

**DIGITAL UPDATE**

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**1.0 EXECUTIVE SUMMARY**

- 1.1 The original purpose of this report was to bring, to the members of the Environment Development and Infrastructure Committee, a set of options and criteria for the administering of the £250K Tackling Digital Exclusion Fund that the council approved at its budget meeting in February 2021. However due to the current complexity of the Scottish Government's R100 contract, that will see significant investment in Argyll and Bute, it is proposed that these options be delayed. A paper will instead be brought to the September ED&I meeting, as at this point the full R100 intervention area will have been published. This will enable officers to present a clear direction, ensuring that the fund targets those premises that require further assistance to provide the much needed connectivity.
- 1.2 This report will provide an overview of the current position of the ongoing Scottish Government Reaching 100% (R100) programme and explain the reasons behind the delays to the implementation to this national initiative.
- 1.3 The report also provides an update on the proposed bid to the UK Govt.'s Rural Gigabit Fund as Scottish Govt. officials have given an early indication that these remote sites are now covered within the forthcoming R100 programme.
- 1.4 Finally, the report provides a brief summary of the current position for the ongoing plans for the implementation of the Gigabit Jura proposals that is part funded through Crown Estate funding previously agreed by the council at its February 2021 budget meeting.

**2.0 RECOMMENDATIONS**

- 2.1 The recommendations are:-.

- (i) To note the progress of the R100 programme and delays that have hindered its progress and the measures Scottish Government have taken to mitigate these delays.
  
- (ii) For members to agree to pause further development of a bid to the Rural Gigabit Fund (renamed "Place") until the full intervention area of the R100 is released, with the recommendation that these sites have been given early indication by Scottish Government officials that they are covered within the R100 Programme.

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**ARGYLL AND BUTE COUNCIL**

**ENVIRONMENT, DEVELOPMENT  
AND INFRASTRUCTURE  
COMMITTEE**

**DEVELOPMENT AND  
ECONOMIC GROWTH**

**3<sup>RD</sup> JUNE 2021**

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## **DIGITAL UPDATE**

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### **3.0 INTRODUCTION**

- 3.1 The original purpose of this report was to bring, to the members of the Environment Development and Infrastructure Committee, a set of options and criteria for the administering of the £250K Tackling Digital Exclusion Fund that the council approved at its budget meeting in February 2021. However due to the current complexity of the Scottish Government's R100 contract, that will see significant investment in Argyll and Bute, it is proposed that these options be delayed. A paper will instead be brought to the September ED&I meeting, as at this point the full R100 intervention area will have been published. This will enable officers to present a clear direction, ensuring that the fund targets those premises that require further assistance to provide the much needed connectivity.
- 3.2 The report provides an overview regarding the progress of the Scottish Government's Reaching 100% (R100) initiative.
- 3.3 This is a very complex and costly programme that if not done correctly could have significant impact of rural communities across the area. It is essential that there is cross departmental cooperation to ensure any issues are mitigated at the earliest opportunity.

### **4.0 RECOMMENDATIONS**

- 4.1 The recommendations are:-

- (i) To note the progress of the R100 programme and delays that have hindered its progress and the measures Scottish Government have taken to mitigate these delays;
- (ii) For members to agree to pause further development of a bid to the Rural Gigabit Fund (renamed "Place") with the recommendation that these sites have been given early indication by Scottish Government officials that they are covered within the R100 Programme.

## **5.0 DETAIL**

### **Update on Scottish Government's R100 Digital Programme**

- 5.1 The roll out of digital infrastructure in rural areas of the country across the UK has proven to be problematic despite the funding provided by national Governments. The situation has been complicated further on account of changing political commitments and objectives together with a significant delay in the delivery of the North R100 intervention area. The R100 is a £600M Scottish Government investment to reach premises that were not reached in the original Digital Scotland Superfast Broadband (DSSB) programme. These premises are located in some of the remotest and geographically challenging parts of our area, including our island communities, resulting in very high implementation costs.
- 5.2 As part of this programme Scotland was split into 3 Lots North, South and Central. Most of Argyll and Bute is in the North Lot apart from Helensburgh and Lomond Area which are in the Central Lot. South and Central Lots had contracts signed in December 2019 but the North Lot had its preferred bidder status challenged. This challenge was finally settled out of court and the contract with BT was signed December 2020.
- 5.3 As a result of this challenge Building Digital UK (BDUK) requested that an Open Market Review (OMR) had to be undertaken to ensure that public money was not being spent on areas that had already seen investment or was going to in the next 3 years. This resulted in the remodelling on the intervention area that saw around 20,000 premises removed and 10,000 added into the programme resulting in a net reduction of 10,000 premises across the whole North Lot. This remodelling is still ongoing and the full intervention for the North Lot is expected in the next few months. Due to the delays it is anticipated that the contract will extend now to 2026.
- 5.4 To ensure that the Scottish Governments commitment, to meet 100% Superfast Broadband coverage across Scotland by 2021 was met, the Scottish Broadband Voucher Scheme (SBVS) was established. The SBVS was a £5,000 voucher to every premise that was not in an R100 intervention area. An interim voucher (IVS) of £400 is available to every premise that is in an intervention area but will not see a connection until after 2021.

- 5.5 Officers have been given early sight of some of the premises that are in the R100 programme and these premises are eligible for the Interim Voucher Scheme. Appendix 1 of this report details some screenshots showing some of these locations.

### **Argyll and Bute Council's Tackling Digital Exclusion Top Up Fund**

- 5.6 The purpose of the Tackling Digital Exclusion fund, as outlined in the budget proposal, was to assist Argyll and Bute communities that were out with current Government programmes or out with delivery scope through commercial providers such as BT.
- 5.7 After lengthy discussions with Government Officials from both the UK and Scottish Governments, together with the private sector infrastructure providers, it has been established that due to numerous factors, identifying delivery options for the fund, is at the moment not possible.
- 5.8 Due to the complex nature of the R100 contract and partial release of the intervention area it is proposed that officers delay the options appraisal until the September ED&I. This will avoid spending funds where it is not required.

### **Update on bid to UK Govt.'s bid to the Rural Gigabit Fund**

- 5.9 Members are also asked to consider whether officers should continue their current work with Capita and the DCMS on the development of a bid for full fibre to the premise at a number of rural remote sites. This initiative was examining the securing of DCMS funding to a number of our remote schools and other key sites to provide a public service in areas on the Ross of Mull, Glendaruel, Tayinloan and Easdale. Early indications from the Scottish Government suggests that these locations are included in the R100 premises although this is not confirmed. It should be noted that there is currently no definitive timescales associated with the R100 build yet. However Scottish Government officials consider that these premises will be in the early stages of the programme build.
- 5.10 If officers continue with the bid, and the timeline for R100 build is excessive then this would allow the option to de-scope these premises from the contract and progress with an earlier build date. However there is a risk that de-scoping will result in further remodelling of the R100 contract which could result in further delays.

### **Update on Gigabit Jura Programme**

- 5.11 The work on the **Gigabit Jura programme** is continuing to progress. Contractors have been appointed and are on site. This programme joined up two objectives to provide a better solution for all. This was achieved through utilising the Scottish Government's investment in the Scottish 4G Infill (S4GI) programme and the

Openreach Community Fibre Partnership (CFP) to future proof two 4G mast sites on Jura (Craighouse and Ardlussa). This investment would effectively install a full fibre network across the whole inhabited part of this remote island community. That said the project remains reliant on the Scottish Government paying for the fibre backhaul instead of being radio linked. The Government appears to have agreed to pay for the backhaul and the full fibre network is funded utilising community pledged vouchers. These vouchers came from the DCMS Gigabit Vouchers and SBVS. Members are aware that the council agreed to utilise an element of Crown Estate funding to help assist the delivery of this important project with significant economic and social benefits for the community if it can be delivered.

- 5.12 A site visit with Roads Officers, Openreach and Contractors went very well with the contactors even agreeing that the original survey was not accurate and did not highlight a number of the issues that were outlined by Council Officers during a conference call undertaken before going on site. Officers are still waiting on a wayleave clarification for one section and work plan for another section.

## **6.0 CONCLUSION**

- 6.1 The rollout of digital infrastructure continues across Argyll and Bute. Modern digital connectivity promises a number of direct economic and social benefits to our communities. The Scottish Government has always maintained however that the initial R100 programme will not reach every premises in Scotland and that additional funding, or alternatively, innovative technological solutions will be required to ensure delivery. Given the increasing importance of digital connectivity to our communities it is now imperative that every premise across Argyll and Bute receives equitable coverage notwithstanding our geographical and dispersed population challenges in Argyll and Bute. The new digital fund created by the Council can assist with this objective of digital coverage with accurately targeting assistance where it is most needed.

## **7.0 IMPLICATIONS**

- 7.1 **Policy** – the Single Outcome Agreement (SOA) and Economic Development Strategy and its associated Action Plan support improvements in the digital infrastructure across the whole of Argyll and Bute.
- 7.2 **Financial** – Across Scotland funding of £600M has been committed to the R100 programme across Scotland and the council has committed £250k of capital funding to tackle digital exclusion. There are no direct financial implications to the Council at this time arising from the contents of this report.
- 7.3 **Legal** – None albeit there may be a need to enter into legal negotiations with third parties depending on which option is taken forward.

7.4 **HR – None.**

7.5 **Fairer Scotland Duty:**

7.5.1 **Equalities** – the differing nature of the deployment of new digital technology has the potential to lead to inequalities in terms of access to digital services including those which support business and personal development.

7.5.2 **Socio-economic Duty** - there is an overall risk that the economic and social benefits rising from modern digital infrastructure are not fully realised if there is not equitable access across Argyll and Bute.

7.5.3 **Islands** - There are risks that islands which do not benefit from digital infrastructure could become less attractive locations within which to live and work which could have implications in relation to the SOA objective of growing the population.

7.6. **Risk** - The various programmes are reliant on new technology and innovation which is developing rapidly. Some projects are reliant on commercial operator decisions to invest whilst grant funding is necessary for many aspects of digital infrastructure improvement in Argyll. These aspects all create a level of uncertainty around the extent of infrastructure improvements.

7.7 **Customer Service** - improvements in broadband and mobile technology helps deliver additional opportunities for digital based customer services.

**Kirsty Flanagan, Executive Director with responsibility for Development and Economic Growth**

**Councillor Alasdair Redman, Policy Lead**

28/04/21

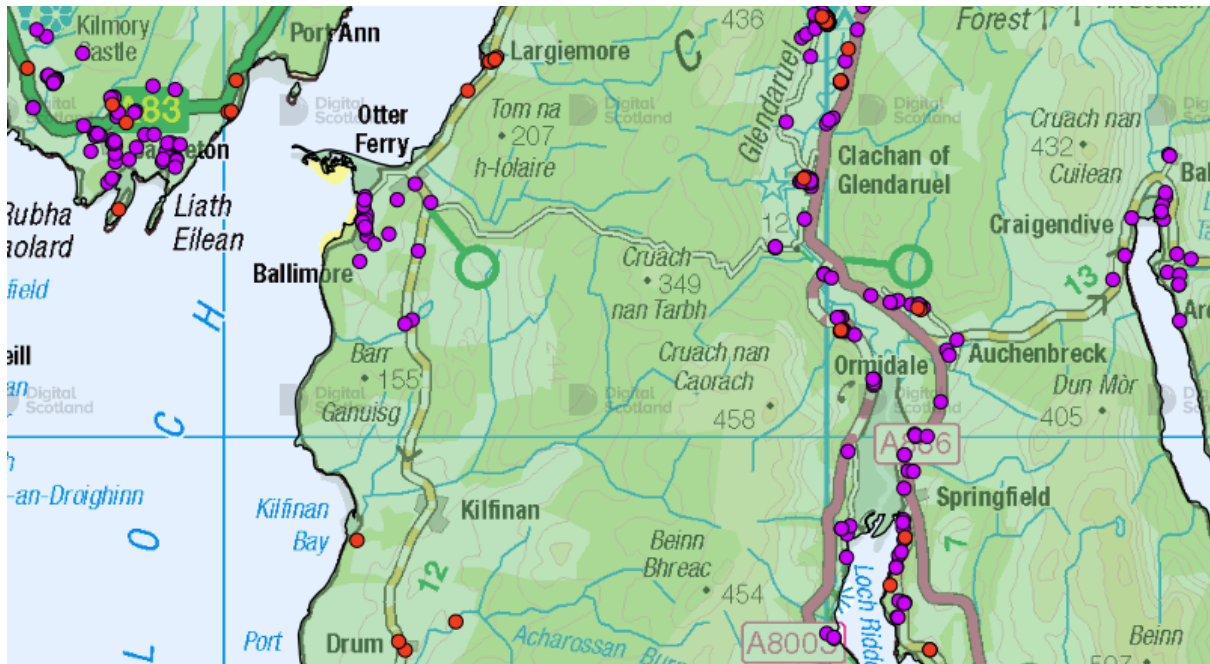
**For further information contact:**

Iain MacInnes Tel. 01546604647 Mob. 07775551873

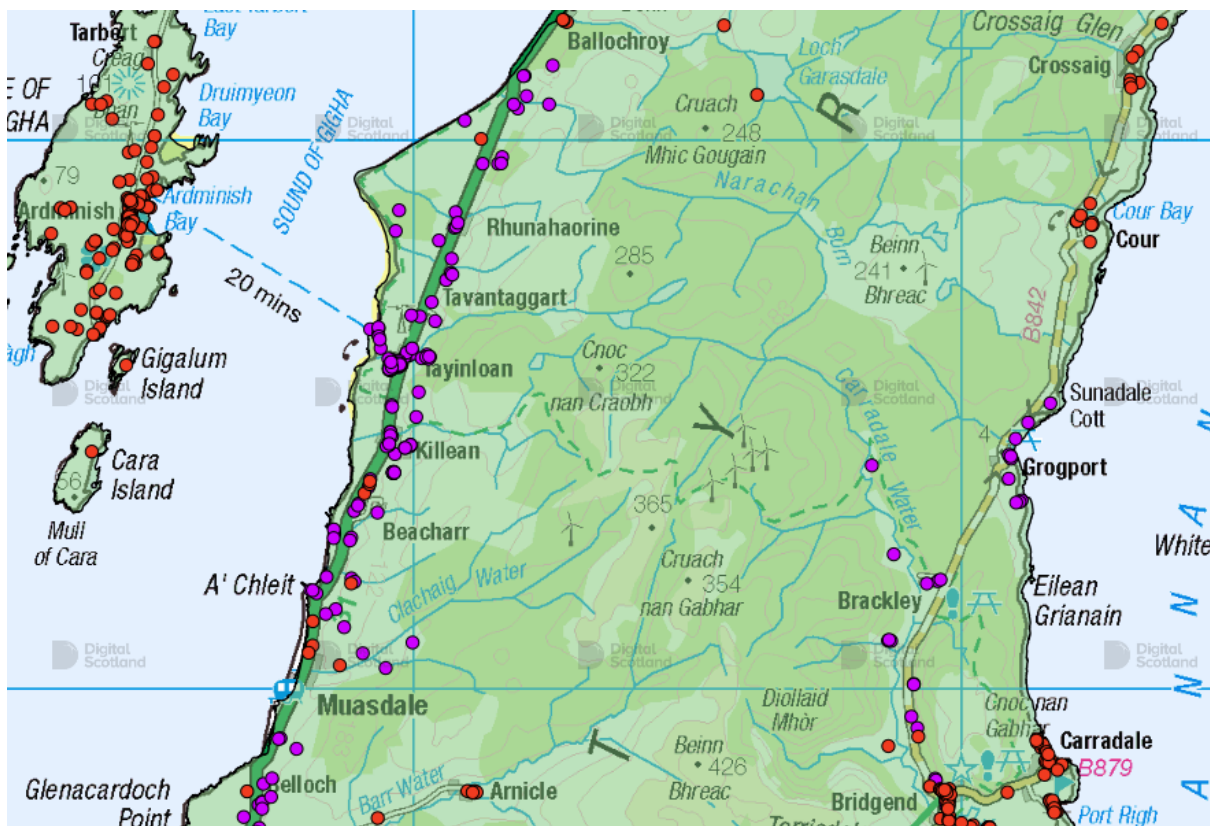
Digital Liaison Officer

[iain.macinnes@argyll-bute.gov.uk](mailto:iain.macinnes@argyll-bute.gov.uk)

Appendix 1 Sample of the premises that are in the R100 programme.

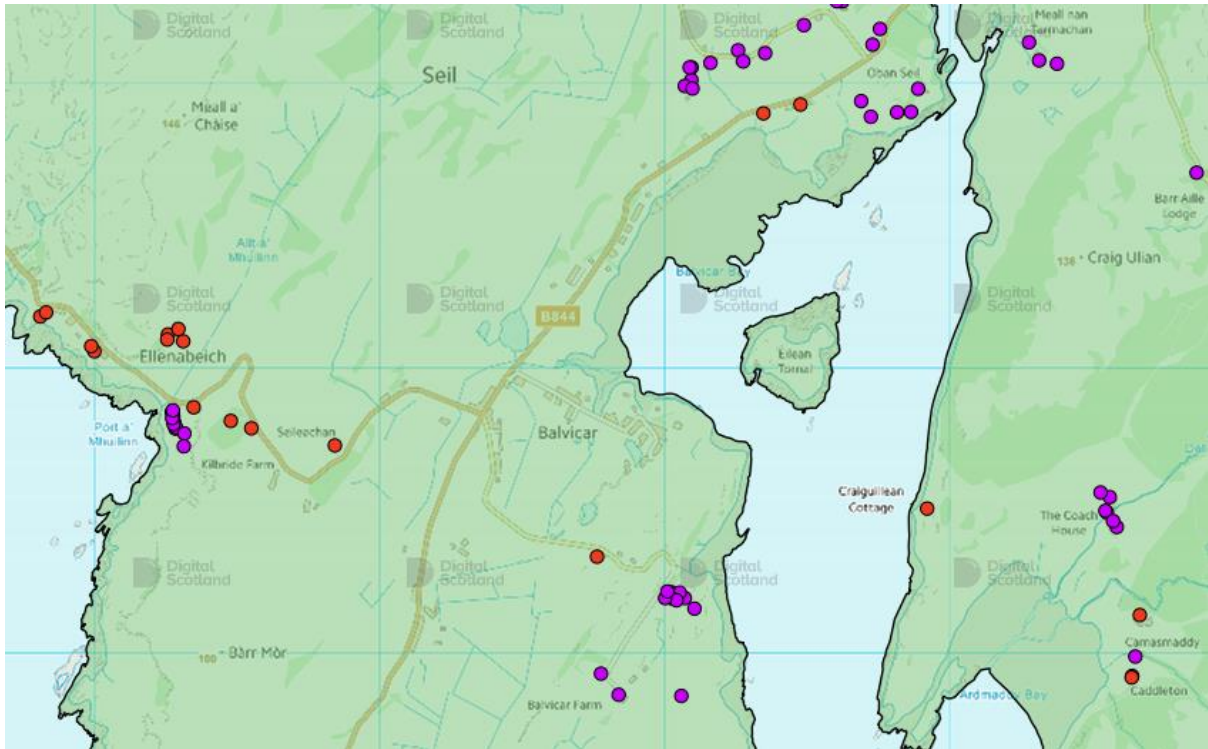


Glendaruel (Map 1)

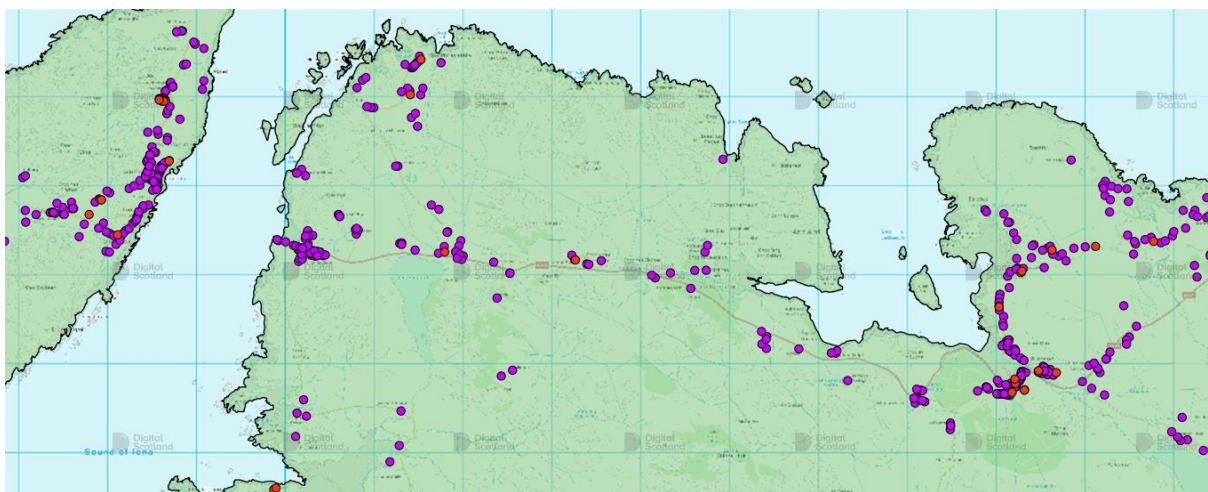


Tayinloan (Map 2)





Easdale (Map 3)



Buessan (Map 4)

For reference the purple dots are the premises that have been released to date that are in the R100 North Lot intervention area (with more to follow on full release).

The orange dots are currently not yet in scope or is not a habitable premise but has a UPRN associated.