Broadband provision in the Henley Constituency

The demand and need for better broadband access is well recognised. The frustration at the pace of delivery is growing particularly in those settlements where the uncertainty over whether they will be covered in the general roll out is higher.

In the paper I published in December 2012 I set out the Government position and the situation in Oxfordshire. At that time the Government had an ambition to deliver superfast broadband (SFBB) to at least 90% of premises in the UK and to provide universal access to standard broadband with a speed of at least 2Mbps.

To do this the Government allocated £530 million to stimulate commercial investment to roll out high speed broadband in rural communities; pledged to invest £150 million in ‘super-connected cities’ across the UK and also will invest up to £150 million to improve mobile coverage in the UK for consumers and businesses that live and work in areas where coverage is poor or non-existent.

In this area it is the investment to roll out high speed broadband in rural communities that is of most interest. It is therefore good news that last year the government announced a further £250 million funding to support increased coverage of superfast broadband to 95% of UK premises by 2017.

The remaining 5% will almost certainly be remote premises. Earlier this year the government announced a further fund of £10 million to pilot alternative broadband technologies in remote areas.

On behalf of the government the delivery programme is being managed by BDUK (Broadband Delivery UK) which is a unit within the Department for Culture, Media and Sport (DCMS). BDUK is in turn working through local authorities. In Oxfordshire the project is being coordinated by ‘Better Broadband for Oxfordshire.’ This is a collaboration between Oxfordshire County Council, BDUK and BT.

Better Broadband for Oxfordshire is a £25 million project with the initial stated aim of this project to bring fibre broadband to over 90% of premises in Oxfordshire by the end of 2015. Following a competitive tender process BT was selected as the commercial partner in August 2013. Within the contract is a Universal Service Commitment for at least 2Mbps for premises not getting the higher speeds enabled by the investment in
fibre-based broadband. The £25 million funding is made up of £4 million from BDUK, £10 million from Oxfordshire County Council and £11 million from BT.

Once BT was appointed, survey work started to determine the detail. It is a two and a half year programme and the work is ongoing. Details on this work as it progresses can be found on the website www.betterbroadbandoxfordshire.org.uk

In addition to this initial contract, Better Broadband for Oxfordshire more recently secured additional funding of £2.15m from the government programme to extend the coverage in the county to 95% by 2017. This is subject to match funding from local councils.

South Oxfordshire District Council has pledged £1 million towards this. This is particularly of value in this area as under the county wide programme the overall aim which is for 90% coverage worked out to only 88% in south Oxfordshire. Cherwell District Council which covers the north of the constituency would have 92% coverage on completion of the current contracted project. At the time of writing this paper an announcement on whether or not it will make an additional investment for the district was awaited.

At present Better Broadband Oxfordshire is undertaking an Open Market Review (OMR) to establish existing and planned commercial coverage (within the next 3 years) of services in Oxfordshire by existing or prospective broadband infrastructure providers. This is necessary as public funding as public funding can only be used where there is market failure. The outcome of the OMR will determine where further work will be targeted.

Although some people have expressed concern at the pace of progress the programme is actually ahead of schedule. A project of this size inevitably takes time, especially the survey work on the ground which could only begin once the commercial partner had been appointed.

A key concern that has been expressed is the delivery model of the infrastructure. I am keen to see the basic infrastructure installed and made available to a range of internet service providers. This would allow market choice to consumers as regards level of access and charging regime. Thus those who only need or can only afford a low level provision can contract to a service for a relatively modest monthly charge. Similarly those who have greater need would be able to opt for a higher level of service at a higher price. This is the model deployed under the BT programme which is open access for all Internet Service Providers.
There are some providers in the market that do not offer these alternatives. Clearly any exclusive model would run counter to the government initiative to encourage access for all and be an impediment in the online delivery of public sector services.

Any community looking to fast track access by local fundraising should also be aware of the different delivery models. Public funding for SSBB can only be made available where there is market failure. If a private sector provider has already made provision this could make the community ineligible for a publicly funded solution. The outcome of this could be that a monopoly situation is created by a provider who would be able to charge a high entry level fee with no competition for high speed provision. However the community would still have access to the 2Mbps under the BT provision.

Despite what has been perceived to be a slow start this project is now moving forward with 3500 properties across Oxfordshire now benefitting from access to superfast speeds. For those not in the first phase of delivery the frustration continues but the provision will come. My concern remains for those within the 5% still not within project plans. The cost of access per premises increases in gradually more remote locations but I will continue to press for 100% coverage. With technology ever evolving I remain optimistic that this is not a pipedream but can be a reality in the not too distant future. I am pleased to know that the local councils are working together on this and that the County Council has submitted an Expression of interest to BDUK for money from the Innovation Fund project to work on this.