

BOROUGH OF KETTERING

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Report Originator	Martin Hammond Deputy Chief Executive	<i>Fwd Plan Ref No:</i> A13/051	
Wards Affected	All	11 th June 2014	
Title	BROADBAND - UPDATE		

Portfolio Holder: Cllr I Jelley

1. PURPOSE OF REPORT

To provide an update to Committee and decide whether to enter into an agreement with Northamptonshire County Council (NCC).

2. INFORMATION

2.1. At its meeting in April, this Committee agreed in principle to make a contribution to the roll-out of superfast broadband within the Borough, in the following terms:-

RESOLVED *that the Executive makes a provisional (in principle) offer to the County Council for a sum up to £225,000 (to be spread over three financial years starting in 2015-16) to support superfast broadband connectivity, on the basis that:-*

- (a) *it is match funded by the County Council (excluding BDUK contributions);*
- (b) *the priorities for connectivity are (in order):*
 - (i) *Employment estates*
 - (ii) *Kettering Town Centre*
 - (iii) *Residential urban and rural areas shaded light blue on the map attached to the report (the most cost-effective clusters).*
- (c) *the County Council will engage the Borough Council on the extent of connectivity and the prioritisation of areas, as information is ascertained (subject to commercial confidentiality requirements).*

2.2. The County Council subsequently advised they could not meet recommendation (a) without knowing the totality of funding that was available within the County and without knowing the outcome of the tender process they are due to commence in June. They did, however, stress that match funding of £225,000 would be available from a combination of NCC and government funding.

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- 2.3. A contract was drawn up by NCC, on the above terms, and forwarded to each Borough/District Council within the County for their consideration. Having considered the draft contract, KBC along with a number of other councils, felt that the draft contract required further refinement and needed to be more in line with the resolution of this Committee (as reproduced in section 2.1).
- 2.4. In recent weeks, the County Council have secured a provisional offer of up to £5.5m of funding from BDUK, which means that, adding in County Council, District Council and NEP contributions, up to £11m could be available for this last phase of superfast broadband roll out. (A decision by government on the NEP money and the match from BDUK to that element has yet to be made.)
- 2.5. After discussion, the County Council have produced a new draft contract which makes two significant changes:-
- a) It undertakes that a combined NCC/government contribution of £450,000 would be provided in addition to the £225,000 from Kettering Borough Council (KBC), making a total programme for the Borough of £675,000.
 - b) It undertakes to share any claw-back with the Borough Council (should that arise) in proportion to relative contributions from NCC and KBC.
- 2.6. Although the new draft contract does not meet the letter of resolution (a), it does make significant progress in addressing the principle concern about what should happen if there were excess funds at the end of the process.
- 2.7. Although the new draft contract may not be ideal in all regards, it has progressed and addresses the key concerns that were behind the committee's resolution of 16th April. Accordingly, if members are minded to move forward it is felt that the new draft agreement can be made to be workable.

3. POLICY IMPLICATIONS

- 3.1 Nothing additional.

4. CONSULTATION AND CUSTOMER IMPACT

- 4.1 As outlined in the report.

5. FINANCIAL RESOURCE IMPLICATIONS

- 5.1 As outlined in the report.

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6. RECOMMENDATION

That the Executive Committee agree:

To enter into an agreement with NCC on the basis that the Borough Council's contribution is matched at least 2-1 by NCC/BDUK and that a claw back provision is included in the agreement setting out the basis for a proportionate share of any claw-back at the end of the contract term.

Background Papers:

Original and revised agreements drafted
By NCC, and associated correspondence.
:

Previous Reports/Minutes:

Ref: 13.EX.80 (April 2014)