

Your Ref:

Our Ref:

Date:

Email:



Alison McCullagh
Chief Executive

Mr William Humphrey MBE MLA
Chair
Public Accounts Committee
Room 371
Parliament Buildings
Ballymiscaw
Stormont
Belfast BT4 3XX

PAC Consideration of NIAO Report on Project Stratum Contract Award and Management

Dear Mr Humphrey

The Members of Fermanagh and Omagh District Council met recently with Mr Kieran Donnelly CB, Comptroller and Auditor General and his colleague, Mr Tomas Wilkinson, to discuss the NIAO findings in respect of its report on Project Stratum Contract Award and Management.

While Fermanagh and Omagh District Council would wish to emphasise the importance of public sector investment in rural broadband services which they see as an essential utility, Members do have some concerns regarding the Department's approach to properties which remain outside the scope of Project Stratum, alongside potential duplication of provision.

During discussion of these matters, Mr Kieran Donnelly CB suggested that the Council may wish to refer its concerns to the Public Accounts Committee given its imminent consideration of the NIAO report. I have therefore attached a copy of the note of the Council's informal meeting on this matter for your reference which highlights a number of the Council's concerns.

I trust that this information is helpful and, should you require further information, please do not hesitate to contact me.

Yours sincerely

A handwritten signature in blue ink that reads 'Kim McLaughlin'.

Kim McLaughlin
Director of Regeneration and Planning

Enc

Copy to: Mr Kieran Donnelly CB, Comptroller and Auditor General

Note of Informal Meeting of Fermanagh and Omagh District Council held on 9 February 2022 at 5pm

Present:

Councillors:

Victor Warrington (Chair)
Alec Baird
Matthew Bell
Stephen Donnelly
Anne Marie Fitzgerald
Mary Garrity
Sheamus Greene

Tommy Maguire
Emmet McAleer
John McClaughry
Donal O’Cofaigh
Paul Robinson
Bernice Swift

In Attendance:

Mr Kieran Donnelly CB, Comptroller and Auditor General
Mr Tomas Wilkinson, NI Audit Office

Officers:

Alison McCullagh, Chief Executive
Kim McLaughlin, Director of Regeneration and Planning

1. To receive a presentation from the Comptroller and Auditor General in respect of the NIAO Report on Contract Award and Management of Project Stratum

In his opening remarks, Mr Wilkinson, acknowledged the significant issues experienced in rural areas in terms of appropriate levels of broadband connectivity and the recognised need for investment to secure improvements. He advised that telecoms and broadband policy was a UK reserved matter and that it was recognised that the Department for the Economy (DfE) could intervene in the event of market failure. Mr Wilkinson referred to the NIAO’s previous report on Broadband Investment in Northern Ireland (June 2021) and noted that the scope of the most recent report related to contract award and management.

With regard to Project Stratum, Mr Wilkinson, advised that the total public investment was in excess of £200m and that the intervention area had been determined using LPS data and telecoms data identifying some 79k premises. Post contract award, it had been confirmed that 2,500 premises within the intervention area would not be reached and, separately, BT had announced that it had either already delivered or was capable of delivering superfast broadband access speeds to 16,000 premises in the Project Stratum intervention area that had been part of its bid and that around 900 premises are no longer in BT’s commercial plans and remain outside the scope of Project Stratum. Finally, Mr Wilkinson referred to the most recent announcements regarding the extension of Project Stratum to an additional 8,500 properties, 6,000 of which had been identified due to errors in LPS data and a further 2,500 hard to reach properties. There remained a range of other properties for which no solution had yet been identified.

Discussion took place during which Members welcomed the NIAO report. Members further welcomed the investment in rural broadband which they considered to be critical to the rural economy and to sustaining rural communities, not least as a result of the withdrawal of many physical services, eg, banks and post offices, which were being replaced by virtual/online provision. During the discussion a number of points and responses were provided as follows:

- (i) Individual properties were outside the scope of Project Stratum despite being located along roads where other neighbouring properties were in scope. This seemed illogical and was a cause of significant frustration for households.
- (ii) Individual properties included within the original intervention area but subsequently removed were still not included in the recent project extension and were being told that a superfast service was available to them by another commercial operator. Many of these homes were not receiving speeds which were being claimed by providers.
- (iii) There was evidence of derelict properties within the district being included within the intervention area yet neighbouring family homes were excluded.
- (iv) Evidence of duplication of provision in some areas, eg, where a business in a local town which moved premises and was offered a high speed broadband connection in advance of the Fibrus connection being made available in that area.
- (v) Absence of co-ordination/collaboration in terms of infrastructural works, eg, streetscape in towns and villages being excavated on two separate occasions just weeks apart by Fibrus and BT.
- (vi) There remained 1,538 premises in the FODC area not included in Project Stratum rollout. 892 of these were served by WISPs and 646 were previously included in BT rollout plans. There was a complete lack of information available to households who were excluded from Project Stratum in relation to the plans of other commercial operators and associated timescales for providing improved services.

Mr Donnelly and Mr Wilkinson welcomed Members' comments and examples of issues on the ground and expressed concern regarding potential duplication of service in respect of Project Stratum overlapping with other existing provision as well as in relation to missing out on properties when the service was in close proximity to neighbours. Mr Donnelly urged Members to submit their concerns to the NI Assembly's Public Accounts Committee in advance of its consideration of the NIAO report.

AGREED: to write to the NI Assembly's Public Accounts Committee in relation to the Council's ongoing concerns regarding Project Stratum.