

## **Guidance for communities on aggregating Better Broadband Subsidy Scheme codes to offset the cost of an enhanced broadband network.**

This guidance is for owners or occupiers of premises who are eligible under the Better Broadband Subsidy Scheme, and wish to work with a broadband provider to co-fund a broadband network in their community rather than use their subsidy code to take up a discounted satellite or 4G broadband connection or to access an existing wireless network.

Under this approach, a local community could agree to co-fund a broadband network with a supplier. Any premise in this community which has a broadband speed of 2Mb per second or less would be able to use their eligibility for subsidy through the Better Broadband Subsidy Scheme to provide a contribution of up to £350 each towards the cost of the enhanced network. The local participants need to cover the remaining costs of the network themselves, in agreement with the supplier.

### **Can suppliers aggregate Better Broadband Scheme eligibility codes to offset the cost of developing an enhanced local broadband network?**

Yes, suppliers can aggregate a group of eligibility codes under the Better Broadband Subsidy Scheme to offset the cost of enhancing a local broadband network **BUT** they can only do so if they are able to install a service within 60 days of receiving an order for an enhanced broadband service from an eligible premise.

### **How does this work in practice?**

A supplier may propose that they work with a community to build an enhanced local broadband network by encouraging eligible premises to individually apply for a subsidy code under the Better Broadband Subsidy Scheme. These individual subsidy codes can be pooled to offset the cost of the build.

Once a community has agreed that they wish to proceed with a community broadband project, the supplier will then plan the infrastructure deployment and provide final details of the confirmed costs to the community.

Once the supplier has completed the main infrastructure work, residents and businesses should apply for an eligibility code from the Better Broadband Subsidy Scheme. If their application is successful each applicant must confirm with the supplier that they wish to use this subsidy to contribute towards the network build costs (the detail on how to complete this step is set out in the information provided to successful applicants). The supplier must then complete delivery of the service within 60 days.

Suppliers are aware that the subsidy codes are only available for specific premises and those codes can only be aggregated if these specific households or businesses make an individual application for a subsidy code and then choose to take up a service from them.

Individual customers are free to choose a subsidised installation from any supplier operating in their area who is registered to deliver the Better Broadband Subsidy Scheme and do not need to choose a service from the supplier who is proposing that a community aggregates their subsidy codes to partly fund the cost of an enhanced broadband network.

**Communities considering aggregating codes to co-fund a broadband network should clarify the following points with the supplier proposing to build the network before making any financial commitment:**

1. Can the supplier provide assurance that they have the resource and capability to develop a broadband network that will be available for premises to purchase a service from before 31st December 2017? This date is important because the scheme is due to close at the end of 2017 and any subsidy codes not claimed by this date will expire.
2. What will happen if there is a delay in deployment which results in eligible premises not being able to benefit from a subsidy code because the scheme has closed before the service can be made available? Communities considering aggregating codes to co-fund a broadband network should clarify with the supplier whether eligible premises will be expected to contribute a further £350 to cover any funding gap, in these circumstances, or whether the supplier will cover any shortfall.
3. Will the supplier proceed with the infrastructure build if not all eligible premises in a specific locality apply for an eligibility code under the Better Broadband Subsidy Scheme? Communities considering aggregating codes to offset the cost of co-funding a broadband network should ask the supplier to confirm how many individual premises would need to apply for a subsidy code to develop the network at the cost they have quoted.
4. Are all other conditions clear and agreed with the supplier, including any further funding which the community is expected to contribute and the commitment of the supplier to maintain the availability of a broadband service in future?

Further information on different types of community broadband projects is available at:

<https://www.gov.uk/government/publications/community-led-broadband-schemes>