

**LOCAL BROADBAND FUND – IMPROVING CONNECTIVITY TO POORLY SERVED PREMISES: PRE-DECISION SCRUTINY**

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**Purpose of the Report**

1. To provide background information to Members to aid their scrutiny of the draft report to Cabinet regarding Welsh Government grant funding for local broadband connectivity, which is due to be considered by Cabinet at their meeting on 15 December 2022.

**Scope of Scrutiny**

2. At their meeting on 15 December 2022, the Cabinet will consider a report that seeks Cabinet approval to accept Welsh Government grant funding for delivery of gigabit fibre broadband to poorly served premises, and approval to progress with procurement for its delivery.
3. During this scrutiny, Members have the opportunity to explore:
  - i. The proposals to address poorly served premises
  - ii. The proposed approach to prioritise premises
  - iii. The proposed approach to procurement
  - iv. The need for collaborative working
  - v. Whether there are any risks to the Council
  - vi. The financial and legal implications
  - vii. The timeline and next steps for delivering the project
  - viii. The recommendations to Cabinet.

**Background**

4. Cardiff currently has 190,305 premises with predicted growth of up to 30,000 residential premises over the next 15 years. At present, over 98% of premises

have access to broadband speeds of 30M/bits per second, and 55% of premises have access to Full Fibre to the Premises (FTTP), which is capable of delivering gigabit broadband.

5. Commercial providers have plans to deliver FTTP to many premises in Cardiff over the next three years; however, approximately 20,000 premises are not included in commercial providers' plans, despite efforts by the Council to ease access, for example via Wayleaves or coordinating works with Highways schemes.
6. The Council has been successful in a £7.7m bid, to Welsh Government's Local Broadband Fund, for funding to address poorly served premises.
7. The draft report to Cabinet entitled '*Local Broadband Fund – Improving Connectivity to poorly served premises*' is attached at **Appendix A** and has **one** appendix:
  - **Appendix 1** – Impact Assessment

### **Issues identified in the Cabinet Report**

8. **Point 13** of the report to Cabinet states that funding will be used to first, identify premises identified as high on the Welsh Index of Multiple Deprivation, and secondly to identify premises that align with commercial providers' plans, to maximise benefits and cost savings by taking a coordinated approach.
9. **Point 14** of the report to Cabinet highlights that it is not known how many of the 20,000 premises can be addressed by the £7.7m funding; this will be determined by the procurement process. The procurement will be via an existing Crown Commercial Service Framework specifically for the delivery of gigabit capable fibre broadband infrastructure and seek to achieve best value and maximum coverage of premises identified.
10. **Points 15 – 20** detail that the proposals align with existing Council, Welsh and UK Government strategies and that access to good quality, reliable broadband is necessary for economic growth, better service delivery and citizens wellbeing.

11. **Points 21-24** outline that Cardiff Council will share learning from this project with other Welsh local authorities, including Carmarthenshire and Powys.

12. **Point 25** highlights the need for collaborative working across the Council and with external organisations to deliver this project.

13. **Financial Implications** are at **points 29 -30**, and highlight:

- i. there are no direct financial implications to the Council as long as the project contract does not exceed £7.7m grant funding
- ii. assurance should be sought that any unclaimed allocation at the end of year three may be 'slipped' into a fourth year to allow completion of the project.

14. **Legal Implications** are at **points 31-34**, and highlight:

- i. the need to abide by grant terms and conditions
- ii. the need to abide by procurement legislation and the Council's own procurement requirements, including ensuring compliance with current Subsidy rules
- iii. the need for the decision maker to consider its duties with regard to procurement, the Equality Act 2010, the Public Sector Equality Duties, and the Well- Being of Future Generations (Wales) Act 2015.

### **Proposed Recommendations to Cabinet**

15. The report to Cabinet contains the following recommendations:

- i. To accept the funding awarded to Cardiff Council by Welsh Government for the roll-out of gigabit capable fibre broadband to premises identified as outside commercial roll-out plans for the next 3 years.*
- ii. To delegate to the Chief Digital Officer in consultation with the Cabinet Member for Finance, Modernisation and Performance to deal with all aspects of the procurement process and ancillary matters up to and including award of contract.*

## **Appendix 1 – Single Impact Assessment**

16. **Appendix 1** of the report to Cabinet contains the following additional information:

- i. Protected Characteristics – no differential impact (positive/ negative) is identified for any protected characteristic group
- ii. Socio- Economic Duty – the project will have a positive impact in reducing inequality, as premises identified as high on the Welsh Index of Multiple Deprivation will be addressed
- iii. There is no differential impact for children and young people, or Welsh Language
- iv. Proposals do not require a Habitats Regulations Assessment, Strategic Environmental Assessment, Data Protection Impact Assessment, or Health Assessment.

### **Way Forward**

17. Councillor Chris Weaver (Cabinet Member – Finance, Modernisation and Performance) will be invited to make a statement. Isabelle Bignall (Chief Digital Officer), Phil Bear (Head of ICT) and Mandy Evans (Enterprise Architect – Digital Services) will attend. The whole panel will be available to answer Members' questions.

### **Legal Implications**

18. The Scrutiny Committee is empowered to enquire, consider, review, and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters, there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken

having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

### **Financial Implications**

19. The Scrutiny Committee is empowered to enquire, consider, review, and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters, there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

### **RECOMMENDATION**

The Committee is recommended to:

- i) Consider the information in this report, its appendices and the information presented at the meeting
- ii) Determine whether they would like to make any comments, observations or recommendations to the Cabinet on this matter in time for its meeting on 15 December 2022, and
- iii) Decide the way forward for any future scrutiny of the issues discussed.

**DAVINA FIORE**

**Director of Governance & Legal Services**

**06 December 2022**