

Record of officer decision

Decision title:	Contract Award to Airband following a Negotiated Procedure to deliver full fibre broadband to 4 Clusters in the Forest of Dean
Date of decision:	18/09/2020
Decision maker:	Assistant Director Corporate Support
Authority for delegated decision:	<p>Chief Executive Scheme of Delegation –point SA78 delegated authority to Assistant Director Corporate Support for county-wide broadband deployment and digital inclusion.</p> <p>Delegated authority to the Assistant Director Corporate Support to take operational decision to deliver recommendation (a) within cabinet decision report of 18 December 2019.</p>
Ward:	Not within Herefordshire but spend through Herefordshire Council as part of the Fastershire project as the project lead.
Consultation:	<ul style="list-style-type: none"> • Cabinet Member for Economy, Education and Skills (Gloucestershire County Council) • Lead Commissioner Strategic Infrastructure (Gloucestershire County Council) • Ashford Solicitors (Fastershire Legal Advisors) • Commercial Services Manager (Herefordshire Council) • Building Digital UK (BDUK) • Department for Environment, Food and Affairs (DEFRA)
Decision made:	Contract award to Airband of £936,722 to deliver no less than 691 full fibre premises in the Forest of Dean, subject to state aid approval.
Reasons for decision:	<p>The Fastershire project works across Herefordshire and Gloucestershire to commission a broadband network where commercial providers will not invest. Capital funding is provided by Herefordshire Council, Gloucestershire County Council, national Government via BDUK and other sources - in this instance The European Agricultural Fund for Rural Development.</p> <p>Herefordshire Council is the lead authority for Fastershire and as such, manages all of the procurement activity for the project wherever that activity is targeted across the project area.</p> <p>The “Fastershire Procurement Outcome for European Agricultural Development Fund” decision of 23/7/2018 laid the foundations for a contract that was awarded to Voneus in November 2018 valued at £712,000 (with a change tolerance up to £940,20 to increase coverage) to deliver 5 clusters in Gloucestershire.</p> <p>Voneus withdrew from the contract, electing to fund themselves the clusters they won commercially rather than using the available subsidy. Based on legal and commercial advice the funds deemed for Voneus could be reused to reach more premises in the outlined intervention area that were not bid for during the original procurement.</p>

	<p>Airband submitted a tender for 4 of the Gloucestershire clusters (G5, G6, G7 and C3 in the Forest of Dean). The submission has passed all of the minimum thresholds and scored 54.63%.</p>
<p>Highlight any associated risks/finance/legal/equality considerations:</p>	<p>Finance: The subsidy per passed premise is £1,356 at an intervention rate of 86% public to private funding. This compares with £1,869 and 84% on the existing contract. The Project Financial Model uses all of the same assumptions as the original and therefore captures the value for money improvements that were achieved during the assurance of the original tender.</p> <p>This subsidy will be wholly funded through the already approved European Agricultural Fund for Rural Development (EAFRD) funding and as such requires no new financial commitment from the partners.</p> <p>Risk: If approved, build should start in Q1 2021/22 and continue for c. 6 months. There is currently a maximum 3 months beyond that period for the EAFRD funding to be spent.</p> <p>Equality: one of the main barriers to digital inclusion is broadband coverage. Therefore more coverage is the key goal which this decision supports.</p> <p>Legal: Ashford Solicitors have provided a full assessment of the state aid risk to the approach and have deemed it to be low risk.</p>
<p>Details of any alternative options considered and rejected:</p>	<p>An Options Analysis was conducted when Voneus withdrew in May 2019. Six options were developed and considered by Ashford Solicitors.</p>
<p>Details of any declarations of interest made:</p>	<p>None</p>

Signed..... Date: 21.9.2020