Division(s): All

GROWTH AND INFRASTRUCTURE SCRUTINY COMMITTEE 19 NOVEMBER 2012

OXFORDSHIRE BETTER BROADBAND PROGRAMME – SUPPORTING ECONOMIC GROWTH

Report by Deputy Director (Strategy and Infrastructure Planning) Environment and Economy

Background

- 1. It is widely accepted that business and residents need to have unfettered access to online resources and the ability to conduct transactions digitally.
- 2. Oxfordshire County Council is currently delivering a countywide Better Broadband Programme which incorporates several national and local broadband priorities.
- 3. <u>Superfast Broadband Programme:</u> The first of which is the Broadband Delivery UK 'Superfast Broadband Programme'. The council is investing £10M in capital funds (which is combined with £3.86M in national funds) to extend and improve the broadband infrastructure to parts of the county which currently suffer from poor or unreliable connectivity.
- 4. The County Council's role in this programme is to provide a mechanism for investment in improving the infrastructure. This will be accomplished through coordinating national, local authority and community investment, leading on the procurement, as well as leading on partnership and engagement with communities and partners. The 'investment' will be with a private sector partner on an outcome basis (improved digital infrastructure for a number of premises). At the end of the process, the Council will not accrue an asset.
- 4. In the absence of the proposed programme, it is estimated that approximately one third of the county's premises would remain in areas of market failure. As a result of the programme, a 'basic broadband' (>2Mbps) would be available countywide with a vast majority of premises across Oxfordshire receiving at least 24Mbps in connectivity speeds.
- 5. Enterprise Zone Investment: Beyond this, OCC is also working to deliver 'Beyond Superfast' connectivity for the Enterprise Zones of Harwell and Milton Park partnering with the Local Enterprise Partnership (LEP) utilising funding from the Growing Places Fund. This £2.1M investment will create a market advantage around Broadband in order to attract business relocation and job creation.
- 6. <u>Super-connected Cities Fund:</u> OCC has also partnered with the City Council in preparing a bid to the 'Super-connected Cities Fund', which is run as a part

of BDUK. If successful, this investment of £5M will enhance connectivity for the central business district of Oxford, and is expected to attract new business and create jobs.

Broadband and the Oxfordshire Economy

- 7. In addition to the significant impact that the latest information technology revolution has had in individuals' everyday life (smartphones, social networks, 'the cloud'), facilitated globalisation has meant that these technological innovations have transformed business.
- 8. Whilst historically economic prosperity aligned with concentrations of natural resources, effective transportation and other available utilities such as electricity or water, the modern economy will be led by successful data management on a massive scale.
- 9. A local economy's ability to tap into the prevalent global connectivity, collaborate and innovate on an international scale, maximise opportunities to utilise cutting edge technology especially related to manufacturing, science and medicine, will predestine its ability to thrive.
- 10. Oxfordshire is strategically positioned to maximum benefits in unlocking broadband connectivity blockages. With its world class university, educated populace and internationally significant high tech economic clusters, it has significant potential to benefit from broadband investment.
- 11. Comparable case studies can provide an indication of the tangible economic benefit to improved broadband connectivity. It is reasonable to estimate that countywide Gross Domestic Product (GDP) could uplift by as much as £500M over the next five years as a direct result of additional broadband penetration (based on current understanding of expected commercial roll-out and planned public investment). This represents a ~3% increase in GDP over 5 years.

Next steps

12. The programme will enter into competitive dialogue with prospective partners in November 2012, with an expectation of a signed contract in the spring of 2013 and completed roll-out by 2015.

RECOMMENDATION

The Committee is RECOMMENDED to note the contents of the report

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Background papers: None

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