



**Local Full Fibre Networks Programme
Gigabit Broadband Voucher Scheme
Supplier Bulletin #32
24 April 2020**

Introduction

This bulletin provides an update about the status of the Scheme and its funding as well as information concerning the temporary scheme terms introduced to support suppliers and beneficiaries during the COVID-19 situation. Please read it carefully and make sure you bring its contents to the attention of relevant colleagues.

Scheme Funding

We undertook to provide regular updates about the remaining value of the LFFN fund. At 21 April 2020, the Scheme has delivered over 22,200 connections supported by vouchers with a value of around £48.5m. Just under £3m remains available for new vouchers to be issued supported by this fund.

From the rural part of the scheme, around £15.6m of funding is committed; this is part of the £200m Rural Gigabit Connectivity programme.

Suppliers are strongly advised to focus their attention on developing projects which qualify for the ongoing Rural Gigabit Voucher part of the scheme which is where BDUK is focusing its efforts.

COVID-19 Scheme Terms Amendments

Through Bulletins 29 and 30, we introduced a number of temporary amendments to the Scheme terms and conditions to reflect the challenges in the current operating environment. Bulletin 31 provided only an update on voucher take up. In this bulletin, we are introducing a further amendment in response to feedback from registered suppliers. We are also setting out details of the notice we will provide for the reinstatement of the normal terms and conditions at the appropriate time.

New Amendment: Beneficiary Contracts

Core terms part B, clause 7.3 sets out that:

“Each Beneficiary Contract must be in writing and have a minimum contract period of 12 months and no free periods and/or discounts against standard monthly (recurring) charges may be offered to Beneficiaries.”



With immediate effect, we have temporarily amended this clause by adding the following qualification:

"During the COVID-19 situation suppliers may permit Beneficiaries of the Scheme to take a payment holiday or reduced cost terms for the consumption of broadband services. Suppliers who chose to do so, must notify the Authority that they have done so within 10 working days of any such instance. Failure to notify the Authority of the use of any special terms for Beneficiaries, will constitute a breach of these terms and conditions and will lead to the initiation of the Issue Escalation Procedure. The payment holiday or special terms must be for no more than 90 days from their effective date and cannot be advertised in any way. For the purpose of clause 7.3 this means that free periods and/or discounts may be permitted in the circumstances described; however, each Beneficiary Contract must still be in writing and have a minimum contract period of 12 months."

Suppliers who wish to inform us that they have made use of this amendment, must do so using a form we have made available to signed in users on the Scheme website. Please use the following link to access the form:

<https://gigabitvoucher.culture.gov.uk/supplier-self-service/beneficiary-terms-amendment/>

We may end the right of suppliers to permit new special terms for beneficiaries on 5 working days notice (at which point clause 7.3 will apply in full), provided that such notice will not affect special terms that have previously been notified to us or are notified to us prior to the expiry of the 5 working days notice period.

Previously notified COVID-19 amendments - Reinstatement notice periods

The Authority wishes to clarify when it may end the temporary amendments to the Scheme terms and conditions it has made to support suppliers and beneficiaries during the COVID-19 situation. It will do so by providing the following notice periods in respect of each of the amendments made:

Bulletin 29 Amendment:

12 Months to deliver (clause 10.2) - we advised suppliers that we would not cancel vouchers that were not claimed within 12 months of the date of voucher issue and that clause 10.2 is suspended. Unless we provide any further extension as described below, we will reinstate this clause by providing 28 days notice of our intention to do so.

Throughout this period, we encourage suppliers to continue to deliver all new connections supported by vouchers as soon as possible. Where it is not possible to claim a voucher during the 28 day notice period we will provide an opportunity for suppliers to seek a further extension to the deadline for delivery when this notice is given. Suppliers may seek extensions now if they have certainty about a revised delivery date beyond the current 12 month period for a voucher. Please note that only one extension is permitted per voucher.



Bulletin 30 Amendments:

- **28 days to validate a voucher request** (clause 9.3) we have temporarily increased this timescale to 60 days before we cancel the voucher request. We will reinstate the original terms by providing 14 days notice.
- **28 days for the beneficiary to confirm that a new connection has been delivered** (clause 9.5) increased from 28 days to 60 days (after this period unvalidated claims may be cancelled at our discretion). We will reinstate the original terms by providing 14 days notice.
- **Audit requests** (clause 12.2) the number of working days suppliers have to respond to requests to provide evidence of costs increased from 5 to 10 working days. We will reinstate the original terms by providing 5 working days notice.
- **Dispute response time** (operational) - the period of time provided for suppliers to respond to disputed voucher requests increased from 5 to 10 days. We will reinstate the original terms by providing 5 working days notice.

For clarity: all of the temporary amendments we have communicated as part of our response to the COVID-19 situation in bulletins 29, 30 and this bulletin remain in place at the present time. The reinstatement of the relevant original terms and conditions will apply subject to the notice periods set out above and will not affect the application of any of the temporary terms in accordance with the relevant bulletin prior to the reinstatement.

Given the nature of the COVID-19 situation we reserve the right to make further temporary amendments to the scheme terms and conditions in future bulletins.

Suppliers in Distress

We are acutely aware that this is a challenging time for many businesses. DCMS has established a team and an approach to help companies who service our sectors and find themselves in particular distress; that is those companies who have exhausted all other options for support and indicate they are close to failure.

This team will work with us to assess what options might be available for support, whether direct financial support through the Treasury's programmes, or other measures, as appropriate. Additionally and as a last resort, HM Treasury has provided a route by which we may escalate into the HMT process for financial support.

If you wish to contact us about this only please email us at LFFNSuppliers@culture.gov.uk - all approaches will be treated in the strictest confidence. Please do not use this email address for other queries except for withdrawal from the Scheme. You may also contact DCMS's Covid-19 response team directly at telecoms.covid19@culture.gov.uk.

If you have any other questions about the Scheme please contact us **only** using the Support function when signed into the website.