YOUR CHOICES

Community Broadband Scotland

Digital Scotland
Community Broadband

HIE
Highlands and Islands Enterprise
Iomairt na Gàidhealtachd 's nan Eilean

YOUR CHOICES

INTRODUCTION

Community Broadband Scotland (CBS) gives communities facing a lack of digital connectivity a choice where otherwise they would have had none.

One of the many choices to make when developing a CBS-funded project is how the network will be designed, built, maintained and managed. There are several different approaches a community can take, all of which have their own advantages and disadvantages.

Due to the rural nature of CBS-funded projects, which often have to serve geographically sparse populations, the networks built generally require a considerable amount of reinvestment and maintenance for comparatively little income. Therefore, it is highly unlikely that a significant profit would ever be derived by a community organisation, regardless of which model is chosen below.

Listed below is a brief summary of the options available to communities considering undertaking a CBS project. Your CBS adviser can help you find the option best suited to your community's circumstances.

COMMUNITY DESIGN, BUILD & OPERATE

The first approach could be described as the most 'hands-on approach' of any of the options. This model involves a community organisation together with a great deal of volunteer effort being supported to design their broadband network. Once designed, volunteers build the network themselves.

Often, this approach is the most cost-effective way of setting up a community broadband project owing to its use of low-cost infrastructure (e.g. attaching relay dishes to scaffolding towers and the use of volunteer labour).There are several types of these networks in Scotland which operate on a small scale.

The community involved usually takes a very 'hands-on' approach to the management, maintenance and billing for the project. Naturally, this requires a large pool of volunteers who have

the time and the willingness to receive the training necessary to maintain a broadband network.

However, the turnover generated by some of the larger of these projects can occasionally contribute towards volunteer expenses.

SUPPLIER DESIGN, BUILD WITH COMMUNITY OPERATION

In this model, a community has procured a supplier, who designs and builds their broadband network on their behalf. However, the community own and run the network. These models are often more physically robust because the contract has been let on a professional basis and is not dependent on the availability of installation equipment to volunteers. Another advantage of this model is that it can enable much larger networks to be created where appropriate. In the vast majority of cases, a full European procurement exercise will be required due to the value of the contract (see 'State Aid & Procurement' guidance). This means that this model will often take longer than the community design, build and operate.

From a community perspective, one key benefit is that the turnover generated by the broadband network flows directly back into the community organisation. For larger projects, it is occasionally possible for a small number of jobs to be created (e.g. to maintain and manage the network, deal with troubleshooting, billing, maintenance and new customer installations). Most of the time, these jobs are located with the local area.

However, the statutory requirements of acting as an internet service provider (ISP) for either this or the above model are fairly demanding. CBS has created a helpful reference guide to explain these requirements in more detail (see 'Responsibilities of being an ISP' available on the CBS website).

SUPPLIER DESIGN, BUILD & OPERATE

In this example, a community will have opted for a less 'hands-on' approach. They have procured a professional supplier who will design, build and operate the network and will undertake all of the administrative functions required to provide a broadband service to community users. This approach requires the least amount of volunteer input as well as transferring many of the

responsibilities outlined in the above two models to the supplier.

This model is often the preferred solution for larger networks that require more regular support and ongoing management. This approach is usually not feasible for smaller projects as commercial suppliers find it difficult to provide a financially sustainable service to a small number of customers.

In this model, the community retains ownership of their network but the responsibility of running it is given to a supplier on a fixed-term basis (e.g. five – seven years). After this contract has finished, the community can decide to continue with their current supplier, appoint a different operator, or run it themselves, subject to any update of the technology required.
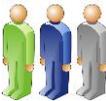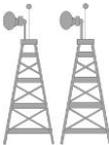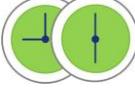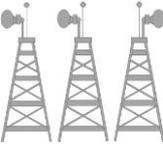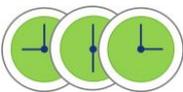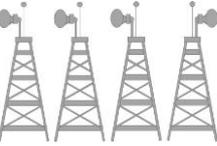
From a user's point of view, their principle relationship will be with the supplier that the community has contracted. Therefore, the community group's role is likely to be that of a contract manager and as such, they will have less control over the day-to-day operation of the network that they own. In some cases, it is possible that the contract allows for a very small income to be received by the community group.

BIG vs. SMALL

Put simply, the more users that are subscribed to a broadband network, the more likely it is to be financially sustainable. For this reason, communities often join forces to combine many smaller projects into one large project, often known as an 'aggregated project'.

For these aggregated projects, the operating model almost always includes commercial suppliers building and operating the network as it is simply too large, complex and time-consuming a project to reasonably expect a volunteer community group to undertake.

Aggregated projects usually require one over-arching legal entity to be created, with representation from each of the member communities feeding into the governance of the entity. Whilst this approach has many benefits with regards to financial sustainability, it is also worth noting that your community will inevitably become one voice amongst many.

Model	Size of Network	Cost	Degree of Control	Volunteer Effort & Responsibilities	Timescale
Community Design, Build & Operation		**£**	Full		
Supplier Design, Build & Community Operation		**££**	Full		
Supplier Design, Build & Operation		**£££**	Limited		
Aggregated Projects		**£££**	Limited		