

KENT COUNTY COUNCIL – Proposed RECORD OF DECISION

DECISION TAKEN BY

Cabinet Member for Economic Development

DECISION NO:

18/00024(b)

For publication

Key decision – Yes

Title: Investment of additional gainshare funding to increase superfast broadband coverage (BDUK Phase 2 Project Extension)

Decision: As Cabinet Member for Economic Development, I agree to invest the £4.545 million of additional available gainshare funding to increase superfast broadband coverage across Kent by extending the Broadband Delivery UK Phase 2 contract.

Governance: The Executive Scheme of Delegation for Officers, set out in Appendix 2 Part 4 of the Constitution (and the directorate schemes of sub-delegation made thereunder), provides the governance pathway for the implementation of this decision by officers, as it assumes at 1.9 of the scheme that once a Member-level decision has been taken, the implementation of that decision will normally be delegated to officers, so that multiple Member decisions are not required in respect of the same matter. In this instance, the Corporate Director of Growth, Environment and Transport will be the lead officer seeking to ensure that all such steps as are necessary to implement the decision are undertaken.

Reason(s) for decision: The BDUK Phase 2 contract encourages any available gainshare funding to be reinvested to further extend the coverage of superfast broadband. Gainshare funding is accrued if take-up of the superfast broadband services within the BDUK Phase 1 contract exceeds BT's and the Government's forecasts. This has happened in Kent, resulting in an additional £4.545 million of funding becoming available to extend the reach of the BDUK Phase 2 contract. The Government (a co-funder of the project) has announced that this funding should be recycled into additional coverage by extending current contracts.

Cabinet Committee recommendations and other consultation:

The proposed decision was considered and endorsed by Growth, Economic Development and Communities Cabinet Committee at its meeting on 9 May 2018

Any alternatives considered: Three options were considered for extending the current contract with BT

1. Not to extend the contract. This would mean that KCC would have to return £2.495 million of the available gainshare funding to Broadband Delivery UK so this would not be available to improve broadband coverage across Kent.
2. To run a new procurement to secure additional broadband coverage. This would take between 12-18 months to complete under current rules and KCC is not contractually entitled to access the funding (under the Government's framework contract terms and conditions) until 2022 unless the funding is reinvested through existing Phase 2 contract.
3. To extend the existing contract by reinvesting the available £4.545 million of funding, subject value for money and state aid requirements being met. **(Preferred option).**

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer: None

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Signed

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Date

Name:

