

Report to Cabinet

21st September 2017

By the Cabinet Member for Finance & Assets

DECISION REQUIRED



**Horsham
District
Council**

Not Exempt

Gigabit West Sussex

Executive Summary

This report explains the reasons why the Council should consider joining a County-led project to develop a county-wide full fibre network to increase the speed of the connection for Horsham District Council operational sites. Full fibre networks are now considered to be the future in national broadband policy announcements, as they are a critical driver of economic growth in localities in the digital age. A decision is required as to whether the Council agrees to be part of this county initiative in order, to take advantage of Central Government GAP Funding keeping the project to cost neutral.

Recommendations

That the Cabinet is recommended:

- i) to agree in principle that the sites within Horsham District namely Parkside (including the Capitol Theatre), Hop Oast Depot and Horsham Museum be part of a 20 year lease of new dark/passive fibre infrastructure as part of a contract between West Sussex County Council and the selected supplier subject to central government funding, agreed lease terms and on a cost neutral basis
- ii) To delegate authority to the Director of Corporate Resources to enter into the necessary agreements once the tendering process has been satisfactorily completed.

Reasons for Recommendations

- i) To take advantage of Central Government Gap Funding
- iii) To achieve the availability of world class digital infrastructure is vital to facilitate the delivery of public services, drive economic growth and enhance community well-being.

Background Papers

There are no background papers

Wards affected: The proposal potentially affects all Wards.

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Background Information

1 Introduction and Background

- 1.1 West Sussex County Council has been developing a project to introduce a fibre network across West Sussex councils for some time.
- 1.2 In late July 2017, the Department for Digital, Culture, Media and Sport wrote to all council Chief Executives and Leaders to promote their Local Full Fibre Networks (LFFN) Programme which aims to support different approaches to stimulating investment in full fibre networks.
- 1.3 The West Sussex project has engaged with the LFFN Programme. The project seeks £4.66m gap funding to enable the dark fibre procurement and West Sussex is working closely with the Department for Digital, Culture, Media and Sport to ensure we are in a position to satisfy funding requirements.

2 Relevant Council policy

- 2.1 The project supports the Council Policy for Efficiency in facilitating the delivery of great value public services.

3 Details

- 3.1 West Sussex County Council is planning to change its wide area network site connectivity in 8 key towns in West Sussex. County proposes to buy a gigabit-capable dark fibre network connecting local authority sites in the towns. County proposes work will begin in early October. County invited districts and boroughs to join the project. County has applied for Department for Culture, Media and Sport's Local Full Fibre Networks Programme funding.
- 3.2 The procurement will deliver new end-to-end dark fibre networks in Worthing, Shoreham, Chichester, Bognor Regis, Horsham, Haywards Heath, Burgess Hill and Crawley through a 20-year lease agreement with a single supplier. The selected towns provide the required site density for viable builds, following a detailed modelling exercise of all sites across the county by specialist consultants.
- 3.3 In the scheme, sites will all be connected at 1000Mb (gigabit) speeds. West Sussex County Council will make the initial capital investment on behalf of all councils. County will then charge partners annually under the current Capita wider area network arrangements without any increases in charges. County is able to achieve this if it receives the Department of Culture, Media and Sport funding. The project will not go ahead if the County does not get the grant.
- 3.4 Dark or *passive* connectivity relates to the infrastructure in the ground, not active network services, which will continue to be provided to Horsham District and the other councils by Capita. Capita will switch services to the new fibre networks as they become available, with the cost of change factored in to the bid for central government funding.
- 3.5 In the future, County will require any new wide area network to use the leased fibre infrastructure, and councils will have the ability to make their own arrangements for

active services at contract renewal points should they wish to. There will also continue to be the existing flexibility to add or remove sites from the dark fibre lease agreement.

- 3.6 The project work is funded through the West Sussex business rate pool, along with additional resources provided by the County Council and Adur & Worthing Councils. Specialist consultants are currently supporting the finalisation of the procurement specification and approach, having undertaken detailed business case development with the local team.
- 3.7 The Department for Culture, Media and Sport Local Full Fibre Networks Programme encourages a mix of approaches to incentivise the creation of full fibre networks. In addition to the main local authority anchor tenancy scheme described here, there are also opportunities to secure funding for school and other public sector connections. West Sussex County have submitted an “Expression of Interest” to the Challenge Fund to outline the additional opportunities that will exist for other public sector bodies following on from our anchor tenancy project. Government recently announced provisional approval of the West Sussex bid as part of a nationwide initiative.
- 3.8 The contract established with the supplier will allow other public sector bodies to access the scheme, spreading the benefits of ultrafast to hospitals, schools, GPs and others over time. Brighton & Hove City Council will also be able to access the contract.
- 3.9 In committing in principle to adding the sites of Parkside (including the Capitol Theatre), Hop Oast Depot and Horsham Museum to the project Horsham District Council agrees to continue to pay the County Council for passive connectivity annually for the 20 year period, with no increases beyond the current rate the Council pays for wide area network.

4 Next Steps

- 4.1 The Cabinet is asked to approve Horsham District Council’s participation in this initiative in principle. If the project’s bid for Government funding is successful, County will then proceed with the procurement of the dark fibre network in October.

5 Views of the Policy Development Advisory Group and Outcome of Consultations

- 5.1 The Policy Development Advisory Groups for Economic Development and Finance & Assets were jointly consulted on 11 September. They supported the proposal.
- 5.2 The Council’s Monitoring Officer has advised that terms and conditions of any proposed lease agreement will need to be agreed as soon as they are made available by County.
- 5.3 The section 151 Officer has confirmed the project should not affect the Council’s overall financial position provided all the districts and boroughs join the proposal.

6 Other Courses of Action Considered but Rejected

- 6.1 Not to proceed with the procurement of an end to end fibre network. The Councils' collectively will lose access to the anticipated £4.66m funding from Department for Culture, Media and Sport and will not be able to improve existing connectivity between Council owned buildings.

7 Resource Consequences

- 7.1 There are no financial consequences for the annual revenue or capital budgets if we sign up now in order to take advantage of available central government funding and agree a 20 year term. This makes this initiative cost neutral.

- 7.2 There are no staffing consequences for this proposal.

8 Legal Consequences

- 8.1 The Council commits in principle to be part of a contract between West Sussex County Council and the selected supplier.

- 8.2 The council will need to commit to a 20 year lease term for Capita WAN costs.

9 Risk Assessment

The risks associated with this proposal are

- 9.1 It unlikely the project will be cost neutral if some of the West Sussex district or borough councils do not sign up to be part of the contract between West Sussex and the selected supplier.

- 9.2 The project will not be viable if Government funding is not granted or becomes unavailable.

- 9.3 There is a risk that in the latter stages of the contract some alternative technology will be better than dark fibre, or networking as we understand it today may not exist. There is nothing we can do to mitigate this risk, but dark fibre is likely to have a longer shelf life than the current connections.

10 Other Considerations

- 10.1 This report has no effect on Crime & Disorder; Human Rights; Equality & Diversity or Sustainability.

List of the Local Authority Sites across West Sussex proposed to join the dark fibre network

Worthing/Shoreham	Connaught Theatre Worthing Pavilion Theatre Worthing Police Station Worthing Town Hall Crematorium Commerce Way Lancing Housing Office Shoreham Centre
Chichester	Community Care Line (x2) East Pallant The Novium (x2) Westhampnett Depot (x2)
Horsham	Hop Oast Depot Horsham Museum Parkside (Including Capitol Theatre)
Haywards Heath	Oaklands (x2)
Crawley	Town Hall (x2)
Bognor Regis	Bognor Town Hall