

Decision Maker: RENEWAL, RECREATION AND HOUSING POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Date: Wednesday 26 January 2022

Decision Type: Non-Urgent Executive Key

Title: DIGITAL INFRASTRUCTURE WORK PLAN UPDATE

Contact Officer: Ose Akpom, Economic Development Manager
E-mail: ose.akpom@bromley.gov.uk

Chief Officer: Sara Bowrey, Director of Housing, Planning, Property and Regeneration

Ward: (All Wards);

1. Reason for report

- a. The Digital Infrastructure Work Plan was adopted by the Council in February 2021 (Report No. DRR20/017). This report provides an update on progress of digital connectivity within the borough.
- b. An update on the Digital Infrastructure Work Plan will be provided to RR&H PDS quarterly, this report is the first of the updates.

2. **RECOMMENDATION(S)**

That Members of the Renewal, Recreation and Housing PDS:

- 2.1 **Note the contents of the report which details progress in the delivery of the Digital Infrastructure Work Plan.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: Improved digital infrastructure creates opportunities with regards to work and education.
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Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Excellent Council Vibrant, Thriving Town Centres Regeneration
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Financial

1. Cost of proposal: No Cost
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Regeneration Team
 4. Total current budget for this head: £162k
 5. Source of funding: Existing revenue budget. Future investment will be sourced from grant funding.
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Personnel

1. Number of staff (current and additional): 1
 2. If from existing staff resources, number of staff hours: 14 p/w
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Legal

1. Legal Requirement: None
 2. Call-in: Applicable
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Procurement

1. Summary of Procurement Implications: There are no implications for Procurement associated with any of the work streams discussed in this report.
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All persons in Bromley who use internet products and services including in the workplace and at home.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A
2. Summary of Ward Councillors comments:

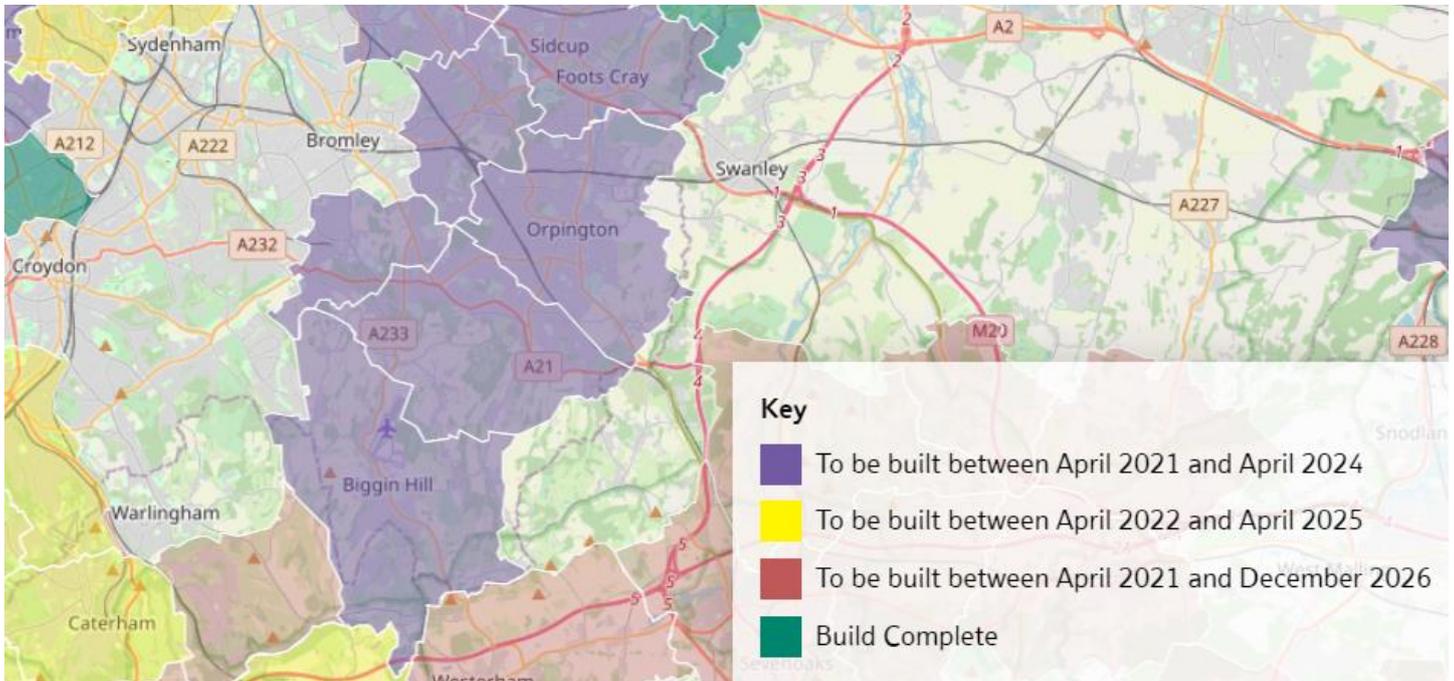
3. COMMENTARY

Background

- 3.1 In February 2021, members of the Executive approved the Digital Infrastructure Work Plan (DIWP) which sets out a path to improve Digital Connectivity within the borough.
- 3.2 Digital connectivity is critical for the ongoing social and economic prosperity of Bromley. As outlined in the DIWP, interventions can be undertaken to support the roll out of gigabit capable connectivity (internet speeds of over 1 gigabit per second), notably through facilitating the development of:
- Full-fibre to the premises broadband (FTTP)
 - 4G and 5G mobile networks

Memorandum of Understanding (MoU) with Openreach

- 3.3 The Council has proactively agreed an MOU with Openreach to improve connectivity across the borough. The MOU sets out commitments made by both the Council and Openreach with the intended purpose of speeding up the delivery of the Openreach FTTP deployment plans, and enables the Openreach roll out of full fibre broadband in the borough. Openreach are looking to connect **85%** of Bromley by **2023**.
- 3.4 The Fibre First Roll Out is a commercial roll out led by Openreach who are upgrading telephone exchanges within the borough to ultrafast full fibre connections. As Openreach already has a significant amount of ducting within the borough, much of the work is being focussed on rewiring, namely replacing copper wiring with fibre-optic cabling, meaning that digging and associated disruption will be kept to a minimum.
- 3.5 Openreach has announced that they will build five telephone exchanges within the Borough of Bromley. These are set out below along with the build delivery phase timescales:
- | | |
|----------------|--------------------------------------|
| • Farnborough | Build Delivery Phase 2021/22-2023/24 |
| • Orpington | Build Delivery Phase 2021/22-2023/24 |
| • Biggin Hill | Build Delivery Phase 2021/22-2023/24 |
| • Chislehurst | Build Delivery Phase 2021/22-2023/24 |
| • Hayes Common | Build Delivery Phase 2021/22-2023/24 |
- 3.6 The above list of telephone exchanges reflects a significant, multi-million pound investment within the borough and will support Openreach's aim to connect tens of thousands of homes and businesses in the borough. The areas covered by this upgrade can be viewed in the map below with a key showing the Openreach build programme dates:



- 3.7 As a commercially driven roll out, much of the data relating to the build is commercially sensitive and not available publicly. High level data on which telephone exchanges have been announced and the build delivery phases as outlined above is available on the Openreach website.
- 3.8 The Council does not have any influence over which telephone exchanges Openreach announce or the build programme and cannot determine the investment. The build programme is updated quarterly on the Openreach website and is available to view publicly.
- 3.9 Telephone exchange boundaries do not line up directly with the boundaries of the borough. As such, there are a small number of areas within the borough that are covered by a telephone exchange that is not located within the borough. These telephone exchanges are outlined below, along with the current Openreach build plans and officers will check for updates at these exchanges regularly:
- Grove Park (Lewisham): Build delivery phase 21/22 – 22/23
 - Sidcup (Bexley): Build delivery phase 21/22 – 22/23
 - Knockholt (Sevenoaks): No plans currently announced
 - Beulah Hill (Croydon): No plans currently announced
 - Catford (Lewisham): No plans currently announced
 - Addiscombe (Croydon): No plans currently announced
 - Swanley (Sevenoaks): No plans currently announced

Housing Sites

- 3.10 Openreach currently offer Ultrafast Full Fibre Broadband to new residential sites through the provision of a FTTP network. Officers have held discussions with Openreach around the inclusion of full fibre installation at housing sites being brought forwards by the Council.
- 3.11 Openreach build full fibre connections to new sites of over 20 or more properties at no cost. However, this has been achieved on all new Council Build sites to date, even those below 20 units, given they are for 100% affordable housing.

Full Fibre Providers

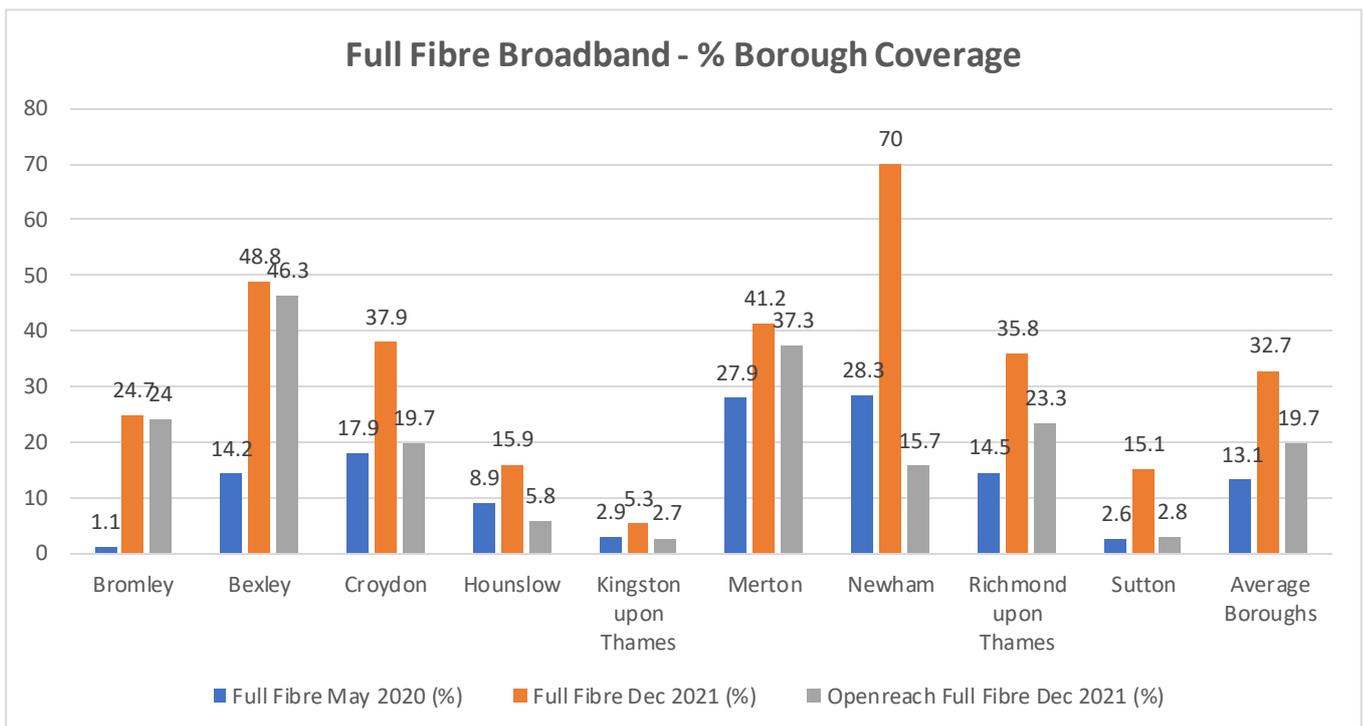
3.12 Officers will continue to seek further opportunities for the development of full fibre within the borough as well as in areas not currently covered by current Full Fibre development plans relating to the MoU.

Full-Fibre Provision - Current Data on ultrafast full fibre availability

3.13 ThinkBroadband provides an impartial source of information on full fibre broadband coverage across individual boroughs, which is updated more regularly than the Ofcom data. This includes progress on the Openreach rollout, complemented by a number of other suppliers, such as Virgin Media. The data from **May 2020** showed just **1%** of premises within Bromley had Full Fibre broadband access available compared with the average of **13.1%** across several Outer London Boroughs (see chart below).

3.14 The latest data available for **December 2021** demonstrates there has been a significant improvement in full fibre broadband access in Bromley with **24.7% (Openreach 24%)** of premises within Bromley accessing full fibre broadband compared with the average of **32.7% (Openreach 19.7%)** across several Outer London Boroughs.

Therefore although Openreach access to full fibre in Bromley is above the average for the Outer London Boroughs general access to full fibre in Bromley remains below the average across the boroughs as shown below:



3.15 Over **37,500 premises** have been provided with their Full Fibre upgrades by Openreach across the borough so far. Orpington in particular (21,500), has one of the highest numbers and the other areas with substantial numbers include Farnborough and Grove Park (10,000), along with Chislehurst and Hayes Common (6,000). However, it is not possible to obtain more specific details from Openreach on the exact locations of the premises, due to reasons relating to commercial sensitivity.

Mobile Coverage – 4G/5G Small Cell Technology Infrastructure

- 3.16 The government has committed to extending 4G coverage to 95% of the UK - regardless of which network customers use - by 2022 and has also set a target that the majority of the population will have 5G coverage by 2027. To support these ambitions, the Bromley Digital Infrastructure Toolkit has been proactively developed by the Council in line with the Digital Infrastructure Toolkit published by DCMS and currently sits on the London Tenders Portal. Market Operators interesting in deploying their infrastructure within the borough can submit an Expression of Interest (EOI) to the Council. EOIs are reviewed on an individual and ongoing basis to ensure that requirements are met and that the proposal is satisfactory.
- 3.17 The Council has an agreement with one mobile network infrastructure service provider; which has seen 4G/5G small cell technology installed on council-owned assets, such as lamp columns. This has enhanced current 4G mobile coverage and allows for rapid 5G adoption in the future. The deployment began in September 2021 and has enhanced connectivity so far for one of the leading Mobile Network Operators (MNOs - who include EE, O2, Three and Vodafone), with 14 small cells equipment currently installed in Bromley, Orpington, as well as Penge town centres. The next phase of the deployment programme will potentially add an additional 30 small cells across the borough (depending on the demand from MNOs).
- 3.18 The arrangement is non-exclusive and will allow multiple mobile network operators to develop infrastructure in Bromley.
- 3.19 Each additional small cell deployed within the borough will help to increase capacity within a mobile network. The Council is also in negotiations with another 4G/5G mobile network infrastructure service provider to enter into a separate agreement based on the Digital Toolkit.

Mobile Coverage – 4G/5G Masts & Towers Infrastructure

- 3.20 Discussions have been taking place with Three UK and relevant Council teams to explore ways that the Council can assist with improving the outcomes for future planning applications submitted by Three UK, which are required to install additional 4G/5G mobile technology streetworks masts in the borough and support our Digital Strategy. Three UK have 68 existing live sites within Bromley that are all due for upgrading with 5G and improved 4G, as part of their 2020-22 Acceleration Programme (some streetworks masts are shared with one other mobile network operator but not all). Existing 5G coverage in Bromley is 66%, but this is mainly in the North of the borough. Their existing sites cannot cover the demand, so additional sites are being added. The rooftop macro sites represent 90% of their existing sites and provide wider coverage.
- 3.21 Three UK has identified around 37 new sites in Bromley for deployment to provide additional coverage. Approximately 29 of these new sites have been submitted for planning approval and 19 of these applications have been rejected with only 4 approvals so far (ie.17% success rate in Bromley which is lower than both the national average of 55% and the London average of 27%). Reasons provided for the rejection have generally been in relation to the siting and appearance of the masts under GPDO planning law. Assistance provided on the siting arrangements would improve full 5G access across the borough, as well as additional broadband capacity with similar speeds to full fibre; particularly in the areas that are not covered by the Openreach rollout.
- 3.22 Cellnex UK has approached the Council in advance of future planning applications being proposed for their other programme in partnership with Network Rail to provide world-class connectivity to passengers on the London to Brighton Mainline railway, including to residents and businesses in surrounding areas; utilising a solution comprised of towers, high capacity fibre and specialist radio equipment. The aim is to provide uninterrupted cellular internet, mobile

reception and fibre services along the length of the Brighton Mainline route with improvements rolled out in 2022 -23. This project is part of Network Rail's 'Putting Passengers First' vision, alongside providing greater 'incidental coverage' to businesses and residents based alongside the Brighton Mainline, thereby contributing to the Council's connectivity objectives.

3.23 Further discussions are anticipated to take place with the Council and other relevant stakeholders specifically to understand:

- Cellnex plans to remedy the gaps in coverage at the following locations within Bromley:
 - a) Between the boundary with the London Borough of Lewisham and Penge West Railway Station
 - b) Between Penge West and Anerley Railway Stations
 - c) To the south of Penge West Railway Station
- The technical and operational constraints affecting the development of the base station infrastructure needed to provide improved connectivity
- Cellnex approach to Ward Councillor and community engagement

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 Improving digital connectivity through the borough will increase the availability to online services to a wider audience including vulnerable adults and children.
- 4.2 Improving the reliability and speed of broadband connections, particularly in wards where there are indices of deprivation, will support better access to online services. This will be supported by ICT training for residents at the Council's libraries and resource shops.

5. FINANCIAL IMPLICATIONS

- 5.1 The previously approved Digital Infrastructure Work Plan has no immediate financial implications for the Council as the actions set out in the Plan and the facilitation and development of digital infrastructure in the Borough will be progressed by existing staffing resources in the Culture and Regeneration Division, with support from other departments including Highways. In the event that additional resource requirements are subsequently identified, a further report would be presented to members.
- 5.2 A key role for the Council and officers will be to facilitate digital infrastructure development within the Borough by identifying and leveraging in grant and other investment funding sources for third parties to access. No direct investment costs for the Council are therefore anticipated.
- 5.3 Adoption of the Bromley Digital Infrastructure Toolkit for the roll out of 4G and 5G small cell technology has introduced the ability for the Council to charge a rental for use of its assets. This is a new income stream, but charges are regulated on a cost recovery basis and income levels initially are not expected to be significant. So far, the Council has an agreement with one mobile network infrastructure service provider and has received a total of £7,300, of which £4,200 is anticipated to be a recurring annual income for those 14 sites plus a one-off expression of interest fee of £3,100 (i.e £1,700 project co-ordination fee plus £1,400 which is based on £100 per piece of apparatus/small cell proposed). In addition, there could be a potential further income next year of £3,000 for the additional apparatus, plus an annual income of £9,000 from

an additional 30 sites under consideration as mentioned in section 3.17. Subject to confirmation of this expansion, this additional income stream will need to be reflected in future budget considerations.

6. LEGAL IMPLICATIONS

- 6.1 In the Part One Report no. DRR20/017 of the previously approved Digital Infrastructure Work Plan, Legal had analysed the Sutton toolkit and the Government Toolkit and in relation to the previous advice given from the Procurement Team it was agreed that this is clearly not governed by the Procurement Rules.
- 6.2 The previous legal comments reiterated that it was not described as a lease and business security of tenure did not therefore feature either. However, it seemed to be more of a contractual license of the land and an asset in consideration for a market value determined by valuation principles under the Code and best value together with compensation for disturbance of the asset and surveyors and legal expenses. Furthermore, the standard template agreement very much resembled a lease although it seemed to be more like an exclusive possession which was lacking as the asset was used by us and potentially other code operators. Sutton had effectively adopted the standard template and it seems to be that they also invited operators to propose terms based on that for Suttons further consideration with the expressions of Interest.
- 6.3 In light of the above, as the Cellnex Legal Agreement (yet to be finalised) is also based on the same Digital Toolkit, (that the Freshwave Legal Agreement was also based on previously), the same principles apply. Procurement has also confirmed that there are no procurement implications relating to the Report and has previously advised that the use of the toolkit is an open-access property transaction and therefore not a procurement. It is not subject to the requirements of the Public Contract Regulations 2015 and that there is not an obligation to appoint the 'most economically advantageous tenderer' but to choose the solution that represents 'best value' for the local authority

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| Non-Applicable Sections: | Policy Implications; Procurement Implications; Personnel Implications |
| Background Documents: (Access via Contact Officer) | Digital Infrastructure Work Plan (Report No. DRR20/017) - Tuesday, 2 nd February 2021 |