

Housing and Infrastructure Board

22 June 2021

Draft Digital Infrastructure Strategy

Is the paper exempt from the press and public?	No
Reason why exempt:	Not applicable
Purpose of this report:	Discussion
Funding Stream:	Not applicable
Is this a Key Decision?	No
Has it been included on the Forward Plan?	Not a Key Decision

Director Approving Submission of the Report:

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Executive Summary:

To comment on and suggest amendments to the Draft South Yorkshire Digital Infrastructure Strategy

What does this mean for businesses, people and places in South Yorkshire?

If implemented the Strategy would help improve businesses' productivity and competitiveness; address digital exclusion and digital poverty; and make South Yorkshire places more attractive to inward investors and as places to live and work.

Recommendations:

The Board is asked to:

- comment on the Draft South Yorkshire Digital Strategy and suggest any amendments; and
- request that the Draft Strategy be amended to reflect the comments of this Board and a final draft version be brought back to this Board for endorsement.

Consideration by any other Board, Committee, Assurance or Advisory Panel

N/A

1. Background

- 1.1 The consultant Arcadis was commissioned in Summer 2020 to support the Mayoral Combined Authority and partners prepare a South Yorkshire Digital Infrastructure Strategy. A presentation was given by Arcadis at the previous Board meeting setting out the key evidence base and the issues and opportunities which were informing the emerging Draft Strategy.
- 1.2 This report presents the Draft Strategy which has been informed by the views and comments of the Board at the previous meeting. The Draft Strategy is presented for the Board's consideration and comment to inform the drafting of the final version.

2. Key Issues

- 2.1 This Digital 'Infrastructure' Strategy is part of, and covers, one of three key areas of activity critical to providing a strategic approach to addressing the digital agenda across South Yorkshire in an integrated way. The other areas are digital 'skills' and digital 'innovation and business support.' The strategies and actions for delivering them will be developed by the MCA over the next 12-18 months in liaison with partners and stakeholders, and together, will form the three component parts of the holistic approach for driving digital innovation and inclusivity to deliver the Strategic Economic Plan's (SEP) digital ambitions.
- 2.2 The SEP sets out a clear expectation of how digital will contribute to the wider economic and innovation objectives and sets the ambition for the region to "...be recognised as one of the best-connected city regions in the country where coverage, choice, and speed of communication stays ahead of demand and where there is an abundance of multi-skilled, digitally mature individuals to cater for every industry's business needs. Enhanced digital connectivity and skills enable people to use digital applications and solutions to improve their lives and to sustain, grow, and create new businesses"
- 2.3 South Yorkshire local authorities have been working collaboratively for several years to drive the Superfast South Yorkshire Broadband Programme which has now achieved 99% superfast broadband coverage. Similarly, 4G coverage is also nearing 99% across South Yorkshire and this success is on track to be repeated with gigabit broadband availability and 5G.
- 2.4 However, geographic coverage will not be enough; there are a large number of people for whom the problem is not geographic availability but one of affordable access and having the right device and appropriate digital skills. The SEP sets out a very specific ambition for inclusivity to be designed into digital strategies so that nobody risks exclusion from the digital economy and the region will have the skilled workforce it needs to support its economic ambitions

- 2.5 The attached Draft Strategy provides the proposed strategic approach(es) to accelerating the development of a gigabit capable digital infrastructure network across the whole of South Yorkshire. The Strategy includes proposals for public interventions and support which will be required to achieve this overarching strategic ambition. This will seek to put in place the digital infrastructure and connectivity 'foundations' to support the digital inclusive, digital skills and digital business innovation agendas which will be further explored within the MCAs Skills Strategy and Business/Innovation Strategy, once developed.

Key Digital Infrastructure Challenges

- 2.6 There are a range of key challenges that the Strategy seeks to address including:
- The need to replicate superfast broadband success with gigabit broadband connectivity, which South Yorkshire is currently lagging behind the national average.
 - There are c160,000 premises in South Yorkshire that are not currently covered by the industry's 'gigabit-capable' upgrades or publicly announced fibre initiatives.
 - The need for a more consistent regional approach for 5G including ensuring local businesses exploit the benefits of 5G technology, particularly the manufacturing sector.
 - Whilst having 4G available at 99% of South Yorkshire's is a strong achievement it hides a potential rural coverage problem that needs quantifying and addressing.
 - Despite several positive local initiatives (ranging from free connectivity vouchers to free laptops) digital poverty remains a barrier that needs to be addressed, but which will not be resolved simply by making gigabit services available.
 - Whilst there is growing aspiration there is currently no clear Internet of Things strategy for South Yorkshire, which is set to see exponential growth.
 - The region is underweighted in terms of local data centre capacity which will become increasingly important as business dependency on cloud services increases.
 - The growth of South Yorkshire's promising digital sector is compromised by a lack of a clearly articulated narrative and identity.

Vision and Key Strategic Themes

- 2.7 Taking the lead from the Strategic Economic Plan, the proposed draft Vision for the Digital Infrastructure Strategy is:

A Gigabit digital infrastructure that accelerates new social and economic possibilities for all the people and businesses of South Yorkshire

- 2.8 The following five key Goals are proposed to deliver this Vision:

1. Ensure South Yorkshire's superfast broadband and 4G success is repeated for Gigabit broadband and 5G;
2. Support the social and economic priorities set out in the Strategic Economic Plan;

3. Form an inclusive platform that enables better outcomes for all sections of society;
4. Be supported by the Governance and data-driven approach needed to maximise the digital potential of South Yorkshire; and
5. Position South Yorkshire as a centre of applied digital innovation.

Public Assets

- 2.9 One of the objectives of the Strategy development work was also to explore and map the public sector assets and infrastructure that have the potential to be enablers for realising improvements in fixed, mobile and wireless connectivity. Whether through improving connectivity into public sector sites, attracting investment into social housing estates or making public sector sites available to deploy mobile phone installations, the public sector can strategically play a key role and realise benefits for local communities and businesses.
- 2.10 A detailed assessment of public assets was undertaken to understand this enabling potential, so the MCA and local authorities now has access to the following database and mapping and be better placed to engage with the market, attract investment and add evidence based weighting to future funding bids.
- Schedule of Buildings which potentially could support the deployment mobile phone installations (rooftop/greenfield/small cell)
 - Assessment of street furniture sites (principally street lighting and public space CCTV columns) which could potentially support mobile small cell installations.
 - Mapping of GP Surgeries which could potentially support a bid into Government to deliver full fibre connectivity into such sites and leverage further private sector investment into local communities.
 - Mapping of Community Buildings (community halls) which could benefit from improved connectivity by leveraging social value.
 - Mapping of public sector sites within more rural areas of the Combined Authority which could support a future bid into Central Government.

Strategy Implementation

- 2.11 A further key objective of the commission was to identify interventions where actions are needed to implement the Strategy and accelerate the achievement of the Strategy's Vision and Key Goals.
- 2.12 The range of overarching activities to implement the strategy within each 'Key Goal' are set out in the penultimate chapter 'Objectives of the Digital Infrastructure Strategy,' and work is ongoing with partners to develop early deliverable projects.

3. Options Considered and Recommended Proposal

3.1 Option 1

To develop a Draft South Yorkshire Digital Infrastructure Strategy, with strategic policy and delivery options considered through the preparation process.

3.2 Option 1 Risks and Mitigations

The key risks relate to the implementation of the Strategy as follows:

- Local authorities unable to engage fully or support elements of the Strategy's implementation. To reduce this risk, the SFSY Programme Board comprising of representatives from each of the four authorities have been engaged and have inputted to each stage in the Strategy's preparation. Similarly, the SCR Housing and Infrastructure Board (and SCR Infrastructure Board previously) incorporating Members from each authority have provided oversight of the Project and provided comment and a steer at key stages in the Strategy's preparation
- A lack of alignment between individual local authorities on potential contentious issues. As above, engagement with both authority Members and Officers has taken place throughout the Strategy's preparation and any controversial issues have been raised early and responded to, in order to reduce this risk.
- That delivery partners are unable to commit to implementing the Strategy once completed. Also as above, engagement with both authority Members and officers has taken place throughout the Strategy's preparation and any controversial issues have been raised early and responded to, in order to reduce this risk.
- The digital 'Market' evolving so rapidly that elements of the Strategy become outdated and irrelevant. To reduce this risk, the MCA employed a consultant with a wealth of knowledge and experience of the 'Market' and the direction of travel of the digital infrastructure and related sector, which has resulted in a draft Strategy that is up-to-date and informed by the latest national and local policy positions that provides a framework for intervention and actions that are 'future proofed.'
- That there is insufficient public and private funding and investment to implement the Strategy in a timely manner to meet the Strategy's delivery targets. To reduce this risk, work continues with local authority partners to explore issues around implementation of the draft proposals in the Strategy including how to resource them. The MCA Executive and Authorities also continue liaise with digital infrastructure providers in the Market to support them in delivering their roll-out plans to scheduled timescales.

3.3 **Option 2**

To not develop a South Yorkshire Digital Infrastructure Strategy

3.4 **Option 2 Risks and Mitigations**

The key risk with this option is that there would continue to have been no consistent approach adopted across South Yorkshire to address the digital infrastructure challenges over the coming 5-10 years, including not only the Key Challenges set out in para 2.5 above, but also others such as the region's lack of success in secure additional Government funding for full fibre and 5G would not be addressed; thereby,

3.5 **Recommended Option**

Option 1 was the option that the MCA has pursued.

4. **Consultation on Proposal**

- 4.1 The Housing and Infrastructure Board have overseen and contributed to the development of the draft Strategy, as have the Superfast South Yorkshire

Programme Board. The Local Enterprise Partnership will consider the draft Strategy to provide a broader business view of the Strategy, followed by the MCA.

5. Timetable and Accountability for Implementing this Decision:

- 5.1 The Draft Strategy is presented for the Board's comments and suggested amendments. The decision to approve the final document will be taken by the MCA following consideration also by the LEP Board. It is intended for the Strategy to be approved and adopted by the MCA by the end of December 2021.

6. Financial and Procurement Implications and Advice

- 6.1 There are no direct issues arising from this report. However, implementation of the Strategy will require financial and other resources, particularly within the MCA and local authorities, which have not yet been confirmed.

7. Legal Implications and Advice

- 7.1 There are no direct legal issues arising from this report.

8. Human Resources Implications and Advice

- 8.1 Consideration will need to be given to the resources for implementing the Strategy, including the roles and resource requirements of the MCA.

9. Equality and Diversity Implications and Advice

- 9.1 Ensuring digital inclusion for all is a key purpose of the Draft Strategy, aligning with the intentions of the Equality Act and Public Sector Equality Duty and the inclusivity policy approach of the Strategic Economic Plan.

10. Climate Change Implications and Advice

- 10.1 The Covid19 lockdown has shown the importance of good digital connectivity, particularly in relation to enabling people to effectively work from home, where possible; and access public health and other services online. A positive consequence of this has been a reduction in travelling and related pollution. Improved digital infrastructure / connectivity could therefore have a significant role in meeting net zero reduction targets related to transport.

11. Information and Communication Technology Implications and Advice

- 11.1 None as a direct result of this report.

12. Communications and Marketing Implications and Advice. Please also refer to consultation undertaken as per Section 4:

- 12.1 The final approved document is aimed to be published later in 2021 once completed and approved by the MCA. There may be media opportunities related to any interventions being proposed to implement the Strategy.

List of Appendices Included

A Draft South Yorkshire Digital Infrastructure Strategy

Background Papers:

None