

From: Derek Murphy, Cabinet Member for Economic Development
Simon Jones, Corporate Director for Growth, Environment & Transport

To: Growth, Economic Development and Communities Cabinet Committee

Date: 14th May 2024

Subject: **‘Project Gigabit’ Broadband Programme**

Classification: Unrestricted

Past Pathway of report: None

Future Pathway of report: None

Electoral divisions: All

Summary:

The purpose of this paper is to update Cabinet Committee Members on the implementation of the Government’s Project Gigabit programme in Kent.

Recommendation

Cabinet Committee Members are asked to note the current position and provide to the Cabinet Member any comments on the proposed approach.

1. Introduction

1.1 In August 2021, the Government launched the national Project Gigabit Programme to deliver gigabit-capable broadband connections across the UK.

1.2 Gigabit capable connections offer download speeds of at least 1 gigabit-per-second (1 Gbps) or 1000 megabits per second (Mbps) and are usually delivered through full-fibre connections (i.e. fibre-to-the-premise). These faster and higher capacity connections are increasingly required to ensure that Kent’s digital infrastructure meets both current and future needs¹.

1.3 The national targets and objectives for the Project Gigabit Programme (which is being led by Building Digital UK² (BDUK)), are as follows:

¹ [Future Telecoms Infrastructure Review - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

² Building Digital UK (BDUK) is an executive agency of the Department for Science, Innovation and Technology (DSIT). They are responsible for the rollout of gigabit-capable broadband in hard-to-reach areas of the UK.

- 85% of UK premises to have gigabit coverage by 2025 with the aim of achieving ‘near universal coverage as soon as possible’ but before the end of the decade.
- Commercial investment (i.e. upgrades funded by telecoms providers) to provide gigabit capable connections to 80% of homes and businesses across the UK.
- The 20% of properties that remain outside the scope of commercial investment to be connected via new government-funded programmes. £5 billion has currently been allocated to fund these connections – and the Government’s intention is for properties that cannot currently access a superfast broadband connection to be prioritised wherever possible within the new programme.

1.4 Within the county, BDUK’s new Project Gigabit Programme will build upon the work of the Kent BDUK Superfast Project. Led by Kent County Council, the Superfast Project (which has now concluded) connected over 145,000 homes and businesses across Kent with faster broadband connections. As a result of this work, over 97% of homes and businesses in Kent now have access to a broadband service of at least 24megabits per second and, the number of premises which cannot access a fixed broadband connection of at least 2megabits per second has reduced to 0.3%.

2.0 Delivering Project Gigabit in Kent

2.1 Under the Government’s current plans, the Project Gigabit programme targets will be delivered via two workstreams. These are explained in more detail below.

Workstream 1: Commercial build programme

2.2 As identified at 1.3, BDUK expects the majority of gigabit connections (at least 80%) to be funded by telecoms operators and not require public subsidy. These market-led investments are known as commercial build.

2.3 There has been a rapid increase in the availability of gigabit-capable connections delivered by these commercial build programmes. As of April 2024, 77% of homes and businesses across Kent can access a gigabit-capable broadband connection, compared to 7.8% in January 2020³. This progress reflects significant investments by operators such as Netomnia, Openreach, Trooli and Virgin Media in Kent’s broadband infrastructure.

2.4 BDUK is continuing to consult with operators to understand the exact extent and detail of telecoms providers’ plans to connect local areas with gigabit connectivity. The Department of Science, Innovation and Technology is also encouraging all local authorities to provide ‘barrier busting’ support to telecoms operators, where required,

³ Source – Think Broadband data: [Broadband Coverage and Speed Test Statistics for Kent \(thinkbroadband.com\)](https://www.thinkbroadband.com)

to help overcome any issues encountered during network build. Examples include facilitating wayleaves (i.e. legal agreements to cross private land and property) and ensuring that operators understand and are able to comply with the national requirements for street works.

2.5 KCC has also been working with local housing authorities, housing associations and telecoms providers to facilitate wayleaves to connect Kent's social housing stock. A toolkit including a standard wayleave agreement has been produced by Kent County Council to help support these connections across the county. This work was shortlisted in the national Connected Britain Awards 2023.

Workstream 2: Subsidising gigabit-capable connections in non-commercial areas.

2.6 The Government's Project Gigabit Programme is looking to subsidise the upgrade of broadband connectivity in areas that will fall outside of the commercial build areas (also known as areas of 'market-failure').

2.7 BDUK announced on the 6 February 2024 that they have awarded a £112.3 million contract to City Fibre to deliver gigabit-capable connections to parts of Kent and Medway that are not expected to benefit from telecom providers' upgrade programmes. Circa 50,000 premises are expected to benefit from this investment.

2.8 BDUK will lead this project and will be responsible for working with the supplier to manage the rollout.

2.9 At this stage, BDUK has not published any further information about which premises will benefit, or when these connections will be installed. We understand that further details about the deployment plan should be released later this summer once further planning and survey work is undertaken. Once this information is available, we understand that it will be published on the supplier's website

2.10 In addition to the Project Gigabit procurements, BDUK is also continuing the national broadband voucher scheme, which has provided funding to community-led broadband projects. BDUK has temporarily paused the scheme to new projects in all regions where there are new project gigabit contracts until the build plans are finalised. However, the build of existing schemes is continuing - including those utilising the Kent Top-Up Voucher.⁴ BDUK has also designated a number of voucher priority areas where suppliers have demonstrated that they can deliver connections more quickly through community-led broadband voucher schemes.

⁴ The Kent Top Up Voucher provides additional funding of up to £1,000 for homes and businesses for community-led schemes which cannot be funded entirely through BDUK's standard broadband voucher. The Kent Top-Up voucher is administered by BDUK as part of the BDUK national voucher scheme and was one of the first of its kind in the UK.

3.0 Connecting 'Very Hard to Reach Premises'

3.1 The Government has indicated some of the UK's most expensive and difficult to connect premises (known as 'Very Hard to Reach') may fall outside of the scope of the Project Gigabit programme where the costs of providing a fixed broadband connection become prohibitive. They have estimated that 'potentially fewer' than 100,000 UK homes and businesses are likely to fall into this 'very-hard-to-reach' category based on local geography, topography and distance from other properties. No regional or county breakdowns have yet been published about the geographical distribution of these premises.

3.2 At this time the Government is continuing to consider their policy and delivery approach for connecting 'very-hard-to-reach' areas. It is piloting a number of 'alpha trials' utilising low-earth orbiting satellite technologies to provide connections to remote sites and have announced plans for a national satellite scheme – although further details, including the eligibility criteria, have not (at the time of writing) been released.

4.0 Financial Implications

4.1 In contrast to the previous programme, local authorities are not being required to provide any new capital match funding for the new £112.3 million Kent and Medway 'Project Gigabit' procurement, nor will any of the scheme costs be shown within KCC's capital programme. However, both Kent County Council and Medway Council's broadband teams are expected by Government to work in partnership with BDUK and support the procurement and local operational delivery of the Project Gigabit workstream. As a result, KCC's contribution will be limited to the staffing costs associated with this work and will become part of the responsibilities of the base funded broadband team (£384K total budget). £2.3 million of KCC capital funding also remains available for the Kent Top-Up Voucher scheme.

5.0 Legal Implications

5.1 As highlighted in section 2.8 above, BDUK will be the contracting authority for the new Project Gigabit Programme. As a result, Kent County Council is not being required to enter into any new delivery contracts with suppliers.

6.0 Equality and Diversity

6.1 An Equalities Impact Assessment was undertaken for the Kent Broadband Top-Up Voucher scheme. No issues were identified.

7.0. Information Governance

7.1 The Kent Broadband Voucher Scheme applications are processed by BDUK, who administers the Kent top-up funding as part of their national Gigabit Voucher Scheme. A privacy notice for the Gigabit Voucher Scheme can be found at https://gigabitvoucher.culture.gov.uk/privacy_notice/.

8.0 Conclusion

8.1 There has already been significant progress in rolling out gigabit-capable broadband infrastructure across Kent with 77% of premises now having access to gigabit-capable connections.

8.2 The additional proposed £112.3 million investment by Government to deliver gigabit-capable connections to harder-to-reach, non-commercial homes and businesses is welcomed and Kent County Council remains committed to working with BDUK to support the local delivery of these vital connectivity upgrades.

Recommendation

Cabinet Committee Members are asked to note the current position and provide to the Cabinet Member any comments on the proposed approach.

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