

WORCESTERSHIRE COUNTY COUNCIL

RECORD OF OFFICER EXECUTIVE DECISION

Item	Outcome
Date Of Decision	17 December 2021
Decision Maker	John Hobbs – Strategic Director of Economy and Infrastructure in consultation with the Cabinet Member with Responsibility for Economy, Skills and Infrastructure – Marc Bayliss.
Brief Description Of Decision	<p>In June 2017 Cabinet reviewed the 'Connecting Worcestershire Phase 3 Broadband Programme'; within this item delegated authority was granted to the Director of Economy and Infrastructure in consultation with Cabinet Member Responsible for Economy, Skills and Infrastructure (CMR), for a number of decisions. This included the decision to reinvest Council underspend / gainshare, within the boundaries of the recommended option 3: to reinvest the remaining underspend from the previously allocated £8.5m County Council capital funding and up to £4m of Worcestershire County Council's proportion of further claw-back from Phase 1 and Phase 2, if it becomes available, in accordance with Option 3 in the report.</p> <p>Under this delegated authority four 'officer executive decisions' have been made between December 2017 and September 2020 (see Appendix A). Following these previous decisions and having consulted the CMR for Economy and Infrastructure, the following decisions have also now been made:</p> <p>Decision 1 - Up to £1m from the remaining Contract 1 underspend (or Contract 1 take up clawback fund); is used for DCMS' Rural Gigabit Voucher Scheme in order to support communities in the hardest to reach areas through 'topping up' the existing voucher scheme (£1,500 per residential premise and £3,500 per SME) in order to help connect these harder-to-reach groups of rural properties.</p> <p>Decision 2 - Allocate an additional £0.5m from the same sources to support the Broadband Programme Management Office through to financial year 23/24, as the programme team continues to deliver against the national connectivity agenda.</p> <p>Decision 3 – To retain the ability to reserve decisions on the remaining funding fully within the delegation from Cabinet in 'October 2015' and 'June 2017', retaining the remaining funding not allocated as above, for future decisions by the appropriate officers in consultation with the CMR.</p>

Reason(s) For Decision	<p>Decision 1 - Building on the current broadband deployments through the Superfast Worcestershire Partnership, Worcestershire County Council has taken an active role in supporting community fibre schemes and to date, has secured nearly £5m worth of investment, as the Rural Gigabit Community Scheme has proven very popular across Worcestershire and has already benefitted over 70 communities (either already delivered or in process of being delivered); meaning approx. 5,000 premises are directly benefiting from this initiative.</p> <p>The existing top up (which includes previously agreed £1m from WCC and £0.5m from LEP's LGF) has now been committed and we risk not being able to support any further communities, which are very close to obtaining gigabit service.</p> <p>All of these communities were in areas not in scope for any BDUK or commercial interventions; many of which fell into the definition of the 'hardest to reach' suffering from poor, often sub 10Mbps service.</p> <p>It should be noted, the current policy within DCMS states that if Contract 1 underspend and take up clawback funding is not re-invested to further broadband provision, an element of the funding will need to be repaid to DCMS, based on the investment ratio for contract 1 (36%). This means that currently, up to £1,454,494 is earmarked for return. Investing an element of WCC's underspend should in turn allow to also invest BDUK's share of re-investment (36%) instead of returning it to BDUK as per the Grant Funding Agreement.</p> <p>Having analysed the current projects, with the requested up to £1m plus the potential DCMS' contribution, the programme team anticipates that c. 20 – 30 more projects can be supported, many of which are currently unable to meet supplier quotes. This will allow a further up to 2,000 –premises worth c. £2m to benefit from ultrafast connectivity despite being not in any of the current deployment plans.</p> <p>Reinvestment of the funding as described above allows for the greatest amount of flexibility considering the current telecommunications market and increasing Government Connectivity agenda, as well as, to maximise the impact of the funding to deliver as many hardest to reach premises well ahead of 2025.</p> <p>Decision 2 - The funding to support the PMO is required to ensure the programme remains appropriately managed and resourced to manage existing contractual obligations, support commercial deployments, respond to the national Digital Connectivity agenda and support businesses and communities to improve connectivity.</p> <p>Decision 3 - There is continued Member and Executive officer commitment to the Digital Connectivity agenda, the fast moving nature of the sector requires the ongoing ability to respond to challenges with future commitments agreed in consultation with the CMR.</p>
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<p>Alternative Options Considered And Rejected</p>	<p>The programme team constantly looks at options to boost gigabit connectivity and the Rural Gigabit Voucher Scheme is the most flexible and quickest way to extend gigabit capable networks.</p> <p>Other options were considered and discounted, in line with the Government's drive to provide gigabit connectivity to at least 85% of UK premises by 2025 and the increasing demand for full fibre networks.</p> <p>Not to reinvest: Not reinvesting in 'Top Up' funding means returning a proportionate percentage of underspend/reinvestment (36% in respect of contract) back to BDUK (expected to be in excess of £1.4m); noting that following the end of the Superfast Worcestershire deployments, there remain significant number of Worcestershire premises without acceptable service (c. 8,000 premises without at least a superfast service). Note that the funding to support the PMO, still requires a proportionate return of DCMS's investment. However, the team are not funded through core WCC revenue budgets, therefore without the reinvestment would cease to exist.</p> <p>To delay the reinvestment decision: by delaying the reinvestment decision, we risk up to 50 communities (up to 5,000 premises) either not getting gigabit connectivity at all or having their gigabit upgrade delayed until 2025 or beyond. It is crucial to understand that some of these communities fall into the worst served across Worcestershire, many of which have been following the programme's progress since 2012, expecting at least some improvement well before now.</p> <p>The above options were considered and subsequently discounted.</p>
<p>Joint Equality, Public Health, Data Protection and Sustainability Impact Assessments carried out</p>	<p>Funding added to extend coverage of broadband / digital connectivity to an existing programme of work. An updated Joint Impact Assessment will be completed</p>
<p>Any Conflict of Interest declared by a consulted Cabinet Member/ any dispensation granted</p>	<p>No.</p>
<p>Reference</p>	<p>11/2021</p>

Appendix A

Earlier Associated Decisions

Decision 1

[Connecting Worcestershire Phase 3 Broadband Programme - 14 December 2017](#)

Decision 2

[Extension of Local Body Partnership Broadband - 18 July 2018](#)

Decision 3

[Broadband LBP Community Funding June 2020](#)

Decision 4

[Broadband voucher top up scheme - August 2020](#)