

Appendix A: Summary of Reinvestments by the Council into Digital Infrastructure and Connectivity

As outlined in the main report following the delegation of authority in June 2017 to recommit all Phase 1 underspend and up to £4m of projected Gainshare, there has been a number of Executive Officer Decisions and contractual requirements that have resulted in reinvestments into Digital Infrastructure and Connectivity. These are summarised in the below table. It should be noted that the public sector 'underspend' associated with Superfast Phase 1 was £3.826m (£1.375m BDUK and £2.451m the Council). The Cabinet decision in October 2015 to extend Phase 2 subsequently committed £1.091m of underspend, reducing available underspend to £2.735m (£0.983m BDUK and £1.752m the Council). Noting that any BDUK underspend must be committed to directly furthering broadband coverage in the county through the Superfast Contracts.

Date	Decisions	Amount	Notes	Remaining £ within Delegated Authority
Dec-2017	1) Allocated £0.5m of the Council's Capital to support the Broadband Programme Management Office as the programme continued to expand	£0.5m	Fully spent by the Council, allocated from 'Gainshare'	Underspend £2.735m Gainshare £3.5m
Dec-2017 & June 2018	2) Allocated an initial £0.5m to a 'Local Body Partnerships' scheme, to support communities that were not yet in existing plans; in order for them to progress a 'Community Fibre Partnership' with BT. A further £0.5m was added in June 2018	£1m	The funding was Change Controlled into the Superfast Worcestershire Phase 3 via a Change Control. The total cost to the Council was £857,722. This was funded from £414,739 out of unallocated funding (from Phase 3) as a result of descope, and £442,983 was paid by the Council utilising 'Underspend from Phase 1'	Underspend £2.292m Gainshare £3.5m
Jun-2020	3) It was proposed that the unallocated Local Body Partnership fund would be used to cover proposed community contributions, amounting to just under £115k in total. Meaning that none of the communities involved in the LBPs will need to make any local contribution and the original allocation for LBP schemes of £1m would not be exceeded.	-	Not used, as total value did not exceed £1m	Underspend £2.292m Gainshare £3.5m
Aug-2020 And Dec-2021	4) In August 2020 Allocated up to £1m from Contract 1 underspend and, if needed, Contract 1 gainshare clawback fund, is used for BDUK's Rural Gigabit Voucher Scheme through 'topping up' the existing voucher scheme. A further £1m was committed in December 2021. N.B. The BDUK element of underspend cannot fund 'voucher top-ups'	£2m (+£0.5m Getting Building Fund)	£2.0m (+0.5m from Getting Building Fund) All of which is committed to BDUK to be allocated to eligible voucher projects. As of Dec 2022 £231k has been paid. £437k is currently invoiced to be paid. £1.5m (overall) is expected to be spent by the end of March 23. With the remaining £1m expected to be allocated to Voucher Priority Areas and allocated when the scheme re-commences	Underspend £1.292m Gainshare £2.5m
Dec-2021	5) Allocated a further £0.5m from the same sources to support the Broadband Programme Management Office (Digital Infrastructure and Connectivity Team)	£0.5m	Committed but not yet fully spent by the Council, allocated from 'Gainshare'	Underspend £1.292m Gainshare £2m

June 2021	6) Contractual Requirement/Side Letter associated with Phase 3, to pay contribution required to meet changes in the Financial Model as a result of legislation change around Wholesale Line Access	£0.35m	Change Control undertaken as part of Phase 3 requiring payment of £352,776, paid to BT and funded by Underspend	Underspend £0.942m Gainshare £2m
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Please note:

BT's element of underspend from Phase 1 was utilised to pay into Phase 2.

The Financial closure of Phase 3 is ongoing, discussions are underway with BDUK as to how much of their element of Underspend can be allocated against items 2) and 6) in the above table, when confirmed this will determine how much 'Underspend' will need to be returned to BDUK (estimated between c.£0.3m and £1m)

In respect of item 4) in the above table, for the purposes of monitoring Underspend and Gainshare allocation, £1m has been identified against each of 'Underspend' and 'Gainshare'. Dependent upon Phase 3 Closure and the final amounts spent on the ongoing Voucher Scheme the ratio may change, allowing for more than £2m of cover remaining from the up to £4m Gainshare funding agreed in June 2017