



Cabinet (Resources) Panel

3 March 2015

Report title	Rollout of Broadband Vouchers	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Peter Bilson Economic Regeneration and Prosperity	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All	
Accountable director	Keren Jones, City Economy	
Originating service	City Economy	
Accountable employee(s)	Heather Clark Tel Email	Service Development Manager 01902 555614 Heather.clark2@wolverhampton.gov.uk
Report to be/has been considered by	N/A	

Recommendation(s) for action or decision:

The Cabinet (Resources) Panel is recommended to:

1. Endorse the approach to rolling out the broadband voucher scheme in Wolverhampton and the Black Country.
2. Delegate authority to the Cabinet Member of Economic Regeneration and Prosperity and Strategic Director Place to approve the terms of a formal agreement to enable the rollout of broadband vouchers to Wolverhampton.
3. Agree to Wolverhampton City Council leading on the rollout of broadband vouchers across the Black Country.

1.0 Purpose

- 1.1 The purpose of the report is to provide an overview of the approach to rollout out the broadband voucher scheme in Wolverhampton and the Black Country and seek delegated authority to enter into formal agreements to enable the rollout.

2.0 Background

- 2.1 Wolverhampton already has strong superfast broadband availability at 93%, covering 103,550 dwellings and 236,400 people, however there are several areas which do not have access to superfast broadband. These areas tend to correlate with our key business areas including Wolverhampton City Centre, Stafford Road Technology Corridor, Bilston and Wednesfield.
- 2.2 The availability of superfast broadband can greatly increase the productivity of a business. A good broadband connection means there is greater capacity to send and receive data electronically. This will allow files to be downloaded and uploaded faster and emails sent and received much quicker, which will be particularly beneficial for companies that regularly need to send or archive large data files.
- 2.3 The Black Country has been awarded £12.2 million aimed at extending the availability of high-speed fibre broadband to 98 per cent of homes and businesses made up of £2.9 million from the Broadband Delivery (BDUK), £6.4 million from BT and £2.9 million from the Black Country Local Enterprise Partnerships Growing Places Fund. Although the proposed Black Country Local Broadband plan will increase coverage to 97.8% coverage, representing 502,428 premises across the Black Country, Wolverhampton city centre is excluded from the rollout and the remaining rollout within Wolverhampton will take place in the later phases of the rollout in late 2016 to 2017.

3.0 Rollout of the Broadband Voucher scheme

- 3.1 In the Autumn statement, the Government announced an extension of the broadband connection voucher scheme to 22 additional cities including Wolverhampton from 1 April 2015. Broadband Vouchers provide grants of up to £3,000 to small medium sized enterprises (SME's) to cover the installation costs of a faster and better broadband service. The extension of the voucher scheme will allow Wolverhampton to address the gap in superfast broadband in Wolverhampton city centre and also allow a shorter term solution to slow broadband speeds on our business parks prior to the rollout of infrastructure as part of the Black Country Local Broadband Plan. The city is allowed to retain ten per cent of all vouchers issued to fund demand stimulation activity and costs associated with delivering the scheme.
- 3.2 A number of options were considered with the preferred option being Wolverhampton City Council running the scheme on behalf of the wider Black Country. The role would involve for off the shelf packages, checking eligibility, paying the supplier and claiming back from BDUK. For bespoke packages, including aggregate schemes, businesses will apply to the city; the city checks their eligibility and issues a voucher, pays the supplier

and claims back from BDUK. To enable the scheme to start 1 April 2015, the council must identify a senior responsible officer, enter into a funding agreement, identify a project team with day-to-day responsibility for administering the scheme, and develop a project plan with monthly milestones and a demand stimulation plan.

3.3 The demand stimulation plan for the Black Country, outlining approaches to promoting broadband vouchers, building on what has worked elsewhere, is likely to include:

- Promoting the benefits of superfast broadband and availability of the broadband voucher schemes to businesses using the business rate database. This method was used in Leeds and generated a 2% response.
- Promoting the opportunity to businesses through the Black Country Growth Hub, the one-stop-shop for business support, in particular its product, Optimising Business Technology which supports businesses to take-up and maximise usage of superfast broadband.
- Geographical targeting: 40% of businesses on Pendeford business park who responded to the Junction 2 survey reported slow broadband as an issue as have businesses at Wolverhampton Science Park due to copper cabling from the superfast enabled cabinet.
- Sector based targeting: retail businesses are eligible, therefore this opportunity would be of interest to Business Improvement District (BID) Areas. A number of retailers in Newcastle bought their broadband vouchers together with an extra benefit of wireless broadband.
- Multi-occupancy buildings by targeting landlords to engage businesses benefiting both the businesses with superfast broadband and also the building branded superfast.
- Business champions are already active in Wolverhampton and have previously been involved in a series of innovation series whereby big employers supported smaller businesses selling the benefits of technology.

4.0 Financial implications

4.1 Wolverhampton City Council will be responsible for issuing the broadband vouchers and paying the supplier, exclusive from VAT, once the work is complete, claiming back from BDUK on a quarterly basis. The rollout of broadband vouchers also enables us to generate income since Cities will be paid the equivalent of 10% on top of all vouchers issued in their area towards demand stimulation activity and associated administration costs. Resources have also been identified in the Black Country European Structural and Investment Fund Strategy 2014-20 to stimulate demand and usage of information communication technology by businesses. The rollout out of vouchers will be based on demand and therefore at this stage cannot be quantified. Any adjustments to budget for delivery of this scheme will be subject to the normal budgetary approval processes.

[ES/12022015/K]

5.0 Legal implications

- 5.1 To enable the rollout of broadband vouchers in Wolverhampton, Wolverhampton City Council will need to enter into a formal agreement with BDUK and meet a number of requirements including governance arrangements, project team, project plan and demand stimulation plan.
- 5.2 As the details of the formal agreement are not yet known, this report delegates authorisation of the formal agreement to an Individual Executive Decision Notice. Legal advice will be provided in this matter to ensure that the agreement is in accordance with relevant statutes and the Council's constitution.

[TS/12022015/M]

6.0 Equalities implications

- 6.1 Superfast broadband can enable positive equalities implications since new technologies can meet the needs of people with disabilities, for example voice recognition software.

7.0 Environmental implications

- 7.1 Superfast broadband can have positive environmental implications through enabling home working, reducing journeys through technology including video conferencing and sending files over the internet.

8.0 Human resources implications

- 8.1 There are no human resource implications to this report.

9.0 Corporate landlord implications

- 9.1 There are no corporate landlord implications to this report. Although businesses in council owned premises may be eligible for broadband vouchers.

10.0 Schedule of background papers

- 10.1 Cabinet Resource Panel 17 June 2014 Black Country Local Broadband Plan