WORCESTERSHIRE LOCAL BROADBAND PLAN:

Connecting Worcestershire

Submission: December 2011

APPLICANT INFORMATION

Project Name: Connecting Worcestershire

Lead organisation: (include address with postcode and type of organisation e.g. Local Authority, LEP)

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If the bid is a joint proposal, please enter the names of all participating bodies and specify the co-ordinating authority.

N/A

Start date of project: January 2012

End date of project: December 2015

SECTION A – PROJECT OVERVIEW

A1.   Vision and Strategic Context

1.0 Summary

'Connecting Worcestershire', the Worcestershire Local Broadband Plan (LBP), is an ambitious programme to implement a multi-million pound superfast broadband network which will be one of the best in the country. This programme is a key priority for the County's new political leadership and sits firmly within its plans for sustained economic growth across the county, reinforcing the Coalition Government's aim to create the best broadband network in Europe by 2015. Our political and business leaders are committed to the programme, demonstrated by the Worcestershire Local Enterprise Partnership (LEP) giving its full backing and the Worcestershire County Council's Cabinet commitment to a significant multi-million pound contribution to facilitate successful programme delivery.

2.0 Vision, Objectives and Targets

Our Vision is to:
Deliver faster Broadband for the county to ensure Worcestershire is, and remains, 'Open for Business'

2.1 Objectives

- o   Everyone in the county to have access to broadband speeds of at least 2Mbps by 2015
- o   Superfast broadband available for 90% of the county by 2015
- o   90% of businesses in Worcestershire to have the ability to access superfast broadband by 2015

2.2 Ambitions

- o   100% of affordable broadband coverage across Worcestershire using the most appropriate technologies, such as wireless, mobile and fibre
- o   To address digital exclusion by ensuring rural areas are not left behind
- o   To ensure voluntary sector and social enterprises are supported to access use broadband
- o   To maximise Worcestershire's business competitiveness, nationally and globally
- o   To support communities who wish to resolve broadband issues in their area
- o   To develop a flexible approach which will optimise future proofed solutions
- o   To support our local authority's transformation of services

Delivering 'Connecting Worcestershire' will result in a significant step change in our broadband infrastructure, which in turn will facilitate a drive in economic growth and improve the quality of life for all our residents over the next decade.

Both Worcestershire County Council's Corporate Plan 2009-2013 and the Worcestershire Economic Strategy 2010-2020 clearly support technology led growth as a key economic enabler for the County, and specifically highlight the importance of broadband to local residents, communities and businesses. Often described as the fourth utility after gas, electricity and water, the Internet now impacts every facet of our lives but only benefits those who can access and use it. It is clear that the benefits of Internet connectivity are key for both residents and businesses alike and so the Council's Corporate Plan 2011-2016 with the key area of 'Open for Business' will enable these interlinked beneficiaries to be fully serviced.

Securing support from Broadband Delivery UK (BDUK) to implement 'Connecting Worcestershire' will ensure that the County is able to contribute to the Coalition Government's aim to create the best broadband network in Europe by 2015. There are two key and inextricably interlinked beneficiaries of internet connectivity - businesses (including those operated from people's homes) and residents. 'Connecting Worcestershire' aims to continue its focus of engaging with Stakeholders throughout the County to ensure the infrastructure and subsequent service delivered matches or exceeds their expectations. To date, numerous stakeholders have been consulted through one-to-ones and large

events. This activity continues at a pace, most recently with a large event held in December 2011 focusing on funding available for Communities, including the DEFRA Rural Fund, Green Infrastructure Fund and Sustainable Transport Fund, which we envisage will give us early delivery successes in the first half of 2012. In addition, the Worcestershire Broadband Survey which has been open to both residents and businesses has received significant engagement, with an early analysis of results included in Appendix A.

3.0 Why Broadband is important for Business

Boston Consulting Group research indicates that the internet makes up 7.2 per cent of Britain's GDP and, if it was an economic sector, it would be Britain's fifth largest. It also indicates this share is larger than that of the country's construction, transportation or utilities industry. Furthermore, the internet is a more important part of Britain's economy than these numbers suggest because GDP cannot capture things like efficiency savings from internet working or the size of the online advertising market.

In Worcestershire it is vital that the county has the digital infrastructure in place to support inward investment and help grow the economy. The new Worcestershire Local Enterprise Partnership (LEP) clearly cites broadband as a key priority in order to support general economic growth including technology led growth. The Worcestershire Economic Strategy 2010-2020 clearly identifies technology led growth as a key economic enabler for the county:

> Simon Geraghty, Deputy Leader of the County Council and and the Cabinet Member with Responsibility for Economy and Infrastructure said, *"In ten years time, technology-led growth will have contributed to the sustainable development of Worcestershire and strengthened its role as an economic driver for the region – acting as a catalyst for all sectors of the economy and areas of the County to benefit and providing well paid and highly skilled jobs and high quality of life for residents."*

3.1 Worcestershire County Council's Corporate Plan 2009-2016

Worcestershire County Council has carefully taken into account the views of the community, individual service users and businesses to arrive at a vision of a prosperous Worcestershire. It is recognised that improving economic prosperity is vital in achieving this.

Within the Corporate Plan for 2011-2016 four key areas of areas have been identified:

- o Open for Business
- o Children and Families
- o The Environment
- o Health and Well being

A key area of focus for the county is 'Open for Business':

- o Business is welcomed in the county
- o Barriers to growth are removed
- o Skills are improved
- o The council works with businesses to increase economic prosperity
- o Local businesses are in an environment where they can thrive.

3.2 Find it in Worcestershire (FIIW)

A key element of Open for Business has been the creation of Find It In Worcestershire (FIIW). This is an on-line matchmaking service for Worcestershire businesses, which links buyers and sellers, with the aim of making business opportunities more visible, strengthening the local economy and helps to keep the Worcestershire pound in the county. Reliable broadband service across the county is essential to the success of this business tool.

3.3 Transformation Programme

As the government responds to the global financial crisis, we recognise that Worcestershire County Council is subject to the same pressures as every other public sector organisation. A measured approach is expected to be the best protection for staff and service users. The current County Council Medium Term Financial Plan indicates a need to make savings and efficiencies in the region £60-70m over the 2011/12 to 2013/14 period. The BOLD Programme has identified £30.8m of savings for delivery in Year 1 (2011/12). To date (Dec 2011), £29.5m of this has been delivered and 14 of the 92 projects are now closed. Consultation with residents and staff has played a crucial part in developing these initiatives. We have now received over 22,000 responses to BOLD consultations. These range from responses to telephone and online surveys to face-to-face feedback provided on proposed initiatives at public road-show events held across the County.

In order to address the scale of budget reductions required, the political and executive management of Worcestershire County Council recognise that the organisation is required to 'transform' the way it operates in the future, and as such, the manner in which local services are provided to meet the needs of the communities it serves.

The aim is to minimise service reductions as far as possible by being more innovative, creative and cost effective. Better broadband coverage and bandwidth will be vital in transforming the way services are provided so that these savings can be realised. To date less than one third of reductions have had any element of cuts to frontline services.

Better Outcomes Lean Delivery - BOLD

The Council's BOLD (Better Outcomes Lean Delivery) Programme recognises technology as a key enabler of change. The Better Use of Technology portfolio comprises a number of projects commissioned to identify a clear set of improvement objectives utilising ICT in order to support improved service delivery and reduce costs. The project will develop key areas of activity that will enable WCC to fully utilise the diminishing resources and services available to it during the next four years.

Worcestershire County Council has developed and implemented an iPhone app, which is free to download and has now received over 1100 downloads. The vast majority of the feedback received from users provides a 4 star (out of 4) rating. A number of other Local Authorities have expressed an interest in the app and have contacted Worcestershire County Council's web team to learn more about its development. Plans to further develop the iPhone app with additional functionality include:
   o   Ability to report a defect such as a pothole, public right of way issue, streetlight fault etc
   o   Finding your councillor by postcode or filtering by responsibility / committee / electoral division / district membership / external organisation membership
   o   Alerting you (similar to a text) of when a school is closed rather then you having to view the app. (Apple Push Notification Service)
   o   WCC You tube channel to show all our videos such as Outdoor Education Centre Videos, work with Business etc.

Due to the success of the iPhone app, Worcestershire County Council have been to explore opportunities around the development and availability of an android version that is compatible with other handheld mobile devices. As such, the Android application will be available January 2012.

Changes are being made to the design of the public-facing website to make it easier for residents to access information and to provide more opportunities for self-service. These developments are based on national best practice, but just as importantly, through locally tailored requirements identified by local residents and councillors. It had been widely acknowledged by senior management that WCC's public-facing website was not fit for purpose and a significant number of areas on the website were providing inaccurate and/or out-of-date content. These concerns were reflected in Worcestershire's rating (2-stars out of 4) in SOCITM's (Society of Information Technology Management) annual report - Better Connected 2011. Customer Satisfaction Ratings (sourced from SOCITM's national questionnaire) were also relatively low. As a result, a project was commissioned to overhaul the web

presence of the County Council and to review the content approval and governance mechanisms to ensure robust and accurate updates moving forward. The entire website has now been migrated across to the new layout and improved functionality has seen customer satisfaction ratings increase steadily month-on-month. The results of SOCITM's 'Better Connected 2012' assessment will be reported in March 2012 with WCC looking to improve on it's 2*.

Work is being carried out to improve the way in which services are accessed and technology is used as part of one of the four main transformation themes within BOLD; Systems and Access. This includes having a clear Multi-Channel Strategy including: designing web services to meet customer needs and incentivising the use of online channels, to promote self-service; making greater use of automated telephony and making more effective use of digital technology to streamline services focused on the needs of customers. All this will stimulate demand for use of the Internet and with this broadband provision.

Some of the key areas of activity in this project are:

- o Developing the effectiveness of Web provision
- o To rationalise the number of ICT application systems within WCC
- o Providing effective support for flexible and mobile working
- o Supporting the technology requirements for self service activity

Improving broadband strongly supports the political objectives of the County Council. The Leader of the Council has stressed the importance of the Council committing resources, financial and time, to a partnership which delivers reliable and robust high speed broadband across the whole of the County. This will improve the viability of businesses across Worcestershire. Broadband offers the potential for invest to save possibilities and is a key enabler for improved and more efficient services for all.

3.4 Maximising economic growth

With the publication of its Corporate Plan in Summer 2011 the County Council has put Open for Business as it's key corporate priority over the next four years. Since then it has developed a programme of work across the Council and working with partners focused on economic growth.

Examples of the cross Council programme of work include:
- o further investment in road maintenance, above and beyond regular investments made
- o looking to stimulate micro enterprises through increasing the pace of roll out of personalisation, both within Adult Social Care and beyond
- o development of an County Arts Partnership
- o specific provision for businesses in it's launch of the joint Library provision with the University (the Hive)
- o a lighter touch inspection regime for businesses by Trading Standards
- o business creation schemes with schools

The Medium Term Financial Plan to be agreed at December's Cabinet and Council in February 2012 includes a £1m revenue investment focused on new initiatives that will stimulate economic growth. Taken together with a forecast £1m earmarked reserve, this will provide the Council with £2m of spending power. These are a direct response to local business need and those areas that emerged out of the recently conducted Survey of 1300 businesses. These potentially include:
- o three years of £500k investment into provision of loans to small-medium businesses
- o a further investment of £300k into the highly successful Apprenticeships schemes run over 2011
- o creation of a single point of contact and support for businesses, both for start-up's and ongoing support through a Business Solutions Hub with initial set up provision allowed at £400k
- o funding of support functions to the Local Enterprise Partnership which will be the key vehicle in addressing economic growth over coming years

To ensure investments are making a real impact in delivering economic growth the County Council has incorporated key indicators into its recently launched performance management tool; the Balanced Scorecard. At a Corporate level, these include:

Link to Area of Focus	Performance Indicator Title
Open for Business	Availability of high-speed broadband
Open for Business	Residents with an A-Level or equivalent
Open for Business	Young people not in education, employment or training
Open for Business	Economic growth - Worcestershire GVA
Open for Business	Percentage of businesses surviving for three years or more in Worcestershire
Open for Business	People on out of work benefits - Percentage of residents aged 16-64 on out of work benefits in Worcestershire

3.5 Districts – buy-in and sharing vision

The County Council and it's partners, particularly our District and Business partners are absolutely committed to economic growth and see broadband as key to achieving this with the sustainability and growth of rural and small-medium businesses absolutely dependent on it's provision. It is a fundamental infrastructure requirement on which some of the above initiatives rely to make a real impact on business growth and job creation.

4.0 Why Broadband is important for Residents
Deprivation in Worcestershire

There are over 9 million adults in the UK who do not use computers and the internet and they are likely to be socially excluded as well as digitally excluded. Research has shown that of this group, nearly half of those without access are in the lowest socio economic groups, 28% live in social housing, and 50% are over the age of 65.

In Worcestershire, approximately 16,000 people (2.9% of the population) live in households with less than £17,833 pa (60% of the median household income for England). The proportion is largest in Wyre Forest (5.1%) with Oldington and Foley Park being the most deprived ward.

Communities and Local Government have published an Economic Deprivation Index, which combines information about claimants of income-related benefits and job seekers allowance. It shows that in 2005, Redditch was the most deprived Worcestershire Local Authority with a rank of 147 out of 354 (where 1 is the most deprived). This is followed by Wyre Forest (153), Worcester (187) ,including Warndon and Grass Hill, Malvern Hills (237) including Pickersley,   Wychavon (256) and Bromsgrove (281).

Comparing the average rank for 2002-5 with that for 2000-2 suggests that with the exception of Bromsgrove, relative to other LAs in England, economic deprivation in Worcestershire is worsening, with Redditch and Worcester most affected. Of the 13 Worcestershire Lower Super Output Areas (LSOAs) that fall in the 10% most deprived areas nationally, 8 are in either Worcester or Redditch including Batchley.

Appendix B shows the Deprivation Quinitile Map of Worcestershire.

4.1 Improving Education Attainment

GCSE attainment in Worcestershire is comparable to the rest of England. Just under 71% of candidates in Worcestershire achieved 5 or more GCSE grades A*-C, while 59.9% achieved the same

including grade A*-C in English and Maths. Attainment varies markedly by gender, with girls outperforming boys. Across Worcestershire, 74% of girls achieved 5 GCSE grades A*-C compared to 64% of boys. Attainment levels also vary across the districts of the County, with differences more pronounced for higher qualification levels. For the proportion of pupils gaining 5 GCSE A*-G grades the range across the six districts is just 6 percentage points, with Redditch (91%) the smallest percentage and Wychavon (97%) the largest. However, for the proportion gaining 5+ GCSE grades A*-C including A*-C grades for English and Maths the range is 21 percentage points, with Redditch (39%) the smallest and Bromsgrove (61%) the largest. Attainment is generally lower in the more urban districts of Redditch, Worcester and Wyre Forest. It is thought that assess to broadband will have the following impacts:

o   Support students to achieve better grades through independent study
o   Provide access to equality of opportunity in education by providing broadband access to research and study areas
o   Increase participation with on line educational forums, virtual learning environments and access to course resources and class work.
o   Overcome exclusion to digital technologies through being disadvantaged by living in rural areas.

4.2 Qualifications

Across Worcestershire, 28% of the population aged 19-retirement age was qualified to Level 4 or higher in 2008. This is below the average for England (31%), but higher than for the West Midlands (26%). Percentages are highest in Worcester (37%) and Malvern Hills (35%) and lowest in Wyre Forest (22%) and Redditch (23%). Impacts through having broadband could be:

o   Accessing online distance learning which in turn contributes towards WCC's environmental policy of reducing carbon footprint.
o   Increase access to qualifications available through on line learning.
o   Increase knowledge of qualifications and employment pathways
o   Create opportunities for self study and autonomous learning.
o   Provide access to informal learning activity.

4.3 Not in Employment, Education or Training (NEET)

The proportion of 16-18 year olds NEET was 5.3% in Worcestershire, against a national target for 2010 of 6% and a local target of 4.5%. The proportion of NEET is particularly high amongst young people with Learning Difficulties or Disabilities (LDD), at 10%. In Worcestershire, the proportion has increased by 2 percentage points between December 2007 and December 2009, which is a larger increase than seen in the region or nationally. Broadband availability could have the following impacts:

o   Reduce NEET figures by increasing access to advice and guidance for Job search and access to qualifications.
o   Increase support for individuals NEETS in rural communities through online services
o   Overcome rural isolation that may be experienced by those who are NEET through social inclusion via social network and support sites.

4.4 Adult Literacy, Numeracy and ICT Skills

In Worcestershire, 34,600 adults (10%) had literacy skills at entry level, with 2,900 (1%) at entry level 1, and 2,300 (1%) at entry level 2. These percentages are lower than for the West Midlands (17%) and England (16%), and are highest amongst the County's districts in Redditch and Wyre Forest (both 11%). Some 141,600 adults (41%) in the County had numeracy skills at entry level, with 8,270 (2%) at entry level 1, and 47,200 (14%) at entry level 2. Again, these proportions are lower than the regional and national equivalents (both 47%). Poor numeracy appears to be a particular issue in Wychavon, where 54% of the population are at entry level and just 19% at level 2. According to this research,

around 194,600 adults (57%) had Information Communication Technology (ICT) skills at entry level in 2003.

Rural and isolated learners are disadvantaged even with online provision due to poor connections. Broadband offers a potential boost to academic and vocational learning by providing access to educational and learning resources that cater for almost every type of learner.

It is not possible to establish a causal link between learning outcomes and provision of broadband but there is data that supports the impact on economic wellbeing which in turn promotes the learning agenda, engages those that have been difficult to reach or support and in turn encourages an increased interest in educational activity. Outputs from having Broadband could be:

- o Raising awareness of opportunities on how adults can increase literacy, Numeracy and ICT skill levels using the internet.
- o Support access to online learning and employment support services by overcoming digital exclusion experienced through poor or no internet access in rural areas.
- o Overcome rural isolation by providing access to social networking environments that support adults to improve educational attainment and job prospects.

A2.   Background
1.0 Summary - Worcestershire context

Worcestershire is located in the south of the West Midlands and consists of six Local Authority Districts; Bromsgrove, Malvern Hills, Redditch, Worcester City, Wychavon and Wyre Forest. The county has a population of 557,400 people[1] and approximately 26,000 businesses, the largest proportion of which are in the Professional, Scientific and Technical Sector (13%).

Although generally considered a rural county, almost 71% of the population live in urban areas with the Districts of Wychavon and Malvern Hills being the least urban districts, with just 40% and 45% of the population respectively living in towns.

According to data from BDUK there are approximately 255,800 premises in the county; 244,800 of those are residential with 11,000 non-residential.

2.0 Current Broadband Delivery in Worcestershire

Broadband in Worcestershire is currently delivered through:

- o BT telephone infrastructure (Asymmetric Digital Subscriber Line [ADSL], Fibre-To-The-Cabinet [FTTC]);
- o Virgin Media Cable (in Redditch, Kidderminster and parts of Bromsgrove District), and;
- o Wireless community projects including Airband and Martley Mesh.

For the purposes of the figures which follow, the community broadband projects are excluded because the extent to which they offer a sustainable, long-term and future proofed solution is still being explored.

2.1 Worcestershire telephone exchanges

Premises in Worcestershire are served by 86 telephone exchanges; 65 are actually located within the county with the remaining 21 in neighbouring authorities.

Almost 97% of premises in Worcestershire are served by exchanges located within the county, however, some 8,600 premises are served by exchanges located outside of the county. Cross-boundary working will be particularly important to ensure that these areas benefit from access to broadband in line with the ambitions of the Local Broadband Plan.

By September 2011, in addition to the areas able to access Virgin Media Cable service, 8 exchanges in the county will have been upgraded to FTTC allowing the potential delivery of broadband at speeds in excess of 24Mbps. Malvern exchange is planned for upgrade in December 2011, with a further 3 exchanges planned for upgrade to FTTC in 2012.

None of the exchanges located outside of the county, but serving Worcestershire premises, have been upgraded or are on the rollout schedule as it is currently known (as at July 2011).

We do not have any information about the expansion plans of Virgin Media in Worcestershire however we are in the early stages of engagement with them to establish this information.

2.2 Worcestershire broadband availability summary

BDUK data released in March 2011 show that 91% of Worcestershire premises have broadband speeds of 2Mbps or faster, meaning that up to 24,000 premises could experience speeds below this level.

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[1] (ONS, 2010)

In recent years, BT has started to rollout FTTC upgrades in Worcestershire with known upgrade plans extending to the end of 2012. Over time, the number and proportion of premises with access to fibre-based services will increase however, not all of Worcestershire's exchanges will be enabled by the market. The situation is summarised below for September 2011, and following all known exchange upgrades during 2012.[2]

	September 2011		End of 2012	
	Number	%	Number	%
Number of exchanges FTTC enabled	8		12	
Premises where Virgin Media Cable is available	62,000	24	62,000	24
Approx minimum premises where FTTC is available (assuming 80% availability in FTTC enabled exchange areas)	77,000	30	103,000	40
Maximum premises where FTTC is available (assuming 100% availability in FTTC enabled exchange areas)	96,000	38	128,000	50
Estimated minimum premises with high-speed broadband technology available (VMC+FTTC)	139,000	54	164,000	64
Maximum premises with high-speed broadband technology available (VMC+FTTC)	158,000	62	190,000	74
Estimated maximum premises without access to high-speed broadband technology	117,000	46	91,000	36
Minimum premises without access to high-speed broadband technology	98,000	38	66,000	26

The best estimate of the number of premises likely to be left without access to high-speed broadband technologies is approximately 91,000. This is in line with an initial estimate of approx 95,000 premises provided by BT. This figure fits within BDUKs estimate of the recommended size of a Local Broadband Plan.

Over the past few months, we have been actively engaging with BT and Virgin to discuss their current roll out plans and how these may fit with the objectives of the LBP 'Connecting Worcestershire'.

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[2] Premises numbers are rounded to the nearest 1,000
Figures are estimates – if more or less than 80% of premises served by an exchange are able to obtain high-speed broadband through FTTC or VMC technology then the number of premises without access will change.
Source: SamKnows and BDUK

Although most Worcestershire premises have broadband access, there remain almost 24,000 premises (22,600 residential, 1,300 non-residential) which have broadband speeds of less than 2Mbps. Appendix C shows those postcodes where both BDUK and SamKnows data suggest that speeds are below 2Mbps, and which are not served by exchanges which are planned for FTTC upgrade by 2012, or by Virgin Media Cable. There are a number of clearly identifiable clusters in largely rural parts of the county.

In addition to Appendix C, the following appendices (in map format) demonstrate the need for broadband in the 'white' areas.

- o Appendix C1 – Key Industrial Estates – shows clearly that a large number of the key industrial sites for Worcestershire are in the white area. With 'Open for Business' being a key driver for the Authority as a whole, this map alone evidences the need for better broadband provision across Worcestershire.
- o Appendix C2 – Rural and Urban Areas – graphically demonstrates the rural/urban divide and the link to broadband speeds.
- o Appendix C3 – Residents Survey – a number of the respondents were from within the white area with very low broadband speeds, demonstrating demand and need.
- o Appendix C4 – Business Survey – a number of the respondents were from within the white area with very low broadband speeds, demonstrating demand and need.
- o Appendix C5 – Broadband Speeds – graphically demonstrates the variation of broadband speeds across Worcestershire, especially those outside of the main urban areas.

As highlighted in sections A1 and A2 previously, there is a high evidence of need for superfast broadband with this need not being met without significant public sector intervention and investment. As already stated, the rollout of superfast broadband is supported at all levels with in the County, demonstrated by its key role within the Corporate Plan, the support from all Districts and the LEP, plus local communities. Local communities have been especially vocal and supportive, which has been shown by their continued support and full attendance at all community broadband events.

2.0 Public sector networks

Worcestershire County Council operates an extensive and traditional wide area network based upon private circuit offerings from BT. All standard connections are made over fibre optic short-haul or BT 21CN products, with very rare use of EPS9 copper links at the edge, and a growing use wherever possible, of our in-house provided private dark fibre for short hops between locations. This infrastructure therefore represents a 'public sector network' private to the County Council. The supported user base includes approximately 6000 corporate staff, 95,000 school students, 300,000 public library users, and is soon to be integrated with some 10,000 FE/HE academic users as part of our relationship with University of Worcester.

Other than managed public access via the 'People's Network' in our libraries, no public communities are supported, and currently no part of the fabric of the network could be offered to domestic or SME users due to capacity, and to some extent, accountability and security considerations. However as part of the LBP we are keeping our options open in order to maximise the benefits including economies of scale and potential savings that could be channelled into extending better broadband bandwidth further into rural areas.

The core layer of the wide area network comprises four interconnected nodes located in WCC premises - County Hall on the edge of Worcester, in Worcester city itself, Bromsgrove, and Kidderminster. A fully managed BT fibre infrastructure links these four points of the diamond at 1Gb/s such that any single interconnect failure results in automatic traffic re-routing.

At the next level out, in the distribution layer, a further seven key locations deliver WAN service to more distant user bases. These are located in our county towns and provide key integration opportunities for all six District LAs, being mainly located within the DC's own premises as part of shared services arrangements county-wide. We therefore have a unified infrastructure encompassing the County Council, Worcester City Council, Wychavon DC, Malvern Hills DC, Wyre Forest DC, Bromsgrove DC and Redditch BC. Similar but smaller distribution nodes also exist in every High School (30) and some Libraries.

At the edge, some 300 further sites connect, to their nearest distribution point. Therefore all corporate establishments, district partners, schools and libraries benefit from a fully integrated system, whilst at the same time being configured into a security domain commensurate with their roles and relationships.

Around ten locations are impossible to reach via any affordable private infrastructure. Therefore ADSL broadband is employed by some schools and VPNs are established into the County network. All of these run at very poor rates well below the required standards.

County Hall provides hosted services, gateways to other networks and service management and support. Central links into the Internet, Connecting for Health (N3), Government Connect (GCSX a.k.a. PSN) and the national academic infrastructure (JANET) are presented. All remote access (mobility, flexibility) connections inbound to our infrastructure and services are located here. WCC also has private interconnections to the University of Worcester, local Police, Fire and Health Authority HQs, for specific operational activities between partners.

The extant WAN contract for fibre circuits expires in August 2014, so a great deal of research is now being started to determine how the network could look, and be provided for, in years to come. To this end, it has been decided to included the re-procurement of this network and the project which surrounds it within the Broadband Plan Programme as a whole. This essentially will mean that all programme governance and procedures will be in place to ensure the project in managed correctly and in line with the overall Broadband Plan for Worcestershire. A key point will be to explore all options for the re-procurement, so that we can deliver best value to schools and the wider communities. This does not mean however, that we envisage any of the BDUK or Local Authority financial allocation being used for this re-procurement, as there is separate funding set aside for this activity.

A4.   Scope of Project

1.0 Summary
The main scope of the project is to deliver the three key objectives of the Local Broadband Plan, by 2015.

2.0 Objectives
As already detailed, the three key objectives of the Worcestershire Local Broadband Plan are:

- Everyone in the county to have access to broadband speeds of at least 2Mbps by 2015
- Superfast broadband available for 90% of the county by 2015
- 90% of businesses in Worcestershire to have the ability to access superfast broadband by 2015

3.0 Core Partners
For the Worcestershire Local Broadband Plan to be successful, the following have been identified as core partners within the project:

- All District and City Councils within Worcestershire
- Local Enterprise Partnership
- Internal Council Departments (e.g. Education - Adults and Children)
- Worcestershire NHS
- Schools
- Businesses (including representing organisations such as FSB, Chamber of Commerce etc.)

4.0 Approach of Project

For the purposes of the LBP, the county is split into the following areas, as detailed in Appendix D:

- Black – areas with 2 or more suppliers
- Grey – areas with 1 supplier
- White – areas with no supplier

Areas can be Black, Grey or White for minimum service (2Mbps) or superfast[3]. The programme will be predominantly focusing on the white areas, as these areas have less chance of being commercially viable.

In order for the programme to be planned in a meaningful way throughout 2012 - 2015, the white areas have been grouped as follows, as shown in Appendix E. This shows graphically all the below groupings. If these were systematically planned into the Plan either through commercially viable or Authority funding, the coverage could be dramatically improved from Appendix D. Many individuals and businesses currently access the internet using 3G and 4G, on mobile phones and iPads. This method of Broadband access (mobile Broadband) is complementary to the 'Connecting Worcestershire' Plan and although its development is currently outside the main scope of the programme, it may be considered with the Community solutions.

Group 1 – larger exchanges, with more than 2000 premises. It is anticipated that public sector/County Council investment will only be made in these areas if the private sector cannot be persuaded to invest. This could be done by stimulating demand and raising it above the threshold to become commercially viable. One of the key activities through the programme for Worcestershire local authorities (District and County) should be to stimulate demand and therefore maximise potential for commercial investment.

Group 2 – larger exchanges with some/limited Virgin Media Cabling (VMC). These will be treated the same as detailed in Group 1.

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[3] Currently set at 24Mbps

Group 3 – exchanges with more than 1000 but less than 2000 premises. There is potential to invest Council funding in this group. The additional focus of 'Open for Business' will be used as a filter to focus on those areas where investment could yield the greatest economic growth.

Group 4 – exchanges with fewer than 1000 premises and therefore less chance of ever being commercially viable. As with Group 3, there is potential to invest Council funding in this group, including the additional focuses of 'Open for Business' and rural areas with increased deprivation.

Group 5 – exchanges located outside the Worcestershire County boundary. This grouping will necessitate working with our neighbouring Councils.

Group 6 – communities with poor or no broadband. For this grouping, community based solutions or services from smaller providers will be investigated. Appendix C shows graphically the Group 6 areas with the current coverage of two of the smaller providers indicated.

In summary, the public sector funding will be principally aimed at Groups 3, 4 and 6, with Groups 1 and 2 being funded predominantly by private sector investment. Group 5, with its cross-boundary exchanges, will be funded using private and/or public contributions.

We have started to work closely with the counties with which we share a boundary, namely Shropshire, Staffordshire, Birmingham, Warwickshire, Gloucestershire and Herefordshire. For the purposes of the Worcestershire Local Broadband Plan and the plans of the other counties, it is essential that we work effectively together, especially with regards to exchanges which are located within each other boarders, and to engage a collective influencing power for negotiations with confirmed suppliers.

In addition to the groupings above, the Local Broadband Plan will also incorporate the following three Expression of Interest (EoI) processes to access the following funding:

o   DEFRA - £20 million (nationally)
o   Sustainable Transport Funding £300K (locally)
o   Green Infrastructure Funding £400K (locally)

Access to these extra funds are essential to facilitating communities, especially rural communities, accessing higher broadband speeds. The EoI processes for the above funding streams were launched at the bespoke Stakeholder event on 12 December 2011.

Development of Community Hubs

The project will also be exploring the possibility of creating community hubs in excess of 1000 locations across the county, including schools, Adult Education Centres and Village Halls. The community hub model is one which the Programme Board believe will add considerably to the digital inclusion agenda and further help stimulate demand.

SECTION B – CUSTOMER AND COMMUNITY ENGAGEMENT

B1.   Demand Stimulation

1.0 Summary

Worcestershire County Council recognises the crucial importance of stimulating demand, registering it and evidencing it to potential providers in order to help them justify their investment in the Worcestershire Local Broadband Plan, 'Connecting Worcestershire'. A comprehensive package of demand stimulation activities and measures is being developed and in part, already implemented, so that the Plan can effectively and efficiently deliver the stated aims, objectives and targets. We have been successful in our bid for funds via a Sustainable Transport Fund and a Green Infrastructure Fund which will be used for a range of demand stimulation activities with both residential and business communities. No funding for demand stimulation is being sought from BDUK.

2.0 Workshops

A successful workshop was held on 1 April 2011 with a wide range of stakeholders to raise awareness of the BDUK strategy and our proposed Plan. This included presentations on Worcestershire's vision for broadband, our mapping of broadband coverage and speed, private sector roll-out plans and presentations by two community broadband initiatives in the county, Airband and Martley Mesh. Five workshops then followed focusing on:

- o   Transformation of services
- o   Business broadband
- o   Rural issues
- o   Public Sector Networks (PSNs)
- o   Data issues

The feedback was very helpful in ensuring we meet the needs of local communities, understand business needs and communicate and consult further via the methods which stakeholders have suggested. A follow up workshop on 11 August 2011 brought stakeholders up to date with our plans and was a useful tool in which we could check general consensus on the direction of travel for the 'Connecting Worcestershire' Plan.

Following the announcement from DEFRA regarding the Rural Community Fund, we held a workshop on 12 December 2011 focusing on how the funds now available for rural areas can be accessed and appropriately used, plus a detailed overview of EoI processes to be used. Key speakers were sought from the 'broadband world' and a relationship forged with INCA[4] to facilitate an holistic viewpoint to the workshop and give community groups the best possible opportunity to become involved.

3.0 Education To Both Residents And Business

Through our discussions with organisations who have been involved in broadband projects, we recognise that building infrastructure alone will not necessarily lead to greater usage. People and businesses need reasons to use the internet and so a key element of the overall programme is the education of the residents and business within Worcestershire, with regards to broadband. By raising awareness and educating people as to the potential use of broadband, demand for broadband and superfast broadband can be stimulated, thus increasing commercial viability and reducing public investment. As part of our successful bids for the Sustainable Transport Fund and the Green Infrastructure Fund we have approximately £140,000 (revenue funding) which will help provide training and engagement with businesses and communities so that they understand the tangible benefits broadband can offer in terms of accessing services online, communication, and to facilitate business transactions, marketing and export opportunities. There will be information and encouragement for existing users and non-users of the Internet which will be delivered through a number of sources such as the IT Bus, Libraries, Schools and Digital Champions. The programme will also be working closely

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[4] Independent Networks Co-operative Association

with District Council colleagues so that existing programmes of work can be used to increase the exposure to broadband and drive demand across Worcestershire.

It is increasingly important that businesses are informed and educated about available technologies and their relative benefits in terms of business growth. It is believed that over time the availability of broadband to a company may start to influence the ability of businesses to secure credit from lenders. A financial imperative to have access to high speed broadband is likely to have a marked effect on business location decisions.

On the skills side, we have linked in with libraries and in particular the 'Race Online 2012 ' initiative in Worcestershire. The public library service runs courses using ICT in a wide range of community locations and will require significantly improved broadband in order to help up-skill the most socially excluded people in the county. Feedback from the learners who have attended courses shows that they put their newly acquired skills into practice by using the internet for emailing, shopping, find holiday destinations and finding information about medical conditions.

4.0 Communications Plan

We have developed a draft Communications Plan, Appendix F which includes our approach to demand stimulation in the county and ensures our 'Connecting Worcestershire Plan will be sustainable. The plan also includes raising awareness and understanding of broadband applications and how they can make a tangible difference to improving businesses and residents' lives.

We expect that our successful bidder(s) will wish to play a part in demand stimulation and registration activities and as such we anticipate that this will be a contractual requirement within our bidding documents.

B2.   Demand Registration

1.0 Summary

As an Authority we are interested in the demand registration tool BDUK are developing and would like to incorporate it in our developing demand activities.

2.0 Ongoing Work

Other relevant work to date in this area includes:

- o Briefings and presentations delivered for various audiences including County Council Members, County Association of Local Councils (CALC), Economic Development colleagues in the City, Borough and District Councils, Environment and Economy Overview and Scrutiny Panels plus a range of internal communications.
- o Website content is being developed and updated on a regular basis to raise awareness and continue demand stimulation.
- o Two surveys have been created, one for residents and one businesses, which have been widely available on-line and via hardcopy. We have closed the survey currently in order to analyse the results being gained, with the intention to open the survey again in the new year.
- o Questions on broadband have been integrated into County Council surveys such as our Citizens' Panel 'Viewpoint' survey which importantly is available in both electronic and hardcopy versions. These results have been broken down to District level, helping to inform our District colleagues with regards to the provision and infrastructure required for their specific areas.

3.0 Investing and Stimulating Demand

In order to allocate funding (both Worcestershire local authorities and BDUK), Expressions of Interest (EoI) will be sought from the community. These will be targeted at those areas where broadband provision is known to be poor with particular focus on proposals that will benefit a significant number of Worcestershire residents, primarily Groups 3, 4, 5 and 6. Bids will be accepted from Parish Councils, Voluntary and Community organisations and other community groups but we will particularly encourage those from consortiums and partnerships. Bids will have to demonstrate that there is commitment to broadband from the local community in order to be considered, as the aim is to stimulate demand to a point where improving current broadband provision becomes a viable commercial opportunity for private sector providers.

B3. Stakeholders

1.0 Summary

A full stakeholder mapping process has taken place to ensure that the relevant individuals and groups are being informed and involved throughout the project.

In addition, a Marketing and Communications Plan, Appendix F is being developed and shared across partner organisations to maximise and co-ordinate communications opportunities. This will also be shared and further developed with the successful bidder.

2.0 Governance

Importantly, Worcestershire's Broadband Plan has commitment from stakeholders from across all sectors in the County. The Broadband Programme Board which has been meeting bi-monthly and will meet monthly from January 2012, includes representatives from all levels of public sector organisations including the County Council, all 6 District Councils and from Worcestershire County Association of Local Councils (CALC) to involve parishes. Also businesses are represented with the portfolio holder for Broadband in the LEP and the Federation of Small Businesses (FSB) sitting on the Board.

Political leadership is strong with the Board being chaired by Cllr Simon Geraghty who is Deputy Leader of Worcestershire County Council, County Council's Cabinet Member for Economy and Infrastructure and Leader of Worcester City Council. Cllr David Thain, County Council's Cabinet Member for Transformation and Change, is also on the Board with a clear commitment from all councils on the Digital by Default self service agenda to deliver long term savings.

Officers on the Board bring commitment and expertise in: project management, procurement, IT infrastructure, school's broadband, change management, research and intelligence and marketing and communications.

Representatives from highways are supportive of the bid and also sit on the Board. Works will be scheduled to minimise disruption to residents and businesses. The communications plan will ensure that key messages highlight the benefits of Broadband for those communities who will be affected by any necessary works and that advance notice is provided.

A Broadband Project Team meets at least fortnightly to provide momentum to actions required under the direction of the Broadband Project Manager. A virtual network of communications contacts across public sector organisations is also in place.

3.0 Stakeholder engagement to date:

Information is being regularly supplied to: the public, businesses, VCS organisations, MPs, staff and councillors at the 6 district councils, Worcestershire County Council, parish councils and staff at the police, fire and NHS Worcestershire.

The first stage of engagement with residents and businesses was the broadband survey that was hosted online from 23rd September 2011 until 15 November 2011. Whilst hosting an online survey means that the survey was not representative of the whole of Worcestershire, it has provided a baseline for further engagement work and provided valuable feedback.

1319 responses from residents and 243 responses from businesses were received. Just under 90 businesses have asked to be further involved with over 100 asking to be kept informed. Members of the public have also asked to be kept updated.

On 24 November 2011, the County Council's Cabinet showed their commitment with an indicative local authority allocation of £8.5 million. This has been communicated to all stakeholders receiving extensive favourable coverage in the local media. It is envisaged that there will be greater take up in the next round of consultation following this commitment.

4.0 Local media

The Worcestershire councils' marketing and communications units work closely with the local media. Coverage has increased greatly following the investment commitment at Worcestershire County Council's Cabinet (24 November, 2011) and the media aspect of the Marketing and Communications plan will continue this momentum.

Media conferences will be held when appropriate and the local media, including local radio, hard press and television, will be encouraged to cover the campaign. The Marketing and Communications plan will draw on planned activity across organisations and maximise opportunities by participating in National campaigns for example, Silver Surfer Day and Social Media week, to keep Worcestershire's Local Broadband Plan in the local and regional media.

5.0 Supplier Engagement

As detailed in the groupings earlier, especially Groups 1 and 2, the programme will have a key influencing role to play with suppliers. Part of the Programme Board's work will be to engage commercial suppliers so that they are actively engaged and the opportunities for private sector investment can be maximised thus reducing the need for public sector investment.

It will be a key role of the programme to effectively use the collective weight of Worcestershire local authorities, businesses and residents to ensure suppliers invest within specific areas. It is also envisaged that the programme will actively work with the LEP as an influencer with private sector suppliers and users. The Programme Board is also actively engaging with community broadband providers.

6.0 Community engagement

Those communities which have been identified as at risk of being left behind as broadband is rolled out across the county are being addressed via liaison with key community / voluntary organisations who are best placed to identify need and demand in these areas.

In addition, work with community action groups, district councils, parish councils, agricultural organisations, health, education, relevant voluntary groups and other identified organisations. Best practice for demand stimulation will be shared with them in order to assist them draw up a specification of need in key community areas. This work will support the wider determinants of economic growth and social inclusion, community cohesion.

7.0 Community leaders – MPs, Worcestershire County Councillors, District Councils and Parish Councils

MPs are being kept informed of developments and have actively shown support for improvements to broadband in the County through the local media.

All three tiers of local government in Worcestershire are supportive of the bid and are being provided with key information for their communities. This will help to keep residents informed, enable local demand stimulation and to ensure that community leaders are well placed to lead on Expressions of Interest.

Worcestershire County Council's Cabinet showed clear commitment at Cabinet on 24 November 2011, and provided an indicative local authority allocation of £8.5 million with District Authorities currently considering their contribution in addition to this £8.5m.

A successful Stakeholder Event was held on 12 December 2011 with information provided on the Worcestershire County Council website for those unable to attend. The Expression of Interest (EoI) process was launched and is currently being further publicised for the Green Infrastructure Fund (£400K), Sustainable Transport Funding for Redditch (£300K) and DEFRA funding.

8.0 Businesses

Ensuring Worcestershire is, and remains, 'Open for Business', is one of four key area of focus for Worcestershire County Council laid out in the County Council's Corporate Plan 2011-16 (www.worcestershire.gov.uk/corporateplan) - an ambition which is shared by the district councils.

Connectivity is vital to achieve this aim which was confirmed through the consultation with businesses which took place from 23 September until 15 November. Key themes emerged - for example the importance placed on broadband provision for relocation of businesses with 72% of respondents stating broadband access is very important for their choice of location. 69% of respondents think their business development or growth is limited by speed, availability or reliability of broadband and stakeholders recognise the importance of Broadband for future economic stability.
Businesses that have shown an interest to be further involved will now be engaged and efforts will be made to particularly target those most likely to use IT. For example, Worcestershire has a technology park with a large provider of defence technology, Qinetiq, which has its own broadband supply and so discussions are taking place to ascertain the level of involvement they would like to have with the Local Broadband Plan.

Appendix G shows a selection of endorsement letters from local businesses.

9.0 Farming communities

Worcestershire's LBP recognises the challenge that a mix of more urban and rural areas brings. Farming communities are facing challenges for their business, for example, submitting information online to DEFRA. This is a key stakeholder group which will be involved and has shown support for the bid.

10.0 Young people

Worcestershire is fortunate to have an established and active Youth Cabinet and Youth Parliament. Over the Summer of 2011, this group impressively consulted with over 2000 young people regarding the future of positive activities for young people (also known as youth services) feeding back the results to senior managers and councillors.

These young people have asked to be further involved – their slogan being very clear: 'Nothing about us without us.' Through opportunities such as Democracy Day, it is planned to work with the Youth Cabinet on the broadband component to understand young people's needs. As a creative group who understand what young people want and are well placed to consult with young people, we will work with this group to provide ideas to effectively engage.

The Youth Cabinet and Youth Parliament will be vital in the demand stimulation and hosting their own radio station 'YouthComm', provides an effective channel to target their peers.

11.0 Older people

Some of our older residents may require targeted interventions to assist understanding of the benefits of broadband to them for information, services and leisure. This is a group who is at risk of becoming digitally excluded and working with colleagues in Adult and Community Services, it is planned to provide more assistance to this group.

12.0 Community venues – Libraries, Worcestershire Hubs and Children's Centres

Worcestershire authorities are working together to rationalise community assets and to join up facilities under one roof to realise savings. The Broadband Programme Board will work with the Capital and Asset Pathfinder, to ensure that access to broadband facilities are retained for communities.

Those working in community venues are already engaged in working to reduce the digital divide, for example, colleagues in Adult and Community Services are already engaging with Digital Champions, UK Online and adult learning courses whilst taking the Computabus out to communities. Free Internet access

is still currently provided at Libraries and at Children's Centres, with a virtual Children's Centre due to be launched in April 2012. These community venues will be further promoted to assist people to go online.

Colleagues at our customer contact centres (Worcestershire Hubs) and across the District Councils, are promoting the self service agenda. Communications about activities in all community venues will be joined up and co-ordinated to maximise opportunities.

13.0 Education – Schools, colleges and further education

Broadband provision to educational establishments is being considered, for example, the schools broadband network, which is well established. This is now at risk with schools becoming academies and potentially choosing alternative provision. Children's Services are supportive of the broadband bid and are working to ensure a joined up approach. Engagement with schools, Further Education colleges and the University is planned.

14.0 Health sector

Likewise, it is recognised that the health sector relies on reliable broadband and with links already existing between the technology teams at the County Council and NHS Worcestershire, these will be utilised to explore the most appropriate future-proofed solution.

15.0 House Builders

It is planned to work with house builders who own and buy land in the County. These businesses, often large organisations, will require broadband access to the new homes and this demand will help when working to collectively influence suppliers. Opportunities to work with letting agencies and estate agents will also be explored.

16.0 Voluntary and Community Sector (VCS) and social enterprises

VCS groups and community organisations are showing their commitment to the bid and attended the Stakeholder Event on 12 December 2011.

It is planned to further involve those who are involved with IT including IT training. Whilst supporting all aspects of the local economy, these organisations are often better placed to work with communities and will be able to provide the skills to individuals at risk of becoming digitally excluded.

17.0 Residents – active and inactive

The broadband survey provided 1,319 responses. As this was an online survey, it is planned for more consultation with residents to take place, however, this information provided interesting data on key themes, for example, level of usage of smart phones.

We will work with the active residents and fulfil the requests of those who asked to be kept informed and involved. The Local Broadband Plan recognises that for demand stimulation we need to target those who are already online to enhance their access.

The Communications Plan will also focus on behaviour change to convert those who are not online. Data for the UK and published by the Office for National Statistics (2010) has showed the main reasons for people not being online to be:

- Don't need the Internet
- Lack of skills
- Don't want the Internet
- Equipment costs too high
- Access costs too high.

Work will take place to understand more about the specific drivers of these views and the picture in Worcestershire, but at this stage is planned to: highlight the many benefits of Broadband, explain why Broadband is essential, educate what different download speeds will provide and promote opportunities to receive training. Work will take place with providers to explore opportunities to bring down the access costs which they will be encouraged to actively promote.

18.0 Neighbouring local authorities

Worcestershire is joining up and sharing best practice with neighbouring local authorities as appropriate. This collective work is especially important to tackle areas where the exchange is over the border and provide collective negotiating power with providers.

19.0 Implementation

During the procurement process, the Communications Plan will be shared to maximise collective opportunities for clear key messages to keep all stakeholders informed of progress and roll out plans.

The Broadband Project Manager will work alongside representatives from the highways department, who are already supportive of the bid and sit on the Broadband Programme Board. A schedule of works for the roll out plan will be put together that dovetail with essential works taking place around the county to minimise cost and disruption wherever possible which Worcestershire already manages successfully.

A communications timeline for Stakeholders and a media plan will be implemented so that communities are aware of the scheduled works in advance, key messages are carried so that communities understand the project, why the works are necessary for long term gain and that by scheduling the works costs and disruption have been kept to a minimum. Alongside other planned communications, this should maximise the positive messages and reduce any negative reaction to the overall project.

SECTION C – FINANCIAL INFORMATION

C1. Funding Requirements

It is anticipated that the total Capital funding required for the programme is approximately £20-25 million, although exact funding requirements are difficult to be precise about at this stage. It is envisaged this will become clearer during the procurement stages when we enter a competitive dialogue with suppliers in mid 2012. However, based on neighbouring authorities with a comparable size and demographic and on discussions with BDUK this is considered realistic at this stage.

The following table shows all Capital funding which will be used specifically to fund this LBP. It is shown split into years and includes the anticipated funding to be gained by working with the private sector partner the Authority will gain once we have completed the Procurement Framework and awarded the contract. In addition, the table also shows the number of premises within Worcestershire which it is believed the funding will affect during each year.

Capital Funding Table

Funding Source	2012/13 £m	2013/14 £m	2014/15 £m	Total
BDUK contribution	3.35			3.35
Worcestershire County Council Contribution	■	■	■	8.5
Sub Total	■	■	■	■
Private Sector Contribution				
Total	9.35	8.0	6.35	23.7
Number of premises (residential and non residential) covered by the funding (approx. figures. Phasing to be confirmed with procurement partner)	45,500	22,750	22,750	91,000
Number of postcodes covered by the funding (approx. figures. Phasing to be confirmed with procurement partner)	2,400	1,200	1,200	4,800

It is also expected that the District Councils within Worcestershire will contribute an amount of Capital funding to used specifically for the LBP, however as these amounts have yet to be agreed, they have not been included in the table above.

The Capital funding will be used to purchase and implement the equipment / infrastructure required. It is expected at this stage that this will be owned by the supplier who will also take on liability for maintenance and upgrade of the equipment. The Council will document contractual obligations to secure the outcomes for the county. Therefore our approach will be an outcomes focused approach. Therefore we will describe the outcomes we are seeking and ask bidders to respond to these rather than providing them with a specific technical solution. The outcomes they will need to demonstrate in their competitive response will include:

- o Demonstrate how 2Mbps or higher will be achieved across 100% of Worcestershire
- o Demonstrate how superfast (24Mbps or above) will be accessible to a minimum of 90% of Worcestershire
- o An open infrastructure that will enable any telecoms provider to offer services
- o Demonstrate future proofing of any proposed solution as well as any limitations
- o Demonstrate how any mix of technologies employed will create a coherent and integrated overall solution
- o Demonstrate how the solution will achieve affordability for customers from the beginning and long term
- o Provision of a demand stimulation programme funded by the successful commercial operator to prove wide scale take up of broadband whatever the technology is employed.

Whilst we are committed to a technology neutral approach to achieve the both the speed and coverage targets outlined in this plan, our costed technical solution is FTTC for delivering the targets, with a mixture of technological solutions being employed to deliver the final 10%.

In addition to the funding identified above, the table below shows further Capital funding which will be used by Worcestershire County Council to compliment LBP activities. These activities will be focused mainly on rural community projects where a range of technologies could be employed to increase the overall speed and reliability of broadband. The funds will be accessed by communities through an Expression of Interest process with Business Cases then be developed by the successful bidders. It will be imperative that these Business Cases are clearly focused on complimenting the overall LBP for Worcestershire.

Additional Capital Funding

Funding Source	Amount £m	Detail
Sustainable Transport Fund	0.16	Approved by Dept of Transport
Green Infrastructure Fund	0.4	Approved by Worcestershire County Council
RCBF (DEFRA)	20.0 (nationally)	As announced, 29 November 2011

The table below shows Revenue funding allocated to the project. The funding has been granted from the Department of Transport and relates to a community project based around a specific geographical area of Worcestershire. This funding will be used to stimulate demand for broadband in this area and across Worcestershire as a whole, and so will compliment the LBP. It will also be used to fund the position of Broadband Support Officer, based at County Hall, for the period of 2 years (financial years 12/13 and 13/14). (Please Note: this is also explained in Section E1.) It is anticipated that once the funding for the role of Broadband Support Officer is not being met by this fund, it will be met by Worcestershire County Council internal staffing/revenue budget.

Additional Revenue Funding

Funding Source	Amount £m	Detail
Sustainable Transport Fund	0.14	Approved by Dept of Transport

C2. Funding Structure

Worcestershire County Council is the Accountable Body for the funding agreement. The Worcestershire-wide broadband programme will be focused on areas where the market is not already investing. Therefore demonstrating sufficient demand for the private sector to invest by themselves first and foremost. But in those areas where this is not possible we will use public funding to leverage investment by commercial operators via a competitive dialogue process. In the event that sufficient demand justifies private sector investment alone Worcestershire County Council would seek to agree with commercial operators that claw back of capital must be re-invested in extending broadband coverage.

In relation to elements of the funding, activities will be restricted to those which the Council views as contributing to stimulating the demand for improved broadband within the community. In order to gain maximum impact, successful bids will have to spend their funding within 12 months of it being allocated. Example proposals may include, but are not limited to, purchasing hardware such as computers and other ICT equipment for village and community halls, educating the community about the benefits of broadband and initiatives that encourage local businesses so they benefit from better broadband. Communities will also be able to bid for funding to provide ICT training with particular emphasis placed on proposals that will contribute to combating social exclusion and developing employability skills among the local population. Successful bidders will be signposted to the services already provided by the County Council through the Libraries and Learning Service in addition to those provided by other local authorities and Voluntary and Community organisations.

SECTION D – COMMERCIAL INFORMATION

D1.   Commercial Case

The approach of the Local Broadband Plan 'Connecting Worcestershire' is to adopt a gap funding model.

In recognition of the value of the revenue stream that the asset will generate, the Council expects substantial gap funding from the successful supplier(s). We recognise that the success of this element of the Plan relies on our ability to make our proposition attractive to the market, however research indicates that this is an achievable expectation and is consequently reflected in our funding model.

The plan assumes an open access, wholesale platform across Worcestershire to enable a competitive retail service to end users.

D2.   Market Engagement

We have researched the current market and understand the currently planned provisions of Broadband, up to 2015.

In recent years, BT has started to rollout FTTC upgrades in Worcestershire with known upgrade plans extending into 2012. Over time the number and proportion of premises with access to fibre-based services will increase, however, not all of Worcestershire's exchanges will be enabled by the market. The best estimate of the number of premises likely to be left without access to high-speed broadband technologies is approximately 91,000 which is in line with an initial estimate of approx 95,000 premises provided by BT.

Fibre to the Cabinet (FTTC) – fibre is installed between the fibre enabled exchange and roadside cabinets in local communities. From there, broadband is delivered over the existing copper phone lines and will slow down the further from the roadside cabinet it travels. When an exchange area is enabled, not all cabinets are upgraded, resulting in superfast broadband not being available to the entire exchange area. This is an area within which we are already holding negotiations with BT.

Fibre to the Premises (FTTP) – takes the fibre directly to the premises and is currently most often found in commercial properties or large new developments.

As with "unbundled" exchanges, these fibre enabled exchanges are open to other service providers and consequently allow open competition.

Virgin has indicated that they currently have no plans for further cable deployments within Worcestershire.

If the Local Broadband Plan is successful, we will engage with the market via the competitive dialogue process, as detailed below (Section D3).

D3.   Procurement Strategy
Procurement Framework

The County Council intends to procure the solution using the BDUK Framework agreement, due to be available from May 2012. There are a number of advantages to using the Framework Contract including:

- o A consistent balanced set of contractual terms and conditions which suppliers and local bodies will understand
- o A large amount of work in specifying requirements will only be required once as it is estimated that 80% of the requirements will be common across the country
- o Pooling BDUK and local bodies' resources will save resource for participating bodies
- o The capabilities of those suppliers that are on the Framework will have been tested
- o Reduces Legal, State Aid and procurement risks for local bodies
- o Provides a more time and resource effective process for suppliers
- o Once the Framework is in place, it will be quick than traditional procurement processes
- o Using the Framework, will enable Worcestershire to benefit from the 'umbrella' State Aid Notification which BDUK is preparing
- o Ability to use set criteria to ensure Value for Money and full evaluation criteria from the procurement.

SECTION E – DELIVERABILITY

E1.   Project Management, Resourcing and Funding
Programme Board

The programme is governed by a Programme Board chaired by the Cabinet Member with Responsibility for Economy and Infrastructure, with representatives from Districts, Parishes, suppliers and other stakeholders and operates within the Terms of Reference shown in Appendix H. The Board reports through to the Planning, Economy and Performance Directorate Management Team and ultimately reports though to the Chief Officers' Management Board (COMB), the Cabinet and Council. The Programme Board has already met several times during the latter half of 2011, with a full programme of meetings scheduled regularly throughout 2012.

Following discussion at the Council's Corporate Strategy Planning, the Cabinet has approved an indicative allocation of £8.5 million within the capital plan and the relevant revenue impact has been earmarked in the draft medium term financial plan to support the Local Broadband Plan. This will be subject to further work with partners to fully understand the scope of the project and the potential County Council commitment that may exist.

A project team, including a dedicated full time Broadband Project Manager and officers from within Worcestershire County Council departments relevant to the project e.g. Research, Communications, Economic Development will report to the Programme Board and provide specialist skills in these areas.

The programme is sponsored by the Director of Planning, Economy and Performance and forms part of the Council's "Open for Business" portfolio – an area of focus in the Council's Corporate Plan 2011-16. This ensures any work on broadband is aligned with the Council's overall vision for Worcestershire.

The programme also benefits from a Business Sponsor, the Head of Change at Worcestershire County Council. This brings the benefit of the programme being recognised as a change programme, not just a technical programme.

To clarify, none of the positions mentioned below (with exception of the Broadband Project Officer) have any revenue impact upon the LBP as a whole.

Diagram
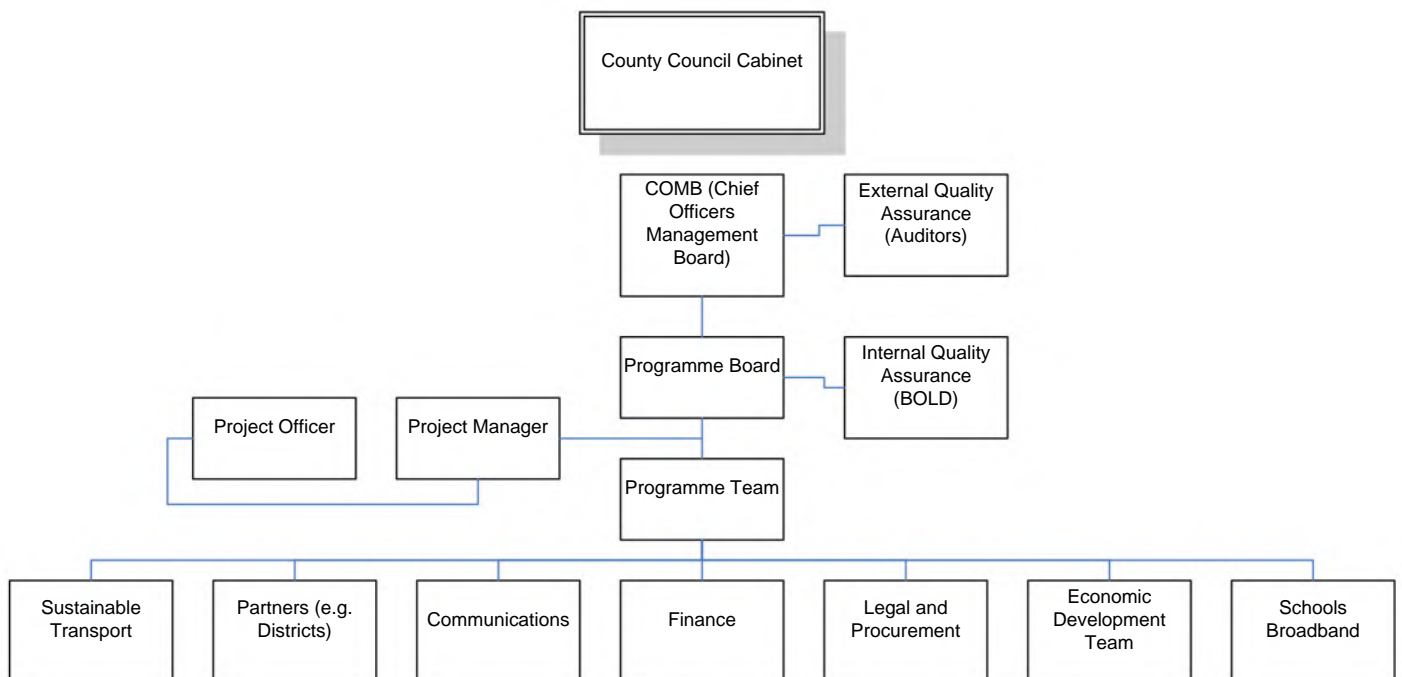
Work-stream	Officer	Responsibilities	Time Commitment
Programme Sponsor	Diane Tilley	Overall project delivery Achievement of benefits	½ day per week
Business Sponsor	Clare Mitchell	Overall project delivery Achievement of benefits	2 days per week
Project Manager	Cheryl Perry	Overall project delivery. Achievement of benefits Project management Anchor client architecture	Full time dedicated post
Project Officer	Currently being recruited	Project administration	Full time dedicated post
Communications	Kirsten Dally	Marketing Communications Stakeholder engagement	2 days per week
LEP and FSB	Ken Wigfield	Communications and liaison with businesses	2 days per month
Economic Development	Sue Crow	Economic development baseline and benefits realisation Economic demand stimulation	1 day per week
Finance	Nick Hughes	Project Finance State Aid approvals	1 day per week
Legal	Simon Mallinson	Contract legal activities	2 days per month
Partners	Chris Brooks Simon Smith Anne Bonser	Wider business, community and authority engagement	1 day per week
Procurement	Joe Stock	Overall procurement process	2 days per month
Internal Quality Assurance / Governance	BOLD Team	Project governance	1 day per month

Project Team	2011/12	2012/13	2013/14	2014/15	2015/16
Project Manager	**15,512** (recruited in October 11)	**31,839** (funded by WCC)	**32,679** (funded by WCC)	**32,679** (funded by WCC)	**32,679** (funded by WCC)
Broadband Project Officer	**n/a**	**21,018** (Sust Trans funding)	**21,716** (Sust Trans funding)	**22,425** (funded by WCC)	**22,425** (funded by WCC)

As stated in C1, the position of Broadband Project Manager is to be initially funded from the Sustainable Transport Revenue funding gained from the Department of Transport, for a period of 2 years. It is anticipated that once the funding for this role is not being met by this fund, it will be met by Worcestershire County Council internal staffing/revenue budget.

To further clarify, the salary of the Broadband Project Manager is not time bound, and is being funded directly from the Worcestershire County Council staffing/revenue budget, as the position is viewed as a Council resource and will be used as such once the LBP has successfully delivered it's targets in 2015.

E2.   Timetable
Key Milestones

Key dates for the programme so far are:

Key milestone	Expected date
Cabinet Funding approval	24 November 2011
Expression of Interest (EoI) Launch for Community Funds	12 December 2011
'Connecting Worcestershire' LBP submitted to BDUK	16 December 2011
Closure of first EoI round for Sustainable Transport and Green Infrastructure Funds	20 January 2012
Closure of first round of DEFRA bids	31 January 2012
Sustainable Transport and Green Infrastructure Funds Business Case submission	29 February 2012
Public consultation process (dates may change to adhere to State Aid Public Consultation requirements)	March – June 2012
Closure of second round of DEFRA bids	April 2012
BDUK Umbrella State Aid confirmed / in place	April 2012
BDUK Procurement Framework available	May 2012
Worcestershire award contract(s)	September 2012
Detailed first phase site survey to confirm technical design	October 2012
Commencement of implementation	November 2012
2Mbps available across Worcestershire	December 2015
Superfast available to 90% of Worcestershire	December 2015
Post implementation review	January 2016

The above timetable reflects our best estimate of the timeframes at the time of submission but is likely to be edited to meet changing circumstances.

**E3.	Expected Strategic Benefits**

The successful implementation of 'Connecting Worcestershire' will have a significant impact, both county and country wide. As all Broadband Plans come together they will make a tangible and significant contribution to the Coalition Governments aims for the availability of superfast broadband. The success of all plans will go some way to creating the competitive environment for private sector led growth and recovery, coupled with the size and scale of the projects representing good value for money for BDUK.

The key strategic impacts are outlined below, split into Social, Economic and Environmental factors:

Social

For communities it provides access to information, products and services often with the additional benefit of discounts for on-line purchases.
- Access to e-government services and benefits to consumers such as cheaper online billing.
- Online / distance education, and training
- Job vacancies / greater employment opportunities
- Internet shopping
- E-health diagnostics and appointments
- Social inclusion
- Combat digital exclusion
- Benefits to the Third Sector with services able to be delivered at a lower cost
- Ease of creating new community / voluntary networks
- New services available to individuals, not just a faster internet response

Economic
- Faster communication with customers, suppliers and the supply chain
- Improving competitiveness and connectivity for Worcestershire
- Improved business productivity through such measures as financial efficiencies, improved marketing, and process improvements
- Up to date information in order to maximise competitiveness
- Enabling businesses of all sizes to take advantage of cloud computing and other new approaches to managing files and communication
- Improved potential for innovative approaches, products and services
- Acceleration and automation of information flows between business
- Maximizing the speed of communications while reducing printing, postage and transport costs
- Key benefits to land based industries, especially farmers in the more rural parts of Worcestershire
- Home working

Environmental
- Enabling virtual meetings to be held via video conferencing thus reducing travel and minimising CO_2 emissions
- Live emergency information e.g. flooding warnings and advice
- Reduced hardcopy prints and postage
- Home working will reduce need to travel (reduction in CO_2 emissions) with a knock-on effect of reducing commuter flows and so less congestion

As part of the overall rollout plan, the programme intends to work with BDUK in the creation of a benefits scorecard, predominantly so value for money and benefits can be monitored as mentioned in D3. Ongoing monitoring will be funded by the local authority.

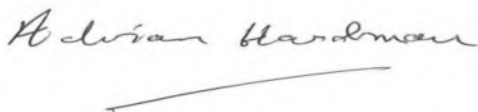| Risk	Likelihood Score	Severity Score	Mitigation
Insufficient suppliers to create a competitive dialogue process	L	H	We will ensure our programme is ambitious but also realistic; engaging with suppliers as early as possible by including them in the Programme Board and meeting with them regularly.
Loss of bidder(s) in CD process resulting in no mini competition between bidders.	L	M	We will work closely with BDUK to ensure the Framework is sustainable
Failure to secure a supplier due to capacity of bidders stretched across all UK projects.	L	H	We will ensure our programme is attractive to bidders.
Supplier gap funding insufficient	L	H	We will support demand stimulation and registration activities from both residents and businesses to evidence the commercial case for each area to suppliers.
Internet service providers too expensive	L	H	By developing an open infrastructure and strong demand stimulation and registration programme.
Land issues- identifying owners could cause long delays.	M	H	We have included County Landowners Association in our programme and will be communicating with them on a regular basis
Reputation – utility companies not aligning work programs could undermine credibility from public perspective and waste resources.	M	M	Broadband is part of our wider infrastructure plans and work with utility companies will be aligned.
Minimum of 2Mbps is not achieved in some rural areas	L	H	The procurement will work closely with bidders to ensure a solution is found
Rapidly developing technology could make plans obsolete	M	M	The programme will be technology neutral to ensure the solution is relevant and sustainable.
Lack of demand or sign up for Superfast broadband	L	M	We will ensure our funded demand stimulation and registration activities assist residents and businesses to understand the benefits to them. Programme will also link closely with all ICT training.
Advertised speeds do not reflect actual speeds	M	M	We will ensure a minimum speed for upload and download rather than 'up to ' speeds.

Infrastructure is not sustainable	L	H	Futureproofing requirements will be built into our plans.
Raised expectations	M	M	We will manage expectation through all our communications.
Strategic benefits not achieved	L	H	We will work with BDUK and best practice on the huddle to ensure our evaluation criteria is robust and the benefits are achievable.
State aid failure	L	H	The programme will work closely with BDUK to facilitate the success of the State Aid application
Continued digital divide between rural and urban areas	M	H	All rollout plans to address the digital divide and eliminate where possible
Vulnerable groups do not benefit eg disabled, people with learning disabilities.	L	M	We will utilise the existing mechanisms within Worcestershire County Council to access hard to reach groups through libraries, day centres, etc and provide training as part of demand stimulation activities.
Solution(s) becomes fragmented and integration is lost	L	M	All solutions will be managed as part of the project and so the Programme Board will have a holistic overview of individual workstreams, enabling links to be made and preventing piecemeal implementation.
Community broadband does not take off	L	H	We will ensure communities and Parish Councils understand that DEFRA funding will be available for them to bid for with our assistance, there are mentors from other successful schemes and resources..

CEO Sign off / Section 151 Officer / Executive Member (portfolio Holder)

a) Submission:

In submitting the Worcestershire Local Broadband Plan, I verify that the proposal fits with corporate policy
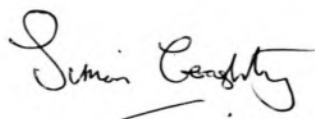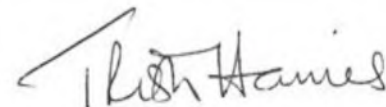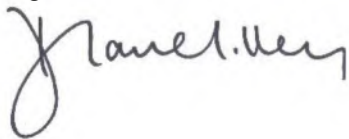
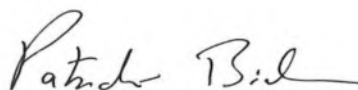| Signed:	Signed:	Signed:
[signature]	*[signature]*	*[signature]*
Adrian Hardman Leader, Worcestershire County Council	**Simon Geraghty** Deputy Leader and Cabinet Member with Responsibility for Economy and Infrastructure	**Trish Haines** Chief Executive, Worcestershire County Council
Date: 15 December 2011	Date: 15 December 2011	Date: 15 December 2011
Signed:	Signed	
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Diane Tilley Director Planning, Economy and Performance Worcestershire County Council	**Patrick Birch** Director Resources (151 Officer) Worcestershire County Council	
Date: 15 December 2011	Date: 15 December 2011	