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AUDIT AND SCRUTINY COMMITTEE MONDAY, 5 NOVEMBER 2018

A SPECIAL MEETING of the AUDIT AND SCRUTINY COMMITTEE will be held in the COMMITTEE ROOM 2, COUNCIL HEADQUARTERS, NEWTOWN ST BOSWELLS on MONDAY, 5 NOVEMBER 2018 at 1.00 pm

J. J. WILKINSON,
Clerk to the Council,

2 November 2018

BUSINESS		
1.	Apologies for Absence.	
2.	Order of Business.	
3.	Declarations of Interest.	
SCRUTINY BUSINESS		
4.	Digital Scotland Superfast Broadband (DSSB) Presentation by and discussion with Scottish Government DSSB team representatives	90 mins
5.	Background Reports for Reference	
	(a) Report to SBC - 25 August 2011 - South of Scotland Next Generation Broadband (Copy attached).	(Pages 3 - 8)
	(b) Extracts from Capital Resources Report and Capital Financial Plan - Scottish Borders Council - 9 February 2012 (Copy attached).	(Pages 9 - 10)
	(c) Report to SBC - 13 December 2012 - South of Scotland NGB Programme (Copy attached).	(Pages 11 - 22)
	(d) Report to SBC - 26 June 2013 - Step Change 2015 Update (Copy attached).	(Pages 23 - 28)
	(e) Report to Executive - 2 February 2016 - Superfast Broadband Update (Copy attached).	(Pages 29 - 34)

	(f) Report and Appendix 1 to Executive - 7 June 2016 - Broadband Improvements Update (Copy attached).	(Pages 35 - 44)	
	(g) Report to Executive - 30 January 2018 - Broadband Improvements Update (Copy attached).	(Pages 45 - 56)	
6.	Any Other Scrutiny Items which the Chairman Decides are Urgent.		

NOTES

1. **Timings given above are only indicative and not intended to inhibit Members' discussions.**
2. **Members are reminded that, if they have a pecuniary or non-pecuniary interest in any item of business coming before the meeting, that interest should be declared prior to commencement of discussion on that item. Such declaration will be recorded in the Minute of the meeting.**

Membership of Committee:- Councillors S. Bell (Chairman), H. Anderson, K. Chapman, J. A. Fullarton, S. Hamilton (Vice-Chairman), N. Richards, H. Scott, E. Thornton-Nicol and S. Scott

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SCOTTISH BORDERS COUNCIL**ITEM 8**

25th AUGUST 2011

REPORT BY ACTING CHIEF EXECUTIVE

SOUTH OF SCOTLAND BDUK BID

1 PURPOSE

- 1.1 To update members on the progress of the South of Scotland BDUK Bid**
- 1.2 To seek agreement in principle to the indicative funding model to allow for the submission of the South of Scotland Local Broadband Plan to the Scottish Government.**

2 BACKGROUND

- 2.1. The UK Government published its “Britain’s Superfast Broadband Future” document in December 2010. This document includes a strategic aim to provide the best superfast broadband network in Europe by 2015. The document recognises that the main telecoms providers will address the major urban areas where a return on investment is clear, but rural areas are unlikely to be improved, leading to a “Digital Divide”. Through investment primarily by BT and Virgin Media, 50% of the UK population has access to Next Generation Broadband (NGB) services today with 66% expected by 2015. Currently, the only planned upgrade in the South of Scotland is Innerleithen (thanks to the Race to Infinity campaign), although it is likely that Dumfries will also see an upgrade by 2015. No other area within the South of Scotland is likely to see progress in the immediate future without public sector intervention. It is estimated that the cost to provide NGB services to the final 10% of the population would be three times that required to deliver to the first two thirds, due to the difficulty in reaching the rural areas, illustrating that significant investment is required to deliver NGB services to rural parts of the country.
- 2.2. To partly address this issue, the UK Government set up a team called Broadband Delivery UK (BDUK) within the Department of Culture, Media and Sport. BDUK has responsibility to deliver the UK Government’s policies on broadband and to manage a fund of £530 Million to help achieve those policies. BDUK originally started with a bidding process where public agencies could submit applications for funding, but they have recently changed to an allocation process where monies will be allocated based on a perceived digital divide – BDUK will provide up to 50% of the estimated public sector subsidy for the intervention required. Within Scotland, allocations will be managed by the Scottish Government, with the Scottish share of the £530 Million fund having been confirmed as £68.8 Million on 16th August 2011.
- 2.3. The South of Scotland Alliance (SoSA) is a strategic partnership between Scottish Borders Council, Dumfries and Galloway Council and Scottish Enterprise. SoSA first identified broadband as a vital strategic requirement for the region in its Competitiveness Strategy in 2007. SoSA submitted a bid for a rural broadband pilot project to BDUK in late 2010. Four

pilot areas in the UK were announced by BDUK in early 2011, with Highlands and Islands being the preferred bid in Scotland. Feedback from the Scottish Government was that the South of Scotland should focus on preparing its full Local Broadband Plan. A project team from SoSA has been developing the plan since March this year, in partnership with NHS Borders, NHS Dumfries and Galloway and the Scottish Government.

- 2.4. The developed plan will form the basis of a submission to the Scottish Government in early September to secure an allocation of BDUK funding. The total cost of providing NGB services to the South of Scotland is estimated to be approximately £120 Million (not including Innerleithen or Dumfries). The objective of the Local Broadband Plan is to provide NGB to 100% of the South of Scotland population by 2020, thereby matching the Scottish Government's ambition. In the event that enough funding cannot be secured to provide that level of service at this stage, further investment will be required beyond this project in order to achieve that goal.
- 2.5. This project is the single largest infrastructure project for the South of Scotland and its importance to the future of the region should not be underestimated. It is not an IT project, but a strategic infrastructure project. The delivery of NGB should be viewed as a public utility available for all. While the investment required is significant, the potential positive effect across the region within the private, public and residential sectors is considerable. SoSA believes that this project is needed to keep pace with the rest of Europe in terms of keeping our existing businesses competitive and promoting growth, attracting new business into the region, reducing the migration of our younger residents to urban areas and providing the mechanism for redesigning the way we deliver public services in the future.
- 2.6. First generation broadband services began rolling out to the UK in 1999. This increased connection speeds by a factor of ten from the previous "dial up" connections. This increase was achieved primarily by upgrading telephone exchange hardware. Since then, speeds have risen to over 150 times the 1999 level using first generation technology. As this technology has advanced however, the limiting factor to improvement is the physical infrastructure. Next Generation Broadband requires that infrastructure be replaced, but will ultimately lead to connection speeds between 500 and 2,000 times that experienced in 1999. This project aims to future proof the South of Scotland infrastructure in order to accommodate further advances in connection speeds.
- 2.7. There are three key areas that will directly benefit from this infrastructure in the South of Scotland:
 - 2.7.1. For **citizens and communities**, access to tele-working and multimedia entertainment services and social networking can:
 - Reduce out-migration of the working age population
 - Reduce commuting and its carbon impact
 - Improve access to higher value jobs
 - Keep more money in the local economy
 - Enhance community vibrancy and quality of life for individuals
 - Make the region a more attractive place to live
 - 2.7.2. For **business**:
 - Cloud Computing gives access to state of the art software, improving productivity while reducing the financial cost and management overhead of running advanced ICT systems
 - Tele-working can reduce office space overheads, improve productivity and enhance the safety of field workers
 - Facilitate collaborative working for better product innovation, access to new markets, more efficient supply and distribution chains, and reduce carbon costs
 - 2.7.3. For the **Public Sector**:

- Support e-Government service delivery models and efficiency savings
- Support shared service procurement in line with the *McClelland Review of ICT Infrastructure in the Public Sector in Scotland* recommendations.
- Facilitate tele-health and tele-care services
- Support distance and lifelong learning programmes, as well as enhancing the richness of mainstream education services.

2.8. The McClelland Review of ICT Infrastructure in the Public Sector in Scotland was published by the Scottish Government in June of this year. The review looked at the strategic management of investment in Scottish public sector information and communication technology (ICT) infrastructure, reporting on how best to deliver improved value for money and support multi-agency working and shared services. The review will be the subject of a separate report by the Head of Business and Technology Solutions in the future.

2.9. This report will be simultaneously presented to both Scottish Borders and Dumfries and Galloway Councils on 25th August 2011.

3 CONSULTATION

3.1 The Clerk to the Council, Head of Legal & Democratic Services, Audit & Risk Manager and Chief Financial Officer have all been consulted on this report.

4 FINANCIAL IMPLICATIONS

4.1 There are both capital and revenue requirements for this project. Within the Local Broadband Plan, estimates are provided outlining these costs. Although indicative only at this stage, they place a level of commitment on public sector partners. The indicative capital cost for the total project (through to 2015/16) is £120 Million. It is anticipated that this cost will be split as 40% private sector investment and 60% public sector investment. This leaves an intervention gap of £72 Million, of which BDUK will contribute no more than 50%. This leaves the partners with a gap of at least £36 Million.

4.2 Other possible funding sources open to the project are the European Regional Development Fund (ERDF) and the Scottish Futures Fund. There is a £20 Million fund available within ERDF recently earmarked for rural broadband infrastructure that the project team is bidding for - the figures below assume that £15 Million will be allocated to the project from this fund, although the team are working on a bid for all £20 Million. There has been no announcement at the time of writing as to the bidding mechanism for the £50 Million allocated to rural broadband in the Scottish Futures Fund (SNP manifesto pledge). Without it, the partners face a capital gap of £21 Million. It is unclear at this time if the NHS is able to contribute to this amount, the Project Team continue to seek clarity at a National level.

4.3 The project team is of the view that by combining public sector network (PSN) traffic into the procurement process (effectively making the public sector an anchor tenant of the infrastructure), an increased private sector contribution might be attracted. The team is in discussion with the Scottish Government to establish if this approach is acceptable following the *McClelland Review of ICT Infrastructure in the Public Sector in Scotland*. Adopting a PSN approach across all public sector agencies in the South of Scotland opens up the opportunity for shared services and reduced costs. This would include replacing the current Pathfinder contract for the councils and N3 contract for Health. Note that the figures provided below **do not** account for the PSN procurement costs.

4.4 The proposed capital funding model for the project is as follows:

<i>Total funding required (GBP)</i>	<i>2011/12</i>	<i>2012/13</i>	<i>2013/14</i>	<i>2014/15</i>	<i>2015/16</i>
Private sector (Telecom Company) investment			10M	25M	13M
Other funding (European Funds)			15M		
Other funding (e.g. Local Authority/PCT)				7M	14M
BDUK funding			23.5M	12.5M	
TOTAL £	0	0	48.5M	44.5M	27M

4.5 This will result in a capital contribution of £7 Million in financial year 2014/15 and £14 Million in financial year 2015/16 from the public sector partners. There is an assumption that BDUK are prepared to effectively front-load the project capital costs, as they have done with other projects.

4.6 There is no provision in the current capital programme at either council for these capital costs.

4.7 Revenue costs for the project are in the form of project resources, external advisors and demand stimulation costs. The indicative costs are as follows:

Project Team and Programme Resource funds (Revenue)	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Budget						
Advisors	150k	125k				
Demand Stimulation	50k	100k	100k	50k	50k	50k
Project Team	250k	200k	100k	100k	100k	100k
TOTAL £	450k	425k	200k	150k	150k	150k

4.8 The project is in three distinct stages

- Preparation and Submission of Local Broadband Plan
- Procurement and Demand Stimulation
- Implementation and Demand Stimulation

4.9 The costs above include £100,000 already spent/committed on stage 1 which is nearing completion. This stage was funded within existing resource, including £25,000 required for external technical advisors.

4.10 An assumption has been made that external advisors are required to support the project team on procurement, legal issues and technical evaluation at an estimated cost of £250,000. If these services were to be delivered in-house, the advisor amount would decrease, but the project team costs would increase, coupled with significant pressure on existing in-house resource.

4.11 Demand Stimulation costs are the costs required to deliver the South of Scotland Demand Stimulation Strategy – part of the Local Broadband Plan. The overall activity would be coordinated by the Project Team, but resources are required on top of this to fund a marketing campaign to maximise take up of services across the three key sectors (public, private and residential). Scotland has a low take up rate when compared to the rest of the UK across both the private and residential sectors and the demand stimulation strategy aims to address that. Demand Stimulation is a key component of the Local

Broadband Plan as it demonstrates partners' commitment to getting the best use of the investment made.

4.12 If internal resources are to be provided "in kind" to the project, then the "real" costs in revenue terms are the cost of employing external advisors and the demand stimulation costs, allocated as follows:

"Real" Costs	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
External Advisors	150k	125k				
Demand Stimulation	50k	100k	100k	50k	50k	50k
Total £	200k	225k	100k	50k	50k	50k

4.13 Procurement costs could be capitalised if capital funds were available in financial years 2011/12 and 2012/13.

4.14 Note that revenue costs would be shared across both councils.

5 RISK COMMENTARY

- 5.1 There is a risk to the councils that project costs (capital and revenue) could exceed the estimates. The Project Team are therefore investing heavily in pre-implementation planning to mitigate this risk. The team will regularly update both councils on progression of the bid, identifying any shortfalls as early as possible. The team will recommend corrective actions such as seeking alternative funding and/or changing the implementation phase of the project.
- 5.2 There is a risk that the BDUK allocation falls short of expectation. The Project Team will reassess all financial aspects of the project as soon as the allocation has been agreed, recommending corrective action where required. It is anticipated that the BDUK allocation to the South of Scotland will be known by the end of October 2011.
- 5.3 There is a risk that the bid for ERDF funding is not successful or does not secure the level of funding expected. The Project Team will regularly update both councils on progression of the bid, identifying any shortfalls as early as possible. The team will recommend corrective actions such as seeking alternative funding and/or changing the implementation phase of the project. It is anticipated that a decision on ERDF funding will be known by the end of November 2011.
- 5.4 The project will not move into the procurement phase until all funding issues have been resolved.
- 5.5 Next Generation Broadband services are expected by the public, there is a risk that if this project fails to deliver, the public will view that as unsatisfactory.
- 5.6 Managing expectations is an important part of the project – this is a generational change of infrastructure across the South of Scotland and it is likely to be 2013 before NGB services begin to roll out. There is a risk that this is seen as unsatisfactory.
- 5.7 Failure to proceed with the project not only puts the councils at risk, but also the rest of the public and private sectors in terms of growth and efficiencies. It could potentially alienate residents from the growing online community, thus enforcing the digital divide for the South of Scotland compared with the rest of the UK and beyond.
- 5.8 On account of the failure of the market to deliver NGB in the region, there is a risk to the economic development of the region that if this investment does not happen or is delayed, the area is not regarded as a viable location for existing companies, new investors and/or start-ups that will increasingly demand higher bandwidth and speeds in order to remain competitive. If the project does not proceed, there is a risk that economic diversification – into new markets and/or product/processes - is constrained.

6 EQUALITIES

- 6.1 It is anticipated that there will be no adverse impact due to race, disability, gender, age, sexual orientation or religion/belief arising from the proposals contained in this report.
- 6.2 It is anticipated that there will be no adverse impact on the rural area from the proposals contained in this report. The purpose of the overall project is to provide parity with urban areas.

7 SUMMARY

- 7.1 A next Generation Broadband service for all by 2020 is a strategic objective of the South of Scotland Alliance as well as the Scottish Government. The project team is preparing to submit a Local Broadband Plan to the Scottish Government for the South of Scotland that demonstrates how that goal can be achieved.
- 7.2 Significant investment is required to achieve that goal in both capital and revenue terms. The Local Broadband Plan forms the basis of a bid to secure an allocation of the BDUK pot of £530 Million for investment into the South of Scotland.
- 7.3 SoSA is expected to match fund the BDUK allocation and it proposes to achieve this through a combination of European, revenue and capital funding sources.
- 7.4 The project team will continue to investigate all avenues of further funding to reduce the impact on both councils capital and revenue expenditure.
- 7.5 The project team will continue discussions with the Scottish Government to explore the possibility of taking an “anchor tenancy” approach for the public sector in the South of Scotland in order to increase the level of private sector investment.
- 7.6 The project team will continue to regularly update members on progress.

8 RECOMMENDATION

8.1 I recommend that the Council:

- a) **Note the current position of the BDUK Bid project and approve continuation of the project**
- b) **Approves in principle the indicative funding model in order to allow for the submission of the completed Local Broadband Plan to the Scottish Government**

Approved by

Name	Designation
Tracey Logan	Acting Chief Executive

Author(s)

Name	Designation
Duncan Nisbet	BDUK Bid Project Manager

Background Papers: South of Scotland Local Broadband Plan

Previous Minute Reference: N/A

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Duncan Nisbet can also give information on other language translations as well as providing additional copies.

Extract from Capital Resources report to Scottish Borders Council – 9 February 2012

- 5.2 During the 3 year Operational Plan an additional £8.4m has been provided to reflect the Council contribution to the costs of the South of Scotland Broadband (BD UK) upgrade project.

Extract from Capital Financial Plan approved by Scottish Borders Council – 9 February 2012

**Scottish Borders Council
Capital Financial Plan 2012/13 - 2021/22**

Business Infrastructure	OPERATIONAL PLAN			Total £000
	2012/13	2013/14	2014/15	
	£000	£000	£000	
Corporate PC Replacement	350	350	350	1,050
IT Disaster Recovery Programme	50	50	50	150
Unified Communications	96	0	0	96
Infrastructure & Microsoft Refresh	77	7	0	84
Replacement of Curricular Networks	980	735	383	2,098
Financial Systems Infrastructure Development	30	30	30	90
Mobile Device Management (MDM)	25	0	0	25
South of Scotland Broadband (BDUK)	0	2,800	5,600	8,400
Total Technical IT Infrastructure	1,608	3,972	6,413	11,993
TOTAL BUSINESS INFRASTRUCTURE	1,788	4,218	6,659	12,665

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South of Scotland Next Generation Broadband Programme

Report by Head of Business Information Services

Scottish Borders Council

13 December 2012

1 PURPOSE AND SUMMARY

- 1.1 **This report updates Members on the current position of the South of Scotland Broadband Programme and seeks agreement on the Council's Capital Investment.**
- 1.2 During 2011, South of Scotland Alliance (SoSA) produced the South of Scotland Local Broadband Plan (LBP), which was submitted to Scottish Government.
- 1.3 In January 2012, the above plan became the basis of the Scottish Government's National Infrastructure Plan to rollout superfast Broadband to all of rural Scotland. That plan was published in March 2012.
- 1.4 At the end of September 2012, the Scottish Government began a National Procurement process to appoint a supplier to deliver the National Infrastructure Plan. The procurement process is expected to be completed by June 2013.
- 1.5 On 25 August 2011 Council agreed an indicative funding model to form the basis of the Local Broadband Plan to the Scottish Government. That funding model included an indicative £21m SoSA contribution of which £8.4m was from SBC, this contribution is to increase the NGB coverage in SBC from 75% to between 85% and 90%. Confirmation of this funding is required by the Scottish Government to allow them to move to the next stage of the National Procurement process.

2 RECOMMENDATIONS

I recommend that the Council:

- (a) **Notes that the capital funding of £8.4m approved at Council on the 9 February 2012 will be used to provide the maximum coverage of Next Generation Broadband in Scottish Borders, over and above the 75% coverage funded by the Scottish Government;**
- (b) **Agrees that the Scottish Government Digital Strategy Division be informed of this level of funding, stating that this funding is subject to the Council having direct discussions with the appointed supplier and the Scottish Government's Digital Division to ensure the funding delivers maximum NGB coverage in the Council area, over and above the 75%+ coverage funded by the Scottish**

Government. Please see Appendix 1;

- (c) Agrees that regular highlight reports on the Programme will be circulated to all elected members and key stakeholders.**

3 BACKGROUND

- 3.1 The UK Government published its "Britain's Superfast Broadband Future" document in December 2010. It included a strategic aim to provide the best superfast broadband network in Europe by 2015. It recognised that the main telecoms providers will address the major urban areas where a return on investment is clear, but rural areas are unlikely to be improved, leading to a "Digital Divide". Through investment primarily by BT and Virgin Media, 50% of the UK population has access to Next Generation Broadband (NGB) services today with 66% expected by 2015. Next Generation Broadband is classed as download speeds of 24mbps or more.
- 3.2 So far, only the exchanges in the main settlements are planned to be upgraded in the South of Scotland. No other area within the South of Scotland is likely to see progress in the immediate future without public sector intervention. It is estimated that the cost to provide NGB services to the final 10% of the population would be three times that required to deliver to the first two thirds, due to the difficulty in reaching the rural areas, illustrating that significant investment is required to deliver NGB services to rural parts of the country.
- 3.3 The South of Scotland Alliance (SoSA) first identified broadband as a vital strategic requirement for the region in its Competitiveness Strategy in 2007. SoSA submitted a bid for a rural broadband pilot project to the UK Government in late 2010. Four pilot areas in the UK were announced by BDUK in early 2011, with Highlands and Islands being the preferred bid in Scotland. Feedback from the Scottish Government was that the South of Scotland should focus on preparing its full Local Broadband Plan. A project team from SoSA then developed a Local Broadband Plan for the South of Scotland, in partnership with NHS Borders, NHS Dumfries and Galloway and the Scottish Government.

4 THE NEED FOR BROADBAND

- 4.1 Access to a good Broadband infrastructure is viewed as a fundamental requirement for future progress for local businesses and communities. It is clear that there are three key groupings that will benefit from improved Broadband infrastructure in the South of Scotland.
- 4.2 Firstly, for citizens and communities, access to tele-working and multi-media entertainment services and social networking can:
 - Reduce out-migration of the working age population;
 - Reduce commuting and its carbon impact;
 - Improve access to higher value jobs;
 - Keep more money in the local economy;
 - Enhance community vibrancy and quality of life for individuals;
 - Make the region a more attractive place to live.
- 4.3 Secondly, for businesses:
 - Cloud Computing gives access to state of the art software, improving productivity while reducing the financial cost and management overhead of running advanced ICT systems;
 - Tele-working can reduce office space overheads, improve productivity and enhance the safety of field workers;
 - Facilitate collaborative working for better product innovation, access to new markets, more efficient supply and distribution chains, and reduce carbon costs.

4.4 Finally, for the **Public Sector**:

- Support e-Government service delivery models and efficiency savings;
- Support shared service procurement in line with the *McClelland Review of ICT Infrastructure in the Public Sector in Scotland* recommendations;
- Facilitate tele-health and tele-care services;
- Support distance and lifelong learning programmes, as well as enhancing the richness of mainstream education services.

5 STRATEGIC CONTEXT

5.1 Through the South of Scotland Competitiveness Strategy 2007-2013, SoSA has set out its vision to overcome the challenges faced by the area and transform the region into a place that will:

- Be a dynamic and successful place to choose to live and work;
- Be much more successful both in offering opportunity and incentive for more young people to stay in the area, while also attracting new residents;
- Play and be seen to play a more central role in the national economy through modernisation and diversification of the industrial and commercial base, and the region's contribution to Scotland's economy;
- Be seen and thought of through economic success and through greater co-operation across borders, as part of a continuous UK rather than as an extremity of Scotland, and a dynamic and outward looking region playing its full part in an enlarged Europe;
- Enable residents to enjoy a better quality of life, including better opportunities to realise their full potential, economically and in other respects, with better education and training and more job choice in modern and trend-setting businesses.

5.2 Improving the Broadband Infrastructure across the South of Scotland has been identified as the single most significant enabler to unlock that vision and the SoS Local Broadband Plan sets goals to deliver:

- The European target of at least 30Mbps service to all by 2020, with at least 50% of the population enjoying access to 100Mbps;
- The UK Government targets of Next Generation Broadband (NGB) access to at least 90% of the population by 2015 and at least the UK minimum connection of 2Mbps to the remaining 10%;
- The Scottish Government target of Next Generation Access for all by 2020 with significant progress by 2015 and an increase in uptake to at least the UK average.

5.3 There is recognition that the area needs to diversify its business base and attract or develop potentially high growth companies. The role of NGB is therefore seen as a critical element on which to build across the region. The region is also recognised as a high quality environment offering good opportunities for living and work life balance to attract people to the area.

5.4 Scottish Borders currently has only 38% NGB coverage planned or in place by commercial investment in the towns of Kelso, Hawick, Galashiels, Peebles and Innerleithen.

6 THE ROLE OF BROADBAND IN PUBLIC SECTOR TRANSFORMATION

Local Authorities

- 6.1 Customers of the local authorities in the South of Scotland increasingly expect their services to be offered and supplied through different channels that will allow them to use their preferred method at a time convenient to them. The customers would like the flexibility of being able to transact with their Council 24/7. Local Authorities need to be able to offer consistent service delivery across all channels – web, phone and face-to-face. The Council has identified a need to embrace technology including social media and smart phone applications to communicate to their customers in the future. In order to deliver this, better broadband access is required across the area.
- 6.2 In the area of telecare and telehealth, public sector partners in the South are looking to extend the services currently on offer to vulnerable clients in their homes to include health monitoring such as blood pressure monitoring. They are also reviewing the option of increasing the use of video conferencing for health monitoring purposes. Again, to be able to offer these types of services, improved broadband availability, coverage and speeds are necessary.
- 6.3 The Council is driving forward channel shift and is developing a strategy to ensure it offers appropriate services across all channels, building upon work that has already been completed with their Contact Centres. The Council has recently re-designed its website which is now transactional to allow customers to be able to do more of their business on-line.

Health Boards

- 6.4 Chronic illnesses pose an ever-growing problem for healthcare providers. People are living longer and an increasing number of patients have to cope with long-term, often permanent and/or multiple conditions. These frequently require expensive hospitalisation which in some cases are unforeseen and unnecessary and, more importantly, could be avoided with improved monitoring. With healthcare providers around the world facing financially challenging times and with the urgent need to curb spiralling healthcare costs, telehealth, or the remote management of patients, is being viewed by many as the ideal solution to a pressing problem.
- 6.5 Health Boards in the South of Scotland want to manage patients' conditions more effectively, improve their quality of life while at the same time providing a cost-effective solution to an expensive issue – the long-term care of patients with chronic illnesses.
- 6.6 Health Boards require a system that can be configured and managed remotely. An interactive personal health application allowing patients to self-monitor their vital signs, along with key data such as blood glucose and weight. This information can then be sent digitally to the patients care team for analysis.
- 6.7 Any system could also include a videoconferencing application, to allow healthcare professionals to consult with their patients remotely rather than either party having to travel. This not only ensures better levels of care, but also provides sustainability benefits. Peripheral measurement devices such as blood pressure monitors could be connected by the community nurse and the patient trained in how to use them.
- 6.8 The benefit of this type of system is that nurses can more easily detect early warning signs that a patients health may be deteriorating, and

proactively respond to their needs. This type of system can detect symptoms early so that action can be taken.

- 6.9 A fully accessible remote care management system utilising audio and video to provide online communications for all those who are not able to get to a drop-in centre easily, relies on digital connectivity across the region to be successful.
- 6.10 Early pilots suggest potential cost savings from this approach are mainly enabled by allowing patients to be treated in their own home. As well as freeing up hospital beds, the cost of treatment is approximately halved (source: BMJ).

7 CURRENT PROGRESS TOWARDS NEXT GENERATION BROADBAND

- 7.1 In January 2012, the South of Scotland Alliance Local Broadband Plan became the basis of the Scottish Government's National Infrastructure Plan to rollout Superfast Broadband to all of rural Scotland. That Plan was published in March 2012.
- 7.2 In light of this national decision, the South of Scotland Local Broadband Plan for the roll-out of NGB will now be delivered by a nationally led procurement, with involvement from the SoSA Project Team.
- 7.3 The new approach set out in the Scottish Government National NGB Infrastructure Action Plan seeks to fund the delivery of NGB (24 mbps+) infrastructure to 75% and Broadband (2 mbps) to 100% of each Local Authority area in Scotland. It anticipates that overall, 85% of Scotland's premises will be served through this activity by 2015.
- 7.4 At the end of September 2012, the Scottish Government began a National Procurement process to appoint a supplier to deliver the National Infrastructure Plan. Following this procurement process, a supplier to deliver the National Infrastructure Plan is expected to be in place by June 2013. It is anticipated, that the rollout plan will go to the market towns in the first instance, as the infrastructure has to be upgraded at the exchanges before it can be rolled out effectively to more remote areas.
- 7.5 A SoSA NGB Programme Office has been established and is based at Dumfries and Galloway Council. This is jointly funded by both Councils with a 40% contribution from Scottish Borders Council. The Programme Office will manage the NGB project as well as the replacement of the Pathfinder South, local authority wide area network, due for re-procurement from November 2013. The detail of this Scottish Wide Area Network (SWAN) project will be addressed in a further report to Committee in early 2013.
- 7.6 The SoSA NGB project team are continuing to work locally on Demand Stimulation, which will encourage the use of broadband technology by individuals, businesses and communities. There is also activity to encourage interested parties to register interest to make the case for the rollout to reach more remote areas earlier, based on the level of demand. Part of this work is the Demand Stimulation Strategy, which will detail how SoSA will deliver the positive messages of Superfast Broadband to businesses, individuals and communities, in order to stimulate demand across the South of Scotland including those who are located within the final 25% (outwith the current expected rollout of NGB by the Scottish Government).

- 7.7 In the meantime, the SoSA project team are working with the Scottish Government and technical adviser to estimate how much funding is likely to be required by both Scottish Borders Council and Dumfries and Galloway Council to rollout to the remaining areas of the South of Scotland. At this stage there is no definitive understanding of what will be covered by Scottish Government funding (75%) or what funding will be required to cover the final 25%.
- 7.8 It is considered unlikely that 100% NGB coverage across the South of Scotland will be achieved with the public sector funding available. However, once the SoSA Project Team knows what areas will be covered by the national procurement, the Team can then work with the remaining areas to identify potential sources of funding to achieve 100% coverage. The recently launched Community Broadband Scotland Fund will be key for these areas.
- 7.9 It is recognised that access to good broadband services is now almost as fundamental as access to utilities like water and electricity. With this in mind, the SoSA NGB project team is keen to engage with the communities and local stakeholders in the hard-to-reach areas that are expected to be in the final 10 to 15% of areas potentially not covered by Scottish Government or SoSA funding. This partnership working would aim to identify potential technology solutions and funding packages for these areas, to deliver their own broadband solution (in excess of 2 mbps). This would help to enable the rollout of improved broadband infrastructure in these communities to potentially happen in tandem with the National Programme.
- 7.10 In August 2011, Scottish Borders Council agreed an indicative funding model, including an £8.4m Council contribution, 40% of the total funding required by SoSA identified in the South of Scotland Local Broadband Plan submitted to the Scottish Government. Confirmation of this funding is required by the Scottish Government by 14 December 2012 to allow them to move to the next stage of the National Procurement process.

8 IMPLICATIONS

8.1 Financial

This section of the report will analyse the capital and revenue funding required to support the delivery of the South of Scotland Broadband Programme.

(a) Capital Funding NGB Broadband

Scottish Borders Council's contribution for Next Generation Access Broadband over and above the 75% coverage funded by the SG is £8.4m.

- (b) As reflected at para 7.10, the Council at its meeting of 25 August 2011 agreed an indicative funding model to form the basis of the submission of the South of Scotland Local Broadband Plan to the Scottish Government. That funding model included an indicative Council contribution towards the plan of £8.4m. It was indicated that funding this project would be considered as part of the development of the Council's capital investment strategy.

- (c) The Capital budget approved at Council on 9 February 2012 included the estimated funds required, profiled as shown in Table 1 below.

Table 1 – Current Approved Capital

2013/14	2014/15	Total
£2.8m	£5.6m	£8.4m

- (d) Current estimates indicate that Scottish Government funding will be provided to allow for 75% of premises to be covered by Next Generation Broadband and that Council funding of £8.4m would allow this coverage to be significantly increased, perhaps to 85 - 90%. In recent guidance for Local Authorities released by Scottish Government they say "..., it should be noted that we will not know how much coverage can be obtained at the required speeds until the contract is signed and the roll out has commenced. Whilst the diligence and modelling carried out suggests that the stated levels are possible, it is by necessity a desk based exercise including certain assumptions."
- (e) Due to delays in the procurement to date, the proposal in the Capital Programme due to be put to Council in February 2013 contains a revised funding profile as shown in Table 2 below:

Table 2 – Proposed Revised Capital Profile

2013/14	2014/15	2015/16	Total
£1.4m	£3.6m	£3.4m	£8.4m

- (f) Updates on the above estimates, and on what will be achieved through this investment, will be part of an ongoing discussion with the Scottish Government and the chosen supplier of the infrastructure. This will be the best way of ensuring the widest coverage of NGB in Scottish Borders.

(g) **Programme Office Revenue Costs**

The South of Scotland Broadband Programme Office will be funded by Dumfries & Galloway Council, Scottish Borders Council and the Scottish Government. Scottish Borders Council's share of the costs (40%) are shown in Table 3 below.

Table 3 : SBC Contribution to Programme Office

Programme Office Revenue Funding	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	TOTAL £'000
SBC Contribution	131	148	58	31	21	389

The funding contribution required has already been built into the Council's revenue budget for the financial years indicated above.

- (h) This funding will allow the Project team to continue working locally on both the Demand Stimulation and Demand Registration of individuals, businesses and communities, to make the case for the rollout to reach more remote areas. Approximately half of the Project Team's activity will be around support for the Scottish Wide Area Network project, a separate project to procure a supplier for a the public sector contract that will replace the current South of

8.2 Risk and Mitigations

- (a) Managing expectations is an important part of the project – this is a once in a generation change of infrastructure across the South of Scotland and it is likely to be summer 2013 before NGB services begin to rollout. We will need to manage this risk through proactive communication.
- (b) There is a reputational risk to the Council in investing to broaden access to NGB in the Scottish Borders as much as possible. If a significant proportion of premises are not served, there is the potential for the Council to be seen as the organisation that has not delivered appropriate broadband coverage. The Project's Communication Plan will need to deal carefully with this issue in order to mitigate it.
- (c) With the constant promotion of new technologies and devices there is an expectation from the residents and businesses that Next Generation Broadband (NGB) services will be provided. If this expectation is not met there is a risk that these key stakeholders will lose confidence in our Region. It could potentially alienate residents from the growing online community, thus enforcing the digital divide for the South of Scotland.
- (d) On its own the market will not deliver NGB in the region. If this investment does not happen or is delayed, the area may not be regarded as a viable location for existing companies, new investors and/or start-ups. Businesses will increasingly demand higher bandwidth and speeds in order to remain competitive. If the project does not proceed, there is a risk that economic diversification – into new markets and/or product/processes – is constrained.

8.3 Equalities

The provision of NGB across the South of Scotland will bring the level of connectivity to the internet to an acceptable level for all in most areas.

8.4 Acting Sustainably

There should be positive effects on the economy and communities as a consequence of implementing the recommendations in this report. There may be some short-term negative environmental impacts while new infrastructure is being developed and installed.

8.5 Carbon Management

The provision of NGB will reduce the need to travel because access to health and support services over the internet will be improved. It will offer more options for home based work, either for new businesses or for some residents who have to commute to their place of work.

8.6 Rural Proofing

It is anticipated there will be no adverse impact on the rural area from the proposals contained in this report.

8.7 Changes to Scheme of Administration or Scheme of Delegation

There are no changes to be made.

9 CONSULTATION

The Chief Financial Officer, the Head of Legal and Democratic Services, the Head of Audit and Risk, the Clerk to the Council, the Head of Procurement, the Head of Economic Development & Environment and the Head of Corporate Communications have been consulted on this report and the comments received incorporated.

Approved by

Chief Executive

Signature

Author(s)

Name	Designation and Contact Number
Henry Thompson	Head of Business Information Services 01835 825045
Bryan McGrath	Head of Economic Development & Environment 01835 826525

Appendices

Appendix 1 – Proposed letter to Digital Strategy Division

Appendix 2 – NGB Coverage

Background Papers:

South of Scotland Broadband Delivery UK Bid
South of Scotland Local Broadband Plan

Previous Minute Reference:

Scottish Borders Council, 25 August 2011

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Henry Thompson can also give information on other language translations as well as providing additional copies.

Contact us at Henry Thompson, Resources Department, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA, Tel 01835 825045, email henrythompson@scotborders.gov.uk

Proposed letter to Digital Strategy Division

Dear

STEP CHANGE 2015 PROJECT

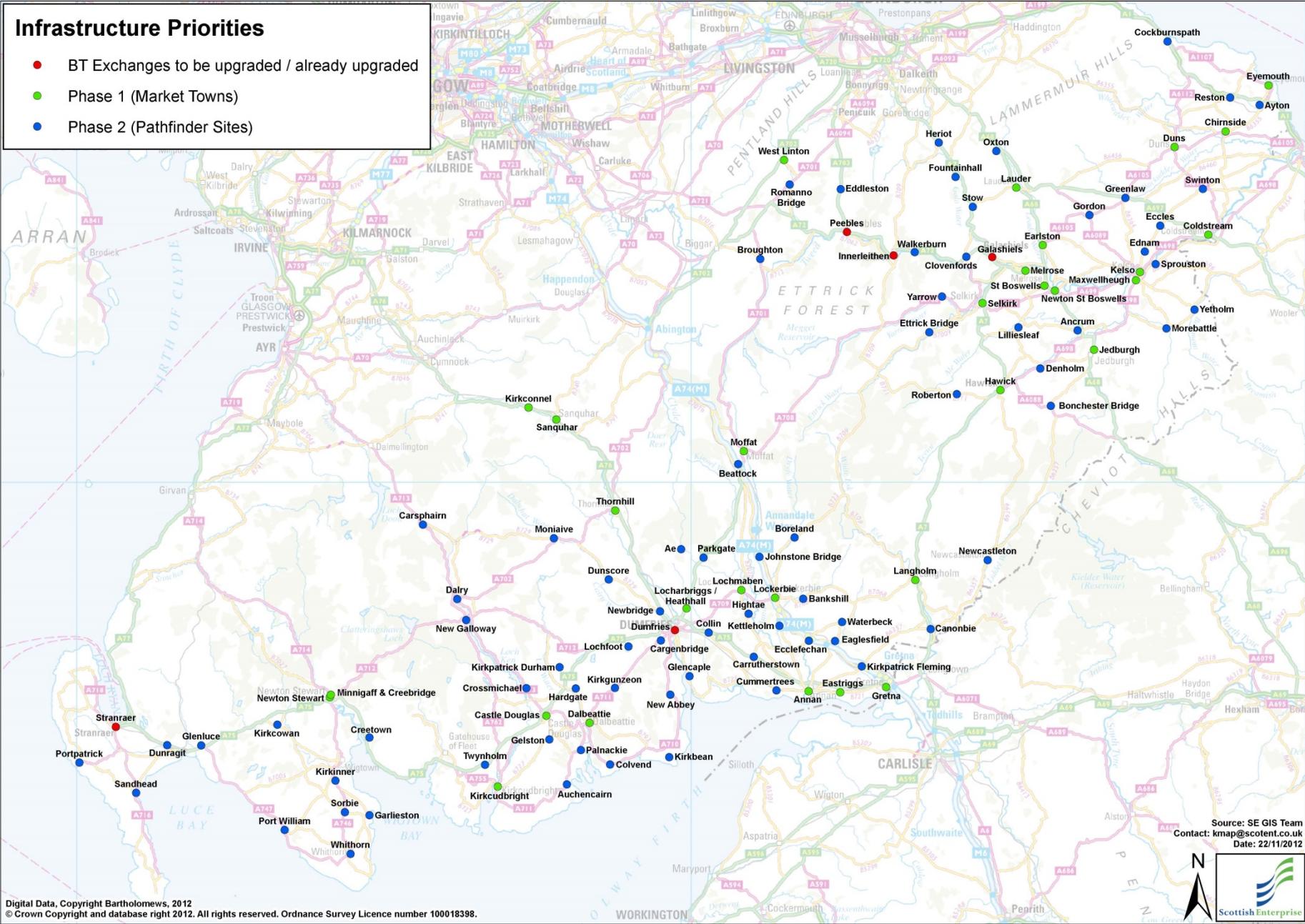
I am pleased to advise that Scottish Borders Council at their meeting on the 13 December 2012 agreed to formally commit £8.4m of the £21m joint uplift funding with Dumfries and Galloway Council towards the rollout of Programme 1: NGB Step Change 2015 across the South of Scotland.

I am therefore pleased to confirm that Scottish Borders Council has agreed £8.4m in total over three financial years (2013/14, 2014/15 and 2015/16). This funding is subject to the Council having direct discussions with the appointed supplier and the Scottish Government's Digital Division to ensure the funding delivers maximum NGB coverage in the Council area, over and above the 75%+ coverage funded by the Scottish Government.

Should you require further details at this time please do not hesitate to contact Henry Thompson (Head of Business Information Services) at hthompson@scotborders.gov.uk .

Yours sincerely

Tracey Logan
Chief Executive Scottish Borders Council



**STEP CHANGE 2015 (NEXT GENERATION BROADBAND) –
UPDATE JUNE 2013**

Report by the Chief Executive

SCOTTISH BORDERS COUNCIL

26 June 2013

1 PURPOSE AND SUMMARY

- 1.1 This report provides an update for Members on the current position of the Step Change 2015 (Next Generation Broadband) Project.**
- 1.2 It provides an update on progress of the Scottish Government led Step Change 2015 (Next Generation Broadband) infrastructure project. The Rest of Scotland element of the project is currently out to tender, with results from that process due in the coming weeks. Scottish Borders Council and Dumfries and Galloway Council have agreed to make additional contributions to that project in order to achieve a greater Next Generation Broadband coverage for the South of Scotland.
- 1.3 The report seeks final approval for the Council to enter into a Memorandum of Agreement with the Scottish Government to deliver the Step Change 2015 Project. It also recommends that authority is delegated to the Chief Executive to progress all aspects of the Council's participation in the Step Change 2015 procurement.

2 RECOMMENDATIONS

2.1 I recommend that Scottish Borders Council:

- (a) **Notes the progress to date in relation to delivery of the Step Change 2015 Programme as outlined in Section 4;**
- (b) **Agrees that the Council enters into a Memorandum of Agreement with the Scottish Government to deliver the Step Change 2015 Project, as outlined in 4.14-4.15, based on the Council's capital investment of £8.4m;**
- (c) **Delegates to the Chief Executive, in consultation with the Leader, Depute Leaders and Executive Member for Economic Development, authority to progress all aspects of the Council's participation in the Step Change 2015 procurement; and**
- (d) **Notes that progress in delivery of the Next Step 2015 Project will be reported regularly to Council.**

3 BACKGROUND

- 3.1 During 2011, the South of Scotland Alliance (SoSA) produced the South of Scotland Local Broadband Plan (LBP), which was submitted to Scottish Government. The plan set out the business case to bring about a transformational change to our region through the provision of superfast broadband infrastructure. The ambition in the plan was to provide broadband to 100% of the South of Scotland population by 2020, in line with Scottish Government targets.
- 3.2 Following the updated publication of the National Infrastructure Action Plan in April 2012 it was agreed that Scottish Government should lead a national procurement of Next Generation Broadband infrastructure. This ensures that UK and Scottish Government funds can be utilised alongside European grant to maximise the return on investment in relation to infrastructure provision. The Step Change 2015 project will cover the whole of Scotland but has been split into two tender processes, one for the Highland and Islands and one for the 'Rest of Scotland'.
- 3.3 The South of Scotland Broadband Programme Office has been established to take forward activity to support the Step Change 2015 Project and also the Scottish Wide Area Network Project, which will be the subject of a future report to Scottish Borders Council. This is to ensure that essential links between the infrastructure and service delivery / network projects are in place as both projects need to be interlinked and mutually dependant if best value is to be achieved from the investment.

4 STEP CHANGE 2015 (NEXT GENERATION BROADBAND INFRASTRUCTURE)

- 4.1 The Step Change 2015 national infrastructure action plan seeks to fund the delivery of Next Generation Broadband (NGB) infrastructure to 75% of premises in each Local Authority area in Scotland, with a budget of £240m. This target has been agreed between CoSLA and the Scottish Government.
- 4.2 The South of Scotland Broadband Plan is based on an £8.4m investment from Scottish Borders Council to enable an increase from the 75% Government funded coverage across the area to an indicative 85 – 90% coverage. Dumfries & Galloway Council are contributing £12.6m in their area.
- 4.3 The Council's contribution, referred to as Additional Local Subsidy (ALS), is on the basis that a minimum level of 75% Next Generation Access has been achieved by the National Funding available to the project. The Council's contribution is in addition to the National Fund and is for the purpose of achieving local priorities beyond the 75% minimum.
- 4.4 The detail of the rollout in terms of the extent of premises / settlements that will receive Next Generation Broadband Infrastructure will not be known until negotiations take place with the successful supplier following the national procurement process. Initial indications for coverage in the Scottish Borders and other parts of Scotland will be part of the tender process. However, the final details of the coverage will only be clear once the successful bidder has completed detailed local surveys.
- 4.5 The planning model which underpins the procurement is based on achieving an outcome of 75% coverage from the national contract and then progressing to 85% from the investment planned from the Council. An overall outcome of 85% is in line with the original South of Scotland Local

Broadband Plan and targets previously reported to Elected Members.

4.6 It is anticipated that the rollout plan for our region, as originally envisaged in the Local Broadband Plan, will be based on building out from market towns in the first instance as the infrastructure has to be upgraded at these key exchanges before it can be rolled out effectively to more remote areas. This will provide a platform from which to build on in the future should further funding and / or new technology become available to support provision being extended to those areas not covered as part of the anticipated 85% coverage.

4.7 BT has previously announced commercial investment in improved broadband for Innerleithen, Galashiels, Peebles, Hawick and Kelso. It should be noted that the public sector funding allocated through the Step Change 2015 project will be used to fund improved broadband connectivity over and above any commercially planned enhancements announced previously.

4.8 **Procurement**

The Scottish Government is responsible for the procurement and delivery of the Next Step 2015 Project. The procurement process is currently underway. Following Fujitsu's withdrawal from the procurement framework, the 'Rest of Scotland' procurement is now underway with BT as the sole bidder. A single bidder scenario does not alter the procurement process or regulations. The procurement process should be completed in July 2013. Scottish Government has put in place measures to ensure that 'Best Value' is still achieved in this single bidder situation.

4.9 Scottish Government has also provided details on the governance structure and the tender evaluation panel, for the procurement. The Council, as members of the Local Authority Advisory Officers Group, are included as part of the tender evaluation team and will help evaluate the project as a whole, rather than on an individual local authority basis.

4.1
0 The timetable, from receipt by Scottish Government of the final bid through to signature of the contract by Scottish Government in July 2013, is very tight. The Council needs to ensure that its local governance processes and officer resources are aligned to meet the required timetable. Approval of this report will put the required arrangements in place.

4.1
1 If one or more Local Authorities do not agree to participate in the contract, the procurement process is at risk from either significant delay or complete failure. There is therefore significant risk to all parties should this occur. Any delay will impact on the level of European Regional Development Fund (ERDF) grant funding allocated to the project (which forms part of the Scottish Government funding) along with the ability to deliver the achievement of the Scottish Government target to reach coverage of 75% of premises within each Local Authority area.

4.1
2 Members are asked to agree to remit to the Chief Executive, in consultation with the Leader, Depute Leaders and Executive Member for Economic Development, delegation of authority to progress all aspects of the Council's participation in the Step Change 2015 procurement. This is required to ensure that our Council can effectively engage in the procurement process during the tight delivery timetable.

4.1
3 Post contract award, the South of Scotland Broadband Programme Office will engage with the successful contractor to prepare for implementation and the rollout timetable. The roll-out will have some implications for planning and

roads permissions and it will be important that those teams are able to respond quickly to prevent delays in the roll-out.

4.1 **Governance**

4 A Memorandum of Agreement has been developed to provide governance in terms of the relationship Local Authorities have with Scottish Government in order to deliver the Next Steps 2015 Project. This agreement sets out:

- the contract for the delivery of the Step Change 2015 between Scottish Government and the supplier;
- that Scottish Government will manage the overall contract and use the transferred Local Authority funding to deliver the specified local priorities;
- the payment mechanism for transfer of the additional Local Authority funding via Annual Capital Grant Adjustment.

4.1 In order to fully participate in the procurement process, the Council has
5 signed a Non Disclosure Agreement with the Scottish Government. This covers all elements of the procurement process. This report only provides information that is in the public domain.

4.1 In order to meet the procurement and delivery milestones set for the
6 programme, the Council is required to confirm that it intends to sign the Memorandum of Agreement by 5.00pm on 26 June 2013 and to then sign and deliver the agreement by 5.00pm on 3 July 2013.

4.1 **Demand Stimulation and Community Engagement**

7 The South of Scotland Programme Office is continuing to work locally on both the Demand Stimulation and Demand Registration of individuals, businesses and communities, to make the case for the rollout to reach more remote areas in the first instance, based on the level of demand. Part of this work is the Demand Stimulation Strategy, which will detail how SoSA will deliver the positive messages of Superfast Broadband to businesses, individuals and communities, in order to stimulate demand across the South of Scotland region including those who are located within in the final 15% (outwith the expected rollout of the Scottish Government and our Council's current funding).

4.1 The SoSA Programme Office is keen to work with the Community Broadband
8 Scotland team to engage with the communities and local stakeholders in the hard-to-reach areas that are expected to be in the final 15% area not included in the Next Steps 2015 project. This partnership working aims to identify potential technology solutions and funding packages for these areas, to deliver their own broadband solution (in excess of 2 mbps). This will help to enable the rollout of improved broadband infrastructure in these communities to potentially happen in tandem with the National Programme.

4.1 The Community Broadband Scotland programme forms part of the delivery
9 of the National Infrastructure Plan. It aims to encourage and support the development of successful and sustainable community broadband projects to deliver Next Generation Broadband (NGB) connectivity through the use of innovative technologies and business models, the sharing of knowledge and experiences, and through leveraging in additional funding, in Scottish communities that are not expected to be reached by the Step Change 2015 project.

4.2 The Community Broadband Scotland Programme links directly with the SoS Team to support communities and the first two projects being progressed in

- 0 the region are for Ewes Valley and Wanlockhead (as part of a wider project with neighbouring communities in South Lanarkshire). Additional communities across the region have registered interest in this approach and appropriate support is being provided.

5 IMPLICATIONS

5.1 Financial

(a) **Step Change 2015 (Next Generation Broadband) – Capital Investment**

Scottish Borders Council's contribution for Next Generation Access Broadband over and above the 75% coverage funded by the Scottish Government is £8.4m. Members have agreed the delivery of Next Generation Broadband as a priority project and the following amounts are profiled in the Council's Capital Programme for this project:

2014/15	£4.2 Million
2015/16	£4.2 Million
Total	£8.4 Million

5.2 Risk and Mitigations

- (a) The delivery of the South of Scotland Broadband Programme is underpinned by robust project management arrangements (using PRINCE 2 methodology). Within this structure an Executive Programme Board comprising the Chief Executives of the South of Scotland Alliance partners is in place to provide Chief Officer level direction and scrutiny.
- (b) The National Step Change 2015 Programme Board includes representation from both CoSLA and SoLACE (Society of Local Authority Chief Executives). Dumfries & Galloway Council's Chief Executive is the nominated SoLACE representative on the Board. A key officer from each Council is also involved in the Scottish Government's tender evaluation team to ensure appropriate Local Authority input to that process.

5.3 Equalities

An Equalities Impact Assessment is being carried out on this proposal.

5.4 Acting Sustainably

There should be positive effects on the economy and communities as a consequence of implementing the recommendations in this report. There may be some short-term negative environmental impacts while new infrastructure is being developed and installed.

5.5 Carbon Management

The provision of Next Generation Broadband will reduce the need to travel because access to health and support services over the internet will be improved. It will offer more options for home based work, either for new businesses or for some residents who have to commute to their place of work.

5.6 Rural Proofing

It is anticipated there will be no adverse impact on the rural area from the proposals contained in this report.

6 CONSULTATION

The Chief Financial Officer, the Head of Corporate Governance, the Head of Audit and Risk, the Clerk to the Council and the HR Manager have been consulted and their comments incorporated into the report.

Approved by

Chief Executive

Signature

Author(s)

Name	Designation and Contact Number
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Henry Thompson	Head of Transformation Projects. Tel 01835 825045

Background Papers: None

Previous Minute Reference: Scottish Borders Council, 13 December 2012

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Jacqueline Whitelaw can also give information on other language translations as well as providing additional copies.

Contact us at Jacqueline Whitelaw, Environment and Infrastructure, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA, Tel 01835 825431, Fax 01835 825071, email eittranslationrequest@scotborders.gov.uk

DIGITAL SCOTLAND SUPERFAST BROADBAND ROLL-OUT - UPDATE

Report by Corporate Transformation & Services Director

EXECUTIVE COMMITTEE

2 February 2016

1 PURPOSE AND SUMMARY

- 1.1 This report provides an update to elected members on the progress that is being made in delivering the Digital Scotland Superfast Broadband Programme in the Scottish Borders.**
- 1.2 Digital connectivity is critical to the economic development and competitiveness of the Scottish Borders. Scottish Borders Council has contributed strongly to the roll-out of the Scottish Government's Digital Scotland Superfast Broadband (DSSB) programme, providing £8.4M over two years to help extend the roll-out as far as possible in the Scottish Borders.
- 1.3 To date, 70 new superfast broadband cabinets have been installed as part of the roll-out, enabling the provision of new services to over 17,500 premises in the Scottish Borders. The roll-out will continue until the end of 2017, aiming to serve approximately 94% of all the premises in the area. The Scottish Government has also put in place the Community Broadband Scotland (CBS) programme to support those communities and locations where the DSSB roll-out will not reach.
- 1.4 Although good progress is being made with the DSSB programme, there is a range of challenging issues still to be addressed in relation to providing superfast broadband services across the Scottish Borders. These issues present a significant impediment to allowing all communities to access the Broadband services in an equitable way. It is proposed to raise these issues with the Scottish Government when the South of Scotland Alliance meets the Deputy First Minister on 8 February 2016.

2 RECOMMENDATIONS

- 2.1 **I recommend that the Executive Committee:**
 - a) **Welcomes the progress made on delivering the Digital Scotland Superfast Broadband programme;**
 - b) **Notes the range of issues affecting the delivery of superfast broadband in the rural areas of the Scottish Borders; and**
 - c) **Asks the South of Scotland Alliance to discuss the superfast broadband connectivity issues raised in this report with the Deputy First Minister when they meet him on 8 February 2016.**

3 BACKGROUND

- 3.1 Digital connectivity is critical to the economic development and competitiveness of the Scottish Borders. It is crucial for the delivery of private and public services and in meeting consumer, business and visitors' needs and expectations.
- 3.2 The Council's aspiration is that wherever someone is located in the Scottish Borders, they should be able to access superfast broadband for business or personal use. The Council recognises that this aspiration is still some way from being fulfilled, even though good progress is being made in many parts of the area. There is still a clear disparity between the high levels of digital connectivity in more densely populated areas, compared with more rural areas like the Scottish Borders. The Council is working with its partners in the South of Scotland Alliance to raise this issue at the highest levels of government.
- 3.3 Scottish Borders Council has contributed strongly to the roll-out of the Scottish Government's Digital Scotland Superfast Broadband (DSSB) programme, providing £8.4M over two years to help extend the roll-out as far as possible in the Scottish Borders. However, this will cover less than 94% of premises in the Borders, which means around 6% of premises, mainly in remoter rural areas, will not be covered by Superfast Broadband. They may only have access to slower broadband services, or have no broadband access at all.
- 3.4 The additional £8.4m investment from Scottish Borders Council was agreed in 2013. The investment was made to enable an increase from the 75% Government funded coverage across the area to as many additional premises as possible. The Digital Scotland Superfast Broadband programme is due to increase superfast broadband coverage to about 93.6% of premises in the Scottish Borders.

4 SUPERFAST BROADBAND PROGRESS

- 4.1 The roll-out of the Digital Scotland Superfast Broadband Programme is now well underway across the Scottish Borders. The first new superfast broadband cabinet went 'live' in the summer of 2014 and since then a number of localities have been upgraded to fibre broadband. The programme continues to deliver on a phased basis and further areas will be upgraded over the next two years, bringing coverage in the Scottish Borders to around 94% of all premises by the end of 2017. At the moment 70 new superfast broadband cabinets have been installed as part of the roll-out, enabling the provision of new services to over 17,500 premises in the Scottish Borders. This work is complemented by the commercial roll-out that BT Openreach has undertaken in the larger towns in the area, latterly in Hawick and Kelso.
- 4.2 It is recognised that providing the superfast broadband infrastructure is just one element of supporting our local economy. The Council and Scottish Enterprise are also working to encourage local businesses to make the most of this new digital connectivity in their business models. A number of projects are planned to help businesses learn more about how digital connectivity can enhance their productivity and business opportunities.

- 4.3 For instance, the 'Digital Boost' programme will offer services for small to medium enterprises, to provide them with advanced digital advice. Through Business Gateway, it will offer them development of their technical ability through services that will include: digital health checks, online guides, webinars, workshops and one-to-one specialist support at a level not currently available to them. This national programme started with the first workshop in the Scottish Borders on 19 January 2016.
- 4.4 The DSSB Fibre To The Cabinet (FTTC) roll-out will reach the majority of all domestic and business premises. However, many properties will not be served by this programme. Recognising this, the Scottish Government has also put in place a complementary programme, Community Broadband Scotland (CBS), which has been established to support communities to identify and deliver their own superfast broadband solution in those areas that will not be served by the main DSSB Programme. It aims to encourage and support the development of successful and sustainable community broadband projects to deliver superfast broadband connectivity through the use of innovative technologies and business models, the sharing of knowledge and experiences, and through leveraging in additional funding.
- 4.5 It was positive to note that the Scottish Government made an additional commitment of £2.5 million, along with £9 million of EU funds, to Community Broadband Scotland, on top of the £5 million that it had previously allocated. This will support the provision of superfast broadband in the most rural areas of Scotland. Effective delivery of the Community Broadband Scotland Programme will go some way towards this aim, along with other technologies including satellite broadband. However, officers are concerned about the scale and complexity of this task and the capacity of communities to deliver these complex technology projects.
- 4.6 Parts of the Scottish Borders are also eligible for a pilot project to provide Superfast Satellite Broadband to certain postcode areas. This pilot is being run by Avanti, and has received funding from the UK Government to target up to 1000 customers across the South of Scotland, Aberdeenshire and parts of Northern Ireland.

5 BROADBAND CONNECTIVITY ISSUES

- 5.1 Although there is significant progress with the Superfast Broadband roll-out, there are a number of related issues which have caused concern. Officers are concerned about the lack of information from British Telecom on the download and upload speeds of the areas already covered, or to be covered, by the DSSB roll-out. The exact details of premises in exchange areas which will be covered by the provision of superfast broadband only becomes clear once cabinets are activated. It is recognised that more information is being provided by British Telecom, however it is still limited. It is proposed that this issue is raised with the Deputy First Minister when he meets with the South of Scotland Alliance on 8 February 2016.
- 5.2 It has been noted that additional resources have been made available by the Scottish Government to further extend the delivery of Superfast Broadband. Again, the South of Scotland Alliance plans to discuss with the Deputy First Minister how the Scottish Borders and Dumfries and Galloway will benefit from this new funding allocation.
- 5.3 Community Broadband Scotland (CBS) is working with community groups to develop projects for providing broadband solutions in the areas outwith the Superfast Broadband roll-out programme. However, officers are concerned about the limitations of this initiative.
- 5.4 The Scottish Government is using CBS as its main instrument for

facilitating the provision of Superfast Broadband in premises in the most rural areas of Scotland. It is understood that this programme will support 16-18,000 premises across Scotland, out of a total of approximately 120,000 premises that will not be served by the Superfast Broadband Programme. This means that it is likely that a significant number of premises will remain without superfast broadband access across Scotland, especially in rural areas like the Scottish Borders. There is a need for a national solution to this issue, for a programme to cover the remaining 5-6% of premises in the Scottish Borders (and other areas of rural Scotland). Again, it is proposed that this issue is raised with the Deputy First Minister when he meets with the South of Scotland Alliance on 8 February 2016.

- 5.5 The existing CBS programme has been facing complex problems in encouraging rural communities to undertake projects. To address these issues, CBS is developing an aggregated approach that brings a number of rural communities together to provide a critical mass of premises that can then form the basis of a commissioning exercise. Currently such a strategic programme is being developed within the South of Scotland for the Tweeddale, Ettrick and Yarrow, Eskdalemuir and Newcastleton areas.
- 5.6 Significant expectations and burdens are placed on communities to manage and sustain these projects. It is clear that communities need to have good capacity, leadership and skills to do this, meaning that only some communities will be able to take on these projects. There are also significant levels of revenue and capital funding required, to be provided by these communities in addition to the funding support from CBS. This could be difficult for communities to secure. This issue has already arisen with the project mentioned above, where revenue funding to support the development and planning stage of the project is not available from CBS and cannot be easily identified from local organisations. It is proposed that this issue should be raised with the Deputy First Minister when he meets with the South of Scotland Alliance later in the month.
- 5.7 Apart from the CBS provision it is also recognised that additional support is to be made available by the UK Government to households and businesses in remoter rural areas to take up satellite broadband. However, it is acknowledged that satellite broadband is not an ideal solution because of the limitations in the capacity of superfast broadband that can be provided.
- 5.8 Moving into the future, there are concerns about ensuring that the Scottish Borders can benefit from future digital network improvements. In particular, it is important that key industrial areas are connected to ultra-fast broadband to provide a level playing field for local companies to compete on. It is proposed that this issue should also be raised with the Deputy First Minister when he meets with the South of Scotland Alliance.

6 IMPLICATIONS

6.1 Financial

There are no direct financial costs as a result of the recommendations of this report. The Council has already committed £8.4M of capital funding to the Digital Scotland Superfast Broadband roll-out in order to extend that programme to cover as many premises as possible in the Scottish Borders. However, it is clear that other programmes, particularly Community Broadband Scotland, need to have additional revenue funding available to help make their planning and delivery stages. This is an issue that the South of Scotland Alliance should raise with the Deputy First Minister when they meet on 8 February 2016.

6.2 Risk and Mitigations

There is a reputational risk to the Council if the DSSB Programme does not deliver to as many households as possible. This risk has been mitigated by on-going involvement by Council officers in the programme management of the roll-out. Scottish Government and COSLA are also involved in managing the roll-out contract to ensure that the public funding involved is used as efficiently as possible, thus ensuring that as many premises as possible are served by the technology. It is important that the proposals from the South of Scotland Alliance are reinforced in order for the potential benefits of these changes to be realised for the Scottish Borders.

6.3 Equalities

It is anticipated there are no adverse impacts due to race, disability, gender, age, sexual orientation or religious/belief arising from this report.

6.4 Acting Sustainably

The roll-out will contribute to the sustainability of local businesses and communities as it will facilitate the delivery of digital services and digital business opportunities to a much greater number of premises across the area. For instance, this could help reduce the need for travel and reduce vehicle emissions.

6.5 Carbon Management

The Superfast Broadband rollout could reduce the need for travel and have a positive impact on carbon emissions.

6.6 Rural Proofing

While this report does not propose any new or amended policy, the superfast rollout will improve digital connectivity in many rural areas. However, there remain significant challenges in providing good, modern broadband services to all the rural areas of the Scottish Borders.

6.7 Changes to Scheme of Administration or Scheme of Delegation

There are no changes to be made to the Scheme of Administration or Scheme of Delegation arising from this report.

7 CONSULTATION

7.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted and their comments incorporated into the report.

Approved by

**Rob Dickson
Corporate Transformation
and Services Director**

Signature

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Background Papers:

Previous Minute Reference: Item 8, Scottish Borders Council, 26 June 2013

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BROADBAND IMPROVEMENTS – UPDATE

Report by Corporate Transformation & Services Director

EXECUTIVE COMMITTEE

7 June 2016

1 PURPOSE AND SUMMARY

- 1.1 This report provides a further update to elected members on the progress that is being made in delivering improved broadband services in the Scottish Borders.**
- 1.2 Digital connectivity is critical to the economic development and competitiveness of the Scottish Borders. Scottish Borders Council has contributed significantly to the roll-out of the Scottish Government’s Digital Scotland Superfast Broadband (DSSB) programme, providing £8.4M over two years to help extend the roll-out as far as possible in the Scottish Borders.
- 1.3 More than 70 new superfast broadband cabinets have been installed as part of the roll-out, connecting over 19,500 premises in the Scottish Borders. The roll-out will continue until the end of 2017, aiming to serve approximately 94% of all the premises in the area. The Scottish Government has also put in place the Community Broadband Scotland (CBS) programme to support those communities and locations where the DSSB roll-out will not reach.
- 1.4 Although good progress is being made with the DSSB programme, there is a range of challenging issues still to be addressed in relation to providing superfast broadband services across the Scottish Borders. These issues present a significant impediment to allowing everyone access to better broadband services in an equitable way.

2 RECOMMENDATIONS

- 2.1 **I recommend that the Executive Committee:**
 - (a) Notes the progress made on delivering the Digital Scotland Superfast Broadband programme as set out in Appendix 1;**
 - (b) Expresses concern over the range of issues affecting the delivery of superfast broadband in the rural areas of the Scottish Borders and asks that a letter setting out these concerns and seeking clarification is sent to the Scottish Government;**
 - (c) Notes the work being done with Community Broadband Scotland to tackle gaps in superfast broadband provision across the South of Scotland; and**

- (d) Asks the Corporate Transformation and Services Director to prepare a report on the contribution that the new CGI contract can make to the overall improvement of digital connectivity in the Scottish Borders.**

3 BACKGROUND

- 3.1 An update report to Executive Committee in February 2016 highlighted the importance of digital connectivity to the economic development and competitiveness of the Scottish Borders. Good digital connectivity is crucial for the delivery of private and public services and in meeting the needs and expectations of consumers, businesses and visitors.
- 3.2 The Council's aspiration is that wherever someone is located in the Scottish Borders, they should be able to access superfast broadband for business or personal use. The Council recognises that this aspiration is still some way from being fulfilled, even though good progress is being made in many parts of the area.
- 3.3 Through the South of Scotland Alliance, the Council has expressed concerns to Scottish Government Ministers that there is still a clear inequity between the digital connectivity in more densely populated areas and that available in rural areas like the Scottish Borders.
- 3.4 Scottish Borders Council has made a significant financial contribution to the current roll-out of the Scottish Government's Digital Scotland Superfast Broadband (DSSB) programme, providing £8.4M over two years to help extend the roll-out as far as possible in the Scottish Borders.

4 DIGITAL SCOTLAND SUPERFAST BROADBAND COVERAGE

- 4.1 The indicative outcome for the Digital Scotland Superfast Broadband (DSSB) programme is to increase superfast broadband connection to about 93.8% of premises in the Scottish Borders. This figure is based on commercial operators completing their plans in full. It is likely to mean that around 6% of premises, mainly in remoter rural areas, will not be connected to Superfast Broadband enabled infrastructure. They may only have access to slower broadband services, or have no broadband access at all.
- 4.2 As requested by elected members, a clear indication of which settlements have already been upgraded to have access to fibre broadband is attached at Appendix 1. This DSSB work is complemented by the commercial roll-out that BT Openreach undertook in Galashiels, Peebles, Innerleithen, and latterly, in Hawick and Kelso. Appendix 2 provides a visual representation of the areas in the Scottish Borders that have been covered by the commercial and DSSB roll-outs up until the end of 2015.
- 4.3 As demonstrated in Appendix 1, the roll-out of the Digital Scotland Superfast Broadband Programme is now well underway across the Scottish Borders. The first new superfast broadband cabinet went "live" in the summer of 2014 and since then a number of localities have been upgraded to fibre broadband. At the moment more than 70 new superfast broadband cabinets have been installed as part of the roll-out, enabling the provision of new services to over 19,500 premises in the Scottish Borders, as of the end of March 2016.

- 4.4 The DSSB programme continues to deliver on a phased basis and further areas will be upgraded over the next two years. Appendix 1 also sets out the expected rollout in terms of the exchange areas that will be worked on in the next six months or so (Section B.); the more rural areas that will receive some level of coverage later in 2016 and in 2017 (Section C.); and the most remote areas where a Superfast Broadband solution is still under evaluation (Section D). It is important to note that engineering plans and delivery timescales to install this infrastructure depend on many factors and can be subject to change. The information in Appendix 1 is based on the best view that BT Openreach has today, using their current plans.
- 4.5 Elected Members also requested information on the number of premises in the Scottish Borders that would be connected by the end of the programme and how many would not be connected as part of the programme. At present these figures have not been made available by the programme office. However, officers consider that it is crucial that accurate figures based on premises actually receiving an improved service are provided as part of the outputs of the programme. This is particularly important for Councils such as Scottish Borders and Dumfries & Galloway, which have made significant financial contributions to the DSSB programme.
- 4.6 **Limitations of the DSSB Programme**
- As the DSSB programme progresses it is becoming clear that there are a number of issues with how effectively it delivers in widely dispersed rural areas like the Scottish Borders and Dumfries & Galloway. Regular concerns are being raised by residents in different parts of the Borders, especially frustrated over the lack of clarity about when a service will become available and also whether they will actually be able to see an improvement in service.
- 4.7 The availability of the BT website where individuals can check their postcode in the system only partly answers users' queries, but it appears unlikely that BT will be able to provide more accurate dates until specific cabinets are under construction. There is on-going work to improve the interactive map, in particular for those not yet connected. This will include informing enquirers where they may not be connected under the programme and directing them to alternative solutions.
- 4.8 The DSSB programme is using a fibre optic solution to increase the broadband speeds that are available. Most premises are connected to this upgraded fibre network through their existing copper telephone lines. Where the premises are reasonably close to the newly installed Superfast Broadband Cabinet, then users should see good broadband speeds when they sign up for a new fibre broadband service. However, once homes and businesses are more than 1.2km from the Superfast cabinet, they will experience a much reduced service, with those premises furthest away seeing no benefit at all. This 'long lines' issue may also have an impact close to, and within, towns and villages, as the 1.2km threshold is as measured by the existing cable routing, rather than a straight line to the cabinet.

- 4.9 The Council, and South of Scotland Alliance, are currently in discussion with Scottish Government officials to better understand the impact of this fact on how many premises in the Scottish Borders will actually receive a better broadband service. It seems that although 93.8% of the premises in the Scottish Borders may be connected to upgraded Superfast Broadband infrastructure, that a proportion of those premises will not be able to take advantage of new services because they are too distant from a Superfast Cabinet. This is likely to be a very frustrating situation for the businesses and householders affected and it is an issue that must be addressed in the work that is being taken forward by the new Scottish Government for future phases of digital infrastructure development.
- 4.10 The Scottish Government's aim has been to deliver fibre broadband to as many premises and businesses as possible. During the lifetime of the DSSB programme they will be looking for ways to make the infrastructure go further by identifying efficiencies or exploiting new technologies. In areas where fibre broadband is not an option, they will be exploring the use of other broadband technologies such as wireless and satellite to provide faster broadband.
- 4.11 It is important to stress that businesses and households need to sign up for new fibre based services in order to take advantage of the upgraded infrastructure. In the past, a number of service improvements have happened in BT exchanges and these have provided improved services as part of users' existing Internet Provider packages. The Superfast Roll-out requires businesses and households to sign up for a new service or new package. This is not always clear to users in the newly connected community and this has been part of the messaging that has been promoted about the rollout. It is expected that the variable take-up rates of the new service are partly due to lack of awareness of this fact.

5 ADDITIONAL BROADBAND CONNECTIVITY SUPPORT

- 5.1 Although the DSSB programme is likely to provide most of the faster broadband coverage in the area, there are other projects under way to help improve broadband outwith the main programme. Unfortunately, due to the level in uncertainty about the DSSB coverage and the complexity of potential solutions, a number of businesses and householders have contacted the Council over recent months to express their frustration with the range of support mechanisms that feel disjointed and complex for end users.
- 5.2 **Community Broadband Scotland**
- Community Broadband Scotland (CBS) is working with community groups to develop projects for providing broadband solutions in the areas outwith the Superfast Broadband roll-out programme. CBS aims to fund projects in 'no build' areas, those which are not commercially covered and where the DSSB programme has no roll-out plans.
- 5.3 The existing CBS programme has been facing complex problems in encouraging rural communities to undertake projects. To address these issues, CBS is developing an aggregated approach that brings a number of rural communities together to provide a critical mass of premises that can then form the basis of a commissioning exercise. Currently such a strategic programme is being developed within the South of Scotland by the Southern Upland Partnership for the Tweeddale, Ettrick and Yarrow, Eskdalemuir and Newcastleton areas. The working title is 'Ettrick and Beyond'. Other CBS activities include Foulden, Lammermuir, Stobo and Heriot.

5.4 Significant expectations and burdens are placed on communities to manage and sustain these projects. It is clear that communities need to have capacity, leadership and skills to do this, so only some communities will be able to undertake these projects. There are also significant levels of revenue and capital funding required, in addition to the funding support from CBS. Officers from the Council, as part of the South of Scotland Alliance, are currently working with Community Broadband Scotland to look at how to extend the reach of the programme. The aim is to prepare a proposal for the new Scottish Government which builds on the CBS's current work on community projects in order to reach more of the remaining 6% of premises in the South of Scotland.

5.5 **Reaching 100% Programme**

It is understood that the CBS programme will support about 20,000 premises across Scotland, out of a total of approximately 120,000 premises that will not be served by the Superfast Broadband Programme. This means that a significant number of premises will remain without superfast broadband access, especially in rural areas like the Scottish Borders. The Scottish Government has recognised the need for a national approach to this issue and is putting in place a "Reaching 100% Programme" to cover the remaining 5-6% of premises, mainly in areas of rural Scotland. This new programme will use the funding that was allocated to phase 2 of the DSSB programme, but undoubtedly additional resources will also be required if the important and ambitious target is to be achieved.

5.6 **Satellite Broadband**

Parts of the Scottish Borders are also eligible for a pilot project to provide Superfast Satellite Broadband to certain postcode areas. The pilot is being run by Avanti and receives funding from the UK Government to target up to 1000 customers across the South of Scotland, Aberdeenshire and parts of Northern Ireland. So far, approximately 30 premises have taken advantage of the pilot, which has now been extended until the end of July 2016, or whenever the funding runs out. In addition, satellite is available to sub-2 Mbps premises now via the DSSB programme. The UK government supplementary scheme (administered by DSSB) is for sub-2 Mbps premises in commercially covered areas and/or long lines. However, it is acknowledged that satellite broadband is not an ideal solution because of the limitations in the capacity of superfast broadband that can be provided.

5.7 **CGI/SBC Contract**

The major announcement of the new ICT services contract that CGI will deliver for the Council over the next 13 years has also raised the possibility of benefits for digital connectivity in the area. CGI will work with its infrastructure partner, Commsworld, to unbundle some of the exchanges in the Borders to allow CGI to deliver a superfast broadband offering to schools, communities and businesses. This could have a positive impact on the services available to businesses and households, and it is hoped that BT Openreach may also respond positively to additional competition in the area. The scope and detailed impacts of this work are still being considered by officers and a further briefing will be provided once these have been agreed with CGI/Commsworld.

5.8 **Scottish Borders Digital Strategy**

Looking to the future, there are concerns about ensuring that the Scottish Borders can benefit from future digital network improvements. There are also concerns about ensuring an inclusive approach so that people, young and old, have the skills and knowledge to use digital platforms in their working, learning and home lives. The Council and its Community Planning Partnership partners are developing a Digital Strategy that will help to set the strategic direction for the digital infrastructure that is required, both broadband and mobile communications. It will also focus on how the infrastructure can be successfully used by everyone, to make businesses more competitive, to make services more accessible and to make sure that people have access to the digital skills and knowledge that they will require in future.

6 IMPLICATIONS

6.1 **Financial**

There are no direct financial costs as a result of the recommendations of this report. The Council has already committed £8.4M of capital funding to the Digital Scotland Superfast Broadband roll-out in order to extend that programme to connect as many premises as possible in the Scottish Borders. However, it is clear that to tackle the remaining gaps in providing superfast broadband to premises there will be a national need for significant capital and revenue funding. Officers are looking at this matter and are considering ways forward, including working with Community Broadband Scotland to prepare proposals for Scottish Government that address the final 6% of premises across the South of Scotland.

6.2 **Risk and Mitigations**

There is a reputational risk to the Council if the DSSB Programme does not deliver improved services to as many premises as possible. This risk is being mitigated by on-going involvement by Council officers in the programme management of the roll-out. Scottish Government and COSLA are also involved in managing the roll-out contract to ensure that the public funding involved is used as efficiently as possible, thus ensuring that as many premises as possible are served by the technology.

6.3 **Equalities**

It is anticipated there are no adverse impacts due to race, disability, gender, age, sexual orientation or religious/belief arising from this report.

6.4 **Acting Sustainably**

The roll-out will contribute to the sustainability of local businesses and communities as it will facilitate the delivery of digital services and digital business opportunities to a much greater number of premises across the Scottish Borders. For instance, this could help reduce the need for travel and reduce vehicle emissions.

6.5 **Carbon Management**

The Superfast Broadband rollout could reduce the need for travel and have a positive impact on carbon emissions.

6.6 Rural Proofing

While this report does not propose any new or amended policy, the DSSB rollout will improve digital connectivity in many rural areas. However, there remain significant challenges in providing good, modern broadband services to all the rural areas of the Scottish Borders.

6.7 Changes to Scheme of Administration or Scheme of Delegation

There are no changes to be made to the Scheme of Administration or Scheme of Delegation arising from this report.

7 CONSULTATION

7.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted and their comments have been incorporated into the report.

Approved by

Rob Dickson
Corporate Transformation
and Services Director

Signature

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Background Papers:

Previous Minute Reference: Item 6, Executive Committee, 2 February 2016

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APPENDIX 1

The current plan for rollout by BT under the Digital Scotland Superfast Broadband programme is set out below.

Please note that engineering plans and delivery timescales depend on many factors and can be subject to change. All information is based on the best view BT have today using their current plans.

Scottish Borders

A. Exchanges already Accepting Orders for Superfast Broadband:

Ayton, Birgham, Chirnside, Clovenfords, Coldstream, Darnick, Duns, Earlston, Ettrick Bridge, Eyemouth, Fountainhall, Galashiels, Gattonside, Hawick, Innerleithen, Kelso, Lauder, Leitholm, Lilliesleaf, Melrose, Newtown St Boswells, Peebles, Selkirk, St Boswells, Stow, Gifford, Moffat

B. The following Exchange Areas are now "Coming Soon" and anticipated to see a level of coverage commence over the next 6 months.

Ancrum, Ashkirk, Blainslie, Swinton, Cockburnspath, Coldingham, Denholm, Greenlaw, Jedburgh, Eddleston, Liddesdale, Oxton, Reston, Roxburgh, Skirling, Stichill, Paxton, West Linton, Westruther, Whitsome, Yetholm, Bentpath, Canonbie, Langholm, Temple

C. The following Exchange Areas are planned and in scope for a level of coverage phased through 2016 and into 2017, subject to survey.

Abbey St Bathans, Bonchester Bridge, Borthwick Brae, Camptown, Crailing, Drochil Castle, Gordon, Grantshouse, Heriot, Kirkton Manor, Lempitlaw, Longformacus, Morebattle, Smailholm, Steele Road, Stobo, Teviotdale, Walkerburn, Yarrowford, Innerwick

D. The following Exchange Areas remain under evaluation but BT are reviewing detailed plans to determine what coverage is possible, within existing budgets or with new funds.

Cappercleuch, Ettrick Valley, Tweedsmuir, Yarrow, Eskdalemuir, Humbie

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BROADBAND IMPROVEMENTS – UPDATE

Report by Executive Director

EXECUTIVE COMMITTEE

30 January 2018

1 PURPOSE AND SUMMARY

- 1.1 **This report provides an update to elected members on the progress that is being made in delivering improved broadband services in the Scottish Borders.**
- 1.2 Digital connectivity is critical to the economic development and competitiveness of the Scottish Borders. Scottish Borders Council has contributed significantly to the roll-out of the Scottish Government's Digital Scotland Superfast Broadband (DSSB) programme, spending £8.4M over two years to help extend the roll-out as far as possible in the Scottish Borders. The Council Administration has identified digital connectivity as a key priority in its 'Connected Borders' plan.
- 1.3 More than 130 new superfast broadband cabinets and exchange upgrades have been delivered as part of the roll-out, connecting over 31,800 premises in the Scottish Borders. Figures provided by the DSSB programme indicate that up to the end of September 2017, 82.7% of premises had been connected to fibre enabled cabinets or exchanges. The DSSB roll-out, with added 'Gainshare' funding, will continue until the end of 2018, aiming to connect 94.9% of all the premises in the area.
- 1.4 Although progress is being made in delivering the DSSB programme, there remain a number of challenging issues to be addressed in relation to providing superfast broadband services across the Scottish Borders. One of the key issues is that although a home or business may be connected to the new fibre enabled technology, if they are located too far from the cabinet or exchange) then it is likely that there will be no improvement in their broadband service. This is acknowledged as the 'long lines' issue.
- 1.5 The Scottish Government has announced its commitment to investing £600m to extend superfast broadband access to 100% of premises across Scotland by the end of 2021. The Scottish Government is delivering a national approach to this issue, putting in place a "Reaching 100% Programme" (R100) to cover the remaining premises where the DSSB roll-out will not reach. As well as providing connections for those premises that have not been covered by the DSSB roll-out, R100 will also address the of 'long lines' issue. The R100 programme also raises the superfast broadband speeds being targeted, up from 24Mbps to 30Mbps.

2 RECOMMENDATIONS

- 2.1 **I recommend that the Executive Committee:**
- (a) Notes the progress made on delivering the Digital Scotland Superfast Broadband programme, as set out in Appendix 1;**
 - (b) Welcomes the Scottish Government announcement that the**

R100 tender process is under way;

- (c) Agrees to write to the Cabinet Secretary for Rural Economy and Connectivity to encourage the Scottish Government to maximise the full-fibre coverage in the R100 programme, to promote an 'Outside-In' approach to its delivery and to urge that work on the programme starts as quickly as possible for the Scottish Borders;**
- (d) Notes the delays with Community Broadband Scotland being experienced by local community groups and raises these concerns with the Cabinet Secretary for Rural Economy and Connectivity in the letter agreed above;**
- (e) Asks the Executive Director to work with partners in adjoining local authorities to develop a viable application to the Local Full Fibre Network Challenge Fund, noting that it may be delivered through the City Region Deal partnership or the South of Scotland Economic Partnership;**
- (f) Asks the South of Scotland Economic Partnership to make Digital Connectivity, uptake of digital services and the development of digital skills for businesses and individuals a priority for the Interim Arrangements Workplan;**
- (g) Expresses concern over the range of issues affecting the delivery of superfast broadband in the rural areas of the Scottish Borders and asks that these are raised with The Deputy First Minister and Cabinet Secretary when they meet the South of Scotland Alliance in February 2018;**
- (h) Agrees to the facilitation of a Scottish Borders Digital Network to encourage coordination and information sharing between key local stakeholders with an interest in digital; and**
- (i) Asks the Executive Director to prepare a further update report once the outcome of the initial R100 procurement is available.**

3 BACKGROUND

- 3.1 Good digital connectivity to crucially important to the future economic development and competitiveness of the Scottish Borders. It is clear that robust digital connectivity will be central to the delivery of private and public services and in meeting the needs and expectations of consumers, businesses and visitors. The Council Administration's plan, Connected Borders, highlights the importance it places on improving digital connectivity in the Scottish Borders.
- 3.2 The Council's long-standing ambition is that wherever someone is located in the Scottish Borders, they should be able to access superfast broadband for business or personal use. The Council recognises that this aspiration is still some way from being fulfilled, even though good progress is being made towards superfast broadband coverage in many parts of the area.
- 3.3 Through the South of Scotland Alliance, the Council has expressed concerns to Scottish Government Ministers that there is still a clear inequity between the digital connectivity in more densely populated areas and that available in rural areas like the Scottish Borders. Officers are also concerned that even higher bandwidth services, often already available in city and urban areas, are not being made available in the Scottish Borders, meaning that rural areas are again being left behind in the digital connectivity race.
- 3.4 Scottish Borders Council has made a significant financial contribution to the current roll-out of the Scottish Government's Digital Scotland Superfast Broadband (DSSB) programme, providing £8.4M over two years to help extend the roll-out as far as possible in the Scottish Borders. The DSSB Programme is now in its final stages and this report sets out progress to date, as well as the other digital initiatives that are expected to support digital connectivity in the Scottish Borders in future.

4 DIGITAL SCOTLAND SUPERFAST BROADBAND PROGRAMME

- 4.1 The indicative outcome for the Digital Scotland Superfast Broadband (DSSB) programme was to increase superfast broadband connection to 93.8% of premises in the Scottish Borders. This figure is based on commercial operators completing their plans in full. At the start of the programme, the anticipated commercial coverage of superfast broadband for Scottish Borders was just 39.3% of all premises.
- 4.2 The first new superfast broadband cabinet went "live" in the summer of 2014 and since then a number of localities have been upgraded to fibre broadband. At the moment more than 130 new superfast broadband cabinets and exchanges have been delivered as part of the roll-out, enabling the provision of new services to over 31,800 premises in the Scottish Borders, as of the end of September 2017.
- 4.3 An indication of which settlements have already been upgraded to allow access to fibre broadband is attached at Appendix 1. This DSSB work is complemented by the commercial roll-out that BT Openreach undertook in Galashiels, Peebles, Innerleithen, and latterly, in Hawick and Kelso. Appendix 2 provides a visual representation of the areas in the Scottish Borders that have been covered by the commercial and DSSB roll-outs up until the end of September 2017.
- 4.4 The roll-out of the Digital Scotland Superfast Broadband Programme was supposed to be completed at the end of December 2017. However, up to the end of September 2017, figures provided by the DSSB office indicate that 82.7% of premises had been connected to fibre enabled cabinets or exchanges. In view of this, it is highly unlikely that the target of 93.8% of premises was achieved by the end of December 2017, as originally

specified. The Council needs to continue to press Scottish Government and Openreach to ensure that the coverage envisaged by the DSSB programme is delivered in the Scottish Borders.

- 4.5 The DSSB programme continues to deliver on a phased basis and further areas will be upgraded during 2018. Appendix 1 also sets out the expected rollout in terms of the exchange areas that will be worked on in the next six months or so (Section B); the more rural areas that will receive some level of coverage later in 2018 (Section C); and the most remote areas where a Superfast Broadband solution is still under evaluation (Section D). It is important to note that engineering plans and delivery timescales to install this infrastructure depend on many factors and can be subject to change. The information in Appendix 1 is based on the best view that Openreach has at present, using their current plans.

4.6 **Limitations of the DSSB Programme**

As the DSSB programme has progressed it has become clear that there are a number of issues with how effectively it delivers in widely dispersed rural areas like the Scottish Borders and Dumfries & Galloway. On-going concerns have been raised by residents in different parts of the Scottish Borders, frustrated over the lack of clarity about when a service will become available and also whether they will actually see an improvement in service.

- 4.7 The availability of the DSSB website (www.scotlandsuperfast.com)where individuals can check their postcode in the system answers some users' queries. There have been on-going improvements to the interactive map, in particular for those not yet connected. This includes informing enquirers where they may not be connected under the DSSB programme and directing them to alternative solutions.
- 4.8 The DSSB programme is using fibre optic technology to increase the broadband speeds that are available. However, most premises are connected to this upgraded fibre network through their existing copper telephone lines. Where the premises are reasonably close to the newly installed Superfast Broadband Cabinet, then users should see good broadband speeds when they sign up for a new fibre broadband service. Unfortunately, once homes and businesses are more than 1.2km from the Superfast cabinet, they will experience a much reduced service, with those premises furthest away seeing no benefit at all. This 'long lines' issue may also have an impact close to, and within, towns and villages, as the 1.2km threshold is as measured by the existing cable routing, rather than a straight line to the cabinet.
- 4.9 Although 93.8% of the premises in the Scottish Borders are expected to be connected to upgraded Superfast Broadband infrastructure, it seems that a proportion of those premises will not be able to take advantage of new services because they are too distant from a Superfast Cabinet. As an indicator of the impact of this, Scottish Government estimates that about 87% of premises in Scottish Borders will receive fibre coverage that delivers 24Mbps or faster connections speeds. This would then suggest that at least 13% of premises in the Scottish Borders will not actually receive a Superfast Broadband service (ie 24Mbps or above), although they may well see some improvement in comparison to the service that they previously received. This is likely to be a very frustrating situation for the businesses and householders affected and it is an issue that must be addressed in the work that is being taken forward by the new Scottish Government for future phases of digital infrastructure development.

4.10 As the DSSB Programme comes to an end, it will be crucial that accurate figures based on the premises that have actually receiving an improved service are provided as part of the outputs of the programme. This is particularly important for Councils such as Scottish Borders and Dumfries & Galloway, which have made significant financial contributions to the DSSB programme. It will be later in 2018 before the Government has final figures and outputs from the Programme and is able to then provide the Council with the results for the Scottish Borders and the associated assessment of value for money for the Council's investment.

4.11 **Take-Up of Superfast Broadband**

It is important to stress that businesses and households need to sign up for new fibre based services in order to take advantage of the upgraded infrastructure. The Digital Scotland Superfast Roll-out requires businesses and households to sign up for a new service or new package. This is not always clear to users in the newly connected community and this has recently been a stronger part of the messaging that has been promoted about the rollout. It is expected that the variable take-up rates of the new service are partly due to lack of awareness of this fact.

4.12 Scottish Government has provided some high level information on the take-up rates for Superfast Broadband. The average adoption rate across the Scottish Borders (in areas that have access to the new service) is about 35%. Coldstream, Earlston, Eyemouth, Melrose, Selkirk, St Boswells and West Linton have been highlighted as high adoption communities. Duns, Jedburgh and Kelso are noted as having lower adoption rates. Overall, it is important that businesses and households take advantage of the improved connectivity wherever they can. Higher take-up rates will help justify and drive further investments in connectivity in the future.

5 ADDITIONAL BROADBAND CONNECTIVITY SUPPORT

5.1 Although the DSSB programme is likely to provide most of the faster broadband coverage in the area, there are additional projects under way to help improve broadband outwith the main programme.

5.2 **Gainshare for DSSB Programme**

A 'Gainshare' clawback mechanism which returns money to the Scottish Government when there has been higher than expected take up of fibre broadband from Openreach will help to extend coverage in the DSSB programme. This has raised about £15.6M for the Rest of Scotland programme and this is being reinvested in providing greater coverage of fibre broadband. The Gainshare Fund has been used to deliver increased coverage to 'new premises'. It uses the principles that 1) all Local Authority areas should benefit on a best value basis; and 2) all 14 contributing Local Authorities should benefit from the gainshare funds to a level proportionate to the sum contributed by that Local Authority.

5.3 In the Scottish Borders this means that 94.9% of premises are expected to be connected to the fibre enabled network by the end of December 2018. This is 1.1% higher than the 93.8% originally specified in the DSSB programme. It means that more than 670 additional premises will be connected to the fibre enabled network.

5.4 The availability of the Gainshare Fund will also ensure that the Scottish Borders will benefit from a speed uplift in certain areas. By the end of December 2018, DSSB is projecting that 89.1% of premises in Scottish Borders will have access to speeds of greater than 24Mbps. This is an extra 2.1% over the figure that would have been achieved without Gainshare. This boost to speed coverage means that a further 1,294 premises in Scottish Borders will have access to speeds of greater than 24Mbps.

5.5 **Reaching 100% Programme**

Building on the success of the joint investment from UK Government, Scottish Government and Local Authorities through the DSSB programme, the Scottish Government announced its commitment to investing £600m to extend superfast broadband access to 100% of premises across Scotland by the end of 2021. The Scottish Government is delivering a national approach to this issue, putting in place a "Reaching 100% Programme" (R100) to cover the remaining premises, mainly in areas of rural Scotland.

5.6 Any home or business that will not have superfast broadband delivered commercially, through DSSB, or other publicly funded projects, will be eligible for investment through the programme. However, Scottish Government will seek to prioritise public investment in the most rural and remote communities, recognising the key role that commercial investment will continue to play in urban areas.

5.7 At the end of December 2017, the Scottish Government launched the first procurement for its R100 programme. It will be split into three separate programmes covering North, Central, and South areas of Scotland. The total investment which has been allocated for this is £600 million, with £133 million of that to be delivered in the 'South' area. This is largely, but not wholly, made up of Dumfries & Galloway and Scottish Borders council areas.

5.8 The challenge for the R100 programme of connecting 100% of premises to Superfast Broadband (speeds of at least 30Mbps) should not be underestimated. It is expected that a number of procurement exercises will be required over time to deliver the full coverage target, especially in very rural areas like the Scottish Borders. It is important that the Scottish Government is able to identify, and share with stakeholders, which premises will miss out in the initial procurement as soon as it practical. This will help to manage expectations of those frustrated to have not yet received an adequate service.

5.9 One option the Scottish Government could consider as it lets the R100 contracts would be to prioritise those communities and premises that are hardest to reach. This 'Outside-In' approach would ensure that the most remote premises and communities are connected first, a reverse of the approach taken for the DSSB rollout. Taking this approach would address the most challenging premises while ensuring that the funding is being spent on those premises most likely to need funding. The network solutions for these premises could then be used to create solutions for the less peripheral premises.

5.10 Scottish Government has also acknowledged that in order for it to deliver its ambition of 100% superfast coverage it will need to make use of a range of technologies. These are: fibre, wireless, 4G and high speed satellite. The Council considers that there should be a strong preference made by the Scottish Government for fibre to be used wherever possible in the R100 roll-out. It is considered that the use of Fibre to the Cabinet (FTTC) in the DSSB programme has only been effective as a short term fix. Currently the only way to deliver a truly future-proof digital network is to

use Fibre to the Premises (FTTP) as widely as possible.

- 5.11 In particular, it is considered that satellite technology will provide a suboptimal and non-future proofed solution for customers. Using technology such as this will inevitably require further upgrading in future, as digital needs and demands require greater bandwidth and full-fibre solutions. As such, the choice of technology should strongly favour the use of fibre, which should be used wherever possible.

5.12 **Universal Service Obligation**

The UK Government has proposed a universal service obligation (USO) for broadband services in order to ensure provision of a service to all premises. The Government's consultation suggested that the USO would provide a minimum broadband download speed of 10Mbps. Officers responded on behalf of the Council, highlighting that the USO as proposed was a poor solution. The speeds proposed do not come near to matching Superfast speeds. It is important that the government is future-proofing the digital infrastructure across the UK, so that it is not almost immediately obsolete.

- 5.13 It is considered that the direction of travel for the UK IT infrastructure should be focused on extending fibre networks to cover as many premises as possible. The USO should not prejudice or delay this much needed move from a copper-based infrastructure to full fibre. In Scotland, the R100 Programme aims to deliver 30Mb/s download speeds to 100% of premises. This more ambitious approach provides some additional future-proofing and, if delivered, makes a USO of 10Mb/s much less relevant.

5.14 **Local Full Fibre Network**

Currently all of the investment, activity and effort is focused on ensuring that there is full coverage of Superfast Broadband for all parts of the Scottish Borders. However, as noted above, it is also clear that there needs to be a focus on preparing for the next challenge; it is considered that this is to ensure that there is full-fibre connectivity to all premises. This ambition is likely to be a priority issue for the Borderlands Initiative, which the Council is engaged in with the four other Anglo/Scottish local authorities (Dumfries & Galloway, Carlisle City, Northumberland and Cumbria Councils). This will aim to deliver hyperfast broadband (Gigabit connections – 1,000Mbps) in key settlements and employment sites across the Borderlands area.

- 5.15 The UK Government launched a Local Full Fibre Network (LFFN) Challenge Fund in November 2017. The LFFN Programme aims to stimulate commercial investment in full fibre networks across the whole of the UK, including rural and urban locations in England, Scotland, Wales and Northern Ireland, by demonstrating approaches that encourage additional private investment and by making sustainable commercial deployments viable. Council officers are discussing the opportunities to bid into this fund with colleagues in Midlothian, City of Edinburgh and Dumfries & Galloway Councils. Officers are investigating the potential of making a viable bid to the LFFN for its next round in May 2018.

5.16 **Community Broadband Scotland**

Community Broadband Scotland (CBS) has been working with community groups to develop projects that provide broadband solutions in the areas outwith the Superfast Broadband roll-out programme. CBS aims to fund projects in 'no build' areas, those which are not commercially covered and where the DSSB programme has no roll-out plans.

5.17 The CBS programme has faced complex problems in encouraging rural communities to undertake projects. To address these issues, CBS developed an aggregated approach that brings a number of rural communities together to provide a critical mass of premises that can then form the basis of a commissioning exercise. A strategic programme was developed in the Scottish Borders under the Borders Community Broadband banner. However, this project has been put on hold due to uncertainties around CBS and the impact of the R100 programme. Other CBS activities have also included Foulden, Lammermuir, Stobo and Heriot.

5.18 Significant expectations and burdens are placed on communities to manage and sustain these projects. It is clear that communities need to have the capacity, leadership and skills to do this, so only some communities will be able to undertake these projects. There are also significant levels of revenue and capital funding required, in addition to the funding support from CBS. It is clear that uncertainty around CBS, the DSSB roll-out and the new R100 programme schemes has effectively put even the most advanced community-led schemes on hold whilst they see what will happen.

5.19 **Satellite Broadband**

The Better Broadband Subsidy Scheme has been developed by the UK government. It sets out to provide access to a subsidised broadband installation to homes and businesses that are unable to access a broadband service with a download speed of at least 2Mbps and will not benefit from the current phase of the Digital Scotland Superfast Broadband roll out. If someone takes advantage of the Better Broadband Subsidy Scheme, their household or business will still be eligible for a fibre broadband service in the future when the Digital Scotland Superfast Broadband programme deploys in their area. Applications to the Better Broadband Subsidy Scheme can be made until the end of December 2018. However, it is acknowledged that satellite broadband is not an ideal solution because of the limitations in the capacity of superfast broadband that can be provided. There is a growing number of point-to-point wireless operators who are offering their services in the Scottish Borders and this can also provide an alternative to satellite services, if available.

5.20 **CGI/SBC Contract**

The ICT services contract that CGI will deliver for the Council over the next 12 years may also deliver benefits for digital connectivity in the area. CGI is working with its infrastructure partner, Commsworld, to unbundle some of the exchanges in the Scottish Borders to allow CGI to deliver a superfast broadband offering to the school estate. This could have a positive impact on the services available to businesses and households, and it is hoped that Openreach may respond positively to additional competition in the area. CGI and Commsworld are developing the details and coverage of this work with input from officers.

5.21 **Scottish Borders Digital Strategy**

Looking to the future, it is crucial that the Scottish Borders can benefit from future digital network improvements. This needs to encompass an

inclusive approach so that people, young and old, have the skills and knowledge to use digital platforms in their working, learning and home lives. The Council is considering how best to develop a Digital Strategy that will help to set the strategic direction for the digital infrastructure that is required, both broadband and mobile communications. It will also focus on how the infrastructure can be successfully used by everyone, to make businesses more competitive, to make services more accessible and to make sure that people have access to the digital skills and knowledge that they will require in future.

5.22 **Scottish Borders Digital Network**

In order to encourage the sharing of information and learning in relation to digital connectivity, and to provide a forum for discussion about the key digital issues facing the Scottish Borders, it is proposed that a new Scottish Borders Digital Network is established. This would be convened twice a year and would bring experts and local stakeholders together to discuss key digital topics. It is recommended that the Scottish Borders Digital Network should be facilitated by the Council, with Cllr Rowley, Executive Member for Business and Economic Development taking the role of Chair. The Network would share information and intelligence virtually in the periods between its physical meetings. Stakeholders from the private and voluntary sectors, Community Councils, and Community Planning Partners would be encouraged to engage in the Network. As well as broadband issues, meetings would also consider mobile phone coverage and speeds and other digital issues as they arise.

6 IMPLICATIONS

6.1 **Financial**

There are no direct financial costs as a result of the recommendations of this report. The Council has spent £8.4M of capital funding as part of the Digital Scotland Superfast Broadband roll-out in order to extend that programme to connect as many premises as possible in the Scottish Borders. It is possible that Scottish Government may seek further funding contributions from Local Authorities to support the current R100 roll-out. However, it is recommended that no further Council funding is committed at this time, until the value for money and impact of the DSSB investment has been assessed and proven.

6.2 **Risk and Mitigations**

There is a reputational risk to the Council if the DSSB Programme does not deliver improved services to as many premises as possible. This risk is being mitigated by on-going involvement by Council officers in the programme management of the roll-out. Scottish Government and COSLA are also involved in managing the roll-out contract to ensure that the public funding involved is used as efficiently as possible, thus ensuring that as many premises as possible are served by the technology.

6.3 **Equalities**

It is anticipated there are no adverse impacts due to race, disability, gender, age, sexual orientation or religious/belief arising from this report.

6.4 **Acting Sustainably**

The DSSB and R100 roll-outs will contribute to the sustainability of local businesses and communities as it will facilitate the delivery of digital services and digital business opportunities to a much greater number of premises across the Scottish Borders. For instance, this could help reduce the need for travel and reduce vehicle emissions.

6.5 Carbon Management

The DSSB and R100 rollouts could reduce the need for travel and have a positive impact on carbon emissions.

6.6 Rural Proofing

While this report does not propose any new or amended policy, the DSSB and R100 rollouts will improve digital connectivity in many rural areas. However, there remain significant challenges in providing good, modern broadband services to all the rural areas of the Scottish Borders so it will be important that the Council carefully monitors progress with the delivery of these programmes.

6.7 Changes to Scheme of Administration or Scheme of Delegation

There are no changes to be made to the Scheme of Administration or Scheme of Delegation arising from this report.

7 CONSULTATION

- 7.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR and the Clerk to the Council have been consulted and their comments have been included in the report.

Approved by

Rob Dickson
Executive Director

Signature

Author(s)

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Background Papers:

Previous Minute Reference: Executive Committee, 7 June 2016

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Bryan McGrath can also give information on other language translations as well as providing additional copies.

Contact us at Bryan McGrath, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA Tel: 01835 826525, email bmcgrath@scotborders.gov.uk

APPENDIX 1

The current plan for rollout by Openreach under the Digital Scotland Superfast Broadband programme is set out below.

Please note that engineering plans and delivery timescales depend on many factors and can be subject to change. All information is based on the best view Openreach have at present using their current plans.

Scottish Borders

A. Exchanges already Accepting Orders for Superfast Broadband:

Ancrum, Ashkirk, Ayton, Allanton, Birgham, Bonchester Bridge, Bowden, Broughton, Chirnside, Clovenfords, Cockburnspath, Coldingham, Coldstream, Crailing, Darnick, Denholm, Dolphinton, Drochil Castle, Duns, Earlston, Eddleston, Eildon, Ettrick Bridge, Eyemouth, Fountainhall, Galashiels, Gattonside, Grantshouse, Greenlaw, Hawick, Innerleithen, Jedburgh, Kelso, Kirkton Manor, Lauder, Leitholm, Liddesdale, Lilliesleaf, Macbiehill, Melrose, Morebattle, Newtown St Boswells, Oxton, Paxton, Peebles, Reston, Roxburgh, Selkirk, Skirling, St Boswells, Stichill, Stow, Swinton, Upper Burnmouth, West Linton, Town Yetholm, Gifford, Moffat, Innerwick

B. The following Exchange Areas are now "Coming Soon" and anticipated to see a level of coverage by the end of June 2018.

Blainslie, Camptown, Eskdalemuir, Gordon, Heriot, Lempitlaw, Longformacus, Smailholm, Walkerburn, Westruther, Whitsome, Yarrowford, Bentpath

C. The following Exchange Areas are planned and in scope for a level of coverage phased through 2018, subject to survey

Abbey St Bathans, Borthwick Brae, Stobo, Teviotdale

D. The following Exchange Areas remain under evaluation but Openreach are reviewing detailed plans to determine what coverage is possible, within existing budgets or with new funds.

Cappercleuch, Ettrick Valley, Steele Road, Tweedsmuir, Yarrow, Humberie

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