusion

6.1 Connecting Shropshire has defined a strategy that sets out the local aspirations for ubiquitous broadband access and meets the Government’s current broadband commitments.

<p>List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information) 24-09-2014 Financial Strategy 2015/16 – 2017/18 Interim Report 10-12-2014 Cabinet– Connecting Shropshire Phase 2 LEP Strategic Economic Plan 2012 Shropshire Business Board Economic Growth Strategy Marches Our Strategy For Growth 2013 -2022</p>										
<p>Cabinet Member (Portfolio Holder) Councillor Steve Charmley – Deputy Leader and Portfolio Holder for Business and Economy</p>										
<p>Local Member All members</p>										
<p>Appendices Appendix 1 - Local Broadband Plan Shropshire 2016-2020</p>										
<p><u>Glossary</u></p> <table><tr><td>BDUK</td><td>Broadband Delivery UK</td></tr><tr><td>LEP</td><td>Local Enterprise Partnership</td></tr><tr><td>OMR</td><td>Open Market Review</td></tr><tr><td>SFBB</td><td>Superfast Broadband (24Mbps)</td></tr><tr><td>USO</td><td>Universal Service Obligation</td></tr></table>	BDUK	Broadband Delivery UK	LEP	Local Enterprise Partnership	OMR	Open Market Review	SFBB	Superfast Broadband (24Mbps)	USO	Universal Service Obligation
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