
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

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

Contact us at Douglas Scott, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA Tel: 01835 825155, email dscott@scotborders.gov.uk

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