

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 16 SEPTEMBER 2014**

REPORT BY: **CHIEF OFFICER, COMMUNITY AND ENTERPRISE**

SUBJECT: **SUPERFAST BUSINESS WALES EXPLOITATION PROGRAMME**

1.00 PURPOSE OF REPORT

- 1.01 To inform Members of Welsh Government's exploitation programme for Superfast Business Wales.

2.00 BACKGROUND

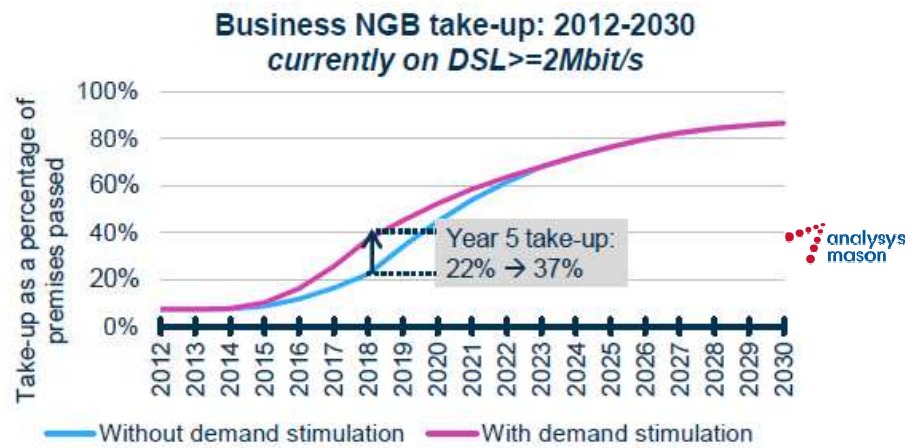
- 2.01 A total of £425m is being invested in Wales to extend Next Generation Broadband (NGB) infrastructure or 'superfast connectivity' through the BT contracted programme 'Superfast Cymru' This consists of £220m from BT, £58m from the Welsh Government, £90m from the European Regional Development Fund (ERDF) and £57m from Broadband Delivery UK. The schedule of works is targeted to reach 96% of premises within the footprint of roll-out of infrastructure. This large-scale infrastructure programme will be underpinned by an ambitious programme for exploitation.
- 2.02 To realise the benefits of this investment, businesses in Wales need to leverage superfast enabled technologies to fundamentally change and improve the way they work. These changes are likely to occur over time without intervention, through the initiatives of local businesses and sales efforts from suppliers; however, in order to maximise the potential value added benefits and ensure they are realised in the short to medium term (thereby increasing Welsh competitiveness in the global market), Welsh Government is undertaking a programme of superfast exploitation support for businesses and business support intermediaries. The focus is on encouraging adoption of new systems and processes that are enabled by superfast connectivity.

3.00 CONSIDERATIONS

- 3.01 The superfast Exploitation Programme will assist Welsh businesses, free of charge, to understand the wider economic opportunities of adopting the service and superfast enabled technologies.
- 3.02 The Programme will deliver a suite of high level deliverables which will include:

- National provision of dedicated superfast exploitation business support, delivered in partnership with Local Authorities and local business support providers
- Close working linkages with Business Wales, the web presence, enquiry / advice line and broader suite of support
- Government led collaboration projects with the ICT sector and other key players to bring about coordinated exploitation of the asset

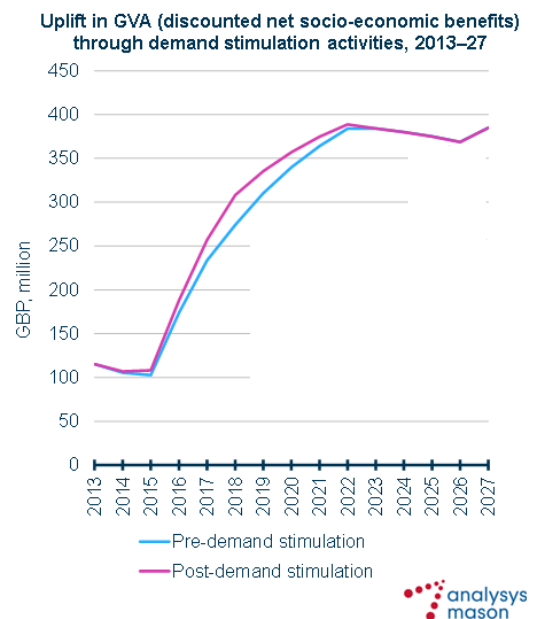
3.03 Economic return on the infrastructure investment for Welsh Government is a top priority. Industry analyses undertaken on behalf of Welsh Government highlight levels of projected accelerated take-up that could be realised if the Government were to implement Next Generation Broadband (NGB) activities.



3.04 Adopting superfast enabled technologies and new working practices will ensure Wales' economy benefits. Accelerated take-up has measurable positive gross value added (GVA) implications; industry analysis shows exploitation activities could generate a 3% increase in GVA for Wales.

The economic benefits of Next Generation Broadband (NGB) take-up are as follows:-

- Direct revenues from the project
- Job creation during roll-out
- Procurement savings
- Productivity enhancements
- Flexible working savings
- Expansion of knowledge based economy
- Reduction in processing costs (Government to Business)
- Reduction in eHealth costs
- Education savings
- Environmental savings



3.05 The key objectives of superfast exploitation are that activities need to be on a pan-Wales basis and be inclusive of stakeholders outside the Superfast Cymru roll-out footprint. Activities need to align with ‘*Programme for Growth*’ and the ‘*Priority Sectors*’ approach to economic development. As such, the programme will deliver directly against:

- Programme for Government
- Welsh European Funding Office 2014-2020 Economic Framework Priorities
- EST’s Priority Sectors’ Strategies
- Local and Regional Economic Strategies
- Enterprise Zone Strategies and;
- ICT Sector Strategy – specifically to drive economic competitiveness through exploitation of superfast dependent technologies.

3.06 The programme will seek to ensure that business focused activities are delivered which generate measurable results and outcomes. These will be brought about through:-

Influencing & Engagement – Stakeholder engagement to ensure partnerships are established to support the delivery mechanism and embed core messaging into partner organisations and support ongoing key messaging

Delivery & Coordination – Welsh Government will operationally manage pan-Wales ‘Superfast Business Support’ delivery, local partnerships, partner embedding, financial management of operations, impact assessment and evaluation tools. It will dovetail with Business Wales and complement and utilise pre-existing business support products.

Government Led Initiatives – Welsh Government intends to influence from the supply-side of exploitation, remove barriers to exploitation investment by businesses, stimulate large scale private sector initiatives and encourage innovation between ICT industry & academia in the development of new products

Outcomes and Measures

The overarching objective is clear and has been set out in the mission statement for the activity; ‘to help businesses gain commercial benefit from superfast infrastructure and create economic dividend for Wales’.

3.07 The economic themes identified as providing greatest return for enterprises, when adopted and exploited effectively, are listed below. They are arranged in descending order of priority for the exploitation programme:

- Increased use of cloud services
- Improved business security
- Supply chain simplification and innovation

- Increased workforce flexibility
- Increased tele-presence
- Use of big data, data analytics, improved information sharing and inter-working
- Access to new markets and sales opportunities
- Improved customer service and customer experience
- Improved skills and education of workforce

3.08 The programme will also deliver against key priorities including:

- Number of Enterprises receiving support
- New products/processes/services adopted
- Employment increases in supported enterprises
- Profit benefit

Delivery Partners Activity - Local Authorities, Intermediaries & Industry Bodies

3.09 The Deputy Minister for Skills and Technology has requested that the Chief Executives and Chairs of each Local Authority nominate a senior champion to engage with the exploitation programme. Business Development is leading on this activity for Flintshire.

3.10 Flintshire has signed the Superfast Exploitation Charter Agreement between Welsh Government and Local Authorities to:-

- Commit to the Superfast Exploitation agenda
- Provide a unified and coherent position regarding the exploitation agenda
- Support the actions of Exploitation Champions *
- Support the delivery of partnership working with Welsh Government
- Support the deployment of Superfast Exploitation activities
- Endorse and embed deliverables against local/regional strategies and priorities
- Support and endorse application for the funding of activities (including EU funds)

4.00 RECOMMENDATIONS

4.01 To note this initiative will have a very positive impact on the business sectors in Flintshire.

5.00 FINANCIAL IMPLICATIONS

5.01 Welsh Government budgets will be apportioned on a Local Authority basis. There is no financial implication for Flintshire to support the exploitation programme.

6.00 ANTI POVERTY IMPACT

6.01 Superfast Broadband will have the opportunity to make a significant contribution as a result of private investment encouraging local opportunities for training, skills and employment.

7.00 ENVIRONMENTAL IMPACT

7.01 Superfast Broadband will have the potential to make a significant contribution to environmental enhancement as a result of Welsh Government and private sector infrastructure investment.

8.00 EQUALITIES IMPACT

8.01 Superfast Broadband has the potential to make a significant contribution to equalities and this is included as a cross cutting theme under which all investment projects will be expected to demonstrate their impact.

9.00 PERSONNEL IMPLICATIONS

9.01 None.

10.00 CONSULTATION REQUIRED

10.01 Welsh Government as the lead body. Private sector industry to raise awareness of the exploitation programme for Superfast Business Wales.

11.00 CONSULTATION UNDERTAKEN

11.01 Welsh Government as the lead body. Local Authorities to support the exploitation programme for Superfast Business Wales.

12.00 APPENDICES

12.01 Superfast Exploitation Charter for Exploitation Champions

Contact Officer: Rachael Byrne
Telephone: 01352 703318
Email: rachael.byrne@flintshire.gov.uk