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Your ref: Gigabit-capable consultation
Our ref:
Date: 21 December 2018

Test Valley Borough Council response to Department for Digital, Culture, Media & Sport New Build developments: delivering gigabit-capable connections Consultation Document

Test Valley is predominantly rural and high bandwidth, affordable broadband is an essential utility which is critical to achieving sustainable economic growth with its clear attendant social and environmental benefits.

The Council enthusiastically welcomes the consultation and urges the Government to do everything it can to expedite the provision of high bandwidth Fibre to the Premises (FTTP) broadband to all premises – residential and commercial - new and existing. There should be a clear commercial incentive to broadband provision as part of any new development because the lack of high speed internet access is clearly a barrier to the sale of commercial and residential accommodation.

The consultation brings together two council priorities: the delivery of new homes in Test Valley and enabling high bandwidth, affordable broadband (ideally FTTP).

Test Valley Borough Council (TVBC) is delivering the highest number of new home completions of any local authority in Hampshire (891 in 2016/17). Work is already underway to review the Local Plan (adopted 2016) with an Issues and Options consultation carried out in the summer of 2018.

After the third and final contract between Hampshire County Council (HCC) and BT Openreach (Hampshire Broadband), which will see 97.4% of premises in Hampshire able to

access Superfast Broadband, Test Valley will still have the largest number (and proportion) of premises within the county unable to access that level of provision.

It has been a very longstanding ambition of the Council, pre-dating the NPPF to Planning Policy Guidance Notes (and the latest PPG 3 in particular) to require developers to install ducting to the edge of their site, thereby enabling potential broadband providers to offer a service to new occupiers. Hitherto the then Housebuilders' Federation preferred this to be discretionary, rather than compulsory, with the resultant lost opportunity. It remains the Council's wish that, regardless of who owns the conduit, it should not be restricted to any one provider.

To illustrate the council's ambition to enable broadband for its community it:-

- contributed £185,000 to the first HCC-BT (90% of premises contract in 2015);
- participated in a pilot project offering wireless and BT FTTC via Hampshire Public Services Network to Smannell and Little London villages in 2014-16;
- worked with BT Openreach to try and enable more cabinets in Andover's business parks;
- worked with Virgin Media Business to promote a legacy network to local businesses;
- promoted Virgin Media's innovative Ultrafast Broadband project which is delivering FTTP to 4,200 rural premises in the Borough; and
- is working with Fourth Utility to promote the Gigabit Voucher scheme to business centres.

It is instructive now, with the rapid rise in high bandwidth demand that only 4% of broadband is full fibre compared with 89% in Portugal (Figure 1 of the Consultation Document), less than one in five new build units have FTTP (Table A of the Consultation Document) and High Speed Broadband is regarded by residents as the second most important contributor to social wellbeing (behind having access to a doctor's surgery).

The Council considers that it should be compulsory for all new builds (including conversions, change of use etc.) regardless of number and equally for all new commercial premises.

Finally, by way of introduction, where it proves prohibitive to supply FTTP and where alternative technical solutions are possible it may be appropriate for Government to subsidise gigabit broadband, for example as an extension of the current Gigabit Voucher Scheme.i

Question 1: Do you have any further evidence on the state of New Build Development connectivity in the UK?

Response

Test Valley has permitted approximately 7,300 new homes across strategic (greenfield) sites in the last 10 years centred around the Borough's 2 main towns of Andover and Romsey. The majority of these sites were permitted over 8 years ago and the developers were not legally required to ensure these new residential developments were served with adequate communications infrastructure other than basic copper structure for the purposes of telephone.

The prime example is Abbotswood, on the edge of Romsey, a brand new development with woefully inadequate internet connectivity preventing residents being able to work from home

and operate internet connected digital technology. Intervention from the local MP and Leader of Hampshire County Council saw the developer work with BT to provide a new telecommunications cabinet on the development. However, this retrofitting of infrastructure not only caused disruption and delayed the adoption of new laid out footpaths and public open space while the civil works were carried out, but resulted in basic provision of fibre to the cabinet rather than fibre to the property. This is an example of how over time, the implementation of strategic sites can be outpaced by changes in technology. This is a situation likely to arise again as further strategic allocations are brought forward.

TVBC would welcome measures (legislative or otherwise) to ensure there are sufficient and adequate tools to build in flexibility and to require the most up to date and fit for purpose technology to be installed.

Question 2: Do you have any information or evidence to suggest that the costs developers would incur under the proposed policy would prevent homes being built?

Response

TVBC has anecdotal evidence that fibre to the property connections appear not to be prohibitive. Homes in Andover by one developer have sold well and the developer has not sought to retrospectively reduce their S106 contributions or obligations as a result of viability from installing fibre to the property. If fibre to the property is to be considered to be essential infrastructure, the developer should take account of any associated costs which should be factored into the land value along with all other infrastructure costs.

Question 3: We propose that developers would be obliged to provide a simple connectivity plan for their developments to LAs. This plan would demonstrate that developers had consulted with a least two network providers to provide gigabit-capable networks and inform LAs when a site is connected. Do you have any comments on this proposal for a connectivity plan?

Response

TVBC welcomes a mechanism to require the submission and approval of a connectivity plan. To ensure connectivity is achieved, a certificate demonstrating full implementation with the speeds shown in the connectivity plan should be produced by the developer. This could be achieved through a S106 agreement or through Building Regulations. In either case, information submitted should be in plain English and accompanied by a non-technical summary.

It is noted on Figure 3 that 9 months prior to building out the site the developer should obtain quotes from at least 2 operators to provide gigabit connectivity to the site. Quotes should not come as a surprise to developers as they are likely to have acquired the site and be in the process of obtaining planning permission. Known cost parameters of installing fibre to the premises should be available from each operator on an open data format so that these costs can be built into the land purchase price. These costs should also include feasibility costs and costs if implemented as stand-alone infrastructure or co-ordinated with other utilities companies. Quotes that do not reflect indicative operator costs at the outset are likely to result in viability issues jeopardising other forms of infrastructure such as affordable housing at a later stage.

Telecommunication operator costs need to be commensurate with other utility provider costs. In addition, a connectivity plan should demonstrate whether ground works and civils are reliant on other utility providers. It is important that the same rules apply to other utility providers such as water and energy, as without their co-operation and collaboration to plan and work together, costs will ultimately be passed on the purchaser pushing property prices up. Developers are critical to co-ordinating utilities to ensure efficient and timely supply of water, energy and communications.

Question 4

- (a) Do you agree with the assumption that deploying the necessary infrastructure to deliver gigabit-capable networks is best achieved when the site is being built?*
- (b) What technical specifications should the physical infrastructure (ducts etc) have?*
- (c) Do you agree that developers should deploy, and pay for, the necessary infrastructure from the in-building connections to the boundary edge of the development?*

Response

- (a) Yes. This is important to keep costs down and reduce inconvenience once the site is occupied. This relies on infrastructure providers working together to co-ordinate the implementation.
- (b) Test Valley Borough Council does not have the technical expertise to comment extensively on this question. However, any technical guidance should have the flexibility to require the latest standards to be implemented as technology changes.
- (c) Yes, unless exceptional circumstances can be demonstrated by the developer, such as situations that would be prohibitive in terms of costs. The approach from the boundary to the property and within should be in line with water, gas and electricity connections.

Question 5

- (a) Do you agree that developers should have to engage with a least two network operators who can provide gigabit-capable connections to the development?*
- (b) What further measures could we consider to promote the availability of networks from multiple providers at an early stage to minimise costs and disruption?*

Response

- (a) Yes, in the interest of best value to the consumer and fair competition.
- (b) Developers should demonstrate to the local planning authority at outline application stage a list of internet service providers who will be invited to supply new sites; these providers should then be promoted to potential occupiers on the residential sales web sites; through show homes, with local estate agencies and on the council web site. Network providers should be obliged to supply a central open source database so that

information on network coverage and costs associated with typical types of development is accessible to developers and the public alike. This will enable developers to build these costs into their land negotiations.

Question 6: Taking £3,000 as a suggested aggregated cost cap per premise, how should cost be divided between developer and operator?

Response

Costs should be divided on the basis of return on investment over the short term (1 – 2 years). The longer the time to recover the cost, the smaller the proportion should be.

Question 7: What information and evidence can you provide to help refine the 'in scope sites' policy design choice – aggregated cost cap or number of properties?

Response

Test Valley Borough Council does not have the technical expertise to comment extensively on this question.

Question 8

- (a) Do you agree that developers should have overall responsibility to ensure gigabit connectivity for their developments (allowing for the fact that developers can oblige operators to connect using the 'duty to connect' provision)?*
- (b) How would this policy affect small housebuilders?*

Response

- (a) Yes, although operators should be encouraged to work with developers by providing information and marketing themselves in a way that makes their product attractive, convenient and best value for money, (perhaps through a code of conduct) not only for the developer but also for the end user which will be the customer. Invoking the 'duty to connect' is an alternative but may be detrimental to an established relationship that the developer has with the operator.

Paragraph 2.11 (1) of the consultation document proposes that where connection exceeds the total cost threshold, the developer would be required to seek alternative technological options. The ability (or inability) to deliver fibre to the premises should be based on viability evidence as where cost thresholds may be exceeded, the development may still be profitable.

Consideration should be given to setting out criteria to be met (such as demonstrating a lack of viability) before considering other options. With other utilities, such as water, other alternatives would not be possible or acceptable and fibre to the premises should be treated no differently.

- (b) There is the potential for this policy to affect small housebuilders, particularly on brownfield sites where there may be challenges over site clearance and potential contamination. Small housebuilders often find small sites within rural villages, remote from any networks, even fibre to the cabinet, making installing fibre to the premises prohibitive. Small housebuilders are important to enabling incremental and sustainable growth within rural settlements and infill development in the Borough's larger settlements. Test Valley Borough Council would welcome investment to bring fibre networks into all remote locations to enable the sustainability of small rural communities. The market (operators and housebuilders) alone may not be able to provide solutions in all areas, therefore grant funding should be available for operators to apply for, based on a clear set of criteria.

Question 9: Do you have any comments on the proposed legislative approach? Do you have an alternative solution that would deliver gigabit-capable connections to new build developments?

Response

In order to strengthen the scope of compliance and ensure national consistency, the requirement for provision and connectivity should be prescribed by Government through a statutory legislative or regulatory mechanism that takes the form of either through a requirement, for example as part of the provision of utilities to new development, or through building regulations. It should not be reliant on the preparation of individual local plan policies by each local planning authority, as this would take much longer to implement, be less likely to ensure compliance, nor deliver consistency or certainty. It should be secured through a national statutory requirement, not through a local planning policy requirement.

Your sincerely,



Councillor David Drew

Economic Development and Tourism Portfolio Holder

Test Valley Borough Council