

Open letter to the Devon County Council Place Scrutiny Committee. (Copies to Devon County Council, Somerset County Council, MP's and the media).

August 17, 2015

Dear Councillors,

As employers and business owners in rural Devon & Somerset, the lack of fast broadband is an ever growing issue which prevents us competing on a level playing field with similar businesses in the towns and cities. When the rural Phase 2 Superfast Broadband programme was funded by £22.75M from BDUK in January 2014 we were delighted that fast broadband would soon reach at least 95% of the two counties. During 2014, the competitive open tender process that Connecting Devon & Somerset (CDS) embarked upon seemed that it would deliver the most coverage at the best price. In November 2014 however, CDS changed their minds, telling us that that they would deliver a better solution if they placed an exclusive contract with BT and we were told to trust them. Nine months later on June 26 2015, it was announced that the CDS Board had failed to agree an exclusive Phase 2 contract with BT and they would revert to issuing another competitive open tender. It is now 18 months since funding was made available and Devon & Somerset are the only two counties in the UK not to have a 95% minimum Phase 2 broadband contract in place. If CDS embark on their third attempt to find suppliers, it will take at least another 6 months, which could stretch to a year, before Phase 2 contracts are signed. Even then, at least 5% of us will still not be included in the programme and we will not find out who is not included until 2017 or beyond.

We cannot run our businesses on this basis. Our websites are our shop windows and with every day that passes, more of our business processes rely on fast broadband, to sell, to buy, to arrange shipments and to pay our taxes, not to mention the legitimate needs of every rural resident to interact via fast broadband, with on line banking, shopping, Skype and other rapidly evolving information services. In 2013 DCMS, the government department responsible for the superfast broadband programme, published a report by Cambridge Econometrics which showed that when fast broadband is provided, the local economy grows by £20 for every £1 invested – an ROI of 20. (The most optimistic ROI forecast for HS2 is 1.7) Nearby towns and cities which now have superfast broadband are reaping the rewards of this investment, whilst CDS has failed twice to even find superfast broadband Phase 2 suppliers for rural Devon & Somerset, with the exception of the two National Parks. **This is now an urgent issue.**

We were therefore pleased to hear that on July 8, the Devon County Council Cabinet referred the CDS Board's attempts to secure a Phase 2 contract to their Place Scrutiny Committee who have now scheduled an extraordinary meeting on September 3 for that purpose. We have however learnt that there are currently no plans to call external witnesses to the public scrutiny committee meeting. The only information to be considered by the committee will therefore be provided by CDS, the CDS Board and possibly BT. **This will not produce a fair examination of the programme and we call on the DCC Place Scrutiny Committee to take evidence on this issue from concerned rural businesses and residents in the two counties affected by these decisions, as well the organisation currently responsible for delivering this programme with a £98.5M budget: CDS and the CDS Board.**

This open letter is sent on behalf of the following organisations:



Federation of Small Businesses
The UK's Leading Business Organisation

FSB Devon Region, representing 7,200 Small Businesses in Devon
Website: <http://www.fsb.org.uk/devon>



Federation of Small Businesses
The UK's Leading Business Organisation

FSB Somerset Region, representing 4,500 Small Businesses in Somerset
Website: <http://www.fsb.org.uk/somerset-and-wilts>



CLA South West, representing 2,700 rural businesses in Devon & Somerset
Website: <https://www.cla.org.uk/your-area/south-west>



BHBA, representing 200+ businesses in Devon & Somerset's Blackdown Hills
Website: <http://www.bhba.org.uk/>



BROADBAND FOR RURAL DEVON & SOMERSET

Campaigning for broadband across rural Devon & Somerset

Website: <http://www.b4rds.org/>

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