

Cherwell District Council

Executive

3 February 2020

Broadband and Digital Infrastructure

Report of Executive Director of Place and Growth (Interim)

This report is public

Purpose of report

This report reviews the Better Broadband for Oxfordshire Programme for Cherwell District Council to now consider extending its involvement in enabling further development locally through active involvement in the emerging Digital Infrastructure Delivery Partnership for Oxfordshire.

1.0 Recommendations

The meeting is recommended:

- 1.1 To note the success of the Better Broadband for Oxfordshire programme in exceeding the Government's delivery target for 'Superfast' broadband availability in Cherwell and the continuing progress to extend full fibre and mobile coverage through existing resources.
- 1.2 To support the incorporation of the Oxfordshire Digital Infrastructure Strategy and Delivery Plan alongside the Memorandum of Understanding, recognising its important contribution to the delivery of the Housing and Growth Deal, the Cherwell Industrial Strategy and the Council's other plans and policies.
- 1.3 To actively participate in the Oxfordshire Digital Infrastructure Partnership, through its proposed Board, by identifying a Councillor (supported by a senior officer) to represent the interests of the Council.

2.0 Introduction

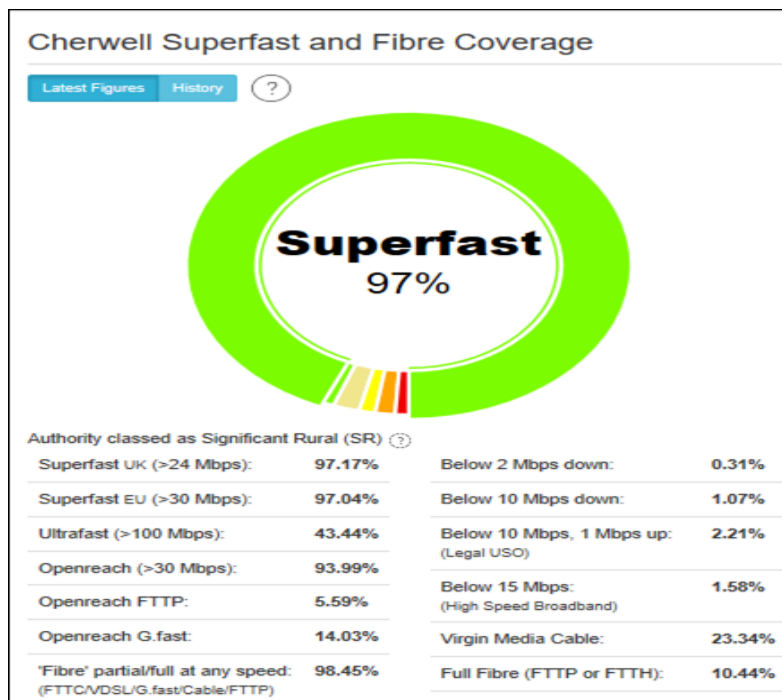
- 2.1 This report considers the impact of the Better Broadband for Oxfordshire Programme in Cherwell and explains the opportunities arising through the emerging Digital Infrastructure Delivery Partnership.

3.0 Better Broadband for Oxfordshire Programme in Cherwell

- 3.1 In recognising the importance of improving broadband connectivity, in 2013, Oxfordshire County Council (OCC) entered into a contract with BT for upgrading

broadband infrastructure across the county. The initial contract was to deliver access to superfast broadband (at least 24mbps) to 64,000 premises where there was market failure.

- 3.2 In 2014, Cherwell District Council (CDC), along with South Oxfordshire DC, Vale of White Horse, Oxford City, and OxLEP and SEMLEP added further funding to the programme for which OCC achieved BDUK match funding. This additional phase added a further 11,000 premises to the programme delivery. The CDC contracted contribution was £545,000 of CDC’s New Homes Bonus. The aim was to exceed the national target of 95% of premises able to receive access to superfast broadband by the end of 2017. This target was achieved and details of the national scheme are provided at <https://www.gov.uk/broadband-delivery-uk> and explained locally at: www.betterbroadbandoxfordshire.org.uk
- 3.3 In Jan 2018, an additional phase of delivery was added to extend the roll-out by using savings the programme achieved in delivery and the ‘gain-share’ (reward) reinvestment resulting from a relatively high level of take-up once Superfast Broadband became available. This has since been used to enable further investment – largely in rural areas.
- 3.4 In May 2018, an information report to Executive BPM established that an additional ambitious local target to connect a further 3,069 premises had connected 2,377 (77% of local target).
- 3.5 By December 2019, that number had increased to 3,040 (99% of local target) through the installation of 73 additional structures (dark green roadside cabinets). This means that the availability of Superfast Broadband has extended to 97% of all premises (business and residential) across the district – as illustrated in the diagram below:



- 3.6 The latest structure delivered covers premises in Heathfield. Upcoming structures over the next month will cover Godington, Finmere, London Oxford Airport, Shenington, Williamscot, Hampton Poyle and Fringford.

- 3.7 Over the coming months, by focussing additional resources to install fibre to new cabinets in Cherwell, the programme is expected to enable connection to additional premises in order to exceed the local target (by 103%).
- 3.8 However, the Government, householders and businesses seek 'universal coverage' and the remaining 3% of premises require additional intervention to provide what has become an expected 'basic' service for today's economic, social and educational needs. Additional Government funding sources have already been identified through the Programme and, in future, are expected to be available to bid for alongside enhanced technological capabilities (full fibre) framed within a wider digital context.

4.0 Digital Infrastructure Delivery Partnership

- 4.1 Whilst the Better Broadband Programme for Oxfordshire has been transformational in extending Superfast coverage from 69% to 97% of premises, it is crucial to now step-up to meet the huge challenges and opportunities ahead. The volume of global internet traffic in 2020 is expected to be 100-times that of 2005 and is doubling every two years. In the mobile data domain, traffic is expected to increase by 42% each year. The focus, therefore, of the Department for Digital, Culture, Media, & Sport (DCMS) has increasingly moved from superfast broadband to Full Fibre connectivity (offering speeds of 1Gb/s) and 5G mobile data. Due to the General Election and lack of clarity regarding Brexit, there have not been clear updated policy statements from DCMS but the Prime Minister has stated an objective of achieving full fibre roll out across the UK by 2025. With significant expenditure expected on digital infrastructure over the new parliament, it is proposed to create a Digital Infrastructure Delivery Partnership to ensure that Oxfordshire is well positioned to respond to opportunities.

Oxfordshire Growth Deal

- 4.2 Digital infrastructure is integral to all four elements of the delivery of Oxfordshire's Housing and Growth Deal across the county and throughout our district: housing, 2050 development plan, infrastructure and industrial strategy. The latter, for example, requires a 2% growth in productivity per annum and digital infrastructure will help to enable this – providing it is in place and continuously enhanced. Oxfordshire's and Cherwell's Local Industrial Strategies will provide a suitable ten-year framework in support of this requirement.
- 4.3 There are few areas in the UK where the importance of world class digital infrastructure is as pronounced as in Oxfordshire. The county itself, and the Oxford to Cambridge Arc is home to an economic growth engine for the UK, and this growth is predominantly founded on high value, high Gross Value-Added businesses in advanced motor engineering, biosciences, space technologies, electronics & sensors, and Life Sciences. The towns of Bicester and Banbury also have the land available to accommodate growing businesses and residents throughout the district have the skills to support prosperity. World class digital infrastructure will help to maximise the productivity of all enterprises and residents, extending social benefits to rural and urban communities.

Oxfordshire Digital Infrastructure Strategy and Delivery Plan

- 4.4 In Oxfordshire approximately 10.5% of premises currently have access to full fibre broadband infrastructure, meaning that to achieve 100% access to this future-proof digital infrastructure will require deployment at a scale not seen before if we are to realise our growth ambitions. Equally, the next generation of mobile connectivity, 5G, depends on extensive availability of fibre to deliver the low latency and very high capacity demanded by this wireless technology. This creates a requirement for the OCC programme to change emphasis too, with the forming of a Digital Infrastructure Programme underpinned by a Digital Infrastructure Partnership comprising the county council, OxLEP, city, and district councils. This document provides the terms of reference for this programme – see Appendices.

Enabling Delivery

- 4.5 The public sector does not provide digital infrastructure but it can play a key enabling role. The Strategy and Delivery Plan, however, sets out specific work-streams aimed at contracting digital infrastructure improvements by tapping into central government funding. The key responsibility of the Digital Infrastructure Partnership is to provide strategic leadership and a coordinated facilitation role in ensuring private sector investment in digital infrastructure is maximised in Oxfordshire.
- 4.6 A basis for the Partnership is provided in the Memorandum of Understanding (MoU -Appendix One) and examples of potential action are listed in the Executive Summary of the Strategy and Delivery Plan (Appendix Two).
- 4.7 A partnership approach is critical in achieving the goal of significant private sector investment in our county and district, as well as being the agent applying for central government funding, and managing delivery of any resultant intervention programmes aimed at improving availability of full fibre and 5G mobile. We must provide a path of least resistance to fixed and mobile network operators, supplying them with all appropriate information equally and consistently (for example the locations of planned housing development), and remove barriers to digital infrastructure delivery wherever this is practically possible.
- 4.8 The chart in the Executive Summary of Appendix Two indicates how mapping of new housing and all public assets provides a foundation to achieve Full-Fibre and 5G over the years to come.

Near-term Timetable

- 4.9 The Digital Infrastructure Strategy & Delivery Plan is to be endorsed by the Oxfordshire Growth Board in January 2020 and by Oxfordshire County Council's Cabinet in February 2020. Similarly, CDC – alongside other district councils in Oxfordshire – is asked to approve the MoU (Appendix One) before April 2020.
- 4.10 In order to guide the Oxfordshire Digital Partnership and oversee the delivery of the Oxfordshire Digital Infrastructure and Delivery Plan, a Digital Strategy Board is likely to be formed from May 2020. The Board would meet quarterly to oversee the Partnership and CDC is invited to now consider nominating a Councillor representative.

5.0 Conclusion and Reasons for Recommendations

- 5.1 CDC is invited to join the Oxfordshire Digital Infrastructure Delivery Partnership to facilitate actions to achieve the goals to be created through the emerging Oxfordshire Digital Infrastructure Strategy and Delivery Plan, as outlined above in paragraph 4.6.
- 5.2 The Partnership will meet and liaise regularly, involving a designated representative from each partner body. This is set-out in a non-legally binding MoU; hereby attached as Appendix One. CDC is invited to identify an elected representative and officer support for the ambitions agreed through the Strategy and Delivery Plan to be achieved.
- 5.3 The Council's representative(s) will need to call upon key CDC services – such as estates, development management and planning policy - to be able to perform their role on the Partnership.
- 5.4 The Housing and Growth Deal, with its ambition to enhance key infrastructure to support housing delivery, productivity and growth generally means that Digital Infrastructure should be a 'golden thread' throughout CDC's Business Plan, industrial strategy and all other strategies.
- 5.5 Progress will not happen automatically or quickly enough without intervention. The approach therefore is two-fold: to incentivise private sector investment by reducing barriers to deployment whilst accessing and managing HMG funding to create the new infrastructure.
- 5.6 Ultimately, the 'multiplier' benefits of creating advanced digital connectivity will enable investment, job creation, service provision, competitiveness and efficiencies for all.
- 5.7 The adoption of the Oxfordshire Digital Infrastructure and Delivery Plan by the end of this financial year would ensure that the Council is prepared – alongside its partners - for the Government to announce significant further funding opportunities.

6.0 Alternative Options and Reasons for Rejection

- 6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: To cease involvement in the partnership provision of digital infrastructure and accept that investment will be delayed (or not delivered at all) in Cherwell, especially in rural areas;

Option 2: As proposed in this paper, to continue to work jointly with Oxfordshire County Council and partners, combining resources and bringing new resources to maximise the investment in digital infrastructure locally.

7.0 Implications

Financial and Resource Implications

- 7.1 The funding arrangements in place by OCC mean that we are an effective partner in a profit-share arrangement. CDC has previously invested a total of £545,000 into this arrangement through New Homes Bonus as agreed by Executive on 23 June 2014. A further £500,000 was identified to remain available for future provision locally and is held in reserves for this purpose. Whilst no additional investment is required at this stage, there are likely to be opportunities arising through the development of the Digital Strategy and Delivery Plan which may be appropriate for the Council to consider.
- 7.2 At this stage, there is no commitment of specific resources or assets but there is recognition of the benefits of joint working, as contained in the recommendations. This forms the basis for detailed proposals to be developed in future, to be considered in relation to the council's property and asset management strategy.

Comments checked by:

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Legal Implications

- 7.3 The draft MoU for the Digital Delivery Infrastructure Partnership contains a disclaimer (Para 8) that confirms that the partners "are not committing to legally binding obligations".

Comments checked by:

Nick Graham, Director of Law and Governance, 0300 0030106, nick.graham@cherwell-dc.gov.uk

Equalities Implications

- 7.4 The potential impact of enhancing digital infrastructure throughout the district is a positive way of ensuring all residents and businesses are provided with the opportunity to access enhanced services – exceeding operators' standard provision led by restrictive business cases.

Comments checked by:

Caroline French, Business Improvement Officer, 01292 221586, caroline.french@cherwell-dc.gov.uk

Risk Implications

- 7.5 The approvals being sought carry no overt risk. By working in a collaborative manner with public and private sector partners, it is expected to mitigate the key risk of Cherwell residents and businesses falling behind in the standard of digital infrastructure necessary in a world increasingly dependent upon digital communications. These risks will be managed by the service and escalated to the leadership risk register as and when necessary.

Comments checked by:
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8.0 Decision Information

Key Decision

Financial Threshold Met: No

Community Impact Threshold Met: No

Wards Affected

All

Links to Corporate Plan and Policy Framework

The provision of advanced digital infrastructure is central to the Council's Corporate and Business Plans as it contributes to all four pillars of the Oxfordshire Growth Deal. It provides the essential infrastructure to support economic growth and access to services for residents and visitors throughout the district.

Lead Councillor

Councillor Lynn Pratt, Lead Member for Economy, Regeneration and Property

Document Information

Appendix No	Title
One	Oxfordshire Digital Infrastructure Delivery Partnership – draft Memorandum of Understanding.
Two	Oxfordshire Digital Infrastructure Strategy and Delivery Plan – Draft (August 2019).
Background Papers	
None	
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