



**OFFICER REPORT TO LOCAL COMMITTEE  
(WAVERLEY)**

**SUPERFAST BROADBAND: UPDATE**

**16 December 2012**

**KEY ISSUE**

BT Openreach is currently upgrading their national infrastructure to fibre based, which will provide an improved broadband service and faster speeds. Due to Openreach's commercial decisions, this upgrade will only cover about 80% of Surrey. The remaining areas would miss out without the intervention of the public sector.

**SUMMARY**

As parts of the county currently lack access to consistently fast broadband, there are concerns, not only that our residents may suffer from poor access to Internet services, but also that business growth and development may be constrained. The need for more investment in the right telecommunications infrastructure to drive growth and innovation is vital and is a key emerging finding of Surrey's Local Economic Assessment.

Surrey has made a commitment to ensure that all homes and businesses in the county have access to superfast broadband. Surrey County Council has entered into a procurement process to secure a private sector partner to lay the necessary infrastructure in those areas that will not be covered by BT Openreach.

**RECOMMENDATIONS**

The Local Committee (Waverley) is asked to agree:

- (i) To take note of the areas of Waverley that will not be covered by BT Openreach
- (ii) To support the project by encouraging residents and businesses to register their demand for a faster broadband service.

## **1. INTRODUCTION AND BACKGROUND**

### 1.1 The National Picture

The Government's national broadband strategy, *Britain's Superfast Broadband Future*, is committed to providing broadband in rural and 'hard to reach' areas and aligns with Surrey's ambitions for securing Superfast Broadband (SFBB) throughout the county. The Government is making £530 million available nationally to support this strategy.

### 1.2 Superfast Broadband in Surrey - Project Aim

This project is seeking to ensure that all homes and businesses in Surrey can access superfast broadband. The ambition is for Surrey to have one of the best broadband networks in Europe and one that will stand the test of time.

### 1.3 Project Objectives

- To stimulate economic growth and ensure Surrey's economic competitiveness
- To ensure digital inclusion, i.e. online access for all, particularly vulnerable communities
- To enable better flexible working
- To reduce carbon emissions and support sustainable development by reducing the pressure on Surrey's infrastructure and transport network
- To improve skills through better access to education and resources
- To improve business continuity and resilience
- To enable service transformation (tele-medicine, e-Government, better access to online services, social inclusion)

### 1.4 Project Scope

It is a 'market intervention' project focused on the areas of Surrey lying outside current market infrastructure upgrade plans. These areas include:

- The exchange areas unlikely to be upgraded by the market comprising approximately 7% of Surrey's residential and commercial premises, and
- Those premises that will not benefit from market led improvements despite being located within exchange areas that will benefit more generally from market provided improvements, potentially up to a further 12% of premises.

We have determined that this will include 96,323 premises in Surrey, mainly in Surrey's rural areas.

The areas of Waverley that will be covered by BT Openreach are the Farnham, Haslemere, Cranleigh and Godalming exchanges. The exchange areas that will not be covered and will be the main focus of this project are Runfold, Elstead, Frensham, Hindhead, Wormley, Dunsfold, Hascombe and Bramley.

Some villages in Waverley are connected to exchanges that are due to be upgraded via cabinets. For example, Ewhurst is connected to the Cranleigh exchange. At this stage, there is no further information available on which Cabinets

will be upgraded from the Cranleigh, Farnham, Godalming and Haslemere exchanges.

### 1.5 What is Superfast Broadband?

There is no agreed definition of Superfast Broadband. We will work with industry to secure the fastest speeds possible, and a minimum of 24Mbps. It will soon be possible to access speeds as fast as 300Mbps for some. We will ensure that the infrastructure laid is future proofed and able to deliver residents and businesses the speeds they need as technology continues to develop.

This is a technology neutral project and the solution could include a number of technologies, including fibre, wifi and satellite.

### 1.5 Progress

**Procurement** - Surrey County Council has entered into a competitive dialogue procurement process to secure a private sector partner to deliver the infrastructure required for 100% superfast broadband coverage in Surrey.

An OJEU notice was published in July 2011 and we short listed and received initial tenders from five bidders. We have now down selected to three bidders. Face to face dialogue sessions are underway and will continue over the forthcoming months to develop the best solution for Surrey. It is anticipated that the final contract will be awarded in July 2012.

**Funding** - Surrey has been given an allocation of £1.3m from Broadband Delivery UK.

Surrey County Council will also be providing additional funding to the project and Surrey County Council's Cabinet has earmarked £20m (£5m a year over the next 4 years) for economic development, which includes broadband.

The exact cost of the project will not be known until we have been through the competitive dialogue with industry this autumn.

**Demand Stimulation** - Building a picture of current broadband access in Surrey, the problems caused by slow speeds and the demand for faster broadband is crucial to this project. We will use this information to inform conversations with infrastructure providers and to agree the commercial model for the roll-out.

Two surveys have been developed to capture this information. Headline results so far:

#### Residents:

- 98%** would like faster internet speeds than they are currently able to access
- 41%** would like to work from home but say their internet speeds are not fast enough
- 99%** say that they think it is important for everyone in Surrey to have access to good broadband speeds

#### Businesses:

- 98%** think that Superfast Broadband could benefit them

- ❑ **89%** say they would be unable to trade without broadband
- ❑ **51%** say that their current broadband service is unreliable, i.e. regularly loses connection

Information on the project and the survey has been made available to all via a number of methods:

- Partner newsletters/magazines – Existing newsletters produced by partners have been used to distribute information, news and case studies about the project.
- Online – website = [www.superfastsurrey.org.uk](http://www.superfastsurrey.org.uk). Twitter = @SuperfastSurrey.
- Partners website – Headline news is posted on partner websites.
- E-bulletins – Monthly bulletins are sent out to a wide network of stakeholders. This list now includes about 2000 people from community groups, public sector partners, VCFS, business networks, as well as residents.
- Face to face engagement – We have attended a number of events, workshops, meetings etc.

Broadband Champions – We are developing a network of people, including Council Members, who can lead local initiatives to promote the project and encourage residents and businesses to complete the survey.

There are many groups in Waverley representing community interest in Superfast Broadband, such as the Ewhurst Community Broadband Group and Parish Councils, such as Elstead, Witley, Chiddingfold and Hambledon.

## 2. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 2.1 The procurement process is now well underway and on track.
- 2.2 It is important that residents and businesses are made aware of the project and register their demand for faster broadband by completing the surveys.

## 3. WHAT HAPPENS NEXT

- 3.1 The Competitive Dialogue process will continue until the end of January, a preferred bidder will be selected in March and the contract will be awarded in July 2012.
- 3.2 We will continue to work with our broadband champions, residents and business to demonstrate the demand for faster broadband access.

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Background papers: None