

**THE REPORT OF THE  
REGIONAL STRATEGIC REVIEW**

**ON**

**BROADBAND  
IN THE SOUTH WEST**



**SOUTH WEST**  
*Regional Assembly*

**SWRA SCRUTINY PANEL  
2004**

## The South West Regional Assembly Scrutiny Panel

The Scrutiny Panel is appointed by the South West Regional Assembly to undertake Regional Strategic Reviews with the South West of England Regional Development Agency (SW RDA).

### Current Membership

Ian Munro (Chair)	SW Association of Colleges (SEEP*)
Cllr Mike Bawden	Swindon Borough Council (Conservative)
Cllr Mike Byatt	Dorset County Council (Labour)
Cllr Christine Channon	Devon County Council (Conservative)
Cllr Paul Crossley	Bath & North East Somerset Council (Liberal Democrat)
Cllr Lady (Mavis) Dunrossil	Gloucestershire County Council (Conservative)
Cllr Andrew Govier	Somerset County Council (Labour)
Cllr Alan Hockridge	North Somerset Council (Liberal Democrat)
Chris Irwin	Rail Passengers Committee (SEEP*)
Cllr Gordon Jennings	Torbay Council (Liberal Democrat)
Howard Thomas	CPRE Dorset (SEEP*)
John Wilkinson	CBI - South West Region (SEEP*)

\*Social, Economic and Environmental Partner

### SW RDA Representatives taking part in this Regional Strategic Review were:

Nick Buckland	Board Member
Geoffrey Wilkinson	Chief Executive
Caroline Bull	Director of Enterprise and Innovation (Former)
Nick Lewis	Director of Corporate Services
Fabian King	Head of Regional ICT

### The South West

The South West of England comprises the counties of Cornwall, Devon, Somerset, Dorset, Wiltshire and Gloucestershire, the Isles of Scilly, and the unitary authorities of Plymouth, Torbay, Poole, Bournemouth, Swindon, South Gloucestershire, Bristol, North Somerset and Bath and North East Somerset.

### Publications

All the reports of the Scrutiny Panel, along with supporting information, are available on <http://www.southwest-ra.gov.uk/swra/ourwork/scrutiny/index.shtml>.

### SWRA Secretariat Support

The Scrutiny Panel was supported by Bryony Houlden (Chief Executive), Andy Wilson (Deputy Director), David Bowater (Policy Advisor) and Natalie Greenwood (Senior Executive Officer). The Panel also received guidance from Professor Colin Millar (University of Bournemouth) and from Government Office South West.

### Contact

All correspondence should be addressed to the Head of Scrutiny, South West Regional Assembly, Dennett House, 11 Middle Street, Taunton TA1 1SH. The telephone number for general enquiries is 01823 270101; the email address: [swra@southwest-ra.gov.uk](mailto:swra@southwest-ra.gov.uk).

## Report Contents

Summary	- 4 -
1 Introduction	5
2 Background and Purpose	6
3 Broadband in the South West	7
4 Findings	.... 9
5       Theme 1 - Regional Strategic Context and Roles	.... 9
6       Theme 2 - Policy Implications	.... 12
7       Theme 3- Public Sector Support for Broadband	.... 14
8       Theme 4 - Local Partnership Working	..... 16
9       Theme 5 - Broadband and Business Competitiveness	.... 18
10 Summary of Recommendations	.....20
Appendix A Information Sources and Contributions	- 21 -
Appendix B Full Terms of Reference	- 23 -

**Summary**

The South West of England's Regional Economic Strategy aims to improve both the coverage and the use of broadband within the Region. This is complemented by the Government's ambition for the UK to have the most extensive and competitive broadband market in the G7. In the South West, progress is being made in improving the coverage of broadband and take up is steadily increasing. Businesses are making more use of the technology and it is becoming affordable for a wider range of people.

However, a number of challenges remain for the South West. As the coverage of broadband is improving, it is clear that a new digital divide is opening up, not on the availability of broadband but on the quality and speed of the service available. This is in part due to the peninsular nature of much of the South West, and the lack of competitive broadband markets outside the main urban centres of the Region. This new divide needs to be addressed if all the people of the South West are to fully benefit from access to broadband. There is a role for the public sector to create an environment that will allow for further investment in broadband infrastructure, whilst ensuring that no one is left behind in terms of the opportunity, or the ability, to make the most of what broadband offers.

In this respect, we believe that there is much to celebrate in terms of the work that has already taken place in the South West. It is clear that where public sector agencies coordinate their efforts, a greater impact can be made on addressing the problems – and this report makes a number of detailed recommendations to further develop partnership working and achieve a greater impact with limited resources. The wider policy implications of improved broadband coverage and usage also need consideration. Broadband has the potential to alter the way that people work and access services and could have significant social, spatial and environmental implications for the South West. The challenge now for organisations working in the Region is to fully harness the benefits of broadband for the South West and all its people.

## **1 Introduction**

- 1.1 This report by the South West Regional Assembly's (SWRA) Scrutiny Panel considers the findings of a Regional Strategic Review on Broadband, undertaken with the South West of England Regional Development Agency (SW RDA). The Regional Strategic Review assessed the need for improved broadband coverage and usage in the region as well as the work of various agencies in meeting that need.**
- 1.2 The recommendations in this report are informed by the Regional Strategic Review, which incorporated a process of consultation and enquiry between March and June 2004. Forming the central point of the Strategic Review was a regional workshop, which brought together over 80 stakeholders from across the South West, from public, private and voluntary sector organisations. The delegates examined better ways of working and highlighted the potential social, environmental and economic benefits derived from effective exploitation of broadband technologies.**
- 1.3 The Regional Strategic Review was also informed by briefings from private sector providers and public bodies, the results of a questionnaire survey and academic advice and guidance from Professor Colin Millar. In addition to this, we are grateful to Government Office for the South West for their suggestions and assistance. Bilateral discussions between SW RDA representatives and the Scrutiny Panel were held in public on the 15 June and formed the concluding phase of the Strategic Review.**
- 1.4 The Scrutiny Panel believes that there is much to celebrate in terms of the work that has taken place in the South West. This report aims to encourage the sharing of best practice, highlight some of the challenges that remain for partners in the South West to tackle and areas where resources can be targeted more effectively.**

## **2 Background and Purpose**

- 2.1** As a designated regional chamber, SWRA has a role to scrutinise and assess the work and plans of SW RDA, to ensure the needs of the region are met effectively.
- 2.2** Through the scrutiny role, the Assembly aims to represent the views of the South West on the region's needs and assess the response to these needs by SW RDA and other agencies. Scrutiny also offers an opportunity to strengthen regional partnerships and increase consistency amongst regional strategies and local and sub regional plans.
- 2.3** The South West Regional Assembly carries out the scrutiny role through a series of Regional Strategic Reviews – led by the Scrutiny Panel (a list of Members is included on the inside cover).
- 2.4** Each Regional Strategic Review focuses on the implementation of the South West's Regional Economic Strategy (RES) and seeks to:
  - examine how effectively the RES is meeting the region's economic needs
  - assess the consistency between the RES and other regional strategies
  - assess the contribution of all agencies in making a reality of the region's strategic objectives; and, through bilateral discussions with SWRDA
  - assess SW RDA's contribution in ensuring the success of the RES - both as a strategic catalyst and as delivery agent.
- 2.5** This Regional Strategic Review, on broadband in the South West, was informed by a number of information sources and contributions (a full list of which is at Appendix A). Public talks between SW RDA representatives and the Scrutiny Panel took place on the 15 June 2004 and concluded the Regional Strategic Review.
- 2.6** Terms of Reference for the Regional Strategic Review were developed through collaboration between SWRA and SW RDA. It was agreed that the Regional Strategic Review would focus on the priority identified in the RES to 'improve coverage and usage of broadband communication technologies'. The full terms of reference are included as Appendix B.

### **3 Broadband in the South West**

- 3.1 In this report, the word broadband needs careful consideration. Broadband can refer to the utility of high speed telecommunications. It can also be taken to mean the use to which it is put to create real advantages for the South West of England and its people. There is an important distinction between what broadband *is* and what it *does*.
- 3.2 This report is particularly concerned with what broadband does, because that is what will help the South West of England fulfil the vision in the Region's Information and Communication Technology (ICT) strategy which is that "*ICT will provide the opportunity for the South West to increase wealth and enrich society's coherence, choice and standards of living. ICT will cross the digital divide, reach rural areas and reduce environmental stress.*"
- 3.3 Broadband gives people and businesses high speed, always-on access to the World Wide Web and Internet applications. The technology has the potential to alter the way people work and can help increase productivity and improve services. It can also encourage wider online participation and help overcome geographical barriers. In this respect, the peninsular geography and dispersed settlement pattern of much of the South West of England make improved broadband provision very desirable – but also more expensive. This is despite the fact that the South West has a large amount of infrastructure as a result of transatlantic links and military installations – which are difficult to tap into.
- 3.4 There are currently a variety of methods for obtaining broadband access in the South West of England, some more affordable than others and each with its own advantages and disadvantages. These include: ADSL (Asymmetric Digital Subscriber Line); cable; wireless; and satellite.
- 3.5 ADSL Broadband coverage is gradually being rolled out across the South West. It is expected that over 95% of the region's population will be able to access broadband using ADSL technology by July 2005. However, although ADSL coverage is increasingly widespread, there are around 20 exchange areas in the South West that will not have ADSL access in the foreseeable future and people living a certain distance beyond exchanges are currently unable to use this form of broadband technology. ADSL is also one of the slower broadband technologies and may become even slower as take up increases.
- 3.6 Cable, wireless and satellite broadband communication technologies offer alternatives to ADSL. Cable can offer even higher speed broadband access but is currently largely confined to the urban areas of the South West. Wireless is also becoming more widespread in urban areas and those areas without access to ADSL – but still requires a link to the main broadband network. Satellite broadband is technically available throughout the South West but is more expensive and can limit the use of certain types of application.
- 3.7 With BT's recent announcement that all but 21 exchanges in the region are to be ADSL enabled over the next 12 months, the challenges for the South West

appear to be less about coverage and more about an emerging quality of service divide. There is a clear role for the public sector to ensure that no one is left behind in terms of the opportunity or the ability to make the most of what broadband offers, whilst creating an environment that will allow for further investment in broadband infrastructure. There is also a big challenge for the South West to keep up with other areas of the world which have extensive, high quality and future-proof infrastructure.

- 3.8 The Objective 1 and 2 areas of the South West (Cornwall and west Devon) have given the Region an important opportunity to trial and develop new models of public sector working – from which lessons can be shared with other areas of the South West. It is clearly important for all relevant public sector organisations to coordinate their efforts to ensure that resources are effectively directed towards improving broadband coverage and usage.
- 3.9 At a regional level, SW RDA and SWRA have an important role in coordinating the efforts of public sector agencies, involving the private sector and sharing best practice. These organisations can also influence the strategic policy context for activity to improve broadband coverage and usage in the South West.
- 3.10 The Scrutiny Panel recognises that the work of SW RDA and SWRA complements that of other key regional organisations and partners. The Scrutiny Panel’s recommendations and associated commentary highlight issues which impact on the practices and policies of many organisations in the region, including SW RDA and SWRA.

### **Abbreviations Used in this Report**

ICT	Information and Communications Technology
RAB	Regional (Broadband) Aggregation Body
RES	Regional Economic Strategy for the South West of England
RSS	Regional Spatial Strategy
SW RDA	South West of England Regional Development Agency
SWRA	South West Regional Assembly

## 4 Findings

- 4.1 Although this report's primary focus is on regional organisations such as SW RDA and SWRA, its recommendations are intended for a wider audience – local authorities, business support organisations and government departments and agencies. It is important for those involved in improving broadband coverage and use to work closely together to ensure resources are targeted effectively.
- 4.2 Quotations in the body of this report are taken from the verbatim transcript of discussions that took place between the Scrutiny Panel and SW RDA representatives on 15 June 2004. The findings and recommendations are grouped under themes that emerged throughout the course of the Regional Strategic Review.

## 5 Theme 1 - Regional Strategic Context and Roles

### **Recommendations-**

**That SW RDA recognises the changes which have taken place since the launch of the Regional ICT Strategy and:**

- **works with the South West Regional Assembly and other regional partners to review the strategy and its implementation;**
- **restates the vision (which the Scrutiny Panel supports);**
- **working with regional partners, takes the lead in developing demand for broadband communications technologies;**
- **ensures that appropriate skills development plays an important part in the ICT Strategy.**

*“Where do you see us in five, ten, twenty years time with this racing technology? Are you following events or are you trying to command them?”*

Howard Thomas, Scrutiny Panel

“Maybe in five years time, if by then we have a competitive and extensive market, there will not be such a large role for the RDA to play, we will actually step back and have other influencing roles to undertake.”

Fabian King, Head of Regional ICT, SW RDA

“An organisation like the RDA cannot possibly be the leading authority on ICT, we must work with other people and gain economies of scale...we cannot do it on our own.”

Geoff Wilkinson, Chief Executive, SW RDA

### **Rationale**

- 5.1 The Scrutiny Panel notes that many partners consulted during the Regional Strategic Review rated highly SW RDA's overall strategic approach. However, in discussions with key regional stakeholders at the South West's Broadband Workshop on 22 April 2004, it was felt that the current Regional ICT strategy was developed when broadband availability and take-up was very low, and that circumstances have changed dramatically since then. The general view was that

the Regional ICT Strategy should be reviewed to recognise the developments in infrastructure in the South West and reflect comments from partners in the region.

5.2 SW RDA representatives, in discussion with the Scrutiny Panel, acknowledged this:

“Although it was produced only just over a year ago, we are looking at how we should review the strategy now, and so we will be looking, and I think today’s meeting is an important part of that process, as to what has happened already and what is still to happen.”

Geoff Wilkinson, Chief Executive, SW RDA

5.3 The preparation and publication of a revised Regional ICT Strategy is an important step for SW RDA, to ensure that regional partners are signed up to the aims of the strategy and its implementation. It is important to reflect on how effectively the existing Regional ICT Strategy has been implemented when it is being revised. The Scrutiny Panel recommends that **SW RDA works with SWRA and other regional partners to review the strategy and its implementation.**

5.4 The Scrutiny Panel supports the ‘vision’ in the current Regional ICT Strategy, which is to use ICT to ‘provide the opportunity for the South West to increase wealth, enrich society’s coherence, choice and standard of living; cross the digital divide, reach rural areas and reduce environmental stress’. **The Scrutiny Panel believes this vision should be clearly restated in any revised strategy.** In discussion with the Scrutiny Panel, SW RDA representatives outlined goals for broadband in the South West:

“We think there are several key goals for us here, and when I say “us” I am talking probably all the way through this of both the RDA and the Assembly working together.

The key goals, just to headline them for you, are: enabling rural areas outside the reach of BT; better uncontended bandwidth, so improved broadband; and encouraging best practice in technical innovation.”

Caroline Bull, Former Director of Enterprise and Innovation, SW RDA

5.5 Whilst, the Scrutiny Panel agrees with the goals for broadband in the South West, these goals should be reflected in the Regional ICT Strategy and this Strategy should also seek to link clearly with the Regional Economic Strategy and other relevant regional strategies. SW RDA outlined what it saw as its role in delivering improved broadband coverage and usage:

“The roles, I think, fall out of [the goals]. We have come up with four broad categories really of roles: Firstly, awareness-raising...; the second role is information gathering so that we can help to improve the planning for broadband...; the third role is partnership support...; the fourth role, the final role, I suppose, which is cohesive leadership.”

Caroline Bull, Former Director of Enterprise and Innovation, SW RDA

5.6 The Scrutiny Panel agrees with these roles and believes that they describe well the areas in which SW RDA can make the largest impact and the most effective use of its limited funds. One important aspect of the Strategy and SW RDA’s role should be to deliver a clear idea of the benefits of broadband. **Working with regional partners, SW RDA should take the lead in raising**

**awareness and developing the demand for broadband communications technologies**, particularly amongst businesses and community groups where it has the biggest potential.

5.7 In discussion with the Scrutiny Panel SW RDA agreed that:

“We are wary about intervening in hardware, making it more affordable, the market can do that and they can do that even better if we provide demand stimulation. We do think, however, there may be a case for intervening in things, for example, like skills development, so that people can access better, maintain it better and so on.”

Chris Irwin, Scrutiny Panel

5.8 Demand stimulation can play an important role in improving the coverage and quality of broadband infrastructure. A strong focus on developing demand should not, however, lead the supply side to be neglected. The South West should be seen as a place where new ways of working, new technology test-beds and proactive public institutions are encouraged. The Regional ICT Strategy should bear in mind that ICT developments are subject to a fast moving timescale, whilst also demonstrating a broad idea of where the region should be aim to be in the longer term.

5.9 The development of appropriate skills is central to the full exploitation of broadband, for individuals, businesses and community groups. Appropriate skills are necessary to ensure not only that more people are able to take up broadband but also that the best and most productive use of it is made. It is important for business support organisations, training providers and community groups work closely together. **The Scrutiny Panel recommends that appropriate Skills Development plays an important part in the Regional ICT Strategy.**

## 6 Theme 2 - Policy Implications

### **Recommendations-**

- **That, in reviewing the Regional ICT Strategy, SWRA and SW RDA evaluate the wider policy implications of improved broadband coverage and usage.**
- **That SW RDA and SWRA work with partners to promote greater social inclusion through the use of broadband.**

### **That in developing the new Regional Spatial Strategy (RSS):**

- **SWRA engages the support of SW RDA to consider and evaluate the potential spatial impact of improved broadband connectivity in the South West;**
- **SWRA ensures the final RSS has a requirement that new commercial or housing developments have good future-proof broadband connectivity.**

*“I would like to try and get us to see how broadband underpins our other strategies and the Regional Economic Strategy because to my way of thinking broadband is a means to an end”*  
Ian Munro, Chair, Scrutiny Panel

“In terms of planning, broadband as a technology is telecommunications, it is a utility, it is like supplying electricity, water, gas or whatever.”  
Nick Buckland, Board Member, SW RDA

“If by using ICT it means that there are not so many cars on the road, people are more able to work remotely, then that has got to be good for the environment”  
Caroline Bull, Former Director of Enterprise and Innovation, SW RDA

“I think the internet is actually going to see an increase in white van man’s existence because, you know, we have more couriers flying around the countryside delivering these goods.”  
Nick Buckland, Board Member, SW RDA

### **Rationale**

6.1 Discussion groups at the South West’s broadband workshop, held on 22<sup>nd</sup> April 2004, agreed that broadband had the potential for transformational change on the way people live and work in the Region. As affordable broadband availability becomes increasingly widespread in the South West, it could become an increasingly important factor in shaping transport and settlement patterns. There are also social implications for improved broadband coverage and usage. There is the prospect of further exacerbating the economic disadvantage of those without access to, or the skills to exploit, broadband technologies – the ‘digital divide’.

#### Policy Implications

6.2 **It is important that, in reviewing the Regional ICT Strategy, SWRA and SW RDA fully evaluate these and other policy implications of**

**improved broadband coverage and usage.** It is also important to consider how broadband can be used as a means to deliver other policies, for example, e-learning and skills. The Integrated Regional Strategy and Regional Sustainable Development Framework are two key documents for SW RDA and SWRA to take into account in this respect, when revising the strategy. The Scrutiny Panel would also like to see revised Regional ICT Strategy clearly link with the South West of England's Regional Economic Strategy (RES) and conversely, when the RES is revised, for it to reflect developments in the Regional ICT Strategy.

- 6.3 Broadband can be used to promote social inclusion. By focusing investment on skills and infrastructure in deprived or isolated communities, more people can be encouraged to take advantage of the opportunities that broadband offers. **The Scrutiny Panel recommends that SW RDA and SWRA work with partners to promote greater social inclusion through the use of broadband.**

#### Regional Spatial Strategy

- 6.4 Improved connectivity could have positive implications for the environment of the South West through reduced commuting pressures and enhanced service provision in isolated communities. Conversely, broadband could encourage an increasingly dispersed settlement pattern in developments that run counter to the aspirations of Regional Planning Guidance for the South West. The Scrutiny Panel recommends that **SWRA and SW RDA work together to assess the potential spatial impact of improved broadband connectivity in the South West.**
- 6.5 The Scrutiny Panel found during the course of the Regional Strategic Review that recent developments built on the outskirts of towns and cities can suffer from a lack of good quality infrastructure and can be without access to affordable broadband. It is important that this problem is recognised as SWRA prepares a Regional Spatial Strategy for the South West. The Scrutiny Panel recommends that the **RSS has a requirement which ensures that new commercial or housing developments have good future-proof broadband connectivity.**
- 6.6 Any requirement in the RSS would have to be carefully worded so that it does not lock new developments into a particular type of broadband technology which may become outdated. The focus should be on ensuring good broadband connectivity that is easily adaptable – for example, fibre optic networks that are connected to the local exchange and accessible through ducts.

## 7 **Theme 3- Public Sector Support for Broadband**

### **Recommendations-**

- **Local Authorities, and other public sector agencies operating in the region, are urged to work with the Regional Aggregation Body (RAB) when procuring broadband services.**
- **SW RDA and SWRA should work together to research and review the flexible working options available to organisations in the region.**

*“In what ways can the public procurement of broadband in the South West be improved?”*  
Cllr Lady Dunrossil, Scrutiny Panel

“The RAB does give us a great opportunity to pull together in terms of procurement and, certainly, we have the backing of the DTI and high level backing from both the NHS and the DFES ... I am pleased to say that we have a very good, strong local team with regard to the RAB”

Nick Buckland, Board Member, SW RDA

“If we are going to try and work with local authorities then the Assembly and the RDA should be encouraging the South West Local Government Association to move this forward.”

Bryony Houlden, Chief Executive, SWRA

### **Rationale**

- 7.1 The establishment of a Regional (Broadband) Aggregation Body for the South West should present an important opportunity for the public sector, Local Authorities and other partners in the Region to save money on their broadband requirements.
- 7.2 The SW RAB provides a mechanism for aggregating and procuring public service broadband demand and should increase the value for money on public sector spend on broadband through demand aggregation and strategic sourcing. By procuring through the SW RAB, broadband availability for the public and private sectors will also be increased. Schools and hospitals should also benefit from sourcing and aggregating their requirements through the SW RAB.
- 7.3 There are clear advantages for Local Authorities in procuring through the SW RAB, aside from the economies of scale that should emerge from a clear up front commitment to do so. The SW RAB can also provide specialist expertise and purchasing knowledge along with help on preparing and evaluating tenders.
- 7.4 Procuring through the SW RAB could also help to increase broadband availability for businesses and community groups within a local authority area. As such, **the Scrutiny Panel believes that procurement through the SW RAB clearly provides the Best Value option for Local Authorities**

**and other agencies and urges public sector procurers to source their broadband solutions through the RAB.**

- 7.5 SWRA should seek to involve RAB through appropriate regional forums, such as the SW LGA and G51 (the meeting of the 51 Local Authority Chief Executives in the South West). The role of the Regional Aggregation Body should also be highlighted in the Regional ICT Strategy.
- 7.6 Recent improvements in broadband coverage have made widespread flexible working a more viable option for many employees and businesses. This could have positive environmental implications by reducing the need to travel and could also help increase productivity. It is important for organisations in the region to share best practice and consider the advantages and disadvantages of the flexible working options that broadband offers. **The Scrutiny Panel recommends that SW RDA, SWRA and SW LGA work together to research and review the flexible working options available to organisations in the region.**

## 8 **Theme 4 - Local Partnership Working**

### **Recommendations-**

- **That SWRA and Local Authorities in the South West support the development of County ICT Partnerships and SW RDA's 'ConnectingSW' programme.**
- **That SW RDA continues to support programmes such as RABBIT and ensure the needs of local communities are met alongside those of businesses.**

*"How does SW RDA see the future of county partnerships and Connecting South West?"*

Cllr Andrew Govier, Scrutiny Panel

"We see the partnerships as delivering benefits related to four key areas: business growth...; skills and e-learning; flexible working; and e-government and e-procurement."

Geoff Wilkinson, Chief Executive, SW RDA

"I would come back to say that if we had the opportunity I would be trying to stimulate demand for proper broadband which is, let us just say, above 512k."

Nick Buckland, Board Member, SW RDA

### **Rationale**

- 8.1 During the course of the Regional Strategic Review, many organisations in the South West appeared impressed with the work of the existing ICT County Partnerships (Cornwall, Devon and Wiltshire) in maximising the benefits of broadband amongst businesses, communities, learners and consumers in those areas. The Scrutiny Panel acknowledges the views, expressed in consultation responses and the regional workshop, that SW RDA is to be congratulated on developing the County Partnership model and the associated ConnectingSW programme. This has placed the South West at the forefront of developing new and effective approaches to partnership working.
- 8.2 The Scrutiny Panel would like to see the County Partnership model developed in other areas of the South West, so that best practice can be shared and the private sector and other relevant local partners can become involved. **The Scrutiny Panel is pleased to endorse ConnectingSW and recommends local authorities in the Region and SWRA support the programme and the development of County ICT partnerships.**
- 8.3 County Partnerships have the potential to become a useful source of regional intelligence, can help identify skills gaps and could also help inform the work of the SW RAB. The Regional ICT Strategy should amplify the role of these bodies and ConnectingSW in these respects. The Regional ICT Strategy should also seek to highlight the work of infrastructure providers in meeting regional objectives – whether ADSL, satellite, wireless or cable. As the focus of the work of the County Partnerships evolves and changes, the Regional ICT Strategy

should allow for clear succession planning in the ConnectingSW programme and the County Partnerships. County Partnerships could, for example, play an important role in raising expectations of broadband speed and demand amongst users to levels above ADSL speeds (512kb/s).

- 8.4 Discussion at the regional broadband workshop emphasised the need to further develop programmes such as RABBIT (Remote Area Broadband Inclusion Trial, which provides subsidised access to satellite broadband) to serve communities alongside businesses. Some innovative work has already taken place in the South West in this respect (for example, the Buckfastleigh Broadband and Wireless Wedmore projects). **The Scrutiny Panel believes that SW RDA should continue to support programmes such as RABBIT and build on the work that meets the needs of local communities and businesses.** This could also help address some of the problems faced by the 21 exchange areas in the South West that are unlikely to be ADSL enabled in the foreseeable future.
- 8.5 Overall, the Scrutiny Panel was very impressed with SW RDA's use of the DTI Broadband Fund – which was used to good effect in helping establish County Partnerships and the RABBIT scheme. **SW RDA is to be congratulated on the value for money it has achieved with this resource, particularly when compared to the results that appear to have been achieved in other English regions. The South West should celebrate the outcome of this work.**

## 9 Theme 5 - Broadband and Business Competitiveness

### Recommendations-

**That SW RDA works with SWRA and other partners to:**

- **encourage greater business take up of broadband by providing jargon free advice on the benefits of broadband;**
- **develop more data on the propensity of different types of business to use broadband technology;**
- **promote effective broadband use amongst the key sectors identified in the Regional Economic Strategy;**
- **assess the influence of broadband as a factor in the location of businesses.**

*“How do you get organisations, firstly, interested in broadband and, secondly, how do you then develop their use of broadband?”*

Cllr Mike Bawden, Scrutiny Panel

“Our approach is to say. ‘Look what people in your sector, in your industry, are doing with this, and think about what you can do with it’. ...Businesses, if they talk to anyone, are most interested in the main in talking to other businesses doing similar things.”

Geoff Wilkinson, Chief Executive, SW RDA

“Once the infrastructure is in place, it is then a question of how you get people to use it and one is about explaining the benefits, but some people, even who can see the benefits, still cannot use it because they do not have the skills”

Nick Lewis, Director of Corporate Services, SW RDA

### Rationale

9.1 SW RDA has undertaken some innovative work on encouraging the better uptake and use of broadband, including the Broadband Show. However, responses to questionnaires indicate that big events to promote broadband do not always reach expected attendance levels and that support for business is better delivered directly to companies. **It is important that greater business take up of broadband is encouraged by the provision of clear, jargon free advice on its potential and benefits.**

9.2 The Scrutiny Panel welcomes the recent research undertaken by SW RDA on ‘Business Uptake, Understanding and Awareness of ICT and Broadband in the South West’, and is grateful to SW RDA for making the research available for the purposes of the Regional Strategic Review. **There is scope for SW RDA, with others, to develop more data on the propensity of different types of business to use broadband technology** and the Scrutiny Panel would like to see further research take place on the uptake, impact and use of broadband on other key economic sectors, in addition to the two looked at in the original research. Additional research could play an important part in helping to improve broadband take up by businesses and **the Scrutiny Panel recommends that SW RDA works with other regional partners to promote effective broadband use amongst businesses participating**

**in the key sector groups identified in the Regional Economic Strategy.** This could help facilitate more cross-learning of actions and benefits between businesses – and help identify businesses that can play a role as broadband ‘champions’.

- 9.3 The Scrutiny Panel also welcomes the recent research by SW RDA on the ‘Economic and Social Impact of Broadband’, which examined the use and effects of Objective 1 funds in Cornwall that promoted broadband. This provides a compelling justification for the work of public agencies in the county and a basis for further evidence based planning.
- 9.4 As broadband coverage expands across the South West, there is scope for wider examination of the social, economic and environmental impact of broadband. **At the broadband workshop it was suggested that broadband access is an increasingly important factor in the location of firms and the Scrutiny Panel recommends that SW RDA and SWRA undertake work to assess this** and the extent it is having an effect on areas without affordable broadband access or other forms of high quality connectivity. This research could also help inform the development of the Regional Spatial Strategy.

## **10 Summary of Recommendations**

The Scrutiny Panel have grouped their recommendations under five headings.

### **Regional Strategic Context and Roles**

That SW RDA recognises the changes which have taken place since the launch of the Regional ICT Strategy and:

- 1.** works with the South West Regional Assembly and other regional partners to review the strategy and its implementation;
- 2.** restates the vision (which the Scrutiny Panel supports);
- 3.** working with regional partners, takes the lead in developing demand for broadband communications technologies;
- 4.** ensures that appropriate skills development plays an important part in the ICT Strategy.

### **Policy Implications**

- 5.** That, in reviewing the Regional ICT Strategy, SWRA and SW RDA evaluate the wider policy implications of improved broadband coverage and usage.
- 6.** That SW RDA and SWRA work with partners to promote greater social inclusion through the use of broadband.

That in developing the new Regional Spatial Strategy (RSS):

- 7.** SWRA engages the support of SW RDA to consider and evaluate the potential spatial impact of improved broadband connectivity in the South West;
- 8.** SWRA ensures the final RSS has a requirement that new commercial or housing developments have good future-proof broadband connectivity.

### **Public Sector Support for Broadband**

- 9.** Local Authorities, and other public sector agencies operating in the region, are urged to work with the Regional Aggregation Body (RAB) when procuring broadband services.
- 10.** SW RDA and SWRA should work together to research and review the flexible working options available to organisations in the region.

### **Local Partnership Working**

- 11.** That SWRA and Local Authorities in the South West support the development of County ICT Partnerships and SW RDA's '*ConnectingSW*' programme.
- 12.** That SW RDA continues to support programmes such as RABBIT and ensure the needs of local communities are met alongside those of businesses.

### **Broadband and Business Competitiveness**

That SW RDA works with SWRA and other partners to:

- 13.** encourage greater business take up of broadband by providing jargon free advice on the benefits of broadband;
- 14.** develop more data on the propensity of different types of business to use broadband technology;
- 15.** promote effective broadband use amongst the key sectors identified in the Regional Economic Strategy;
- 16.** assess the influence of broadband as a factor in the location of businesses.

## **Appendix A**

### **Information Sources and Contributions**

The Scrutiny Panel was supported by a range of information compiled for the purposes of the Regional Strategic Review.

#### **Research**

A range of academic papers, policy documents and reports, was drawn together to inform the SWRA Scrutiny Panel. These included relevant regional strategies and information from regional stakeholders.

Professor Colin Millar (University of Bournemouth) and Government Office for the South West provided expert advice and guidance for which the Scrutiny Panel is very grateful.

#### **Information from SW RDA**

SW RDA provided the Scrutiny Panel with a number of useful documents, including financial and project information and the latest research on the economic and social impact of broadband and business uptake and use.

#### **Discussion with Key Stakeholders**

Members of the Scrutiny Panel were able to visit key players directly involved in improving broadband infrastructure in the region. These discussions enabled the Scrutiny Panel to learn how schemes were progressing and what issues are arising.

Members held talks with Michael Dunn and Lizzie Beesley, SW Regional Managers of BT, and Bryan Sergeant, Chief Executive of the South West's Regional Aggregation Body.

The Scrutiny Panel would like to record its appreciation to the organisations interviewed, as they helped provide a very useful insight into activity to improve broadband coverage.

#### **Questionnaire Survey**

The South West Regional Assembly sent a questionnaire seeking views on the need for broadband in the South West to all Assembly member organisations – this includes local authorities, community groups, business representatives and environmental organisations. The results from this questionnaire were used to inform a workshop and bilateral discussions between SW RDA and the Scrutiny Panel.

The questionnaire helped identify some key lines of inquiry for the Strategic Review. The Scrutiny Panel is very grateful for all the contributions.

#### **Sustainable Development**

Drawing on the South West's Regional Sustainable Development Framework, Sustainability South West (the independent champion of sustainable development for the region) also provided a summary of key "sustainability" issues for improved coverage and usage of broadband communications technologies. The Scrutiny Panel are grateful for this useful input.

## **Workshop**

A workshop was held on the 22<sup>nd</sup> April 2004, forming the central part of the Strategic Review.

This one day event provided an important opportunity for the Scrutiny Panel to openly discuss issues around broadband, and the role of different bodies in addressing them, with experts from across the South West and other key regional organisations and partners. The event highlighted the potential social and economic benefits derived from effective exploitation of broadband technologies and the importance of comprehensive broadband coverage for the South West.

Over 80 participants heard from a range of speakers including Professor Colin Millar (University of Bournemouth) who set out the importance of broadband to the region and gave a flavour of the national and international context. A more 'hands-on' contribution to the day's discussions was provided by Gordon Adgey (Buckfastleigh Project) and Philip Knowling (Wiltshire and Swindon Smartplace) who shared their experiences in promoting local broadband projects.

Attendees were also able to put questions to a panel comprising:

- Stephen Speed (Broadband Director, DTI)
- Fabian King (SW RDA)
- Leslie McWilliam (Sustainability South West)
- Ken Singleton (Broadband Access Strategies LLP)
- James Hatcher (Countryside Agency)
- Michael Dunn (BT Regional Manager, SW of England)
- Bryan Sergeant (SW Regional Aggregation Body)
- Professor Colin Millar (University of Bournemouth).

Regional organisations and representatives from the private sector and community groups worked alongside delegates from Local Authorities in discussion groups to identify the most important issues both for the region and in formulating action to support improved broadband coverage and usage.

The workshop played an important role in formulating the recommendations outlined in this report.

The Scrutiny Panel would like to record its thanks to all the attendees of the workshop and in particular to speakers and panel representatives.

## **Bilateral Discussions**

The workshop helped inform bilateral discussions between the Scrutiny Panel and Board Members and Senior Officers of SW RDA, which took place in public on the 15 June 2004. A full transcript of the event is available on the South West Regional Assembly website ([www.southwest-ra.gov.uk](http://www.southwest-ra.gov.uk)).

### **SOUTH WEST REGIONAL ASSEMBLY / SOUTH WEST OF ENGLAND REGIONAL DEVELOPMENT AGENCY**

#### **TERMS OF REFERENCE**

##### **REGIONAL STRATEGIC REVIEW BROADBAND COMMUNICATIONS TECHNOLOGIES**

#### **PURPOSE OF REGIONAL STRATEGIC REVIEWS**

The South West's Regional Economic Strategy 2003-12 (RES) provides a context for activities in the region to raise productivity, increase economic inclusion and improve communications and partnerships.

Each Regional Strategic Review focuses on the implementation of the Regional Economic Strategy (RES) – and in particular seeks to:

- examine how effectively the RES is meeting the region's economic needs;
- assess the consistency between the RES and other regional strategies;
- assess the contribution of all agencies in making a reality of the region's strategic objectives; and, through bilateral discussions with SWRDA,
- assess SW RDA's contribution in ensuring the success of the RES - both as a strategic catalyst and as delivery agent.

Through this process the South West Regional Assembly and SW RDA aim to:

- represent the views of the South West on the region's needs and assess the response to these needs;
- strengthen the accountability of agencies operating in the region;
- improve regional partnerships and increase consistency amongst regional and sub regional plans and strategies.

#### **OBJECTIVES OF THIS REVIEW**

Recognising the Mission Statement in the RES, which is 'to increase sustainable prosperity and productivity for the region and all our people', this Review will examine how the strategic communications infrastructure can be improved through *increased coverage and usage of broadband communication technologies*<sup>1</sup>.

The review will seek to test the extent to which the following activities, outlined in the RES<sup>1</sup>, help meet agreed regional objectives:

- Increase access to secure and reliable broadband networks;
- Promote demonstration projects which exemplify the potential and the benefits of digital technologies and applications that result from broadband;
- Harness public procurement to drive the delivery of a broadband network;
- Support research into the application of new technologies (e.g. radio) that will create wider and cheaper access to the digital revolution.

---

<sup>1</sup> Extract taken from the South West's Regional Economic Strategy, Strategic Objective 3, Strategic Action 3.1, Priority 2 (page 65).

The review will also aim to ascertain the value of improved broadband access to business and the wider community – in particular:

- what obstacles there are to ensuring equitable access to broadband, especially in rural areas;
- better understand the extent to which broadband provides competitive advantage to companies based in the South West and identify the cost of not having broadband;
- examine the social and environmental implications of improved broadband access – such as the impact on employees' lifestyles (homeworking), community access and implications of reduced travel to work;
- examine the compatibility of the aim to improve broadband coverage with other regional objectives and examine what policy implications this could have - particularly in terms of the promotion of Sustainable Development, Principal Urban Areas (outlined in Regional Planning Guidance) and rural accessibility.

Recommendations emerging from the Regional Strategic Review process will have implications for a number of organisations active in the region, including central and local government bodies, private communications suppliers and SW RDA and SWRA.

## **ACTIONS**

The Objectives of the Regional Strategic Review will be achieved through the following actions, undertaken or agreed jointly by SW RDA and SWRA.

### **Joint Actions**

1. Consulting with key stakeholders through interviews and group discussions to identify:
  - regional needs and priorities and progress in meeting these priorities;
  - the roles and responsibilities of strategic and delivery organisations in the region and their relationship with SW RDA and the extent of integration between partners
2. In addition to this joint consultation, a questionnaire will also be issued to Assembly Members on communications infrastructure.
3. Holding a regional workshop (on 22 April) to focus on key issues and agree areas for further exploration in Bilateral Discussions.
4. Commissioning research, if appropriate, to inform the Regional Strategic Review.
5. Using SWRA and SW RDA websites to publicise the Strategic Review and invite contributions to the research.
6. Working with agreed regional experts in this subject area to identify the policy context, for example, policy teams from the Government Office for the South West or by obtaining independent support from academic experts or consultants.
7. Providing an assessment of the sustainability of activities to improve communications infrastructure.

## Bilateral Actions

8. The Assembly may seek key information from SW RDA by requesting factual information and responses to written questions – in advance of bilateral discussions.
9. SW RDA/ SWRA bilateral discussions will be held on 15 June 2004.

## PROTOCOL

The terms of reference will be approved by the South West Regional Assembly Scrutiny Panel and the lead SW RDA Director.

The South West Regional Assembly Scrutiny Panel and SW RDA will jointly agree what information can be provided by SW RDA, and which SW RDA contacts will be consulted.

The Assembly will share its plans for the collation of regional evidence with SW RDA and provide copies of any analysis to SW RDA.

Assembly Members will withdraw from the Scrutiny Panel when considering an issue in which they have a specific interest i.e. a conflict may arise where a member is particularly affected by the outcome of an issue.

In accordance with the aim to strengthen regional accountability, scrutiny panel meetings and bilateral discussions will be held in public.

## TIMETABLE

The following timescale will be followed:

<b>February 04</b>	<b>22 April</b>	<b>15 June</b>	<b>8 September</b>	<b>October 04</b>	<b>December 04</b>
Agree Terms of Reference	Regional Workshop	Bilateral Discussions	Scrutiny Panel considers report	Report sent to RDA and other bodies following Assembly endorsement	RDA response to report

A full report from the Scrutiny Panel, including detailed recommendations, will be published in October 2004. This will be presented to SW RDA, GOSW, ODPM and DTI Ministers and circulated widely.

SW RDA will be invited to respond in writing to the South West Regional Assembly in an outline action plan (format to be agreed) within six weeks of receipt of the final report.