BEDFORD BOROUGH COUNCIL **DECISION NO.** 998

RECORD OF EXECUTIVE DECISION TAKEN BY AN EXECUTIVE MEMBER OR OFFICER

This form can be used for any decision but **MUST** be used to record:

- any decision taken by the Elected Mayor or an individual Councillor
- a key decision taken by a Council Officer

In these circumstances the form must be completed and passed to the Head of Members' Services no later than NOON on the second working day after the day on which the decision is taken. No action may be taken to implement the decision(s) recorded on this form until 7 days have passed and the Head of Members' Services has confirmed the decision has not been called in.

1. Description of decision

To:

(a) **Approve the broadband targets for Bedford Borough, as identified within the initial Joint Local Broadband Plan (Appendix A);**

(b) **Approve the submission of the initial Joint Local Broadband Plan to Broadband Development UK (BDUK), in partnership with Central Bedfordshire Council and Milton Keynes Council; and to acknowledge that Central Bedfordshire Council will act as the Accountable Body for the BDUK funding, contracting on the Partnership's behalf, in accordance with the Joint Local Broadband Plan;**

(c) **Authorise the Head of Economic Development, following consultation with the Mayor, to review and revise the initial Joint Local Broadband Plan to reflect feedback from BDUK and to submit a final Plan in April 2012;**

(d) **Authorise the Head of Economic Development to accept grant funding of £440,000 from Bedford Borough Partnership Board as a match funding contribution towards delivering the Plan within Bedford Borough;**

(e) **Authorise the Head of Economic Development to develop and submit a bid for funding from the European Regional Development Fund to secure funding to help deliver the Plan's outcomes for Bedford Borough; and**

(f) **Note that Bedford Borough Council would be expected to contribute a sum of up to £40,000 during the period 2012/2015 towards project development and management costs, to be funded from within existing Economic Development budgets.**

2. Date of decision

22nd February 2012

3. Reasons for decision

To enable the Council to secure the necessary resources and, using these resources, to deliver improvements in broadband speed and access across Bedford Borough.

4. Alternatives considered and rejected

The alternative is to not apply for funding towards delivery of the project. This has been rejected on the basis that there is need for this project that is not being met by market forces.

5. How decision is to be funded

The decision seeks to secure funding for project delivery. The Council would be expected to provide officer support and contribute up to £40,000 over the 3 year period towards project costs to ensure effective development and delivery of the project. This would be met from within existing Economic Development staffing and budgets.

6. Conflicts of interest

Name of all Executive members who were consulted AND declared a conflict of interest.	Nature of interest	Did Standards Committee give a dispensation for that conflict of interest? (if yes give details and date of dispensation)

The Mayor has been consulted on this decision N/A

Signed Dh Hodgson Date 22nd February 2012

Name of Decision Taker MAYOR DAVE HODGSON,

This is a public document. A copy of it must be given to the Head of Members' Services as soon as it is completed.

Date decision published: 23rd February 2012

Date decision can be implemented if not called in: 5th March 2012

For publication

Bedford Borough Council – Report to Mayor

Date: 17 February 2012

Report by: Head of Economic Development

Subject: LOCAL BROADBAND PLAN

1. Executive Summary

The Mayor is invited to consider the initial Joint Local Broadband Plan for Bedford Borough, Central Bedfordshire and Milton Keynes to be submitted to Broadband Development UK (BDUK) to secure funding to deliver improvements to broadband access and speeds.

2. Recommendations

2.1 The Mayor is invited to consider and, if satisfied, to:

(a) Approve the broadband targets for Bedford Borough, as identified within the initial Joint Local Broadband Plan (Appendix A);

(b) Approve the submission of the initial Joint Local Broadband Plan to Broadband Development UK (BDUK), in partnership with Central Bedfordshire Council and Milton Keynes Council; and to acknowledge that Central Bedfordshire Council will act as the Accountable Body for the BDUK funding, contracting on the Partnership's behalf, in accordance with the Joint Local Broadband Plan;

(c) Authorise the Head of Economic Development, following consultation with the Mayor, to review and revise the initial Joint Local Broadband Plan to reflect feedback from BDUK and to submit a final Plan in April 2012;

(d) Authorise the Head of Economic Development to accept grant funding of £440,000 from Bedford Borough Partnership Board as a match funding contribution towards delivering the Plan within Bedford Borough;

(e) Authorise the Head of Economic Development to develop and submit a bid for funding from the European Regional Development Fund to secure funding to help deliver the Plan's outcomes for Bedford Borough; and

(f) Note that Bedford Borough Council would be expected to contribute a sum of up to £40,000 during the period 2012/2015 towards project development and management costs, to be funded from within existing Economic Development budgets.

3. Reasons For Recommendations

3.1 To enable the Council to secure the necessary resources and, using these resources, to deliver improvements in broadband speed and access across Bedford Borough.

4. Key Implications

4.1 The implications in delivering this project with regard to any legal, policy, resource, risk, environmental or equality issues have been considered as follows:-

Legal Issues

4.2 The Council's powers for economic development derive from Section 2 of the Local Government Act 2000, which enables the Council to do anything it considers will achieve the promotion or improvement of the economic wellbeing of the Borough. This wellbeing power may be exercised in relation to or for the benefit of:

- The whole or any part of the Borough; or
- All or any persons resident or present in the Borough.

The wellbeing power includes power for the Council to:

- Incur expenditure;
- Give financial assistance to any person;
- Enter into arrangements or agreements with any person;
- Co-operate with, facilitate or co-ordinate the activities of, any person;
- Exercise on behalf of any person any functions of that person; and
- Provide staff, goods, services or accommodation to any person.

4.3 There are two necessary steps for the Council to take in order to use the wellbeing powers. The first is that, in determining whether or how to exercise the wellbeing powers, the Council must have regard to the area's Sustainable Community Strategy and the relevant part of this is referred to under the Policy implications section of the report (4.6). The other is that, in considering the use of the wellbeing powers, the decision maker must also have regard to the Secretary of State's current guidance and this is also referred to in the Policy implications section of the report (4.6).

4.4 As the Accountable Body for the receipt of funding from Bedford Borough Partnership Board (BBPB) and, if successful, for European Regional Development Fund (ERDF) funding, the Council will be required to have regard to and deliver the project within the terms and conditions contained within the funding agreements. All monitoring, financial management, governance and audit of the project will be the responsibility of the Council.

4.5 It is noted that State Aid will be a key consideration of the Joint Local Broadband Plan and its contracting intent. In particular this relates to the need for the plan itself to be technology neutral and to address only those needs in 'white' areas (areas with no or poor broadband where there is no current provider intent on improving broadband provision) and for contracting processes to be EU compliant. Central Bedfordshire Council will act as the contracting body, however Bedford Borough Council's legal and procurement services will continue to be engaged with the process, working with colleagues at Central Bedfordshire and Milton Keynes Councils.

Policy Issues

4.6 As mentioned in the legal implications, the decision maker must have regard to the Borough's Sustainable Community Strategy and the Secretary of State's statutory guidance in exercising the wellbeing powers. Both these documents may be viewed on the following links on the internet.

Secretary of State's Guidance:
http://www.communities.gov.uk/documents/localgovernment/pdf/155514.pdf

Sustainable Community Strategy for Bedford Borough 2009-21:
http://www.bedfordboroughpartnership.org.uk

4.7 The Government's purpose in introducing the well-being power is to reverse a traditionally cautious approach and to encourage innovation and closer joint working between local authorities and their partners to improve communities' quality of life. The power is wide-ranging and enables local authorities to improve the quality of life, opportunity and health of their local communities.

4.8 What is proposed within this report is not contrary in any way to the Guidance and seeks to promote and improve the well-being of the Borough's residents, specifically contributing to the delivery of the Thriving Goal of the Sustainable Community Strategy and Priority 5 of the Borough's Economic Development Strategy, which, amongst other things, seeks improved broadband speeds and Next Generation Broadband across the Borough. In connection with this it is noted that broadband improvements and related business innovation and growth can grow production in the wider local economy.

Resource Implications

4.9 The bid for funding to BDUK is expected to result in approximately £440,000 being accessed for broadband delivery within Bedford Borough. The payment of BDUK funding, if successful, will go directly to Central Bedfordshire Council, as the accountable body for the Joint Local Broadband Plan bid. Bedford Borough Partnership Board has committed to provide match funding of up to £440,000 towards project costs. A grant application is proposed to be made to the European Regional Development Fund (ERDF) for approximately £160-200,000 towards delivery of the broadband project. The acceptance of funding under the ERDF bid would be subject to a Mayoral decision towards the end of 2012; and may include working with Central Bedfordshire Council as a joint bid for ERDF funding.

4.10 It is anticipated that there will be management and administrative costs associated with the delivery of the project, including the appointment of a Project Manager by Central Bedfordshire Council, as the Accountable Body for the BDUK project. As a Partner Authority, Bedford Borough Council would be expected to contribute up to £40,000 towards project costs over the 3 year period and provide officer support in ensuring effective development and delivery of the project. This would be met from within existing Economic Development staffing and budgets.

Risk Implications

4.11 There is a risk log contained within the initial Joint Local Broadband Plan at section E4. There are a significant number of risks involved in a complex project of this nature. These may include:

- Non approval of the Joint Local Broadband Plan
- Problems with partner and shared funding relationships
- Failure to get ERDF funding approval
- Major technology/user requirement changes
- A non-competitive contracting process leading to poor value for money
- Difficulties engaging businesses in the ERDF project.

The Joint Broadband Programme Board and Project Management Team have been established to develop the BDUK submission and will oversee and manage the project and its risks.

Environmental Implications

4.12 Benefits to the environment of improved broadband speeds and access could ultimately be significant in particular through access to online facilities and support for home working.

Equalities Impact

4.13 In preparing this report, due consideration has been given to the Borough Council's statutory Equality Duty to eliminate unlawful discrimination, advance equality of opportunity and foster good relations, as set out in Section 149(1) of the Equality Act 2010.

An equality analysis has been undertaken in respect of the preparation and delivery of a local broadband plan delivering on the Government's broadband targets. This shows that some potential equality groups demonstrate disproportionately poor broadband take up. The main focus for local broadband plans is delivery of at least standard and ideally superfast access for all (the Government's targets for use of its funding). Delivery of the Joint Local Broadband Plan is anticipated to have a positive equalities impact.

5. Details

5.1 The current broadband position

Bedford Borough is currently reasonably well positioned in respect of broadband; with Ofcom identifying Bedford Borough as Tier 2 of 5 tiers, where Tier 1 is the best position. Of the 200 Local Authority areas ranked by Ofcom, Bedford is in 137th position for connections above 2Mbps (below this speed is regarded as sub-standard), 96th for average download speeds, 72nd for superfast (> 20 Mbps) accessibility and 20th for broadband take-up.

However:

- There are significant inequalities in broadband speed availability across the Borough, in particular between the urban area (Bedford and Kempston) and rural area – most urban areas have superfast broadband while many rural areas have very poor or no broadband. These inequalities could well grow without concerted action;

- Businesses and residents of Bedford Borough want something done:

  - The 2011 Bedford Business Survey found that 85% of businesses would support (mostly strongly) a plan to provide a minimum 2Mbps for all and superfast access to broadband for most by 2015;

  - The Summer 2011 Bedford Citizen's Panel survey found that the majority of residents (71%) would like faster broadband and 75% supported the intent that most premises should have access to superfast broadband and the rest at least standard broadband (2 to 20 Mbps);

  - A number of parish areas (through their Councils or individual residents) and a number of Bedford town residents have raised concerns about broadband speeds in their areas;

- Business, public service (including education and health) and home applications delivering greater efficiencies and effectiveness are continually demanding greater performance;

- Bedford needs to maintain its competitive position as a place to do business and live. It is noted in this context that Bedford Borough's broadband target is the same as the targets for Cambridgeshire, Northamptonshire and Central Bedfordshire; all planning to deliver 90% superfast and minimum standard broadband access for their areas by 2015. Milton Keynes is planning for 95% superfast access.

5.2 Broadband targets and funding

The Government has set demanding national targets for broadband.

- 100% of businesses and households to have access to at least standard broadband by 2015 – compared with only 83% in the Borough at present;
- 90% of businesses and households to have access to superfast broadband by 2015 – compared with only 70% in the Borough at present.

In support of its aims, the Government established BDUK (Broadband Development UK) which was given £530m to distribute to local authority areas on the basis of Local Broadband Plans. The Local Broadband Plans are expected to be at least equally matched by local funds. The indicative sum for the Bedford Borough area is £440,000.

Bedford Borough Partnership Board has committed to provide match funding of up to £440,000 towards project costs for the Bedford Borough area, subject to delivery of the Joint Broadband Plan targets, in respect of improved broadband speeds and access, as identified in **Appendix A**.

In addition, the European Regional Development Fund (ERDF) regional plans have identified broadband programmes amongst their funding streams, with stringent match funding requirements (60% local to 40% ERDF) and the need for inclusion of a broadband-related innovation and growth support programme for engaged local Small and Medium Sized Enterprises. It is anticipated that the Council will develop and submit a funding bid from the European Regional Development Fund for between £160-200,000 towards delivery of the broadband project. If successful, the acceptance of funding would be subject to a further Mayoral decision towards the end of 2012; and may include working with Central Bedfordshire Council as a joint bid for ERDF funding.

5.3 Joint Broadband Programme Board

The joint project with Central Bedfordshire and Milton Keynes Councils is being pursued on advice from BDUK that, in particular, working over a larger area would attract more competitive bids for delivery and potentially achieve economies of scale in procurement and management. A Joint Broadband Programme Board has therefore been established to work towards submitting and delivering a Local Broadband Plan for the three Local Authority areas. The Mayor of Bedford represents Bedford Borough on the Board, alongside lead Members from Central Bedfordshire Council and Milton Keynes Council.

5.4 Timescale for delivery

The key stages in delivery of the Joint Local Broadband Plan are expected to be:

- Submission of initial plan in February 2012;
- Development and submission to CLG of ‘Concept’ for ERDF project in February/March 2012;
- Approval of Joint Broadband Plan by BDUK in April 2012;
- Start of broadband infrastructure supplier selection and contracting process in May 2012;
- Development and submission of ‘Business Case’ for ERDF project in Summer 2012 for approval in late Autumn 2012;
- Completion of broadband infrastructure supplier selection process by end 2012 ;
- Delivery of project and its outcomes in 2013 and 2014.

6. Summary Of Consultations And Outcome

6.1 Initial consultation on local broadband planning was undertaken through the 2011 Bedford Business Survey and Summer 2011 Citizens Panel.

They established the following:

- 85% of businesses would support (mostly strongly) a plan to provide a minimum 2Mbps for all and superfast access to broadband for most by 2015;
- the majority of residents (71%) would like faster broadband and 75% supported the intent that most premises should have access to superfast broadband and the rest at least standard broadband (2 to 20 Mbps) – with only 5% against.

6.2 At the time of writing this report, over 300 residents, businesses (or both) had registered with the Council their desire for faster broadband. By town/parish with the most responding area first, the top ten towns/parishes were Melchbourne and Yelden, Bedford, Renhold, Wilden, Milton Ernest, Eastcotts/Shortstown, Stagsden, Great Denham, Riseley, Thurleigh and Podington. It is noted that over 20% of responses were from businesses or premises that were joint domestic/business.

6.3 All town and parish councils have been consulted. Two parish councils were able to respond to the initial consultation period though it is anticipated that further parish councils will respond in due course so that matters raised can influence the final plan evolved through engagement with BDUK. Stagsden Parish Council were very supportive of action to improve broadband speeds with Stagsden asked to be a priority reflecting its flagging in the consultation report as an area with very poor broadband speeds. Ravensden Parish Council on the other hand felt that improving a means of communication should not be a priority in the current climate.

6.3 The following Council units or Officers and/or other organisations have been consulted in preparing this report:

Mayor and Portfolio Holder for Economic Development

Chief Executive

Director of Finance and Corporate Services

6.3 No adverse comments have been received.

Report Contact Officer:	• *Mark Oakley, Head of Economic Development* *email: mark.oakley@bedford.gov.uk* • *Paul Vann, Economic Development Manager (Growth)* *email: paul.vann@bedford.gov.uk*
File Reference:	*LBP170212*
Previous Relevant Minutes:	*None*
Background Papers:	• *2011 Bedford Business Survey Report* • *Summer 2011 Citizens Panel Report* • *Ofcom Communications Infrastructure Report 2011: Fixed Broadband Data* • *Report to Bedford Partnership Board on Broadband,13/09/11*
Appendix:	***A – Initial Joint Local Broadband Plan***

Milton Keynes, Central Bedfordshire and Bedford
Joint Local Broadband Plan (JLBP)

Initial Submission version February 2012

(Based on revised BDUK template of 23 December 2011)

[Internal circulation]

Draft document v02

Release date: 15 February 2012

APPLICANT INFORMATION

Project Name	Milton Keynes, Central Bedfordshire and Bedford Joint Local Broadband Plan (JLBP)
Lead organisation	Central Bedfordshire Council, Priory House, Monks Walk, Chicksands, Shefford, Bedfordshire, SG17 5TQ
Lead Contact Details and position held	James Cushing Economic Policy Manager, Central Bedfordshire Council
Contact telephone number	03003004984
Email address	james.cushing@centralbedfordshire.gov.uk
Postal address	Central Bedfordshire Council, Priory House, Monks Walk, Chicksands, Shefford, Bedfordshire, SG17 5TQ
Names of all participating bodies and the co-ordinating authority	Milton Keynes, Central Bedfordshire and Bedford Borough Councils are partners in the development of a joint LBP. Central Bedfordshire is the co-ordinating authority for the joint LBP
Start Date of Project	Procurement phase start date **August 2012** Anticipated Contract Award Date: **December 2012**
End Date of Project	Completion of network deployment date: **June 2015**

Contents

EXECUTIVE SUMMARY

Why the Joint Local Broadband Plan is required

The evidence gathered from the Bedfordshire and Luton Business Survey (2011), Milton Keynes Broadband Survey, Bedford Citizens Panel Survey (2011), Central Bedfordshire Residents Survey (2011), the Ofcom report on broadband provision in the UK, and data from BDUK, all suggest there are significant inequalities in broadband speed availability across our areas (Bedford Borough Council, Central Bedfordshire Council and Milton Keynes Council areas), particularly between the rural and urban communities. The rural populations are generally more spread out and less concentrated, therefore delivering new infrastructure such as broadband to these communities can be prohibitively expensive. Consequently, industry has focused on more profitable urban areas with greater numbers of potential customers. This has created a situation of market failure predominantly in the rural or outlying urban areas.

In December 2010, the UK Government launched a strategy entitled “Britain’s Superfast Broadband Future” to resolve the above issues. A key objective of the strategy is to put in place a framework capable of better supporting the roll-out of Next Generation Access (NGA) Broadband and improved basic broadband. The strategy’s vision is a Britain in 2015 where (a) the majority of residential and business premises (at least 90%) have access to NGA broadband speeds of at least 25Mbit/s, and (b) there is a Universal Service Commitment (USC) to provide access speeds of at least 2Mbit/s to everyone. The Government has committed to providing GBP530 million of funding, to be administered and allocated by the Government’s broadband delivery arm, Broadband Development UK (BDUK), towards delivering this vision and encouraging further investment by the public sector and industries. Of these funds, **GBP140,000** has been allocated to Milton Keynes, **GBP620,000** has been allocated to Central Bedfordshire, and **GBP440, 000** has been allocated to Bedford towards a Joint Local Broadband Plan (JLBP) – subject to the Government’s approval of the JLBP.

Our partner authorities have made a significant financial contribution in excess of **GBP3.6 million** capital (revenue funding has also been identified), in addition to any available funding from BDUK towards the delivery of the JLBP. The implementation of the plan underpins the economic growth in our areas and will enable better delivery of public services to our citizens.

Support for the joint local broadband project

The broadband infrastructure vision for our area is to **‘Deliver improved broadband with at least 90% NGA and a minimum of 2Mbit/s for all by 2015, and moving towards NGA for all by 2020.’**

This vision has been developed and approved by the Joint Broadband Programme Board, which has been established to enable and support the production and implementation of the JLBP across the Bedford Borough, Central Bedfordshire and Milton Keynes areas. The primary objectives of the partnership board include promoting partnership and involvement with the JLBP among the area’s communities (business and residential) and public service agencies, and supporting the procurement processes required for the delivery of the JLBP.

The plan is backed by the South East Midlands Local Enterprise Partnership, the Rural Communities Representative (Bedfordshire) and the Older People Representative (Milton Keynes), which are represented on the joint board. Further to this, the partner local authorities have identified a number of relevant local partnerships, including Town and Parish councils, education partners, the voluntary sector, local businesses and wider public sector partners. These groups have considered the development of the plan with respect to local issues and the promotion of local support for the plan.

The preparation of the JLBP has also been informed by what the residents and businesses in our areas have told us. We are continuously engaging with them to promote the community benefits and business use of broadband, and encourage investment in broadband infrastructure and broadband improvement in the area.

Structure of the Joint Local Broadband Plan

The content of the JLBP is based on the revised BDUK template of 23 December 2011. The plan outlines the strategic need for improved broadband provision in our areas, and in particular details the opportunities and challenges that the partner authorities would be faced with assuming the existence or non-existence of improved broadband. The JLBP also sets out the vision, business case and commercial and procurement plan for the delivery of the NGA broadband project. Maps have been included in Annex A.

SECTION A – PROJECT OVERVIEW

A1 Vision and strategic context

A1.1 Summary

Delivering this joint broadband plan is a major contribution we can make towards our vision and ambition **for a greener environment and to be a desirable place to live and work and an attractive business investment location suitable for delivering sustainable economic growth.** This is so for our individual local authority areas and for the wider South East Midlands Local Enterprise Partnership (SEMLEP) area within which we are located. Details of each of our partner authorities' wider visions for our areas can be found on our respective websites.[1]

Delivering this plan is also the single greatest contribution we can make to the UK Government's vision of becoming the best networked country in Europe by 2015.

A1.2 Broadband infrastructure vision

The broadband infrastructure vision for our area is to **'Deliver NGA broadband to 90% of premises, with minimum of 2Mbits/s for all by 2015 and move towards NGA broadband for all by 2020.'** We are confident that achieving this vision will deliver our expected strategic benefits (see Annex B for full details), namely to develop and secure economic growth by:

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[1] For **Milton Keynes**, http://www.miltonkeynes.gov.uk/council-business/documents/Final_doc_-Economic_Development_Strategy_26.07.11.pdf

For **Central Bedfordshire**, http://www.centraltogether.org.uk/download/sustainable-community%20-strategy-media/100709%20SCS%20evidence%20base.pdf

For **Bedford**

http://www.google.co.uk/search?q=bedford+borough+sustainable+community+strategy&hl=en&source=hp&gbv=2&gs_sm=e&gs_upl=2432l8613l0l8990l33l29l0l19l19l0l376l1789l0.6.3.1l10l0&oq=bedford+borough+sustainable+community+strategy&aq=f&aqi=g-v1&aql= and

http://www.bedford.gov.uk/business/strategies,_plans_and_research/economic_development_strategy.aspx

For **SEMLEP**

http://www.southeastmidlands.org.uk/

- Improving business productivity and efficiency
- Supporting sustainable employment
- Strengthening the rural economy
- Supporting local business start-ups and their resilience
- Contributing towards a greener environment
- Promoting equality in the area
- Enhancing education and providing opportunities for children and young people
- Helping the transformation of public services.

A1.3 Expected outcomes of the broadband objectives

The implementation of the JLBP will deliver a number of strategic outcomes. The project team will introduce performance monitoring and evaluation schemes to work with the broadband providers, residents and businesses, to ensure the performance of the broadband network is maintained and sustained. These expected outcomes align with our broadband infrastructure's vision and our strategic context. The expected outcomes are listed below:

Outcome 1 – Prime locations: Our areas will become highly attractive, well-connected prime locations for businesses to thrive, and more families will choose our areas as a place to live work and enjoy. We will monitor the general level of satisfaction of residents and businesses through online surveys.

Outcome 2 – New jobs: Our areas will secure a substantial number of new jobs, contributing towards the target of 27,000 new jobs in Central Bedfordshire by 2026, 42,000 new jobs in Milton Keynes by 2016[2] and 16,000 new jobs in Bedford by 2021. We will monitor the performance of the local labour market and people's ability to access employment; we will also monitor the employment rate, economic activity and levels of youth unemployment.

Outcome 3 – Skilled people: The number of skilled people in our areas will increase. We will monitor the growth in skills, e.g. number of people of working age with NVQ level 1, 2, 3, 4 qualifications, the local opportunities for workers to develop their skills, the number of graduates available to local businesses, and the percentage of people who have received job-related training in the private sector.

Outcome 4 – Knowledge-based companies: Increased numbers of knowledge-based, high-growth innovative companies. We will monitor the gross value added (GVA) per year, the growth rate, and GVA per head. We will also monitor the number of business and private-sector investments in the area classified as knowledge-based.

[2] Calculated as 1.5 jobs per dwelling with a target of 28,000 new houses by 2016

Outcome 5 – Increased take-up: Increased levels of take-up of both next generation and basic broadband services for residents and businesses. We will monitor the level of take-up through continuous engagement with local residents and businesses, and through on-going consultation with the broadband providers as part of our efforts to maximise competition in the market and choice for our residents.

Outcome 6 – Low-carbon economy: Reduced reliance on transport by residents and businesses, and the development of a low-carbon economy. We will monitor levels of home or flexible working and its impact on related issues such as highways and transportation.

A1.4 Existing broadband initiatives

We recognise that there are number of existing initiatives that can help the delivery of our broadband project and we have considered these during the development of the JLBP. This has included in particular those activities concerning demand stimulation and other complementary activities. The partnership board will co-ordinate the existing initiatives to ensure there is a common approach to the delivery of the broadband plan. The existing broadband initiatives are summarised below:

A1.4.1 Initiatives for Milton Keynes

Two years ago, Milton Keynes Council (MKC) established a Digital Infrastructure Programme (now known as the Broadband Delivery Programme). The main work areas are Access, Stakeholder Management, and Digital Inclusion (Take-up or Connectivity):

Access

- On-going discussions with Telco providers
- On-going discussions with developers regarding broadband and other utilities
- Planning for NGA broadband

Digital inclusion

- Race Online 2012 – Give an Hour campaign
- Supporting the EGOV4U (Official partner in the e-Government initiative)
- BDUK Demand Stimulation
- Milton Keynes Broadband Survey
- NGA Education and Demand Stimulation (MKC and Openreach)
- My Local Broadband – MKC’s website on the benefits of broadband.

Stakeholder management

- MK Broadband Stakeholder Group
- My Local Broadband – MKC's website and supporting emails
- Parish Council consultations
- Business meetings and local events.

A1.4.2 Initiatives for Central Bedfordshire

- MKSM broadband working group to investigate the potential for circa 100Mbit/s roll-out
- EEDA EREBUS demand registration scheme
- Central Bedfordshire demand survey and registration scheme

  www.centralbedofrdshire.gov.uk/broadband
- Promoting digital champions in the community, and Race Online initiatives
- Bedfordshire and Luton Business Survey
- Central Bedfordshire Broadband Partnership
- On-going liaison with telecoms industry to promote commercial rollout plan

A1.4.3 Initiatives for Bedford

- Bedfordshire and Luton Business Survey
- Bedford Citizens Panel Survey
- Discussions with suppliers on range of products/ technologies
- Initial Consultation on Improving Broadband
- Demand registration facility
- Regular broadband newsletter
- Promotion of national Digital Champion scheme
- Trial of satellite broadband
- Initial stages of business growth broadband project

A2 Background to the broadband project

A2.1 Summary

The evidence gathered from the Bedfordshire and Luton Business Survey (2011), the Milton Keynes Broadband Survey (2012), the Bedford Citizens Panel Survey (2011), the Central Bedfordshire Residents Survey (2011), the Ofcom report on broadband provision in the UK, data from BDUK, the Commission for Rural Communities report on tackling rural disadvantage, and the findings from a forecast analysis by Analysys Mason, all suggest that our areas are currently ‘underserved’ with broadband provision and will likely remain so until 2015 unless there is significant investment support.

With broadband becoming an increasingly critical 'utility' service, the fact that some of our residents and businesses are underserved or not served at all by the market is an important issue to be addressed in order to achieve the ambition and vision for our areas. Our broadband project will deliver a minimum of 90% NGA broadband (at least 25Mbit/s) by 2015, and 100% Universal Service Commitment (at least 2Mbit/s) by 2015 across our residential and business premises.

Our thorough understanding of the current broadband situation in our areas has helped inform our development of this JLBP, to ensure we clearly identify the gaps in broadband provision and determine how best to fill these gaps in order to meet our strategic objectives.

A2.2 Current basic broadband coverage

ADSL remains the most common technology used to provide broadband in our areas. Our analysis of BDUK data shows that nearly 16% of premises in our areas fail to meet the USC target of at least 2Mbit/s. The actual situation may be worse than this due to the way in which access networks are routed, as the performance of ADSL depends on the length of the copper line (‘the local loop’) between the local serving exchange and the premises. As shown in Figure 1, BT offers ADSL average broadband speeds of 8.7Mbit/s across our residents and business premises. This compares with the national average of 7.6Mbit/s[3]. See Figure A.1 in Annex A for a detailed map showing the distribution of basic broadband speed in our areas.

[3] http://stakeholders.ofcom.org.uk/market-data-research/telecoms-research/broadband-speeds/bb-speeds-nov-11?utm_source=updates&utm_medium=email&utm_campaign=bb-speeds-nov-11

Figure 1: Performance metrics of current fixed broadband services in our areas [Source: BDUK, 2011]

Local Authority	Total	Less than 2Mbits/s	2-12Mbits/s	Greater than 12Mbits/s	Average downstream speed (Mbits/s)
Milton Keynes	106,496	19,580	45,779	41,137	**9.8**
%	100	18	43	39	
Central Bedfordshire	111,868	11,730	74,265	25,873	**8.2**
%	100	10	66	23	
Bedford	69,008	13,526	37,032	18,450	**7.9**
%	100	20	54	27	
Total	**287,372**	**44,836**	**157,076**	**85,460**	**8.7**
%	**100**	**15.6**	**54.7**	**29.7**	

The BDUK findings presented above are reinforced by various other evidence-based data, as summarised in Figure 2 below.

Figure 2: Performance metrics of fixed broadband services in our area [Source: Various, 2012]

Evidence source	Details	Details
CRC	CRC report on tackling rural disadvantages	According to the CRC report, there are number of areas in **Milton Keynes, Central Bedfordshire** and **Bedford** where ADSL services are likely to fall short of the 2Mbit/s USC. To view the map see page 31 of: http://www.samknows.com/broadband/uploads/CRC.pdf
Central Bedfordshire Resident survey (2011)	**Central Bedfordshire** residents survey from 6 September 2011 to 7 October 2011. 4,000 addresses were contacted, with 1,129 response	15% of the respondents do not have access to broadband services (Internet)
Bedfordshire and Luton Business Survey (2011)	Business survey conducted in June 2011. 885 interviews were completed across **Bedfordshire.**[4] 327 were completed in Luton.	50% of businesses said they experience basic broadband between 2-20Mbit/s and a further 10% fall short of the 2Mbit/s USC. The proportion without broadband rises to 15% among businesses in wholesale and retail.

[4] Bedfordshire refers to Central Bedfordshire and Bedford

Evidence source	Details	Details
Bedford Citizens Panel Broadband report	Results of a survey sent to all 887 panel members in June 2011. 502 responses were received.	• 8% of the respondents said the service they receive falls short of the 2Mbit/s USC
MK Broadband Survey	Broadband survey of 1400 residential responses and 118 businesses. Available at: http://www.miltonkeynes.gov.uk/mkgrowth/displayarticle.asp?ID=84172	• 87% of business respondents have less than 8 Mbit/s and a further 54.2% fall short of the 2Mbit/s USC • 92.2% of resident respondents have less than 8Mbit/s and a further 56.6% fall short of the 2Mbit/s USC

A2.2.1 Basic broadband: Black-Grey-White analysis

In line with paragraph 77 of the Community Guidelines for the application of state aid rules in relation to rapid deployment of broadband networks which references xDSL and cable networks as competing network infrastructures, the two competing network infrastructures in our areas are owned by BT (xDSL network) and Virgin Media (cable network). We have employed the EC definition of basic black, basic grey and basic white (BGW) premises in relation to funding eligibility as follows:

- **Basic black**: premises in areas where more than one operator own network infrastructure; not eligible for grant funding
- **Basic grey**: premises in areas where one operator owns network infrastructure; not eligible for grant funding
- **Basic white**: premises with no service or less than 2Mbit/s; eligible for grant funding.

Figure 3 below shows a breakdown of basic-white, basic-grey and basic-black premises in our areas. See Figure A.2 in Annex A for a detailed basic BGW map of our areas, for state aid purposes.

Figure 3: Breakdown of basic BGW premises in our areas [Source: Analysys Mason, BDUK, 2012]

Local Authority area	Total	Basic black	Basic grey	Basic white
Milton Keynes	106,496	825	86,554	19,117
%	100%	1%	81%	18%
Central Bedfordshire	111,868	64,641	37,361	9,866
%	100%	58%	33%	9%

Local Authority area	Total	Basic black	Basic grey	Basic white
Bedford	69,008	47,158	14,611	7,239
%	100%	68%	21%	11%
Total	**287,372**	**112,624**	**138,526**	**36,222**
%	**100%**	**39.2%**	**48.2%**	**12.6%**

A2.3 NGA broadband coverage

Our areas are currently provided with NGA broadband by the two main competing infrastructure operators in the UK: BT and Virgin Media. Below we provide an analysis of the coverage of NGA broadband in our areas: this includes the future plans of these operators, insofar as these are known.

A2.3.1 NGA coverage by BT

According to analysis of BDUK data undertaken by Analysys Mason, by 2015, BT will provide coverage to around 63.4% of premises in our areas. This estimate is based on the assumption that each serving exchange will only reach 85% of the premises in its exchange area. This number compares with BT's announced plan for commercial roll-out to two-thirds of premises in the UK as a whole. The NGA-enabled exchanges will provide two main services, with downstream speeds of up to 40Mbit/s and 100Mbit/s. These speeds are expected to increase during 2012.

The Openreach website, accessed on 12 December 2011, lists the exchanges serving our areas that will be upgraded. A number of these exchanges are themselves located outside our areas, but serve premises within these areas. One significant exchange is the Bradwell Abbey exchange, which is planned to be upgraded in 2012 to use mainly fibre-to-the-premises (FTTP) delivering NGA broadband to nearly 30,000 premises in our areas. This is one of the largest exchanges in the UK. See Figure A.3 in Annex A for a detailed map of the forecast BT coverage in our area by 2015.

Figure 4: Forecast Virgin Media NGA coverage by 2015 [Source: Ofcom and BDUK, 2012]

Local Authority area	Total in the area	Coverage (2015)	Percentage coverage
Milton Keynes	106,496	35,271	72.2%
Central Bedfordshire	111,868	69,966	62.5%
Bedford	69,008	76,871	51.1%
Total	**287,372**	**182,108**	**63.4%**

A2.3.2 NGA coverage by Virgin Media

According to Ofcom, Virgin Media's digital cable network covers 51% of premises in the UK. However, the operator has a poor footprint in our areas, covering just 39.6% (113,920) of premises. This low figure is due to the almost zero NGA coverage footprints in Milton Keynes, as shown in Figure 5 below. In Milton Keynes the cable network is 100% analogue, and Virgin Media has not announced any plans to upgrade it to digital. (The cable network infrastructure in Milton Keynes is actually owned by BT, which has a contract with Virgin Media to provide service.) Virgin Media's NGA coverage is concentrated in the more densely populated areas of Central Bedfordshire and Bedford where the business case is viable for the operator.

Virgin Media has not announced any plan to extend its footprint in our areas, and we do not expect any major improvements in coverage by 2015. The digital network provides headline speed up to 100Mbit/s, and it is planned to deliver up to 200Mbit/s in the near future. See Figure A.4 in Annex A for a detailed map of the forecast Virgin Media NGA coverage of in area by 2015.

Figure 5: Forecast Virgin Media NGA coverage by 2015 [Source: Ofcom and BDUK, 2012]

Local Authority area	Total in the area	Coverage (2015)	Percentage coverage
Milton Keynes	106,496	848	0.8%
Central Bedfordshire	111,868	65,164	58.3%
Bedford	69,008	47,908	69.4%
Total	**287,372**	**113,920**	**39.6%**

Like the basic broadband situation in our areas, these findings are reinforced by various other evidence-based data, as shown in Figure 6 below.

Figure 6: Performance metrics of NGA services in our areas, based on other evidence [Source: Various, 2012]

Evidence source	Details	Details
CRC	CRC report on tackling rural disadvantages	According to this report, there are a number of areas in **Milton Keynes, Central Bedfordshire** and **Bedford** underserved by NGA services. See the map on page 33 of: http://www.samknows.com/broadband/uploads/CRC.pdf
Bedford Citizens Panel Broadband report	Details the survey sent to all 887 panel members in June 2011. 502 responses were received.	9% of the respondents said they currently receive NGA speed
MK Broadband Survey	http://www.miltonkeynes.gov.uk/mkgrowth/displayarticle.asp?ID=84172	3.5% of the residential respondents indicate that they currently receive NGA speeds, while all the business respondents indicate they currently receive no NGA speed

A2.3.3 NGA broadband: Black-Grey-White analysis

Based on the data on the NGA operators described above, Analysys Mason undertook BGW analysis of the NGA coverage in our areas, currently and by 2015. As for basic broadband, this analysis has employed the EC definition of NGA black, grey and white (BGW) premises, as follows:

- **NGA black**: premises in areas where two or more NGA operators exist now, or are planned to exist by 2015; these need strong reasons for grant funding.
- **NGA grey**: premises in areas where one NGA operator exists now, or is planned to exist by 2015; these need strong reasons for grant funding.
- **NGA white**: premises in areas where no NGA operator exists now, or is planned to exist by 2015; these are eligible for grant funding.

Figure 7 below shows the breakdown of the black, grey and white NGA coverage in our areas by 2015. Figure 8 breaks down these forecasts further for the white intervention areas, showing the split between (a) urban, suburban and rural premises, and (b) residential and business premises. See Figure A.5 in Annex A for a detailed map of the BGW areas for 2015.

Figure 7: Breakdown of NGA BGW premises in our areas by 2015 [Source: Analysys Mason, BDUK, 2012]

Local Authority area	Total	NGA black	NGA grey	NGA white
Milton Keynes	106,496	519	76,706	29,271
%	100%	0.5%	72.0%	27.5%
Central Bedfordshire	111,868	52,521	30,088	29,259
%	100%	46.9%	26.9%	26.2%
Bedford	69,008	30,619	21,916	16,473
%	100%	44.4%	31.8%	23.8%
Total	**287,372**	**83,659**	**128,710**	**75,003**
%	**100%**	**29.1%**	**44.8%**	**26.1%**

Figure 8: Breakdown of residential/ business and urban/rural premises for the White intervention area by 2015 [Source: Analysys Mason, 2012]

Local Authority	Urban	Suburban	Rural	Residential	Business	Total
Milton Keynes	4,627	24,644	0	28,280	991	29,271
%	84.19%	15.81%	0%	96.6%	3.4%	–
Central Bedfordshire	7,962	20,433	864	28,137	1,122	29,259
%	27.2%	69.8%	3%	96.17%	3.83%	–
Bedford	0	16473	0	15,584	889	16,473
%	0%	100%	0%	94.6 %	5.4%	–
Total	**12,589**	**61,550**	**864**	**72,001**	**3,002**	**75,003**
%	**16.78%**	**82.06%**	**1.16%**	**96%**	**4%**	–

A2.4 Mobile broadband coverage

Mobile broadband is currently used to complement fixed broadband in our areas and is currently offered by all four UK mobile network operators. The mobile market in our areas has experienced a rapid increase in take-up since 2008. There is a high level of competition between the mobile operators in the region, leading to a decline in the price of mobile services.

3G coverage in our areas is largely confined to the larger towns, with little or no mobile broadband coverage in the rural parts. The 2G and 3G mobile coverage in our areas is shown in Figure 9 below, based on data in a recent Ofcom report.[5]

[5] http://stakeholders.ofcom.org.uk/binaries/research/telecoms-research/bbspeeds2011/infrastructure-report.pdf

Figure 9: Geographical coverage by 2G and 3G in our areas [Source: Ofcom, 2011]

Local Authority area	2G coverage	3G coverage
Milton Keynes	99.5%	46.7%
Central Bedfordshire	97.9%	40.1%
Bedford	97.8%	27.1%

We currently do not have information on operators' plans for increasing mobile broadband provision in our area, however our prediction is that mobile broadband take-up among our residents and businesses will continues to rise in the short term.

A2.5 Broadband competition

In the UK, the regulatory framework encourages competition in the telecoms market by allowing rival operators to compete with BT by 'unbundling' the copper access lines from BT's local exchanges. Through this arrangement, known as local loop unbundling (LLU), fixed operators can offer their services over BT's lines. Within our areas, there are currently about 72 BT telephone exchanges, and around 58% of them offer some level of infrastructure competition through LLU. The statistics in Figure 10 below show that the vast majority of our areas have more than one LLU operator offering broadband services (92% of all premises are served by LLU operators). This indicates a good level of broadband competition within the region. See Figure A.6 in Annex A for an LLU distribution map of the area.

Ofcom's indicates that Milton Keynes has 78% take-up of broadband[6] as at 2011, and Central Bedfordshire and Bedford both have 73% take-up. This high level of take-up suggests an attractive market for any future broadband investment in our area, and compares well with the national average of 74%.

[6] Note that the broadband take is the average take-up of basic broadband. Next generation Broadband and mobile broadband

Figure 10: Distribution of LLU operators in our areas [Source: Analysys Mason, BDUK, 2011]

Local Authority area	No LLU operator	1-2 LLU operators	3-5 LLU operators	More than 5 LLU operators
Milton Keynes	2756	6,942	0	96798
%	3%	7%	0%	91%
Central Bedfordshire	10852	31,197	32385	37434
%	10%	28%	29%	33%
Bedford	8191	4885	12526	43,406
%	12%	7%	18%	63%
Total	**21799**	**43024**	**44911**	**177638**
%	**8%**	**15%**	**15%**	**62%**

A2.5.1 Broadband pricing and usage

Our broadband survey exercise suggests that the average spend on broadband Internet access in our areas is between GBP16 and GBP20 per month for residential customers and between GBP31 and GBP50 for business customers.

A3 Local broadband context: evidence of need and gap analysis

A3.1 Summary

The Digital Agenda for Europe sets the target that, by 2020, all EU citizens will have access to fast broadband of at least 30Mbit/s, and 50% or more of European premises will access broadband at speeds above 100Mbit/s. The UK Government also has ambitious plans for the country to have the best broadband network in Europe by 2015, with at least 90% NGA coverage by 2015, and all premises having access to a minimum of 2Mbit/s.

The demography, topography, economic and social profile of our areas, combined with the scale of investment and uncertainty of the business case to deploy broadband networks to the challenging parts of our region, mean that it will be impossible to achieve the objective of the UK Government and the European agenda without public investment.

The results of our demand registration survey exercises (see section B2 below) suggest that we need a reliable, faster and secure broadband network to meet and sustain economic growth. The surveys asked about broadband availability in our areas, and the impact this will have on achieving the strategic requirements of our partner authorities.

A3.2 Evidence of gaps

A3.2.1 Demography, topography and economic profile

Our areas have a challenging population profile and topography (though not in a vertical sense), which act as barriers to the development of improved broadband infrastructure and services in our region. Large parts of our areas are predominantly rural, i.e. sparsely populated. For example, over half of Central Bedfordshire's population lives in rural areas while 35.8% of Bedford's is spread across 45 rural parishes. In Milton Keynes the ratio of urban to rural areas is more than 2:1. This degree of rurality significantly increases the cost of providing broadband infrastructure. Analysys Mason analysis compared the proportion of urban and rural premises in our area to the national average.[7] The result shows that we have a low proportion of urban premises and a significant proportion of suburban and rural premises.

In addition, a significant proportion of the population in the region is not of working age. 31% of the population in the Milton Keynes area is classified as 'dependent' (i.e. supported by those in work), giving a dependency ratio of 2:1. The number of dependent individuals is forecast to rise to over 171,000 by 2021. Central Bedfordshire will see a large increase in the number of people aged 65 and over, which is expected to increase

[7] The analysis is based on the BSG fibre cost modelling study, which considers factors including population density, the number of lines connected to an exchange and the distance of premises to an exchange. The analysis is taken at a postcode level.

by 53.2% between 2007 and 2021. Finally, in Bedford, the number of older people is also forecast to grow between 2010 and 2021 at a much higher rate than the 6.5% anticipated for the total population, with 65-79 year olds increasing by 24% and those aged 80+ rising by 38%.

Overall, our areas have a relatively successful economy with associated high levels of employment. However, there are clear increases in the unemployment rate in some parts of our areas. For example unemployment in Central Bedfordshire rose from 1.1% in April 2008 to 3.1% in April 2009. This figure has since stabilised and unemployment was recorded at 2.9% in April 2010 (4,647 people), compared to 4.1% for England. However, at December 2011 the unemployment rates for Milton Keynes (3.8%) and Bedford (3.9%) are still above their regional comparators, and are at or above the national (GB) rate. The same is true for the rates of long-term unemployment.

These figures highlight the need for investment in sustainable broadband infrastructure to attract business investment across our areas and create employment for and develop the employability skills of our citizens.

A3.2.2 Private Telecoms assets

The current provision of basic and NGA broadband infrastructure in our areas was detailed in Section A2. The market is dominated by BT and Virgin Media, though there are also a number of LLU players, leading to healthy competition. The number of unbundled exchanges has grown significantly over the past five years, helping to drive down the price of broadband services. Nevertheless, based on the analysis carried out by Analysys Mason (see Section A2), our areas still fall well short of the broadband requirements to meet the strategic objectives of our partner authorities.

A3.2.3 Public sector networks and assets

Our existing public sector assets include the extensive wireless broadband schools network owned by Milton Keynes (licensed 5.4MHz and 5.8MHz) with backhaul via the Open University and Janet, Central Bedfordshire MPLS corporate wide area network (WAN) provided by Virgin Media, with support for an educational WAN to 135 schools and Bedford Borough Council's corporate and education network which is an MPLS system utilising local loop unbundling within the BT exchange provided by Updata, offering services to 85 schools, 25 corporate sites, 2 magistrate courts (Bedford & Luton), Dunstable Town Council and Bedfordshire Libraries. Internet access is provided by JANET. At this stage of the plan, we are not intending to utilise the assets as part of the LBP.

A4 Scope of project

A4.1 Summary

Our partner authorities have ambitious plans to support the strategic vision and objectives for the region. Providing high-speed NGA connectivity is recognised as a key requirement, and there is a pressing need to support those communities with no access or limited access to improved broadband. Our broadband project will involve direct intervention to bring NGA broadband to 3,233 post-codes in our area by June 2015, covering 49,698 residential and 1,892 business premises that under current commercial plans would not have access to NGA broadband. The project will also ensure that all premises in our areas receive at least 2Mbit/s broadband speed by 2015.

We propose to deliver this plan using the BDUK procurement framework and state aid approval to secure a private sector provider, and seek a minimum 100% match funding of any public sector funds. Our desire as a partnership is to move forward with the procurement of a provider and roll-out of infrastructure at the earliest opportunity. It is estimated that, utilising the BDUK framework, a private sector provider could be contracted in by the end of 2012 at the earliest. A detailed infrastructure delivery plan will be developed by the private sector provider during the procurement process. This would be open access infrastructure, and would be technology-neutral, though we would expect fibre-optic infrastructure to be a significant component of any solution. We would seek, as a minimum; a technical solution based on fibre-to-the-cabinet (FTTC) and will aspire to extend this fibre to the premises (FTTP) where possible. We will consider alternative technologies, particularly for the 10% of premises not receiving an NGA solution, and in order to achieve the USC objective. We will actively seek innovative and future-proofed solutions from our chosen private sector provider.

A4.2 Broadband objectives

The following objectives have been set for the broadband project in the short and long term in light of the current and forecast broadband infrastructure supply and demand, the Government's targets and the EC state aid requirements;

Short-term objectives

- Provide NGA broadband (at least 25Mbit/s) to at least 90% of premises in the Bedford and Central Bedfordshire areas, and to 95% in the Milton Keynes area by 2015. The technology should be future-proofed, innovative, cost-effective and flexible for upgrade.

- Deliver improved basic broadband (at least 2Mbit/s) to all premises in our areas by 2015. The basic broadband service should be reliable, robust and future-proofed using a cost-effective solution.

- Increase competition between broadband providers, in line with the need to support the effective operation of the market.

Long-term objectives

- Deliver NGA broadband to all premises in our areas by 2020 in line with the Digital Agenda for Europe, i.e. 50% receiving a minimum of 100Mbit/s. The technology should be future-proofed, innovative, cost-effective and flexible for upgrade.

A4.3 Geographical and coverage scope of the broadband project

As stated above, the project will ensure all premises in our areas receive broadband coverage (minimum 2Mbit/s) by 2015, and at least 90% of premises receive NGA broadband coverage.

A4.4 Broadband partnership and beneficiaries

The Joint Broadband Programme Board (hereafter the “partnership board”) has been established by Bedford Borough Council, Central Bedfordshire Council and Milton Keynes Council to enable and support the successful implementation of the JLBP across the Bedford Borough, Central Bedfordshire and Milton Keynes areas. The primary objectives of the partnership board are to:

- Inform and provide guidance on the development of the JLBP.
- Foster and promote partnership and involvement with the JLBP of the area’s communities (business and residential) and public service agencies including engagement around further funding potential.
- Identify potential opportunities for demand aggregation and demand stimulation.
- Develop an appropriate service level agreement or contract to support the procurement processes required for the delivery of the JLBP.

Core membership of the partnership board consists of Bedford Borough Council, Central Bedfordshire Council, Milton Keynes Council, South East Midlands Local Enterprise Partnership, Rural Communities Representative (Bedfordshire) and the Older People Representative (Milton Keynes). Wider engagement will be open to appropriate and interested parties as deemed appropriate by the partnership board, with any additional members to be agreed by a majority vote of the above membership.

The JLBP will form the basis for attracting public and private sector investment for the delivery of the broadband project and will be the main vehicle for access to BDUK funding allocations for the partner authorities. The partner authorities will also develop an appropriate service level agreement or contract to support the procurement processes required for the delivery of the JLBP.

A4.5 Project prioritisation

The broadband project will target key areas for prioritised deployment, within the context of maximising total roll-out. The priority area will vary for each partner authority, depending on a number of factors including the strategic objectives of the authority, existing local broadband initiatives, existence of strategic locations such as major employment and industrial sites, and opportunities to re-use public infrastructure. We will continuously engage with stakeholders in our areas (including businesses and community group representatives) to inform the decision on priority areas.

A4.6 Constraints and exclusion

At this stage, no constraints and exclusions have been identified.

SECTION B – CUSTOMER AND COMMUNITY ENGAGEMENT

Summary

As democratically accountable organisations, effective engagement is central to the way we operate. The partner authorities have a range of channels and mechanisms which ensure that we are able to regularly relate to our customers, partners and stakeholders, in order to understand their experience, opinions and needs. Examples of these mechanisms include:

- Regular local public meetings on issues defined as relevant by our communities. For example, Central Bedfordshire Council "Let's Talk" events and campaigns such as Bedford's 'Pints in the Parishes' and Milton Keynes' 'Race Online 2012 – Give an Hour'.

- Market research – qualitative and quantitative techniques are used with all audiences.

- Social networking is used to engage as well as to inform. The partner authorities are active on Twitter and Facebook; in addition, Central Bedfordshire has its own social network site "Let's Talk Central" and Milton Keynes has a "My Local Broadband" site.

- The councils' enhanced websites are the preferred access channel for many customers and the councils are committed to greatly increasing online engagement.

- Regular meetings with groups such as Town and Parish Councils and also with business groups, to strengthen connections with the commercial sector and with local strategic partnerships.

We have used all of these opportunities to engage with residents and businesses, to ensure we build a local broadband plan that delivers added value to our citizens. We are continually engaging with the residents and businesses in our areas in order to understand their broadband needs and issues, and give them a greater involvement in the decision-making process of the broadband project. Further to this, the councils have launched extensive demand registration programmes, and are promoting digital champions in the area to encourage the take-up of broadband services.

We have carried out a wide range of consultation activities with businesses and the wider community. These provide opportunities to influence decisions on the broadband project, by strengthening the link between project decision-makers and local people. We want to give our residents and businesses a greater role in deciding how the project should be delivered in their areas; appropriate to the local issues around broadband provision.

B1 Demand Stimulation

There will be a particular need to ensure that businesses and residents benefit from the broadband project, hence promoting the demand for services delivered by NGA broadband will be an important consideration for the partners. Activities to stimulate demand will include testing marketing and communications methods in the early stage of the project to reach the areas of market intervention (the NGA white areas). We will work directly with suppliers and community organisations to advocate the best approach to the local promotion of broadband services. We will primarily target residents and businesses in areas of currently low take-up. Experience with and evaluation of demand stimulation from other successful projects like Superfast Cornwall will inform our plans and activities, and through the procurement process we will seek to bring innovation and engagement of the commercial sector in stimulating take up.

B1.1 Funding and delivery of demand stimulation

Activities in the demand stimulation programme will be carried out in partnership with the preferred supplier, based on the project’s service level agreement and the available revenue funding. The full details of the activities will be discussed and agreed during the procurement phase, but as a minimum will include the following;

- Working with local businesses on demand aggregation activities to further raise the commercial viability of roll-out schemes.
- Use of existing demand registration activities and opportunities to stimulate the roll-out of NGA.
- Promotional campaigns through Council and partner media channels.
- Use of existing master planning and planning policy initiatives to support the roll out of the NGA broadband project.

The partners are investigating a number of funding sources (in addition to funding already identified) to support the demand stimulation activities and actual take-up and use by businesses for business growth, including funding from the European Regional Development Fund (ERDF). The partners are considering the alignment of this funding with the broadband plan.

B2 Demand Registration

We have launched a number of demand survey exercises in each authority to better understand the nature and importance of broadband provision to our residents and businesses. This exercise is being conducted through our public-facing websites, via targeted paper-based surveys, and through our libraries networks. The evidence gathered from these demand surveys will help further demonstrate the real local demand for broadband services among our residents and businesses. We will capture information such as the level of demand for NGA services, the expected benefits of NGA and the level of interest in improved broadband provision. The outputs from our demand survey exercise will inform our engagement with bidders during the procurement stage.

B2.1 Demand registration – evidence

The broadband surveys provide evidence of the current availability basic broadband and NGA broadband in our areas (see Section A2 and Figure 6 above). Our past engagement with residents and businesses includes the following.

Bedfordshire and Luton Business Survey

- In this 2011 survey, 88% of local business respondents stated they would support a project to roll out next generation infrastructure in Central Bedfordshire.
- 85% stated they would support (mostly strongly) a plan to provide a minimum of 2Mbit/s for all, and superfast broadband (greater than 24Mbit/s) for most by 2015.

Bedford Citizen's Panel Survey

- This survey found that the majority of residents (71% of respondents) would like faster broadband. 75% supported the intent that most premises should have access to superfast broadband and the remaining premises access to at least standard broadband (2–24Mbit/s).

Our partners are currently engaging with local residents and businesses, and this will continue leading to the procurement phase. The on-going demand registration activities include:

Bedford Broadband Consultation (on-going)

- Bedford Borough Council has undertaken an initial consultation and has an on-going broadband demand registration survey for business, residents and community organisations. These are available on the Council's website.[8]

8 www.bedford.gov.uk/broadband

Milton Keynes Broadband Survey

- Up to 7 December 2011, there have been 1,097 residential responses and 68 business responses to Milton Keynes online survey on the Council's "My Local Broadband" website.[9] The website is being revised to provide more regular updates and information on getting Milton Keynes better connected with broadband. The website will provide links to on-going local broadband projects and Council-led initiatives.

Central Bedfordshire Broadband Consultation (on-going)

Central Bedfordshire has started an initial consultation and a demand registration survey, available on the Council's website.[10] So far the results suggest that:

- Reliability of current Internet service is an issue in the Central Bedfordshire area. 59% of respondents rate the reliability of their service as bad, while only 15% are satisfied with their current broadband performance.

- 98% of respondents support the provision of NGA broadband, with a strong indication that it will be taken up when it becomes available (96% state they will take up NGA services).

- 73% of business respondents indicate that the future location of their business would be influenced by the availability of broadband. They also state that the performance of their business is restricted by their current broadband.

9 http://www.miltonkeynes.gov.uk/mkgrowth/displayarticle.asp?ID=84172

10 http://www.centralbedofrdshire.gov.uk/broadband

B3 Stakeholders

In addition to the engagement of partners in the partnership board, the councils are continuing to engage with a range of stakeholders in the community to ensure we are able to deliver the expected outcomes of the broadband project. Our stakeholders' engagement will also ensure we communicate clearly the strategic benefits of our broadband project to businesses and residents in our area.

We regularly meet with our local strategic partnerships, public partners, and town and parish councils, where we share and discuss ideas including those detailed in this JLBP. We also regularly meet with BDUK representatives to discuss and understand any issues that could potentially affect the delivery of this plan. Our stakeholder engagement will be reviewed regularly to ensure that we target the delivery of our objectives effectively and efficiently.

B3.1 Business stakeholders

Key stakeholders in this group include the Bedfordshire and Luton and Milton Keynes Chambers of Commerce, the Federation of Small Business, the Bedfordshire and Luton Business Ambassadors and other groups. Likewise, through the councils' engagement with individual local businesses we are keeping them up to speed with project developments.

B3.2 Community stakeholders

In addition to the membership of the partnership board, the councils have promoted the project through local events to discuss and promote local issues for example Central Bedfordshire's 'Let's Talk' events and Bedford's 'Pints in the Parishes' events. These have been well attended by our communities. Further to this, we have engaged with the networks of our town and parish councils to ensure their input and support for the project.

B3.3 Public sector stakeholders

In addition to partnership board membership we engage with public partners including the Police, Fire Service, Jobcentre Plus to promote the project. This is done both informally and formally, e.g. through our Local Strategic Partnerships (LSPs): Central Bedfordshire's LSP and Bedford's LSP have provided capital contribution for the local authority funding of the broadband plan.

SECTION C – FINANCIAL INFORMATION

C1 Funding requirements

Our objective is to deliver universal broadband coverage to all premises and NGB coverage to at least 90% of premises in our areas. This will be achieved through a competitive tender process to seek investment from the private sector, to supplement available public sector funds.

The following table identifies the capital funding requirement, and availability, to deliver on our broadband targets. It should be noted however that the partners in the project will continue to seek additional resources from e.g. Parish Councils, BDUK, to ensure delivery and indeed deliver over and above our current targets.

Figure 1: Funding available for the project

Total funding required (GBP millions)	Total	2012/2013	2013/2014	2014/2015	2015/2016
Private sector investment (telecoms companies)	5.17		3.10	2.07	
Sub Total	**5.17**		**3.10**	**2.07**	
BDUK funding	1.20		0.72	0.48	
Other funding (Local Authority)	4.04	0.5	2.42	1.62	
Sub Total	**5.24**	0.5	**2.64**	**2.10**	
Other funding (European/ERDF)	–		–	–	
TOTAL	**10.41**	**0.5**	**5.74**	**4.17**	
Number of postcodes covered by the funding	**3,233**				
Number of premises (residential and non-residential) covered by the funding	Number of residential premises = **49,698** Number of business premises = **1,892**				

C2 Funding structure

Analysys Mason undertook a cost modelling of the different technology mix options for the broadband roll-out, and carried out a sensitivity analysis of the coverage against the performance of the various options. The analysis shows that we should be able to achieve our individual partner broadband objectives using a predominantly FTTC solution for a cost of **GBP9.40 million**.

BDUK has allocated GBP1.2 million, and the partner authorities have more than quadrupled this allocation, giving a total public sector funding of GBP5.24 million. Analysys Mason estimates that there will be a contribution of GBP5.17 million from private sector investment, bringing the total funding and investment to **GBP10.41 million**.

Thus, there is around GBP1 million available for technologies that are better performing than FTTC and for meeting the Universal Service Commitment of 2Mbit/s for all premises.

The project will be adopting a gap-funded approach, as described in Section D1. Accordingly, we propose that the ownership, operation and maintenance of the network will reside with the private sector partner.

SECTION D – COMMERCIAL INFORMATION

D1 Commercial case

The partner authorities have considered all available options to deliver this project, and decided to adopt the gap-funded option because of the following benefits, to name a few:

- The level of initial public intervention funding is minimised.
- The network ownership and operational risks are transferred to the private sector.
- The public sector is not exposed to financial losses.
- The financing arrangements are less complex.
- The claw-back mechanism prevents ‘excess profits’ being made by the private sector.

D2 Market engagement

The partner authorities have historically engaged with telecoms infrastructure providers in order to determine current broadband investment and any future roll-out plans for broadband provision in the area. In line with the new state aid requirements, the authorities will undertake additional market consultation for one month prior to commencement of the procurement exercise, to maximise awareness of the JLBP and to ensure that any additional broadband roll-out plans are identified.

D3 Procurement strategy

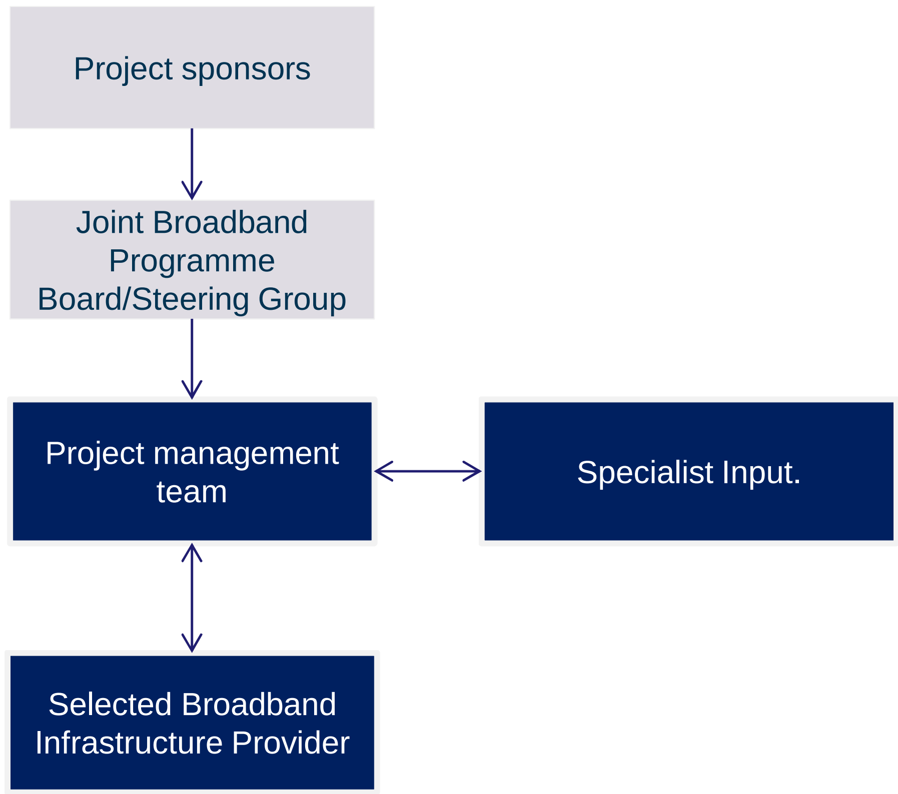
The preferred commercial option for the delivery of the JLBP is to use a gap funded approach which can be delivered using a number of procurement route options, including the BDUK framework. Having explored these different procurement route options, our preferred option is to run a mini-competition to procure a single delivery partner under the BDUK framework. We believe that this option will help us maximise potential supplier interest in the procurement process and will best meet BDUK’s contractual requirements around local procurements.

SECTION E – DELIVERABILITY

E1 Project management, resourcing and funding

The partnership recognises the importance of effective project management to ensure successful delivery. The broadband project will be managed using PRINCE2 as the formal project management methodology, as well as the OGC Management of Risk (MoR) methodology. This will provide control of progress, expenditure and risk, as well as ensuring governance and management reporting mechanisms. The project structure is shown in Figure 2

Figure 2: Project structure



Project sponsors

The project is sponsored by Central Bedfordshire, Milton Keynes and Bedford Borough Councils.

Joint Broadband Programme Board/Steering Group

The Project Board/Steering Group membership comprises senior officer representatives and the relevant executive portfolio holder members from the three local authorities (Milton Keynes, Central Bedfordshire and Bedford Borough).

Other key partners/ stakeholders will also attend the project board as appropriate to support engagement and any specific requirements. The Project Board will be responsible for the overall direction and decision making on this project. The Project Board will be chaired on a rotating basis by the council executive portfolio holders who will act as the Project's Executive. The Project Board will also be responsible for ensuring that delivery of the project remains on course and ensure compliance with partner authorities processes.

Project management

We will retain a team of highly experienced individuals with considerable expertise of working across existing broadband initiatives to serve on the project management team. Agreement has been secured from each of the three authorities' executive portfolio holders to commit the necessary resources to this project. The project management team will include a **Dedicated Project Manager** to be appointed to manage the delivery of the broadband plan, funded jointly by the three partner authorities. Each authority will have an internal project officer providing a significant share of their time to support the Project Manager. Additional resources from each authority will be utilised such as procurement, legal and marketing officers. External consultancy advice will also be used for support including on technical, procurement and State aid matters.

Overall the project management team costs will amount to about a 2 Full Time Equivalent (FTE) resource, including consultancy, over a 3-year period, which equates to a total funding commitment of GBP305,000. It is noted that the GBP305, 000 total is 6.25% of our BDUK + local match total compared with c.4.7% for Norfolk and c.3.7% for Suffolk)

See the table below for a breakdown of the activities, resourcing and costs for the project delivery. On-going financial, contractual and performance monitoring and evaluation of the project will be undertaken by the project management steering group, resourced through the three local authorities, utilising existing capabilities where possible.

Costs of project team and programme resources (Revenue)	Total	2012–2013	2013–2014	2014–2015
GBP	000	000	000	000
Budget				
Advisors	50	40	5	5
Demand Stimulation	80	40	20	20
Project Team	195	75	60	60
Project Manager				
Project support				
TOTAL	**325**	**155**	**85**	**85**

E2 Timetable

The timetable is subjected to approval of the JLBP on the specified date

Key milestone	Expected date
Submission of JLBP	Completed
Project set-up	Completed
Award of BDUK framework contract	3 April 2012
BDUK sign-off of JLBP and securing of BDUK funding	29 April 2012
Securing of any additional funding, including ERDF approvals (If any)	Completed by 29 July 2012
Demand registration activities	On-going
Demand stimulation activities	On-going
Completion of state aid and local requirements, and data room submissions	29 August 2012
Market testing of intervention area	29 August 2012
Preparation of local requirements for the plan	29 August 2012
Issue of mini-tender (using BDUK framework)	29 September 2012
Award of contract by Milton Keynes, Central Bedfordshire and Bedford	29 November 2012
Start of roll-out	December 2012
50% of roll-out completed	December 2013
Completion of roll-out	Currently anticipated for June 2015
Monitoring and evaluation	2012-2016

E3 Expected strategic benefits

The **quantitative socio-economic benefits** of the JLBP for the intervention area are as follows.

- **Increased productivity** – it is expected that NGA broadband will increase the productivity of employees and will have a direct impact on GVA. Only businesses in the intervention area are considered in our socio-economic cost modelling, and at the end of 15 years it is expected that **50%** of those businesses will experience increased productivity from their employees. The assumed productivity increase per employee due to NGA availability is **1.21%**.

- **Knowledge-based economy** – it is assumed that availability of NGA will help promote a knowledge-based economy, which will, in time, create more high-value jobs. In addition some employees within our areas will move into this sector and command higher salaries. The increase in salary for a high-value job relative to an average salary is estimated to be **2%** per year in our socio-economic model.

- **Flexible working (including teleworking)** – it is assumed that more employees will be able to adopt flexible working due to the availability of NGA (a **5%** increase in flexible working is assumed in the model). NGA availability also creates opportunities for people who are otherwise economically limited or inactive (e.g. disabled people, people over pension age and parents with young children). Flexible working generates potential benefits for existing employees and employers in the form of mileage savings, reductions in carbon dioxide emissions, and time savings. Flexible working could also lead to a reduction in employee absenteeism (a **5%** reduction is assumed in our socio-economic model).

- **Consumer surplus** – it is expected that a consumer surplus will be generated for the business and residential premises taking NGA. Only intervention premises are considered in our socio-economic model, and it is assumed that each residential premise will enjoy a **GBP2 per month** consumer surplus (a conservative assumption given that a survey carried out in Northern Ireland for its NGA project showed an average consumer surplus of EUR10 per month).

- **Tele-health** – it is expected that by deploying Tele-health services for remote monitoring it will be possible to increase service quality and efficiency, leading to cost savings. In the model, a 5% cost saving has been assumed. Note that we have not quantified this benefit for all people in the area, and there may be an opportunity to deploy Tele-health facilities to all people in the future.

- **Cloud computing** – it is expected that NGA will promote more widespread use of cloud computing. For many users, this approach leads to a marked decreased in the processing power needed to complete computing tasks, allowing much simpler (and lower-cost) computers to be used. End users can enjoy potential savings on the purchase of new computers and their maintenance and power usage, and it is assumed that a 10% reduction in computer costs is achievable.

- **Remote learning** – NGA can support enhanced distance learning, as lectures with video-conferencing facilities become more widespread. It can, therefore, be expected that there will be an increase in the number of students (both part-time and full-time) registering with remote learning centres, as well as an increase in the quality of teaching available through such organisations. Remote learning will likely increase the number of highly skilled workers, which will have a positive impact on the local GVA. Remote learning could also generate benefits for employees and students in the form of mileage savings, reductions in carbon dioxide emissions, and time savings.

In addition, there are a number of qualitative socio-economic benefits that can be achieved through NGA broadband. Some of these are outlined below.

- NGA broadband can provide an opportunity for greater innovation, increased access to new markets and greater consumer choice, compared to the experienced with current-generation broadband.
- Faster connectivity, greater consistency, higher quality and improved reliability of service from NGA broadband are very useful for back-up arrangements, facilitating back-up of vital data and multiple, real-time, high-definition data transmissions.
- Using e-government and Tele-health initiatives in the near future can potentially reduce administration, resulting in Government savings.
- Improved employee retention rates can be achieved by increasing employee satisfaction through flexible working, which means that companies could potentially reduce their recruitment spend.
- There could be a reduction in traffic congestion due to fewer vehicles being on the road during peak times, as a result of more people adopting flexible working and remote learning.
- There could be a reduction in air and noise pollution due to the increased adoption of flexible working and remote learning.
- Reduction of in-person visits from home healthcare workers can lead to time savings and reduction in carbon dioxide emissions.
- NGA will promote greater social equity and further reduce the probability of having a digital divide.

The output of our analysis shows that there will be positive socio-economic return as a result of the NGA broadband project. As an example a good return on investment, a net GVA uplift of circa **GBP98 million** (discounted value) over a period of 15 years will be generated in Central Bedfordshire, with an initial investment of only **GBP1.82 million** from public funds. This represents a **return on investment ratio of 7 to 1.**

We will introduce performance monitoring and evaluation procedures to ensure the performance of the broadband network is maintained and sustained (see Section A1.3 above for details of monitoring indicators).

E4 Risk management/Log

Risk management is a regular and standard procedure within our partner organisations, and this principle will be applied to delivery of this broadband plan. For this project we have developed a risk management plan and risk register in line with the OGC's MoR and PRINCE2 best practice. The risks identified to the broadband programme are detailed in Figure 3 overleaf. The following scoring is used:

Likelihood scoring – (1 is Low, 2 is Medium, 3 High)

Severity scoring – (1 is Low, 2 is Medium, 3 High)

Threat to project scoring – (1-3 is Low, 4-6 is Medium and 7-9 is high: Multiplier of likelihood and severity)

Figure 3: Risk management/Log

Risk		Risk assessment (Low, Medium, High)		Threat to project / Mitigation (Low, Medium, High)
No	**Description**	**Likelihood**	**Severity**	
1	Suppliers not interested in investing in the project	Medium	High	Medium/ On-going engagement with the market at an earlier stage and development of a good demand registration and stimulation plan to demonstrate a good business case for investing in our areas.
2	Insufficient funding from the private sector to support the project	Medium	High	Medium/ On-going engagement and market testing to ensure commitment from private investors.
3	Failure to secure a timely BDUK funding award and delay to BDUK project procurement and implementation timetable slot	Medium	Medium	Medium/ Support from BDUK, external consultancy and partnership board to develop a joint local broadband plan that complies with latest BDUK requirement for securing BDUK funding. On-going engagements with BDUK on BDUK call-off timing and the partners' local requirements.
4	Failure to secure a supplier through the BDUK procurement framework	Low	Medium	Low/ Use alternative procurement route
5	Prioritisation of areas for roll-out does not align with the roll-out plans for the supplier	Medium	Low	Low Early engagements with suppliers to allow them to understand the roll-out priority areas.
6	Rejection of state aid application or delay in sign-offs	Medium	High	Medium/ The use of latest BDUK state aid template with guidance and support from BDUK and appointed external consultancy on state aid matters.

Risk		Risk assessment (Low, Medium, High)		Threat to project / Mitigation (Low, Medium, High)
No	**Description**	**Likelihood**	**Severity**	
7	Supplier does not have capacity to deliver once contract awarded.	Medium	Medium	Medium/ Engagement with BDUK to ensure the BDUK framework assesses supplier capacity. Ensuring the capability of suppliers to deliver is fully tested throughout the procurement process.
8	Insufficient resources available for the management and delivery of the project	Medium	Medium	Medium/ A dedicated and experienced project has been set up with approval from our partners' corporate boards
9	Cost overruns	Medium	Medium	Medium/ Suppliers must demonstrate their cost monitoring approach to the project to ensure the project budget is maintained. Our project management team will also monitor the cost of the project and will trigger exception planning to bring back on track to agreed tolerances. Cost overrun risk will be transferred to the supplier
10	Proposed technical solution is unviable for NGB Proposed technical solution unviable for USC	Low Medium	Medium Medium	Low for NGB and Medium for USC Early engagements with suppliers to allow them understand our proposed technical solution for NGA and USC delivery. Cost modelling carried out by Analysys Mason shows that we are likely to fulfil our NGA broadband objective using mainly FTTC and alternative technologies for uplift of the remaining slow spots.
11	Costs of deploying a solution for unique situations in the area proves too expensive for available funds (e.g. topography)	High	Medium	Medium/ Management of public/stakeholder expectations through on-going engagement

Risk		Risk assessment (Low, Medium, High)		Threat to project / Mitigation (Low, Medium, High)
No	**Description**	**Likelihood**	**Severity**	
12	Planning permission and way leaves delays delivery	Medium	Medium	Medium/ Working with planning authorities to mitigate this risk
13	The successful supplier does not attract enough ISPs to offer a competitive range of services and therefore choice to customers	Medium	Medium	Medium/ Suppliers to demonstrate during procurement how they will attract an increased number of ISPs to our areas, and how they will make the network competitive. Attraction of LLU players will be discussed during procurement
14	The procured solution is not future-proofed	Medium	Medium	Medium/ Suppliers to demonstrate during procurement that the solution is innovative and future-proofed. Solutions will be monitored and benchmarked against other successful broadband networks.
15	Take-up of the new services by residential and business users is lower than predicted	Medium	Medium	Medium/ Effective demand stimulation and demand aggregation activities are planned throughout the project
16	Expected outcome of the broadband plan is not realised	Low	High	Medium/ Engagement with stakeholders and the supplier(s) to ensure the expected outcomes is monitored and realised. We will ensure that delivery is not fully signed off until requirement is delivered against initial expected outcomes.

SECTION F – STATE AID

We have developed this joint broadband plan to be consistent and compliant with the latest state aid requirements. We have developed a detailed mapping of the target areas for basic broadband and NGA broadband support, and the partner authorities will undertake additional market consultation for one month prior to commencement of the procurement exercise in order to maximise market awareness of the broadband roll-out plans accounted for and to ensure that any additional plans are identified.

An open tender process will be held to deliver the most economically advantageous offer. The tender process and specification will be technology-neutral, and a minimum 7-year wholesale access obligation will be imposed on our preferred supplier. The prices for wholesale access to the broadband network will be subjected to a benchmarking mechanism, and an appropriate claw-back mechanism will be discussed during procurement stage and included in the contract with the successful supplier.

Signed:

Name:

Job Title:

Date

CEO sign off/Section 151 Officer/Executive Member (portfolio holder)

<table>
<tr><td colspan="3">a) Submission:

In submitting the Joint Local Broadband Plan, I verify that the proposal fits with corporate policy</td></tr>
<tr><td>Signed:

Name:

Job Title: Chief Executive, Milton Keynes Council

Date:</td><td>Signed:

Name:

Job Title: Chief Executive, Central Bedfordshire Council

Date:</td><td>Signed:

Name:

Job Title: Chief Executive, Bedford Borough Council

Date:</td></tr>
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Annex A Supplementary information: Maps

Figure A.1: Basic broadband speed distribution by 2015 [Source: BDUK, Ofcom, Analysys Mason 2012]

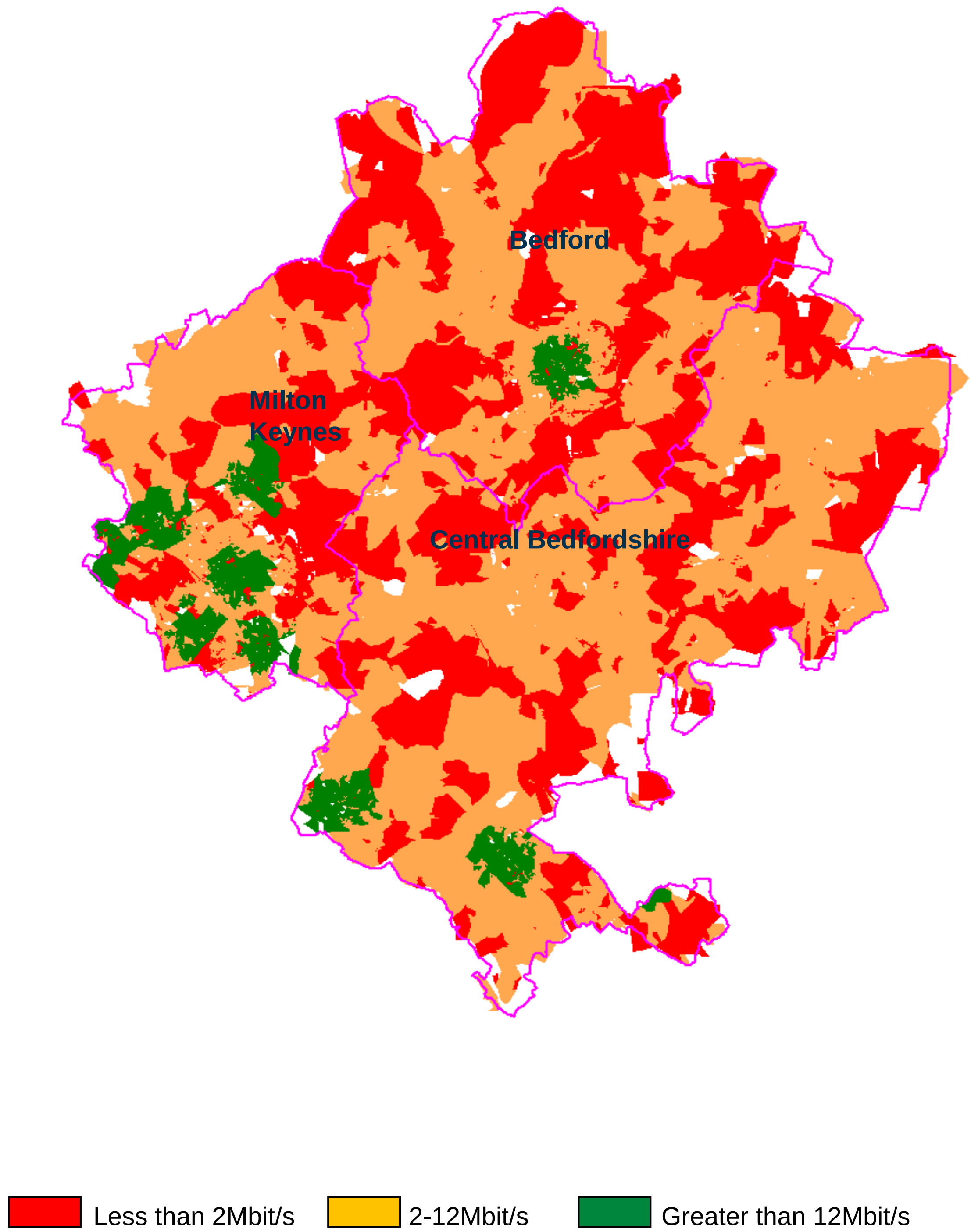


Figure A.2: Basic broadband BGW by 2015 [Source: BDUK, Ofcom, Analysys Mason 2012]

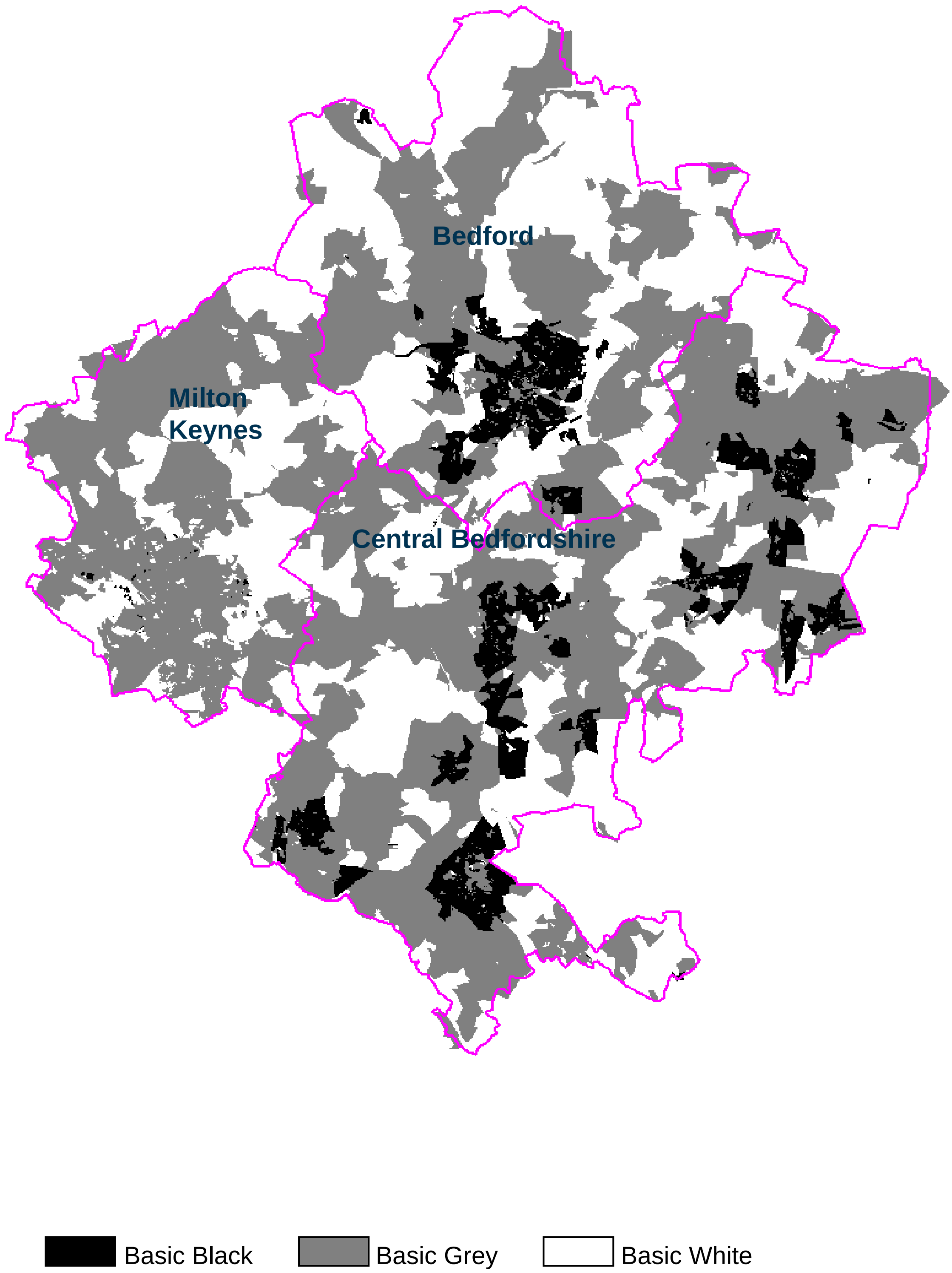


Figure A.3: Forecast BT NGA coverage by 2015 [Source: BDUK, Ofcom, Analysys Mason, 2012]

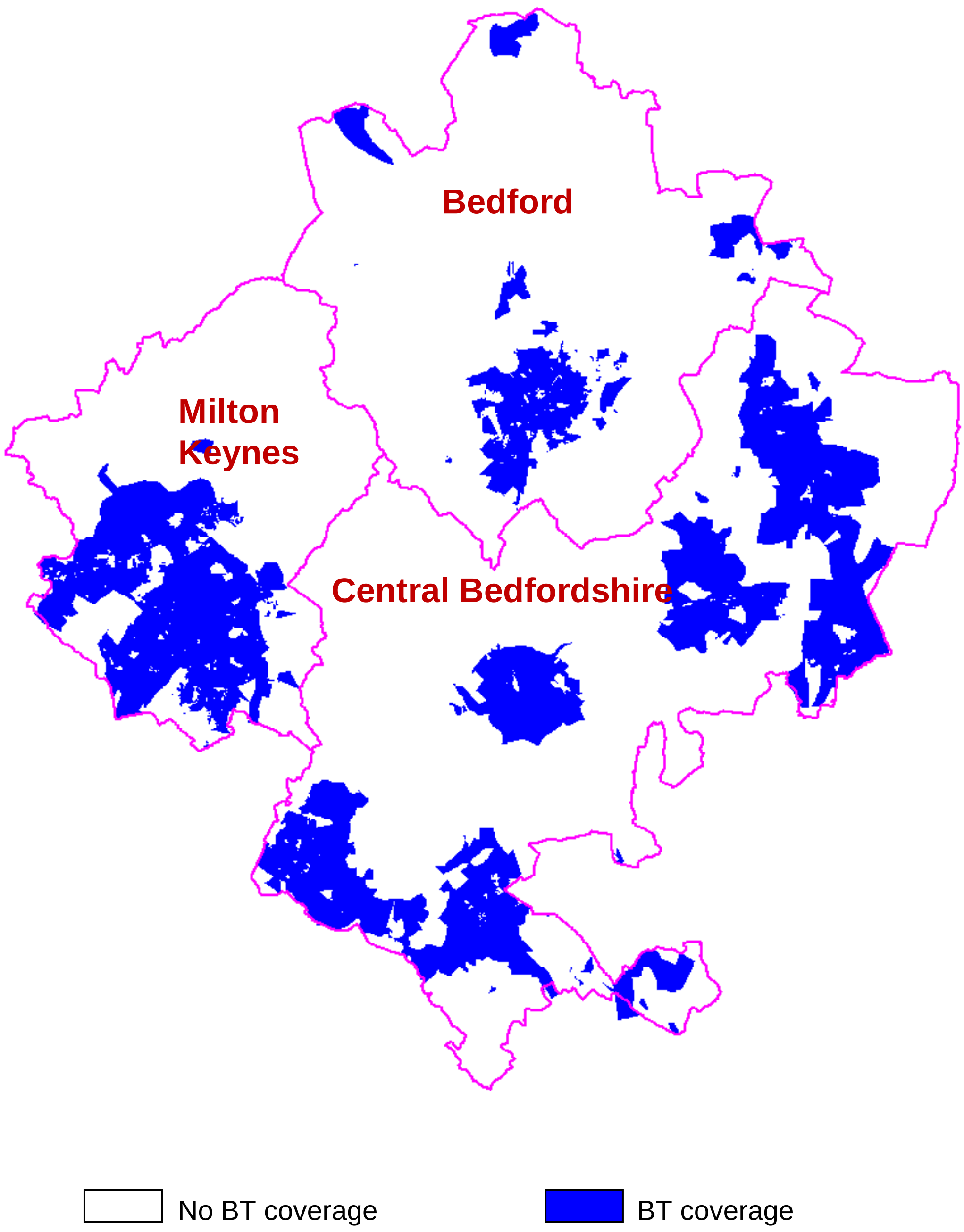


Figure A.4: Forecast Virgin Media coverage by 2015 [Source: BDUK, Ofcom, Analysys Mason 2012]

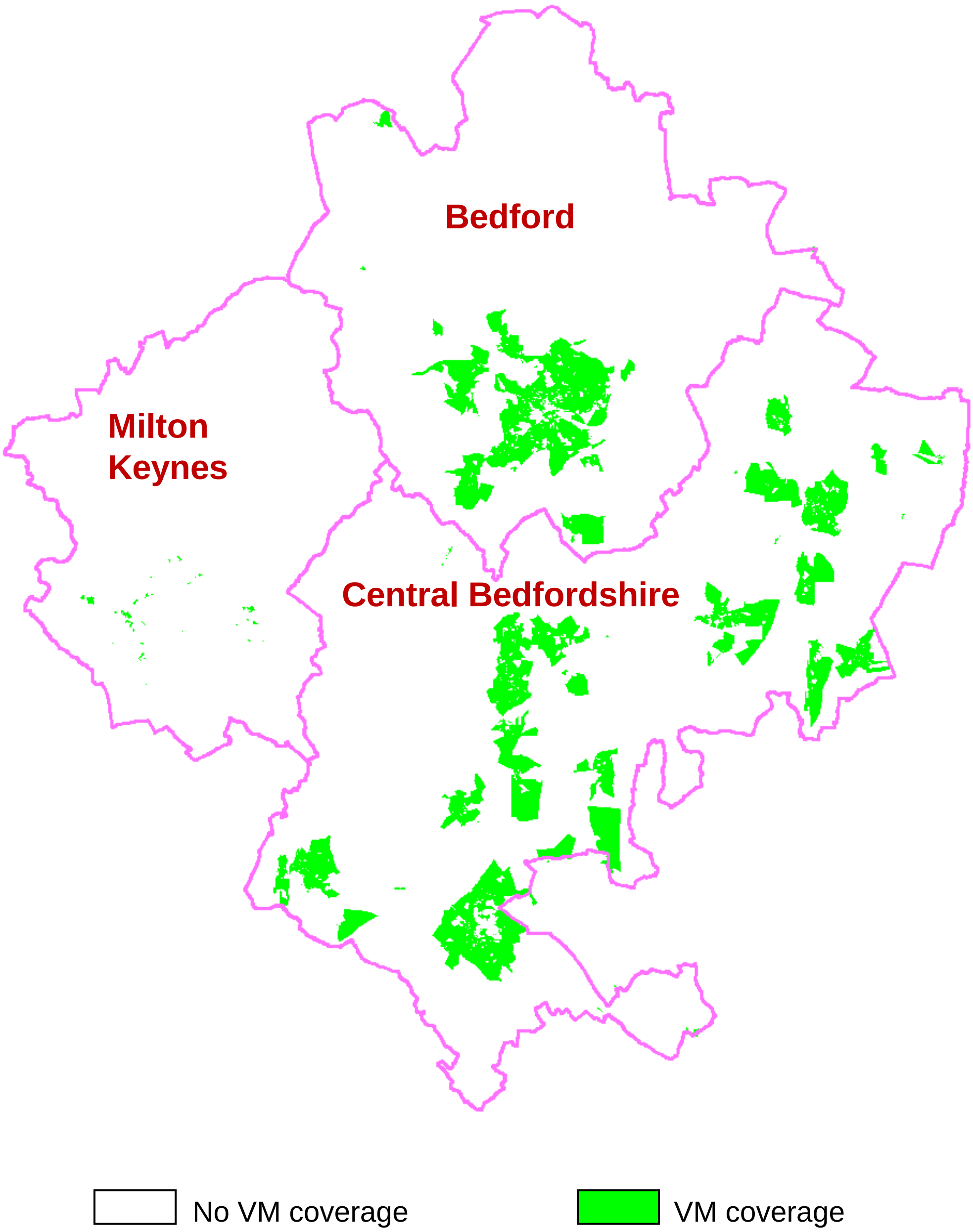


Figure A.5: NGA broadband BGW map [Source: BDUK, Ofcom, Analysys Mason 2012]

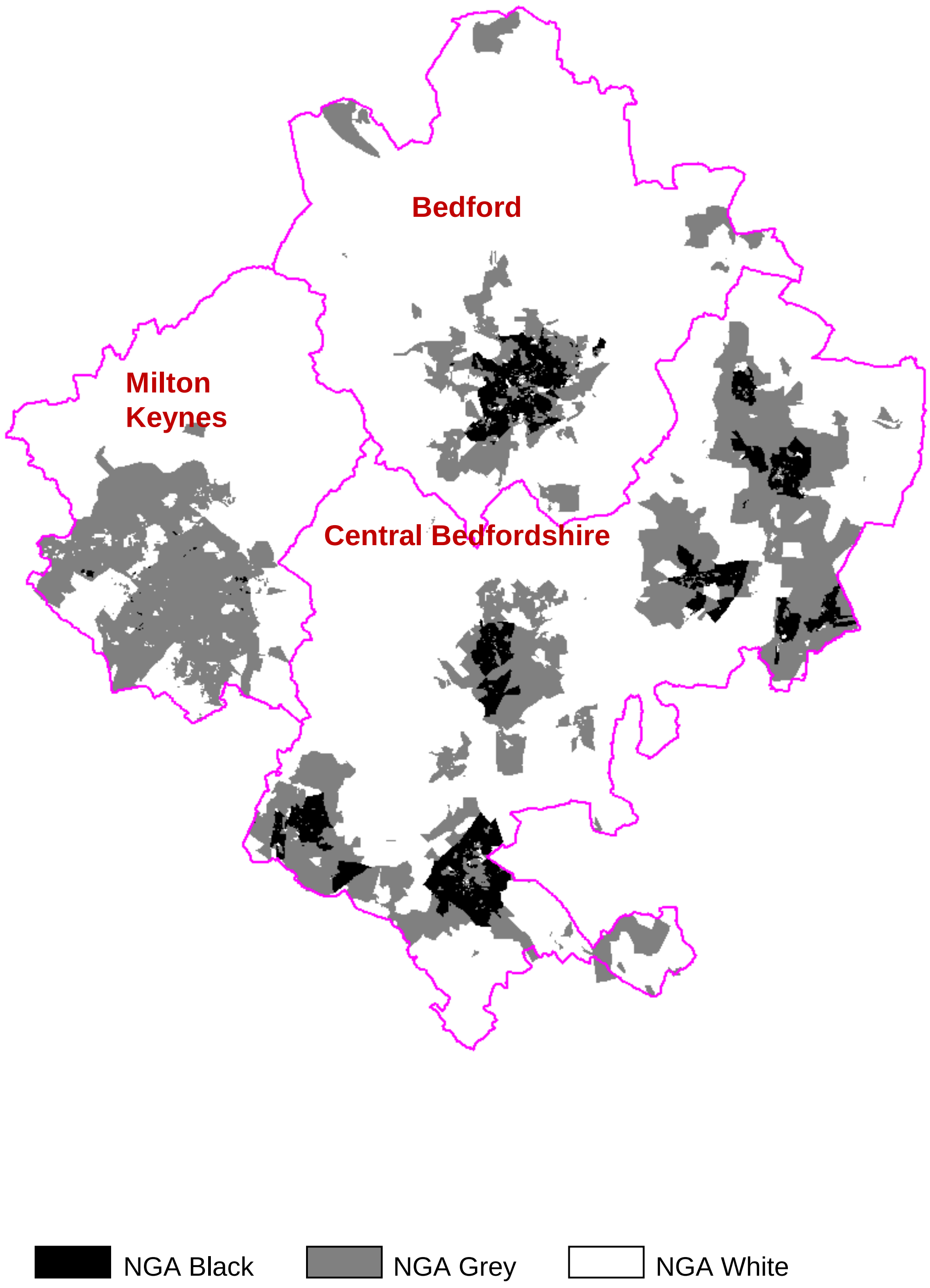
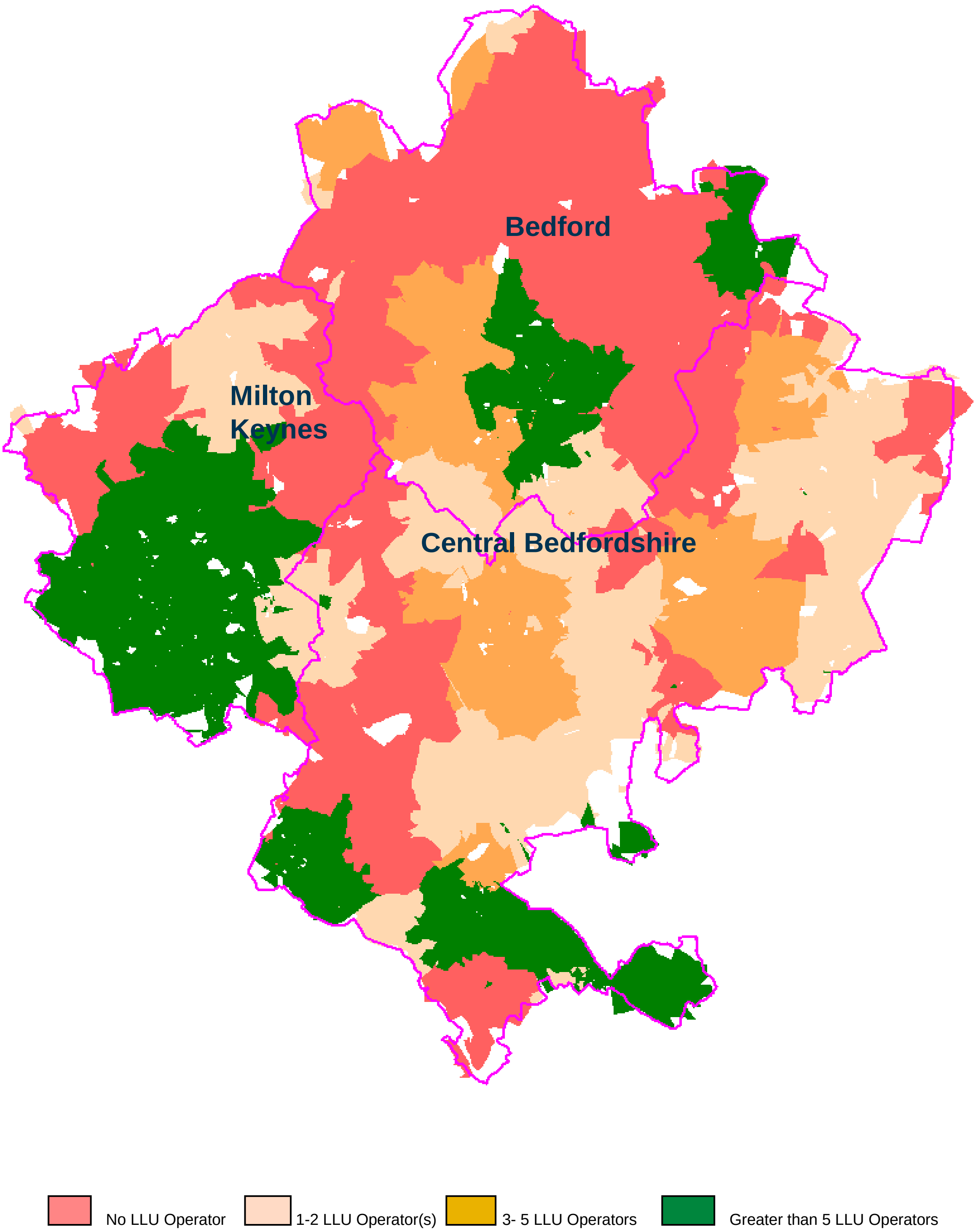


Figure A.6: Distribution of LLU operators [Source: Analysys Mason, Samknows, BDUK, 2012]



Annex B Supplementary information: Strategic benefits linked to the broadband project

We are confident that achieving this vision will deliver our expected strategic benefits namely to develop and secure economic growth by:

- **Improving business productivity and efficiency** through supporting business growth, attracting new high value activity investment into the area and supporting business and labour market skill development. Evidence shows that high quality and improved broadband access will enable delivery and development of efficient system to support business growth. The responses from our surveys (see Section A2) indicate that improved broadband in the area will support business productivity and growth in the economy and thereby safeguard existing jobs.

- **Supporting sustainable employment -** While job growth up until the recession had been strong in the area, job densities for instance in Central Bedfordshire (0.67) in 2008 have remained the lowest in the East of England, and lower than the England average (0.83). In Central Bedfordshire, the ratio shows that there are two jobs for every three resident people, and highlights the immediate priority to stimulate local employment opportunities. Bedford still has a higher unemployment rate than both the East of England and South East regions and the country as a whole. During 2010, the unemployment rate in Milton Keynes fell faster than in the South East region and England, but by December 2011, still equalled the national rate of 3.8% (GB). One of the factors responsible for this is lack of appropriate skills or employability profile to meet the needs of employers. The level of skills of working age in our areas measured by qualifications was lower than that of the South East region and in some cases lower than that for England in 2008. Access to improved broadband services will deliver a platform for our citizens to improve their overall skills and qualifications profile through digital education and training especially gaining higher level and specialized skills.

- **Strengthening the rural economy** - The many thousands of rural businesses in our area play a key role in our economy. Information from our survey exercise highlights a number of potential barriers to rural businesses, including lower level of access to high speed broadband and limited commercial viability for rolling out NGA broadband. Improved broadband services to the rural area will help solve the problem of digital exclusion so that our rural areas can benefit from the opportunities presented to address rural issues including access to services and social issues for example the rural business will be able to find workers who can live locally and still thrive on social networks to connect to friends and family and have flexibility with remote working. There will also be on-going increase in the rural population with new sustainable jobs particularly in high value sectors.

- **Supporting local business start-ups and resilience** – Engagement with our business stakeholders suggest that continuous support for local business start-up and sustainability are essential if we are to maximise the economic growth in our areas. This must be considered in light of the high numbers of small businesses in the areas and the particular difficulties these businesses face in accessing support and networking opportunities, in terms of the time away from the business and resulting loss of earnings especially in the rural areas. Our broadband plan and improved broadband infrastructure will help local businesses, especially SMEs, access new market opportunities through the increased range of support services being delivered online.

- **Contributing towards greener environment** – Currently Milton Keynes has one of the highest carbon footprints in the South East region, in part due to the level of economic activity, the density of development and transportation. This will likely continue for Milton Keynes and the other partner authorities because we are projecting an increase in population in the future in our areas. Population growth will lead to increased numbers of houses and jobs and associated infrastructure that will be needed in our areas which will inevitably put pressure on our natural and built environment. If this is not managed sensitively, the emissions of carbon dioxide and other pollutants will significantly increase and continue to adversely impact on climate change. The quality of the area's environment can be improved and sustained through improved broadband provision through reducing travel and costs and carbon dioxide emissions. As a result broadband connectivity, remote and flexible working opportunities and also enabling workspaces to be used more efficiently. Faster broadband will also enable the development of environmental technology for reduction of carbon emissions.

- **Promoting equality in the area –** For us to achieve our proposed economic growth targets, our residents need to be able to contribute their potential. The broadband project has a key role to play in addressing the issue of inequality as its availability and reach will enable an increased number of people in under-represented groups to access training and employment opportunities. For example there are possibilities of providing education through **virtual and remote learning centres** using faster broadband connectivity (access to online library or connect to a remote learning centre)

- **Education and provision of opportunities for children and young people –** Improved broadband connectivity in our area will mean improved education and training for our children and young people through access to various online training and learning resources. For example high definition videoconferencing for schools could be used for video teaching that can improve the learning environment for students and enable students to participate in lessons at times when travelling to school is made difficult due to weather or illness. It may also enable teaching to be shared between schools, widening the range of subjects available to pupils.

Furthermore, online learning opportunities will be supported by increased connectivity allowing for greater interactivity and richness of content. Students of all ages will be able to benefit from quicker access to online research materials and future learning opportunities is clear that access to on-line learning resources is increasingly important for both school pupils and FE and HE students to the extent that some students do not return home in holiday periods because of poor broadband access.

- **Helping the transformation of public services –** Our broadband plan will help deliver potential Government savings from reduction in administration overheads by using e-government initiatives, such as online billing, and e-health initiatives, for example tele-health and tele-care services (providing of health care, health information, health monitoring and health education across a distance, using telecommunications technology) which could help improve services for residents and efficiency for service providers.