

## RURAL COMMUNITY BROADBAND FUND – FREQUENTLY ASKED QUESTIONS

**THE FUND IS CURRENTLY CLOSED FOR NEW APPLICATIONS. The first round for Expressions of Interest closed on 31 January 2012. A second round is expected to open in May 2012 and this will be confirmed during March.**

Some key questions about the Fund can be found below.

### Q.1 What is the aim of the Rural Community Broadband Fund?

A. The Rural Community Broadband Fund (RCBF) will complement the mainstream broadband rollout programme being delivered by Broadband Delivery UK (BDUK). Under the mainstream programme, the aim is for at least 90% superfast broadband coverage in each area, with the final hard to reach 10% areas receiving a minimum standard broadband of 2Mbps, but capable of upgrade to superfast (sometimes referred to as Next Generation Access or NGA) in the future. This Fund will enable us to fund further projects, and thus bring superfast/NGA broadband to a greater number of communities than would otherwise be reached. This will ensure that business in those communities can take advantage of the benefits of superfast broadband.

### Q.2 How will the Fund be targeted?

A. The RCBF is being targeted at rural communities in England in the 10% hard to reach areas who will receive a minimum standard broadband of 2Mbps under wider BDUK national rollout plans and where a need for a superfast/NGA solution can be demonstrated at a reasonable cost.

### Q.3 How do I apply?

A. You can only apply during an open round. The first round for Expressions of Interest closed on 31 January 2012. A second round is expected to open in May 2012 and this will be confirmed during March. Full details of how to apply will be provided once the Fund re-opens for Expressions of Interest.

### Q.4 How many application rounds will there be?

A. EOI applications will be invited to come forward through a number (at least 2) of defined application windows. Currently two application rounds have been identified. The first Expression of Interest round was between **1 December 2011 and 31 January 2012 and is now closed**, with the next round likely to open between **1 May and 30 June 2012** (subject to confirmation).

Under the current RDPE Programme (2007-2013), funding needs to be contracted by 31 December 2013. We will assess early projects on the extent to which a community-led approach is a cost effective way of complementing mainstream roll-out and bringing superfast broadband to the most hard to reach rural areas. If this is clearly demonstrated, DCMS and Defra will work together to explore options for funding and extension of the initial Fund beyond 2013.

**Q.5 When will I know if my Expression of Interest under Round One has been successful?**

A. We are now undertaking formal assessment of the applications received and we expect to complete the assessment and decision process within 8 weeks, notifying the outcome of Expression of Interests no later than week commencing 19th March 2012.

**Q.6 If my project is selected to progress to Full application stage, when will I need to submit my application?**

A. Dependent on the complexity and development stage of the project, we would anticipate that Full applications will be submitted by end of April 2012. Subject to no significant issues being identified, we expect the first round of projects will be appraised and considered for funding approval around summer 2012.

**Q.7 If my Expression of Interest is not approved/selected to progress in the first round, can I resubmit it in a later application round?**

A. Yes. The RDPE Delivery Team will feed back why your project has not been selected and make suggestions as to what might be done (where possible) to address the identified issues.

**Q.8 How much funding is available?**

A. A £20m Fund is available to support community action to develop superfast/NGA broadband solutions in areas which will not otherwise benefit from either commercial rollout plans or BDUK investment. The Fund is jointly funded by the Rural Development Programme for England (RDPE) and by BDUK from the £530m available as part of the mainstream rollout programme. It is being delivered under the RDPE. The Fund will be competitive with the best value and most deliverable projects being selected. The selection criteria against which projects will be assessed is outlined in a RCBF Applicant's Handbook which accompanies each open round (round 1 currently closed).

**Q.9 The Fund represents £10m additional BDUK funding for England. Will Scotland and the other devolved administrations get a similar allocation?**

A. BDUK will be happy to consider proposals from the devolved administrations for a local community scheme with similar criteria to the English scheme provided match funding is in place, either from European or national or local funding.

**Q.10 Why are community schemes important?**

A. Community schemes are already playing a role in the deployment of broadband across the country and will be crucial in enabling the coverage and reach of local broadband plans to be stretched. The Government's 2010 strategy document '[Britain's Superfast Broadband Future](#)' promised that, where communities wish to extend or even build their own networks we will work with them to ensure this can be done, if it is practical to do so.

**Q.11 Is the Fund available outside Upland areas?**

A. Yes. Although the Fund was originally announced as part of the Government's Uplands Review in March, this is a national scheme applying across England in all rural areas with the exception of Cornwall and the Isles of Scilly, which has a separate fund.

**Q.12 How do I access support in Cornwall and the Isles of Scilly?**

A. Details can be found on the Superfast Cornwall website <http://www.superfastcornwall.org/> or by contacting the ERDF team in Cornwall via 0800 028 0120.

**Q.13 Who is eligible to apply?**

A. If your project is in a rural location in England in a 10% hard to reach area identified in your Local Authority Local Broadband Plan now or in the future, your project may be eligible for support under the RCBF. Communities who are interested in applying to the Fund need to work closely with their Local Authorities in order to understand whether they fall within a 10% hardest to reach area, as will be identified in their Local Broadband Plan. You will need to demonstrate that your project fits with the Local Broadband Plan (either agreed or under development) and the wider Local Authority investment in the area. You will be asked to provide evidence that the project is aligned with the wider LA rollout plans. Acting on behalf of a community, eligible applicants can be:

- Social enterprises
- Community Interest Companies
- Community trusts
- Charities,
- Private Businesses (non-Communications Providers)
- Other formally constituted groups

An appropriate legal entity must be formed in order to receive Government grant funding. A fact sheet on *Establishing legal organisations* will shortly be available in the BDUK Rural Community Broadband Toolkit (see Q.26 below). As projects under the Fund will be in receipt of public funding, applicants must ensure open access to the network.

Local Authorities (including District and Parish Councils) may also apply on behalf of communities, or act as the managing authority for an application. However, where this is the case, there must be a clear demonstration of community engagement and community support for the project.

**Q.14 Is the Fund a way for Local Authorities to apply for additional funding to meet the 90% superfast target?**

A. No. Under Local Broadband Plans, Local Authorities must set out how they are to achieve the aim of 90% superfast broadband in each county. Funding from BDUK's mainstream programme is allocated on this basis.

**Q.15 Can an individual household or business apply for a broadband grant?**

A. No, the fund has been established to assist multiple beneficiaries located in a hard to reach community.

**Q.16 What about applications from small collections of businesses, e.g. small rural business parks or collections of family farms?**

A. There must be some community benefit. Applications from small business clusters must therefore work with their communities to ensure a wider benefit.

**Q.17 What if a number of people from my community apply for the fund, with differing solutions?**

A. We would ask multiple applicants from the same locality within a community to establish a joint project. This would also have a significant benefit in terms of demonstrating value for money and sustainability of the service, as well as sourcing match funding.

**Q.18 What is the Community Data Book?**

A. It is important to identify local demand for a service as this is critical in supporting the case for investment. Applicants submitting an Expression of Interest during an open round (see Q. 3 above) are therefore required to collate data to support their Expression of Interest through the completion of a **Community Data Book** (a simple Excel spreadsheet) to assist in the roll out. This data should include technical details such as what telecoms connections each household currently has, where the slow spots are, where fibre solutions will not reach etc. It will help you to understand the need of your project and to understand the picture on the ground. The BDUK Rural Community Broadband Toolkit is on the [BDUK](#) website and contains a template of the Community Data Book.

**Q.19 Where do I go for additional information?**

A. For further information about the Rural Community Broadband Fund, please contact your [Local RDPE Delivery Team](#). BDUK is developing a Rural Community Broadband Toolkit “Community Toolkit” containing material to support the development of local projects. It contains a variety of information and pointers to existing guidance and material, including the Community Data Book and information relating to different business models. It also contains a link to INCA’s “Beyond Broadband” publication which takes you through the practicalities of superfast broadband. Material will be added to the Community Toolkit over time.

In addition, your local Rural Community Action Network representative (RCAN) should be able to discuss potential projects with you. They will be able to talk you through the application process and the information required to support an application such as the Community Data Book. Your local RCAN contact details can be found on the ACRE website <http://www.acre.org.uk/about-rcan> or via Tel: 01285 653477.

## **Q.20 What solutions will be eligible under the Fund?**

A. Solutions must be Next Generation Access superfast solutions (ie greater than 24Mbps). This is a requirement of the European funding that makes up part of the RCBF. Projects must demonstrate additionality i.e. – be clear about what extra things will happen as a result of receiving a grant because the main BDUK rollout programme allows for projects between 2Mbps and 24Mbps as part of the standard solution in the final 10% area.

## **Q.21 What is eligible under the Fund?**

A. The RCBF will provide **up to 50% of total eligible project costs**, with the remaining funding to come from **private** sources. More detail will be provided when the next round is open for expressions of interest (see Q.3). A fact sheet on *Raising Private Finance* will shortly be available in the BDUK Rural Community Broadband Toolkit (see Q.26 below).

We recognise that community groups may give a large proportion of their own time to develop a community project. However, it should be noted that “in kind” contributions are not eligible for grant under the Fund.

## **Q.22 Can we do the work ourselves?**

A. Doing some aspects of the work yourself is one way of reducing the overall project costs but does have some limitations. If you are intending to do this you must ensure that you have all the appropriate permissions and qualifications. You need to ensure that any construction of the network is to appropriate and possibly regulated standards. You may not charge for your time or resources as a project cost, unless you can demonstrate that you have won the business through a competitive procurement process.

## **Q.23 What is a Local Broadband Plan?**

A. Awards of Government funds for all county wide broadband projects under the mainstream £530m rollout programme are conditional upon the production of a suitable Local Broadband Plan by the Local Authority.

Mainstream BDUK funding will be committed to projects once the Local Broadband Plan has been agreed and local funding is in place. The Local Broadband Plan should set out the approach for improving broadband infrastructure within the whole of the local body's area, which is likely to involve a multi-phased project to be implemented between now and 2015. This would include both upgrades to superfast/NGA access and ensuring that everyone can get a basic level of service. Some Local Broadband Plans have been agreed whilst others are in development. Communities are an integral part of Local Broadband Plans (LBPs). The Government's target is to have all LBPs approved by the end of April 2012. DCMS has published a map detailing progress with each LBP [http://www.culture.gov.uk/news/news\\_stories/8809.aspx](http://www.culture.gov.uk/news/news_stories/8809.aspx)

**Q.24 How do I find out if my community is located in the 10% hard to reach Superfast Broadband location?**

A. You should contact your Local Authority community broadband lead in the first instance, as the 10% hard to reach location will be identified within your County Council's Local Broadband Plan – either now or in the future. If you are unable to find out who this is, your local RDPE Delivery Team or RCAN representative may be able to advise further (see Q.19 above).

**Q.25 If the Local Broadband Plan for my County is not finalised, can I still apply for RCBF support?**

A. Yes. However, within the Expression of Interest submitted for an open round (see Question 3) you should briefly state why you expect your area will be in the 10% hard to reach location once the Plan is finalised. Your Local Authority contact should be able to assist with evidencing this requirement.

**Q.26 What is the BDUK Rural Community Broadband Toolkit?**

A. BDUK is developing a community broadband toolkit containing material to support the development of local projects. It contains a variety of information and pointers to existing guidance and material. Material will be added over time. It contains a template of the Community Data Book which applicants to the Fund must complete to support an Expression of Interest. More information can be found on the [BDUK](#) website.

**Q.27 Can I get funding if I have already bought broadband equipment?**

A. No, as this is a prior approval scheme. We cannot fund anything under RDPE retrospectively. You cannot order your equipment or begin your project until you are in receipt of an offer letter which you subsequently sign.

**Q.28 Are satellite providers eligible under the Fund?**

A. Not unless satellite is recognised as a NGA solution in the future. The aim of the Fund is to provide those communities who would otherwise be left with a standard broadband solution under the mainstream BDUK rollout programme with a Next Generation Access (NGA) superfast broadband solution, which is defined as >24Mbps. Satellite technology can still be important in getting services to those living in particularly remote rural areas, in which the business case for deployment of fibre may be weak. It will continue to form part of the mix of technologies which will be required to ensure that the UK has the best superfast broadband in Europe by 2015 under the main BDUK rollout programme. This is recognised in the BDUK Programme Delivery Model, in which local bodies procure the supply of broadband solutions (which can include satellite broadband) in line with their own Local Broadband Plans.

**Q.29 How will the procurement process work under the Fund?**

A. If procuring services, you will need to fully comply with public procurement rules. You should consider the implications for public procurement on your project at

EOI stage. You will need to treat all bidders transparently and equally in the process. If your project is selected to progress to full application stage we will work with you to ensure any procurement is undertaken within the necessary requirements.

**Q.30 Will small suppliers be able to deliver the projects under the Fund?**

A. Yes. Recognising their existing role in providing broadband to customers in rural areas, the Government is committed to ensuring that Small and Medium Enterprise (SMEs) are able to play a full role in the delivery of broadband services at a local level. In addition, the procurement documentation under the main rollout encourages prime contractors to use SMEs as part of their supply chains.

**Q.31 What is the position on state aid?**

A. Your project will need to comply with European state aid regulations. In practice, this means applicants will need to:

- map and target their proposed project area, and consult publicly on the intervention;
- ensure open access to the network, benchmarking and other provisions are used to protect abuse of the monopoly position of the wholesale provider; and
- run a fair, open and technology neutral competitive process to select a supplier.

The UK has submitted an umbrella notification for the national broadband rollout programme and community schemes under the Fund. Full EU approval is anticipated by May 2012 – ie before projects are approved under the Fund. However, you should consider the implications for state aid restrictions on your project at EOI stage if you are submitting an EOI during an open round. If your project is selected to progress to full application stage, we will work with you to identify possible state aid compliance measures. You will have to submit a notification form to BDUK as the State Aid competency centre before a project can be approved.

**Q.32 Why is superfast broadband important?**

A. Superfast broadband is vital in supporting economic growth. The EU target is for all citizens to be on a minimum speed of 30Mbps by 2020.

Demand for better connectivity is growing as services and applications that take advantage of the greater bandwidth emerge. The benefits of superfast broadband have an impact across the whole economy – whether this is through greater scope for tele-working and home-working or better delivery of public services – such as remote education services and enhanced services in areas such as healthcare. The delivery of public services will be more efficient and cost effective, as well as more inclusive. Consumers will have even greater choice and costs will be reduced. The way entertainment is accessed will alter, with greater options for consumers.

Access to a superfast network can create a new platform on which a new generation of businesses can thrive. In rural areas, superfast broadband has the potential to support new Information and Communications Technology and media businesses to be developed and provides a level playing field for rural businesses to grow and

compete. The Government has made investment in high speed digital networks a priority and has made substantial progress towards achieving its vision of having the best superfast broadband network in Europe by 2015. In December 2010, the Government published '[Britain's Superfast Broadband Future](#)', setting out how its vision is to be achieved.

**Q.33 How do I find out more information about the Government's broadband rollout programme?**

A. Details can be found on the [DCMS](#) and [BDUK](#) websites.