

Superfast Surrey Update – September 2016

The Superfast Surrey Team have received a number of enquiries from residents and businesses who are unable to access fast broadband speeds and are keen to understand what their options are.

The information below has been drawn from a variety of sources including Broadband Delivery UK (BDUK) and whilst not comprehensive, addresses key concerns that have been raised with the Superfast Surrey team. Residents and Businesses who are interested in a community funding initiative MUST seek clarification on their specific circumstances with the specific Service Provider involved in their initiative.

If you have any queries about any of the information included in this document, please contact the Superfast Surrey team at enquiries@superfastsurrey.org.uk

Superfast Surrey Status

Four years ago Surrey County Council (SCC) embarked on the Superfast Surrey Broadband Programme to provide faster broadband for homes and businesses in the county excluded from existing and planned commercial rollouts.

This has delivered improved broadband services to 86,000 additional premises, meaning more than 96% of premises in Surrey are now able to access fast broadband of 15mbps or above. According to independent analysis by ThinkBroadband, this makes Surrey the best connected county in England.

However, there are premises across all of Surrey that are still unable to access faster broadband speeds. The principle reason for the slower speeds is the length of the telephone line between the upgraded cabinet and the property. There are also some existing telephone cabinets and other structures serving premises in Surrey that have not yet been upgraded to the fibre network due primarily to engineering complexity and/or associated high cost.

SCC is continuing to work to try and get faster broadband to as many of the remaining premises as possible and has just completed an Open Market Review (OMR) and State Aid Public Consultation to understand the broadband landscape of Surrey before any further decisions will be taken around further deployment as part of the Superfast Surrey Programme. This identified that of the approximately 20,000 premises in Surrey that are currently unable to access fibre broadband download speeds of 15mbps or more, more than 15,300 premises are not included in any further commercial rollout plans.

SCC has now requested BT to model possible options within the programme's cost constraints and available funding. However, it will not be known until late this year which of these premises might benefit from any publicly funded deployment.

Once the outcomes are known and decisions taken on any further deployment, SCC will send out a further email advising that information has been uploaded to the Superfast Surrey website.

What alternatives are there?

Residents and businesses can:

- investigate satellite, wireless or mobile services which may provide improved speeds
- investigate installing a dedicated fibre service (leased line) – this is likely to be an expensive option
- register interest in a fibre connection with Virgin Media at <https://cablemystreet.virginmedia.com/> a mechanism for assessing where there is sufficient demand to justify private investment
- co-ordinate and help self-fund a community initiative with a service provider such as BT – see more details below.

The Government has also taken steps to try and improve broadband provision:

- **Better Broadband Scheme:** The Better Broadband Subsidy Scheme has been developed by the UK government 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 2 Mb per second. This scheme, which is being funded and managed directly by Broadband Delivery UK (BDUK) and **will end at the end of 2017**, provides support which can be used towards the cost of equipment and installation from one of the participating suppliers. Due to the scheme ending at the end of 2017, any eligible residents and businesses who wish to apply for this subsidy can submit their request to BDUK for a voucher code anytime from now to latest by the beginning of November 2017.

Most participating suppliers in Surrey in the Better Broadband Scheme are Satellite Providers, however BT is now also participating **via its Community Fibre Partnerships Scheme (see details below)**.

For more information about this scheme and how to apply for the subsidy, please see <http://superfastsurrey.org.uk/revised-better-broadband-subsidy-scheme/>

- The Government has also announced the **Universal Service Obligation (USO)** – this proposal will give people the legal right to request a connection to broadband with download speeds of 10 Mbps from a supplier in 2020. However, there is no clarity on how this obligation will be funded and administered.

Community funded Initiatives

Communities can decide at any time if they wish to undertake a community funded initiative and which service provider they wish to work with to deploy the infrastructure. All communications relating to a community initiative must take place directly between the community and the service provider.

SCC is aware of a number of groups in Surrey that are currently investigating the possibility of community funded initiatives. Premises that were identified as State aid compliant in SCC's recent Open Market Review (OMR) and State aid public consultation and are cleared by BDUK will continue

to remain eligible for State aid until the point at which a contract is signed between the Service Provider and the community. At this point, premises included in the contract will no longer be considered for further deployment by the Superfast Surrey programme.

If a community is interested in self-funding a broadband infrastructure project:

1. The community should seek to identify those residents and businesses who are interested in participating in such a scheme. This can be done either by door-knocking residents, working with the parish council to identify those residents who may be interested in participating etc.
2. Once the level of interest is understood, the community then needs to register directly with a service provider such as BT (<http://www.communityfibre.bt.com/>) or Virgin Media (<http://www.virginmedia.co.uk/>) etc.
3. The service provider will work with the community directly to understand the scope of the project and determine the most appropriate solution within the parameters of timeframes, broadband speeds, capacity, administration and costs.
4. The service provider will then submit a quotation to the community.
5. Once a contract between the community and the service provider is signed, planning works can start, wayleaves obtained for installation of infrastructure such as ducting, poles, power, cables or cabinets on private property and construction commenced.
6. **From the time a contract is signed to when the infrastructure is ready for service is a minimum of 12 months and there is a risk that it can be much longer.** It is therefore important for the community to identify a contact at the service provider in order to obtain regular updates and understand the scope and timeframes of the project.
7. The Infrastructure that is installed will be owned and operated by the service provider.

Are there any sources of funding for community initiatives?

Surrey County Council/Superfast Surrey

BT is currently modelling options using the Superfast Surrey programme's funding and it is unlikely that there will be any residual funding remaining that could be used in the support of community initiatives. This will be confirmed later this year.

Public Subsidy Contributions (such as from Parish/Town or Borough/District Councils)

Utilising public subsidy from another source would appear to be an easy option but it is actually a complex process. The reason for this is that any financial support from Parish / Town / Borough / District Councils to a specific community funded initiative *would constitute State Aid*. The Parish/Town/District/Borough Council and community would therefore have to go through the entire process of obtaining State aid approval for the community initiative under the 2016 European Commission rules. This would include an Open Market Review – OMR (where service providers would need to be contacted and their responses mapped) then a public consultation and then a full procurement process.

Any new public subsidy funding contributions cannot be routed through Superfast Surrey's existing contract as this is restricted to the programme's own funding.

Better Broadband Scheme – BT Community Fibre Partnership Scheme

BT is now participating in the Better Broadband Scheme (see Page 1) via its Community Fibre Partnerships Scheme. The subsidy can be applied for by residents or businesses that are unable to access download speeds of 2mbps or more and used as part of the community's contribution towards a Community Fibre Partnerships project. Residents must apply for the subsidy eligibility code from BDUK at the point when the broadband infrastructure is almost ready to go live but **BEFORE** the broadband service is made 'commercially available to customers'. The residents then submit these vouchers to BT and BT then submit these vouchers to BDUK once the broadband service is commercially available to customers.

It is therefore key that the community and BT liaise very closely to ensure that this window of opportunity is not missed. As the Better Broadband Scheme ends at the end of 2017, there is a high risk that if the infrastructure deployment of a community initiative slips, residents and businesses will be unable to benefit from this subsidy. This is because the scheme will have ended so BDUK will not accept the vouchers from BT who in turn will not be able to accept them from the community.

Therefore If a community is proposing to partner with BT on a community initiative, **and** there are residents in the community group who are proposing to apply for and utilise the Better Broadband subsidy as part of the community funding contribution, then the community should consider starting this process now and note the following:

- Once the community has registered its interest in a BT community funded initiative at <http://www.communityfibre.bt.com/> and are contacted by a BT representative, the community should clarify their intent to utilise the subsidy vouchers and obtain clarification from BT as to whether this is achievable (i.e. that all infrastructure will be completed by the end of 2017).
- Each resident and business participating in the community initiative who is eligible for the Better Broadband subsidy must apply for their own subsidy voucher (i.e. one individual cannot apply for all the vouchers). These vouchers can be applied for at any time they wish but can only be submitted to BT once the infrastructure construction has been completed (BT in turn can then only claim these vouchers from BDUK once the structure is commercially ready for service.).
- For example, this means that if a community were to sign a contract with BT in October 2016 and BT gave a 12 month delivery time, the community would need to apply for their vouchers from BDUK in September 2017. The community would then submit the vouchers to BT in October 2017 once construction was complete but before they could order a service. Once the community could order a service, BT would then submit the vouchers to BDUK.
- The risk is that if the timeframes of the infrastructure delivery were to slip past December 2017 when the Better Broadband Scheme ends, the community would be unable to use the subsidy vouchers as part of their payment to BT. The community therefore needs to understand whether the timeframes allow for the subsidy to be applied to a specific project and needs to liaise very closely with their BT contract as to when to apply for their vouchers from BDUK.