

**Broadband
Delivery UK**

FibreGarden
c/o John Colton/ Anne Fleck
Corner Cottage
Sedbergh
Cumbria
LA10 5BB

29-10-2011

Dear John, Anne,

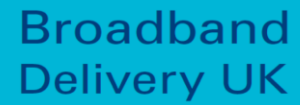
Cumbria technical trials: next steps

On behalf of Broadband Delivery UK I wish to thank you hard work in the last six months. Fibre Gardens help in exploring ways in which communities can actively support suppliers to deliver superfast broadband access to deeply rural areas has been extremely useful in helping us develop a number of potential products for communities in similar locations across the country to utilise.

The event at Stoneybeck Inn on 8 July, where Fibre Garden presented their next generation access plans and requests to industry, appears to have had a very positive effect. I understand that some of the projects may be able to be taken forward as part of the Cumbria County Council Local Broadband Plan. For others, the approaches will need to be taken forward by the community.

We recognise that, in most cases, this will require significant levels of funding. This could come from multiple sources, including the private sector (such as telecoms suppliers or bank loans) and the community itself (such as a one off connection charge or a share of future revenue). As a recognised Rural Community Broadband Fund pilot, public sector funding, should it also be required, can be applied for via the Rural Development Programme for England (RDPE).

Both public and private sector funders will require you to produce a fully costed, detailed business plan which, amongst other things, will describe: *your business case*, *what* your project will do and details on the technical solution you are looking to employ, *how* it will be delivered and operate, *who* will be involved and benefit, *where* and *when* it will be delivered and *what* the funds will be spent on. Funders will also want to know who is accountable for making sure that the funding is properly spent and they will want to have confidence that the project will be well managed, that risks to delivery have been identified and that plans are in place to ensure that these will be mitigated.



Support in compiling your business cases

We are in the process of producing factsheets, templates and 'how to' guides on issues such as the pros and cons of different investment finance options, social enterprise legal status, State Aid regulations and business plan requirements. This will form part of the Community Toolkit which will accompany the launch of the Rural Community Broadband Fund. As part of your role as pilots, we would like to test these materials with members of the ECCBF in October and November, probably 2-3 workshops and optional one-to-one business support sessions, and would welcome your input into their development. We will be in touch shortly to discuss this further.

Public funding

As mentioned above, as a recognised pilot to the Rural Community Broadband Fund, we would be happy to consider an application for the Cumbria Technical Trials, should a completed appraisal-ready application be received by 31 December 2011. This will be assessed as a one off bid to the Rural Development Programme for England Fund. If you are interested in pursuing this, please let Karen Spriggs know as soon as possible, as she will need to receive a formal Expression of Interest for this funding by 31 October 2011. Karen can be contacted on 01228 640293 or at Karen.Spriggs@defra.gsi.gov.uk

Any applications received after this date will be considered against other community schemes across England as part of the main Rural Community Broadband Fund, which will be launched later this year.

In the outline cases and scenario building to date by ECCBF and BDUK, it seems possible that with a public sector contribution totalling £300 per premise connected, communities and industry working together could raise the remainder to deliver a superfast solution. We would therefore like you to use this figure as the basis of your costings for any bids for public funding. It should also be noted that, due to EC regulations associated with the use of RDPE funding, the total public sector subsidy cannot exceed 50% of the total project cost. Applicants are also responsible for demonstrating that the project being proposed is compliant with State Aid.

If you have any questions or concerns about any of the content of this letter, please contact Robert Ling at BDUK, on 020 7211 6212.

Yours Sincerely

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