



Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	OVERVIEW AND SCRUTINY COMMITTEE - 1st FEBRUARY 2023
Subject	BROADBAND DELIVERY UPDATE
Wards affected	ALL
Accountable member	Cllr Tony Dale, Cabinet Member for Economy and Council Transformation Email: tony.dale@cotswold.gov.uk
Accountable officer	Paul James, Economic Development Lead Tel: 01285 623558 Email: paul.james@cotswold.gov.uk
Summary/Purpose	To update Members on progress in delivering high speed broadband across the District
Annexes	None.
Recommendation/s	<i>a) That progress in delivering high speed broadband across the District and the future plans of both commercial infrastructure providers and the Fastershire Project are noted.</i> <i>b) That it is noted that the £500k allocation for broadband in the capital programme set aside in 2016 has now been removed as Gloucestershire County Council advised that they felt their own budget was sufficient and it would not have led to faster delivery of broadband in the District.</i>
Corporate priorities	Ensure the benefits of the internet and digital technologies are accessible to everyone in the district
Key Decision	NO
Exempt	NO
Consultees/ Consultation	Gloucestershire County Council/Fastershire, Openreach, Gigaclear



1. BACKGROUND

Broadband is nowadays viewed as an essential utility, alongside heating, electricity and running water. It is necessary for many households to be able to access basic services, as well as for businesses to be able to function effectively. During the pandemic, with people ordered to work from home where possible, the need for good broadband came into sharp focus. The lack of good quality broadband is one factor which can lead to digital exclusion and this can contribute to social isolation as well as having obvious economic disadvantages. Delivery of broadband is a greater challenge in rural areas due to the sparsity of the population, which increases costs and means there are fewer customers for it to be delivered commercially than in urban areas. Against this backdrop, the District is performing well in delivering good quality broadband, both through commercially-led activity and through publicly-assisted installation, with plans to further improve the position in the coming months and years.

2. PROGRESS UPDATES

- 2.1. Delivery of broadband is largely a commercial activity, with the market dominated by a number of large providers such as BT, EE, TalkTalk, Sky, Vodafone and Virgin Media. These are a mixture of those who have their own infrastructure (such as BT Openreach) to those who act as wholesalers and others who agree bulk purchases for their own retail customers. Virgin Media have their own infrastructure but do not operate within the Cotswold District. The decision by the Government to open up the Openreach infrastructure for other accredited providers to use has seen a number of other players entering the marketplace. Gigaclear via Fastershire has a significant presence in the District, delivering fibre to the premise, and other providers are believed to be looking to supply market towns within the area.
- 2.2. However, good quality broadband would not be provided universally if left to the market alone. Therefore the Government has made available significant funding to speed up the rollout of broadband through Building Digital UK (BDUK), which is part of the Department for Digital, Culture, Media and Sport. In a Gloucestershire context, this has been channelled through the Fastershire project which is a partnership between Gloucestershire County Council and Herefordshire Council. Fastershire was set up to deliver superfast broadband, which has now been largely achieved, and the Government is looking to deliver Project Gigabit centrally, so the Fastershire project looks likely to come to an end on 31st March 2024.
- 2.3. Broadband technology has moved on over time. Initially copper wires were used, but now fibre optic cables (shortened to 'fibre') which are able to support greater speeds are the norm. When we talk about fibre, this can either be 'fibre to the cabinet' (FTTC - which serves a number of premises and where copper wires are used for the final section of the journey to each individual premises) and 'fibre to the premises' (FTTP - which, as the name suggests, uses fibre optic cables all the way to the property).



- 2.4. As technology has moved on, for example with gaming, streaming of films and more widespread use of video call platforms such as Zoom, greater bandwidth is required. Superfast broadband is defined as download speeds of 30mbps and above. Ultrafast is defined as download speeds of 100mbps and above. Whereas 30mbps would have been sufficient for most purposes in the past, it is now seen as less than ideal for households with multiple users. Installation of broadband is currently focused on being 'Gigabit capable'. A gigabit is the fastest and most reliable available broadband speed and is the same as 1,000 megabits per second (Mbps). Gigabit-capable means that the connection can handle speeds of 1,000 Mbps but users only sign up to speeds they need and can afford. As demand increases, users can choose the option to pay for more speed as required.
- 2.5. It is worth noting that advertised internet speeds are not always consistent with what consumers experience for a variety of reasons. The use of wi-fi, although convenient, is not a direct internet connection and in itself leads to a loss of speed. The use of multiple devices within a premises, including tablets and mobile phones, can all have an impact on bandwidth particularly when applications like video conferencing and streaming are used.

Progress with delivery

- 2.6. Progress has been made with delivery of broadband across the District in recent years. According to the Think Broadband website, the District has coverage of 97.8% of superfast broadband and 53.8% of ultrafast broadband. It is also worth noting that of the 53.8% of ultrafast broadband, 53.5% is delivered by full fibre, compared with 43.4% nationally. Other comparable local rural districts have coverage as follows:

Table 1

District	Superfast (%)	Ultrafast (%)	Gigabit (%)
UK Average	97.8	75.2	72.4
Cotswold	97.8	53.8	53.5
Forest of Dean	89.9	46.9	43.9
Stroud	96.1	38.1	38.1
Tewkesbury	98.1	74.5	75



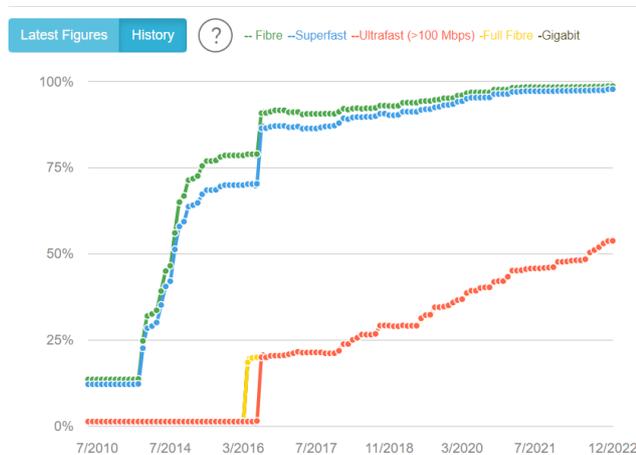
West Oxfordshire	99.6	86.7	81.8
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Source: Think Broadband website

Image I shows how coverage has improved dramatically in the District over the last decade.

Image I

Cotswold Superfast and Fibre Coverage



Source; Think Broadband website

- 2.7. The Openreach upgrade of Cirencester exchange is making good progress and by the end of March 2023 they anticipate reaching 5,000 properties served on the Cirencester exchange with full fibre broadband. This would take full fibre coverage to almost 44% for that specific exchange area which is in line with the UK average. Following recent engineering surveys of the wider exchange area, they have identified that there is a lot of cable directly buried in the ground (without duct). This will need careful planning of the best route to take to carry the new fibre cable and therefore they expect the exchange to take a further 12/18 months to complete.
- 2.8. Gigaclear have been on-site in Cirencester, delivering gigabit-capable broadband, and in Northleach. In Cirencester, the network of live connections in the town has increased from 1500 to 3500. They have highlighted the offer of a free connection within the build area for a Community Hub, such as a community centre or school, details of which can be found at www.gigaclear.com/community-hub. Gigaclear are on site at Moreton-in-Marsh and were due to connect 700 premises by the end of 2022 and 1700 by September 2023. Fairford, Tetbury, Bourton-on-the-Water, South Cerney and Stow-on-the-Wold are due to be delivered in 2023. The current works being undertaken by Openreach and Gigaclear



should make a significant impact on the ultrafast/gigabit figures for the District once completed.

- 2.9. In addition, Openreach have pledged to deliver full fibre to a number of settlements in the District (Tetbury, Northleach, South Cerney, Bourton-on-the-Water, Fairford and Lechlade) by 2026. Bourton-on-the-Water is scheduled to be delivered in 2023. Officers are in regular contact with both Gigaclear and Openreach, offering assistance where needed and encouraging them to complete their rollout as quickly as possible. Fibreheroes are also due to start work to connect over 2300 homes in Bourton-on-the-Water shortly.

The National Context

- 2.10. In May 2019, the Chancellor announced a £5 billion commitment to fund gigabit-capable broadband. The Government's target is for 85% of premises to have access to gigabit-capable broadband by 2025. The procurement for delivery of Project Gigabit in Gloucestershire is due to go live between April and June 2023, with the contract awarded between January and March 2024. The number of properties in scope is 44,700 and the contract value is estimated to be between £40-80 million. The Project is designed to deliver gigabit-capable broadband to the properties which would not be covered on a commercial basis.
- 2.11. The Government has made available £210 million for eligible rural areas to get Gigabit-capable broadband. The Gigabit Broadband Voucher scheme offers up to £4500 per home or business towards the cost of installation. Further information is available at <https://gigabitvoucher.culture.gov.uk/>. In addition, £164 million has been made available to connect public sector buildings like GP surgeries, libraries and schools in hard to reach areas, with more than 5000 buildings have been connected.

Universal Service Obligation

- 2.12. The Government introduced, from March 2020, a Universal Service Obligation (USO) whereby households and businesses are able to request an improved connection if they have a download speed of less than 10mbps or an upload speed of less than 1mbps if they will not be covered by a public broadband scheme in the next 12 months. If the cost of their share of the network is less than £3400 they won't have to pay and if it is more than that they need to pay the excess costs above £3400.

Fastershire Community Broadband Grant

- 2.13. The Fastershire Community Broadband Grant is targeting the final 3% of properties in Herefordshire and Gloucestershire that still require access to a superfast broadband of 30mbps or more. The County Council has recently taken a decision to increase the amount of the Fastershire Community Broadband Grant from £5000 to £7000 in order to increase



its attractiveness to the infrastructure providers as a number of small schemes have not attracted any tenders.

- 2.14. The purpose of the grant is to provide these properties with access to superfast connection (30mbps or above), but the scheme will only invest in networks that are capable of providing access to gigabit connections (1,000mbps) so community projects that are successful will have access to Fibre to the Property. <https://www.fastershire.com/about-fastershire/community-broadband-grant>.
- 2.15. In some cases, the solution may mean using a new supplier or different technology to reach a deeply rural community, or to extend an existing network further to reach outlying properties that were too expensive to connect in previously.
- 2.16. Any property in the Cotswold District either residential or business can benefit from the grant provided that it:
- Is listed in Fastershire address data
 - Cannot access a superfast connection (30mbps or above)
 - Is not included in a planned commercial rollout by a network provider
 - Is not included in one of Fastershire's on-going rollout contracts with Openreach, Gigaclear or Airband.
 - Has not already benefited from a Fastershire grant.

The deadline for grant applications is 31 August 2023.

- 2.17. Properties at Draycot and Northwick Park have already benefited from the grant and Fastershire have been looking to identify others within the District who would qualify. There is a role for councillors as community leaders to raise awareness of the scheme and encourage eligible communities to come forward.

Fastershire Business Grant Scheme

- 2.18. The County Council is also creating a Fastershire Business Grant Scheme, running from 1st January 2023 to 31st August 2023 of up to £20,000 for businesses with download schemes of less than 30mbps, providing the business makes a 20% contribution to the costs.

Gloucestershire Digital Household Grant

- 2.19. In addition, the County Council have approved the creation of a Gloucestershire Digital Household Grant scheme for residential properties with download speeds of less than 30mbps who are unable to apply for a Fastershire Community Broadband Grant. This



new grant will support improved digital connectivity based on 4G technology by supplying and installing a 4G Directional Antenna and external 4G router. If the household does not receive sufficient 4G signal strength to receive 4G Broadband the Fastershire Team will explore alternative options with the household. This could include use of a satellite-based solution although the costs of using a satellite are typically higher.

- 2.20. Phase One of the Gloucestershire Digital Household Grant will begin in May 2023 and will concentrate on properties in the Forest of Dean which were transferred out of Fastershire's contract with Gigaclear. Phase Two, which will be open to all qualifying households in the County, including in Cotswold District, will commence in September 2023.

Available Funding

- 2.21. Within Gloucestershire, the Fastershire project has £1.01m allocated for grant support in 2022/23 and 2023/24. The County Council have taken a decision to allocate £210,000 for Fastershire Community Grants (approx. 30 premises), £200,000 for Fastershire Business Grants (approx. 10 premises) and £600,000 for the Gloucestershire Digital Household Grants (approx. 1000 premises). Based on previous experience, the County Council believe that this funding should be adequate for the likely demand.

CDC Contribution

- 2.22. At its budget meeting in February 2016, the Council allocated £500k in its Capital Budget for the provision of broadband in the District. As of this year, none of this budget had been used. This is, perhaps, not surprising given that the sensible strategy is to allow the maximum coverage to be delivered commercially before stepping in with public subsidy. £500k as a commitment from the Council's budget is a sizeable sum, but in terms of broadband delivery it is relatively small. To put it into context, over £65 million of funding has been supplied by BDUK to Fastershire to date. In addition, there are considerations around State Aid and Best Value which have to be taken into account. Following a report to Cabinet in 2022, Officers continued in dialogue with Gloucestershire County Council and Fastershire with a view to devising a top-up to the Fastershire Community Broadband Grant to make use of the £500k allocation. However, in October 2022 County Council Officers advised the Council that it could not make use of the funding in a way that would accelerate delivery of broadband in the District. It was therefore removed from the Council's Capital Programme.

Planning Policy

- 2.23. Many authorities are now using planning policy to insist on the delivery of good quality broadband to new developments. Policy INF9 of the Cotswold District Local Plan



adopted in 2018 states that developments “should include the provision of telecommunications infrastructure with sufficient flexibility to support the fastest available data transfer speed at the time of development.” It is recognised that good quality broadband is seen by many homebuyers as a prerequisite of a purchase and as a result, to a large degree, will be delivered by the market. The current review of the Local Plan has considered the existing policy and believes it is still relevant and proportionate today.

Mobile phone signal

- 2.24. Mobile phone signal is a slightly separate but connected topic in terms of connectivity. There are areas of the District where coverage is poor. Officers are in regular contact with the main operators to encourage them to improve the position where needed, although their investment plans are by their nature long-term and difficult to change. For example, BT have upgraded their mast near Fairford which should have improved signal around that area. It is recognised that there is still some way to go to achieve universal coverage. It should also be noted that fibre is also needed for the rollout of 5G mobile coverage.

3. FINANCIAL IMPLICATIONS

- 3.1. £500k was allocated in the 2016/17 Capital Budget for delivery of broadband across the District. As Gloucestershire County Council have advised that they felt that their own budget for broadband grants was sufficient and the Council’s funding would not lead to faster delivery of broadband in the District, it was removed from the Capital Programme in October 2022. The capital receipts allocated to fund this project will now be utilised to fund other projects in the Council’s Capital Programme, reducing the requirement to undertake external borrowing and the associated costs of borrowing (interest and the provision of a minimum revenue provision (MRP) to repay the borrowing). Aside from this, there are no financial implications arising from this report.

4. LEGAL IMPLICATIONS

- 4.1. There are no direct legal implications arising from this report.

5. RISK ASSESSMENT

- 5.1. There is a risk that communities may not come forward to access the various grant schemes. This can be mitigated by using our communications networks. There is also a risk that the County Council has put in place may not be sufficient. Based on previous experience, they do not believe that this is the case.



6. EQUALITIES IMPACT (IF REQUIRED)

- 6.1. The Council's Corporate Plan objective is to ensure the benefits of the internet and digital technologies are available to everyone in the District. The rollout of good quality broadband is an important element in the delivery of that objective.

7. ECOLOGICAL AND CLIMATE EMERGENCY IMPLICATIONS (IF REQUIRED)

- 7.1. Good quality broadband enables residents to access services digitally and work from home effectively and in doing so reduces the need for travel, which has a positive effect on emissions.

8. ALTERNATIVE OPTIONS

- 8.1. The Council could maintain its capital allocation for broadband, but it would not accelerate delivery and would therefore not be good value for public money.

9. BACKGROUND PAPERS

- 9.1. The following documents have been identified by the author of the report in accordance with section 100D.5(a) of the Local Government Act 1972 and are listed in accordance with section 100 D.1(a) for inspection by members of the public:
- None.
- 9.2. These documents will be available for inspection at the Council Offices at xxxxxxxx during normal office hours for a period of up to 4 years from the date of the meeting. Please contact the author of the report.

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