

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

Date: **Monday 23 January 2023**

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **DIGITAL INFRASTRUCTURE WORK PLAN UPDATE**

Contact Officer: Ose Akpom, Economic Development Manager
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Chief Officer: Director of Housing, Planning, Property and Regeneration

Ward: All Wards;

1. Reason for decision/report and options

- 1.1 The Digital Infrastructure Work Plan (DIWP) 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.
 - 1.2 An update on the Digital Infrastructure Work Plan is provided to RR&H PDS quarterly.
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2. **RECOMMENDATION(S)**

- 2.1 This report is to provide an update only.
- 2.2 **That Members of the Renewal, Recreation and Housing PDS Committee review the content contained within the report, which sets out progress in relation to the delivery of the Digital Infrastructure Work Plan within the borough.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: Improved digital infrastructure will create opportunities with regards to work and education.
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Transformation Policy

1. Policy Status: Existing Policy
 2. Making Bromley Even Better Priority (delete as appropriate):
 - (1) For children and young People to grow up, thrive and have the best life chances in families who flourish and are happy to call Bromley home.
 - (2) For adults and older people to enjoy fulfilled and successful lives in Bromley, ageing well, retaining independence and making choices.
 - (3) For people to make their homes in Bromley and for business, enterprise and the third sector to prosper.
 - (4) For residents to live responsibly and prosper in a safe, clean and green environment great for today and a sustainable future.
 - (5) To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
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Financial

1. Cost of proposal: No Cost
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Culture and Regeneration – Economic Development
 4. Total current budget for this head: £127k
 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: Not-Applicable: Information Item
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Procurement

1. Summary of Procurement Implications: None
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Property

1. Summary of Property Implications: None
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Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications: Digital connectivity is a growing necessity and the proposals support digital inclusion. With better access to high speed, reliable

broadband or mobile connections; residents and businesses can access public/Council services more conveniently/efficiently or purchase goods online at a lower cost. People can work from home, reducing the necessity for travel and commuting to minimise their carbon footprint. Businesses can grow, become more productive and make goods available online. The improved digital infrastructure will also support any future developments to improve the management of Council services such as environmental monitoring for air quality, flooding, pedestrian flow or parking spaces

Customer Impact

1. Estimated number of users or customers (current and projected): All persons in Bromley who use internet or mobile products and services including in the workplace and at home

Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A
2. Summary of Ward Councillors comments: N/A – This is an information only update on the approved Digital Infrastructure Work Plan.

3. COMMENTARY

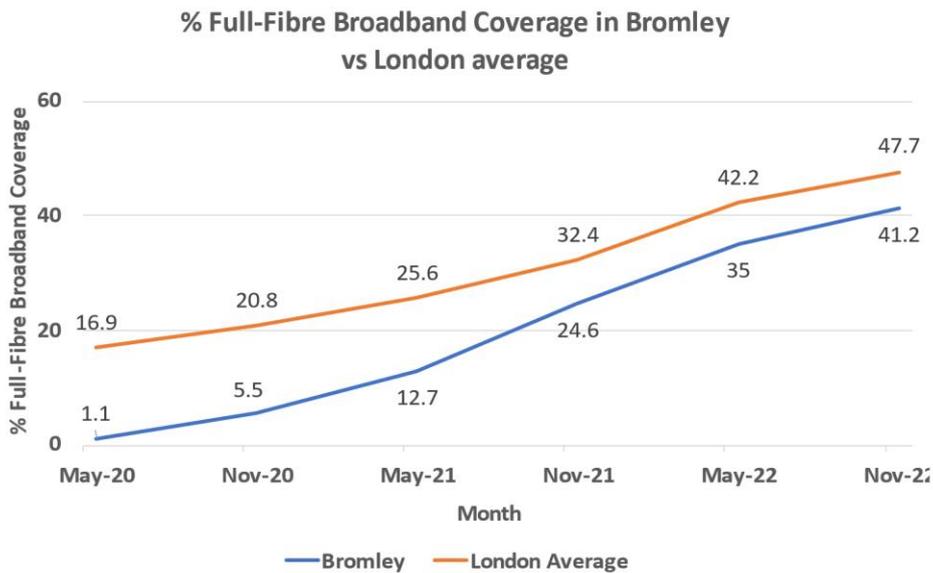
Background

- 3.1 On 22 February 2022 the government re-confirmed its commitment to reach **85%** coverage of UK households with gigabit capable broadband by 2025 and that by 2030, this figure would reach at least 99%. The government targets for mobile include **95%** geographic coverage for 4G by 2025 and that the majority of the population would have access to a 5G signal by 2030.
- 3.2 In February 2021, members of the Executive approved the Digital Infrastructure Work Plan (DWP), which sets out a way to move forwards and improve Digital Connectivity within the borough in support of the government's aims for the benefit of Bromley residents and businesses.
- 3.3 Digital connectivity is critical for the ongoing social and economic prosperity of Bromley. Interventions continue to be made by the Council through the DWP, in order 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

Full-Fibre To The Premises Broadband (FTTP)

- 3.4 The **Memorandum of Understanding (MOU)** with Openreach demonstrates the commitments made by both the Council and Openreach to speed up the delivery of the Openreach full-fibre broadband (FTTP) deployment plans. By agreeing the MOU Openreach is prioritising Bromley borough over other areas, however the Council has no control over Openreach's location programme within the borough and cannot determine which telephone exchanges are upgraded first. This 'Fibre First' roll-out is commercially driven and led by Openreach, who have almost reached their **75%** completion target for the upgrade of five local telephone exchanges (out of nine telephone exchanges within the borough) to ultrafast full-fibre broadband connections.
- 3.5 The four remaining Bromley telephone exchanges, which have not been announced for upgrades in the current build programme are Bromley Central, Beckenham, Sydenham and West Wickham. These areas are closely aligned with concentrations of multiple dwelling units/MDUs within social housing (primarily Clarion Housing owned units), along with businesses in town centres. This is particularly significant, given the commercial attractiveness of MDUs, which provide the necessary critical mass to enable the extension of existing infrastructure networks generally; as well as potential benefits for the residential and commercial areas with identified gaps in full-fibre coverage. Consequently, there is continued engagement with social housing landlords and infrastructure providers (such as Virgin Media/O2 and Community Fibre) to identify ways of facilitating local arrangements, in order to expedite the rollout of full-fibre broadband across existing social housing.
- 3.6 Much of the data relating to the Open reach build is commercially sensitive and not available publicly. An overview of the build programme is updated quarterly on the Openreach website and this is available to view publicly. Publicly available data on the general full-fibre broadband coverage across the borough (from the ThinkBroadband website), shows an increase from **1%** in May 2020 (prior to the MOU and Openreach rollout) to over **41%** in November 2022. The corresponding average coverage across London during the same period, shows an increase from **17%** in May 2020 to almost **48%** in November 2022; which highlights the significant progress made in Bromley to narrow the gap in coverage (see graph below). This also highlights an increase of **4%** in full-fibre broadband coverage for both Bromley and the London average over the 3 months, since the previous figures reported for August 2022 in the previous

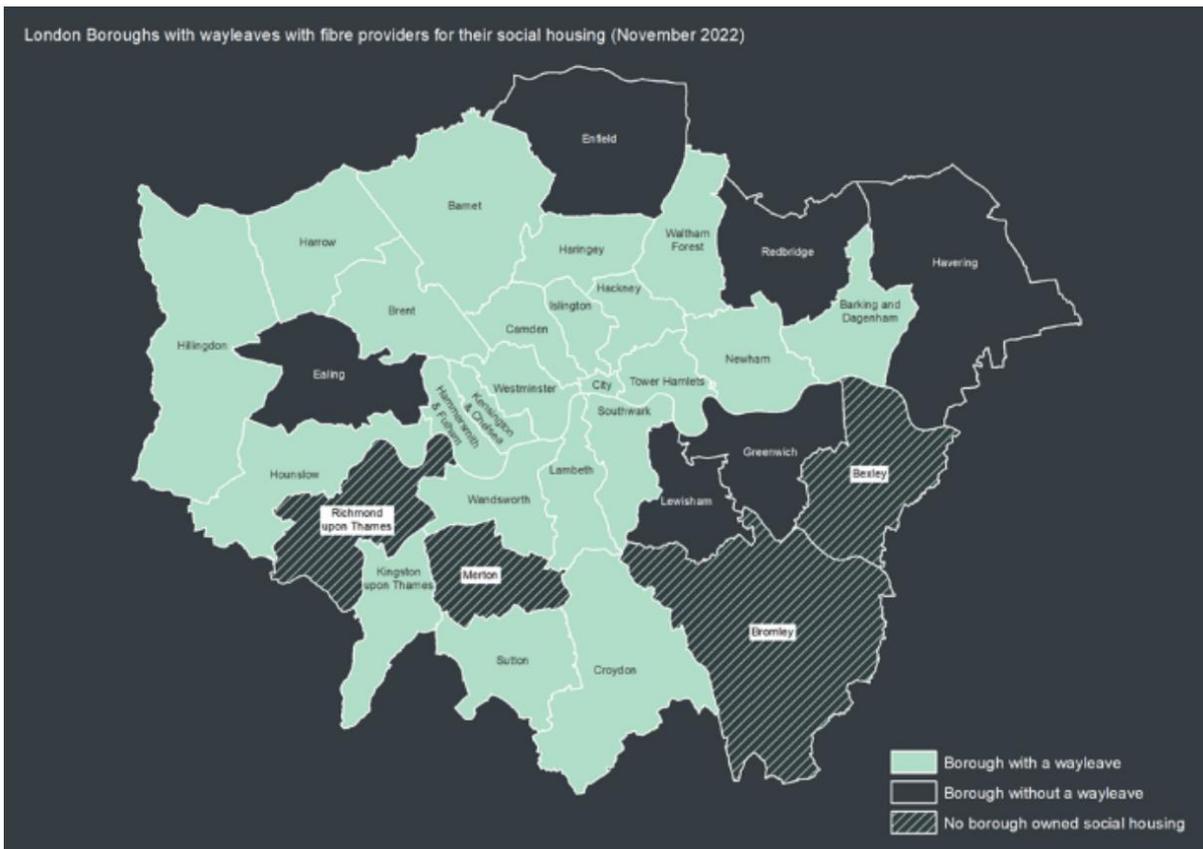
Full Fibre Broadband Coverage Data



Source: ThinkBroadband

- 3.7 Master wayleave agreements allow the full-fibre broadband providers access to all listed premises within the agreement, reducing associated legal costs for individual wayleaves and allowing the provider to plan their build with confidence. The majority of other Councils own multiple-dwelling units within social housing (see Croydon, Lambeth, Southwark etc in the map below) and therefore, have the advantage of entering into independent Master Wayleave agreements directly with providers. These other Councils represent over **76%** of the overall full-fibre broadband build across London. However, this is not the case within Bromley, since the social housing within Bromley is primarily owned by social housing landlords such as Clarion Housing (who themselves enter into separate independent agreements with individual full-fibre broadband providers such as Community Fibre). Despite the apparent disadvantage due to lack of social housing ownership, the latest data from OfCom between January 2022 – May 2022 highlights Bromley as the **9th fastest growing borough** out of 33 London boroughs in relation to full-fibre broadband coverage.

London Boroughs with Master Wayleave agreements



- 3.8 Gigabit capability in Bromley is generally higher than the London average with over **93%** coverage of the borough, compared to 83% across London (a small increase of **1%** for both Bromley and the London average, since the previous figures reported for August 2022 in the previous DIWP update committee report in September 2022). The gigabit coverage in Bromley is primarily due to extra capacity provided by Virgin Media/O2 cable coverage and this borough figure is amongst the top rates of gigabit coverage for the individual boroughs across London.
- 3.9 Despite the high rate of gigabit coverage generally available across the borough; officers are continuing to enable gigabit capacity by developing the existing relationships with Virgin Media/O2 to address existing gaps in coverage. The Council has recently been collaborating with Virgin Media/O2 to conduct an audit of local broadband infrastructure, in order to establish a comprehensive database. Another exercise is also currently underway in collaboration with Local London, to create a mapping tool that would capture data in various areas such as government digital infrastructure programmes (e.g Project Gigabit); Council digital infrastructure projects; Ofcom data; locations of social deprivation and local economic growth.
- 3.10 To support the aim of improving digital infrastructure; the Council recently provided its response to a government public stakeholder consultation on the availability of gigabit/high-speed broadband capable infrastructure across the borough. This was aimed at targeting any future investment in digital infrastructure, **to address any gaps identified within the borough** (Project Gigabit). Bromley also contributed to the wider response to the consultation, submitted by Local London sub-regional partnership. This opportunity, along with other inward investment opportunities (e.g the Strategic Investment Fund/SIF which is available to develop Council-owned digital infrastructure and is currently under review by the Council's Digital Team) was made available to the Council, as a result of Bromley's recent membership of the Local London sub-regional partnership.

3.11 Any future improvements will depend on continued progress with full-fibre broadband and plans announced by Openreach; as well as other opportunities identified to address existing gaps in full-fibre coverage. The Council is also supporting other providers such as Community Fibre and Virgin Media/O2, by continuing to facilitate negotiations with Bromley Federation of Housing Associations, as well as individual local social housing landlords like Clarion Housing. In addition, by utilising infrastructure inward investment opportunities such as Project Gigabit, or the Strategic Investment Fund (SIF); it can assist to develop the Council's digital infrastructure. Nevertheless, officers will continue to seek further externally funded opportunities for the development of full-fibre broadband to address the gaps within the borough.

4G & 5G Mobile Networks – Small Cells on Lamp Columns Infrastructure

3.12 The Ofcom Connected Nations report in Autumn 2022 highlighted that the geographic coverage of **4G** mobile network services by at least one Mobile Network Operator (MNO) is over **92%** nationally (expected to rise to 95% by end of 2025 in accordance with the national target due to the Shared Rural Network programme). National **5G** mobile network coverage from at least one MNO is around **56%** and the coverage provided from all 4 MNOs is around **8%**.

3.13 Bromley has **95%** geographic coverage of **4G** mobile network services available from the four MNOs (BT/EE, Vodafone, Three and Virgin/O2). This existing 4G coverage in Bromley is slightly below neighbouring boroughs (which ranges from 97% in Merton to 100% in Southwark). However, Bromley is the largest London borough by area and nearly all premises are included within the area of coverage.

3.14 To attract MNOs to improve coverage in the borough, Bromley was one of the first local authorities to develop its own Bromley Digital Infrastructure Toolkit, which includes an Open Access agreement (in line with the Digital Infrastructure Toolkit published by DCMS). It currently sits on the London Tenders Portal and Market Operators interested in deploying their infrastructure within the borough (such as 4G/5G Small Cells mobile equipment) can submit an Expression of Interest (EOI) to the Council. EOIs are reviewed on an individual basis to ensure that requirements are met and that the proposal is satisfactory.

3.15 The pro-active approach Bromley has taken to improving the borough's digital infrastructure has been noticed by government and Bromley's Economic Development team was also selected by DCMS to share its valuable experience of working with the market to improve coverage at a recent event on mobile connectivity for London Councillors.

3.16 The Council successfully negotiated a 4th Open Access agreement with **Ontix Ltd** in November 2022, to deploy additional 4G/5G mobile cells on lamp columns across Bromley town centres, in order to boost the mobile network capacity and coverage on behalf of MNOs such as Three UK. This latest infrastructure provider complements other existing providers, reported in the previous DWP update committee report in September 2022 (ie. Freshwave, Cellnex and BT/EE) and who have also signed non-exclusive agreements with the Council to deploy equipment on behalf of other MNOs. The deployment is totally commercially driven and depends on the demand expressed by the MNOs to these mobile infrastructure providers.

3.17 The Council previously received a total of **£7,300** in income for the 14 cells deployed by Freshwave across 3 local town centres (Bromley, Penge and Orpington) during the initial year (i.e FY 2021-22). This was comprised of £4,200 for a recurring annual rental 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). A further **£4,200** is also due this financial year (i.e FY 2022-23) for the re-curring annual rental fee for the 14 sites, along with an additional annual rental fee amounting to **£3,600** for an extra 12 cells anticipated to be deployed by Freshwave during this financial year.

- 3.18 Any additional income revenue anticipated from the other infrastructure providers will be confirmed, once their specific requirements and proposals have been approved by the Highways team. However, **BT/EE Ltd** had originally proposed to deploy **7** additional 4G/5G mobile small cells mobile equipment during the current year, which would generate an overall income of **£4,500** (i.e £2,100 from a recurring annual income for the 7 sites, plus a one-off expression of interest fee of £2,400).

4G & 5G Mobile Networks – Macro Cells on Masts & Towers Infrastructure

- 3.19 The Council has continued to support and engage with Three UK to investigate opportunities to improve the success rate of their planning applications for masts & telecommunications infrastructure. The existing stakeholder engagement process is due to be submitted by Three UK to the Council for review by key Members/Ward Councillors; who will also have the opportunity to meet with Three UK and discuss any potential improvements to the process.
- 3.20 The Council also provided support to Cellnex UK in relation to their partnership programme with Network Rail; which is aimed at improving 4G/5G mobile connectivity for passengers on the London to Brighton Mainline railway (mainly in the Penge area with additional benefits for local residents & businesses in surrounding areas). Following the initial guidance received from LB Bromley Planning team, pre-applications were submitted by Cellnex UK in March 2022 for the required infrastructure at three locations. Cellnex UK are currently addressing the pre-application report recommendations and advice provided by the LB Bromley Planning team in June 2022 (with the aim of submitting the full planning applications at a later stage).

4 IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 Improving digital connectivity throughout the borough will increase the availability of online services to a wider audience, including those vulnerable adults and children.
- 4.2 Improving the reliability and speed of broadband connections, particularly in wards where there are indices of deprivation including to public services, 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 TRANSFORMATION/POLICY IMPLICATIONS

- 5.1 Making Bromley Even Better Priorities supported include: (i) For children and young People to grow up, thrive and have the best life chances in families who flourish and are happy to call Bromley home; (ii) For adults and older people to enjoy fulfilled and successful lives in Bromley, ageing well, retaining independence and making choices; (iii) For people to make their homes in Bromley and for business, enterprise and the third sector to prosper; (iv) For residents to live responsibly and prosper in a safe, clean and green environment great for today and a sustainable future; (v) To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents

6 FINANCIAL IMPLICATIONS

- 6.1 No direct financial implications to this report, this report is for information and asks members to review the contents. The report sets out the progress made so far on the Digital Infrastructure of the borough.

7 LEGAL IMPLICATIONS

- 7.1 In the initial 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 and it was agreed that this is clearly not governed by the Procurement Rules.

- 7.2 Furthermore, the previous legal comments (stated in Report No. HPR2021/065) also 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.
- 7.3 The Cellnex, BT and Ontix Agreements are also based on the same Digital Toolkit, (that the Freshwave Legal Agreement was also based on previously), with the same principles applied. Procurement also confirmed that there were no procurement implications relating to the Report and had 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.
- 7.4 Similarly, for this Report, Procurement have confirmed that there are no specific procurement implications and that this Report does not need any review from Procurement or the Assistant Director of Governance & Contracts’s sign off to proceed.
- 7.5 Generally-speaking and just to reiterate any code considerations are to be addressed by an expert such as a Surveyor/Engineer that the client department may have engaged with (i.e with respect to the Freshwave, BT, Cellnex and Ontix providers in all of the Agreements). However, this is up to the client’s discretion. Everything has seemed to be clear in the Digital toolkit/guidance provided anyway.

8 CARBON REDUCTION/SOCIAL VALUE IMPLICATIONS

- 8.1 Digital connectivity is a growing necessity and the proposals support digital inclusion. With better access to high speed, reliable broadband or mobile connections; residents and businesses can access public/Council services more conveniently/efficiently or purchase goods online at a lower cost. People can work from home, reducing the necessity for travel and commuting to minimise their carbon footprint. Businesses can grow, become more productive and make goods available online. The improved digital infrastructure will also support any future developments to improve the management of Council services such as environmental monitoring for air quality, flooding, pedestrian flow or parking spaces.

Detail here any environmental, social or economic implications that have been considered as part of this proposal. This section should consider requirements of the 2012 Public Services (Social Value) Act if procuring goods or services. Authors should detail how the recommendations in this report will lead to a positive impact in terms of the Council’s Carbon Reduction ambitions.

9 CUSTOMER IMPACT

- 9.1 All persons in Bromley who use internet or mobile products and services including in the workplace and at home.

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