

# Connecting Devon and Somerset

Local Authority Briefing March 27, 2018



## North Devon

### Background

The CDS programme is the largest of its kind in England. It is supported with funding from the Department for Digital, Culture, Media and Sport, the EU's European Regional Development Fund, the Heart of the South West Local Enterprise Partnership and local authorities across the region.

Since the start of the partnership between local authorities in Devon and Somerset, the Government and BT in 2013, a quarter of a million miles of optical fibre has been laid, enough to circle the Earth ten times

CDS connects some of the hardest to reach communities in England, where the commercial market will not provide the infrastructure. CDS does this by awarding public subsidised contracts to companies through competitive tender to build the infrastructure needed, such as fibre cables or wireless masts. CDS is only able to invest where suppliers have no declared and credible plans to invest their own resources to extend their networks.

CDS does not fund actual internet services available via the web, that is a role for commercial Internet Service Providers or ISPs.

### Summary of North Devon

- Total premises: 52,700  
*i.e. the number of homes or businesses in the area*
- CDS superfast achieved: 28,800 premises
- CDS superfast planned: 5,800 premises
- Commercial superfast achieved: 15,300 premises
- Commercial planned: 0 premises
- Total delivered or planned: 49,300 premises
- Remaining: 3,400 premises

*NB 1. Premise numbers are rounded to the nearest hundred reflecting the accuracy of returns from commercial operators. 2. Total broadband delivered or planned includes premises served by more than one operator. See also Commercial coverage analysis.*

### Context

Although successive Governments have never set % targets for publicly-funded local broadband programmes, Connecting Devon and Somerset is exceeding Government expectations in predominantly rural areas where CDS' intervention is mainly focused.

Central Government estimates that, overall, two thirds of all broadband infrastructure (e.g. cabinets, fibre cables or wireless) in rural England will be provided commercially. However, across North Devon commercial provision has been 29% with no plans currently for further investment. To compensate, CDS has funded 55% of the broadband infrastructure in North Devon with a further 11% coverage due to be delivered by 2020.

As a result, current combined CDS and commercial superfast coverage in North Devon is 84% and is set to reach 94% by 2020.

The level of commercial broadband provision to date in North Devon is disappointing and further public investment will be required above that already planned by CDS to offset this. Given that broadband provision in North Devon, like much of the county, was among the lowest in the UK when the CDS programme began in 2013 it will continue to require network construction to some of the hardest to reach areas of rural England.

*NB The Government announced in December it had achieved its target of 95% superfast broadband coverage nationally. However, this is an average figure for the whole country and also includes all the commercially-funded provision.*

## **The whole programme**

New analysis shows the total number of homes and businesses with access to CDS-provided superfast has risen to 298,900 and a further 38,000 can access improved broadband speeds. CDS covers Bath & North East Somerset, North Somerset, Somerset and Devon. CDS main contractor BT has exceeded its contract target for the first phase of the programme.

In addition, CDS-funded construction has started to provide a further 68,100 rural homes and businesses across the region with access to superfast networks by 2020. In many cases the new networks will be capable of ultrafast speeds with equally fast upload and download capability.

## **Take up and “gainshare”**

Public and business take up of CDS-provided internet access now stands at 43%, 137,600 homes and businesses, just above the national average of 42.6%. This increased take-up means CDS will also have a confirmed additional £4.8 million in a “gainshare” “dividend” from BT to invest in expanding the broadband network even further to help particularly isolated rural communities. There is the potential to increase this by a further £2m dependent on a take-up review of the Phase 1 contract, giving a potential total of £6.8m for reinvestment in coverage.

As a result, CDS is launching a consultation today to help target isolated communities in greatest need of that public investment and where there are no declared and credible commercial deployment plans.

The consultation will enable all interested stakeholders - the public, businesses, and telecommunications providers - to comment on the proposed intervention areas before further coverage is committed.

Once this consultation process is completed, CDS will consider other factors, including the degree of social deprivation in an area, to decide where the “gainshare” funds will do the most good. Whilst the timescales for deployment are not known or agreed at this stage, it is CDS’ ambition to have all engineering solutions completed by the end of 2020. Members will be kept fully informed.

Further information: <https://www.connectingdevonandsomerset.co.uk/response-to-cds-gainshare-public-consultation/>

## **Vouchers**

CDS also confirmed today its plan to launch a new broadband voucher scheme for residents and businesses. The previous scheme has demonstrated the success of this type of support with more than 1800 installations being completed offering a choice of 4G, fixed-wireless, satellite and fibre solutions. The scheme will help people in areas not in line for commercial or publicly-funded broadband infrastructure. Details will be published later in the spring and Members will be kept fully informed. CDS is also planning to launch schemes to support community broadband solutions in the summer.

## **Rural Development Programme for England**

CDS has submitted a bid to DEFRA’s Rural Broadband Infrastructure fund for £5 million to deliver a project to extend superfast coverage and support additional businesses in rural parts of Devon and Somerset. If the bid is successful CDS intends to add this additional funding into the contracts with Airband and Gigaclear, and aims to complete deployment by June 2020. The Rural Broadband Infrastructure Fund is part of DEFRA’s Rural Development Programme for England and is funded by the European Agricultural Fund for Rural Development (EAFRD). Members will be kept updated on progress with this application.

## **Commercial coverage analysis**

CDS analysis, including rural *and* urban areas, also shows that commercial-funded superfast is now available to 653,500 homes and businesses. Combined with the CDS’ rural-focused programme, it means a total of 952,400 homes and businesses across the whole region now have access to superfast broadband out of a total of 1,083,200.

CDS investment is encouraging increased commercial broadband expansion across the region providing greater competition and consumer choice. Commercially-funded broadband is forecast to reach a further 14,000 homes and businesses across the region by 2020 and a greater number will have more than one provider.

CDS will continue to use its best endeavours to avoid commercial and public sector funded overbuilding where it is practicable to do so.

## **Economic benefit**

The increase in digital connectivity is a further boost for the local economy on the back of above UK average productivity growth figures across the CDS region. Bath & North East Somerset and North Somerset have benefited from above national average growth in nominal productivity of 1.38% building on a strong economic base; Somerset recorded growth of 2.18%.

Looking at real terms growth in productivity, Devon's 2.2% increase is the fourth fastest in the UK.

## **CDS contractors**

Gigaclear is contracted to provide a new full fibre network that will connect 47,000 homes and businesses across the CDS region. The number of premises includes an expansion of the network, approved by Government in December.

Gigaclear has brought in additional civil engineering resources following the collapse of Carillion which was a key partner in Gigaclear's original main civil engineering contractor. Although construction has been delayed in some communities, Gigaclear has assured CDS that most of its original programme will be delivered by the end of 2019 and the expanded programme completed by the summer of 2020 as planned. The company plans to notify all affected communities of any changes to the roll-out schedule. Members will be kept fully informed.

CDS has submitted proposals to Government to increase the Airband superfast wireless network by a further 3,000 homes and businesses across northern and western Devon.

Airband is currently building a new wireless network for CDS that will provide access to superfast broadband for around 13,000 homes and businesses across the area by December 2019 and is completing a network to serve around 5,000 hard to reach properties in Dartmoor and Exmoor National Parks with superfast broadband.

Further information: <https://www.connectingdevonandsomerset.co.uk/>