



REPORT of DIRECTOR, STRATEGY, PERFORMANCE AND GOVERNANCE

to
COUNCIL
8 NOVEMBER 2018

UPDATE ON SUPERFAST BROADBAND

1. PURPOSE OF THE REPORT

- 1.1 At its meeting of 25 September 2018 the Finance and Corporate Services Committee considered a report regarding ‘Superfast Broadband in Maldon District’ and made a recommendation that:

***RECOMMENDED** that the Council’s contribution of £45,000 over three years to contribute to the delivery of Phase 2a of the Superfast Essex Broadband Programme in the Maldon District be withdrawn.*

- 1.2 The recommendation of the Committee is due for consideration by the Council at its meeting of 8 November 2018.
- 1.3 Since the recommendation was made, Essex County Council has submitted additional information and representations regarding the delivery and progress of the Superfast Scheme in Maldon and this report presents that information for Members consideration.

2. RECOMMENDATION

That Members note the information presented in this report and consider the recommendation of the Finance and Corporate Services Committee, as presented in paragraph 1.1.

3. SUMMARY OF KEY ISSUES

- 3.1 At its meeting of 25 September 2018 the Finance and Corporate Services Committee considered a report. The report is attached at **APPENDIX A** to this report.
- 3.2 Since the submission of that report, Essex County Council, who is delivering the Superfast Essex Programme, has provided additional information. In providing this information, they have sought to clarify the current position with the rollout of the programme in Maldon District. This information, contained in two reports, is attached in **APPENDIX B**. The information in the first report ‘Maldon update October 18 comparison 2016’ shows that the assumption of rollout within Phase 1 was incorrect at the time of the funding decision. At that time, it was envisaged that Phase 1 would provide 77% coverage of Maldon District. It subsequently only

achieved a coverage of 71% of the District. Subsequently the phase 2 rollout was starting from a lower base than envisaged at the time of the original agreement. This is shown in Table 1 below.

March 2016 position (at the time of the most recent Maldon funding decision)		Oct 2018 Update	
Number of premises			
Total premises in the district: 28,432		Total Premises in the district: 30,106	
Phase 2 deployment			
Phase 2 planned rollout: <ul style="list-style-type: none">– 3,314 premises to be enabled by ECC funds (plus resulting DCMS grant and supplier contribution)– Plus a further 931 to be enabled by £91k Maldon investment (plus resulting DCMS grant and supplier contribution – total investment £344k)		Phase 2 progress: <ul style="list-style-type: none">– Phase 2 completed: 3,464 premises– Phase 2 in deployment: 539 premises– Phase 2 planned for deployment by end of 2019: 1,314 premises	
Total Phase 2 plan: 4,245 premises		Total Phase 2 delivered and plans: 5,317 premises	
Indicative forecast of superfast broadband connectivity for Maldon District as % of all premises, by 2020			
Commercial providers: 38%		Commercial providers reach: 39%	
Phase 1 will reach: 77% (+39% under Phase 1)		Phase 1 reach: 71% (+32% as a result of Phase 1 deployment)	
Phase 2 will reach: 92%		Phase 2 in progress expected to reach: 89%	
		Phase 3 in progress expected to reach: 94%	

Table 1 : Comparison of expectations in 2016 with position October 2018.

- 3.3 Table 1 also shows that Phase 2 is scheduled to deliver more than was predicted at the time of the 2016 agreement, a total of 5,317 premises, as opposed to 4,245. Phase 3 is also now underway alongside Phase 2 and will deliver further coverage in the Maldon District exceeding the 92% coverage that was originally forecast for Phase 2.
- 3.4 The various phases and the deployment within each one makes it difficult to determine the level of delivery against the original agreement. This position would have been easier had Essex County Council issued a Service Level Agreement (SLA) in 2016, upon finalisation of the initial agreement. This would also have provided a clearer expectation of the level of update that Members expected from the Superfast Essex rollout programme. Whilst there was, a general progress update provided to Maldon District Council via the Superfast Essex Board, information was not provided to Maldon District Council regularly on progress directly against the agreed funding and targets.
- 3.5 Following requests by Maldon District Council officers, Essex County Council has now submitted a draft Service Level Agreement (SLA) relating to the delivery of the programme in Maldon District, based on the £45,000 funding agreed in 2016, attached in **APPENDIX C**. This would be paid in £15,000 instalments based on progress and confirmed delivery, although the trigger points are still to be finalised. Agreement of this detail could provide a greater accountability and basis for clarity in the future should Members wish to continue with the funding.

4. CONCLUSION

- 4.1 The information in the report and presented in the appendices provides a fuller picture for Members to consider the recommendation of Finance and Corporate Services Committee. Should Members agree to retain the funding commitment then the finalisation of an SLA with Essex County Council would provide a greater degree of clarity in future, and this should have been in place from the outset in 2016.

5. IMPACT ON CORPORATE GOALS

- 5.1 This report links to the corporate goal of “Creating opportunities for economic growth and prosperity” under the objective “improve connectivity”.

6. IMPLICATIONS

- (i) **Impact on Customers** – Indications have been received from customers and partners that superfast broadband speeds experienced, especially in rural areas, are not currently meeting expectations.
- (ii) **Impact on Equalities** – None identified.
- (iii) **Impact on Risk** – There is a risk that Maldon District Council will be in default of its financial commitments to support Superfast Essex if no funding is transferred by December 2019. Conversely, if broadband speeds do not meet expectations there is a risk that the Council could face questions regarding inefficient application of resources.
- (iv) **Impact on Resources (financial)** – The Council has committed to support the Superfast Broadband rollout over three years of the duration of Phase 2a (2016 to 2019), as part of the Essex wide programme. No funding transfer has yet taken place.
- (v) **Impact on Resources (human)** – None.
- (vi) **Impact on the Environment** – None.

Background Papers:

Minutes of Finance and Corporate Services Committee 8 November 2018.

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