

Chairman's AGM Report 2018

CMNet is now five years old and in December it will be four years since the first subscribers joined.

There has been no increase in backhaul capacity in the past year; our two ADSL lines provide a combined bandwidth of 150 Mbps. The number of subscribers has increased by 5 to 40 with an average usage of 61 GB per subscriber per month. This year has seen another doubling of usage over the previous year. The total monthly usage is now around 2,400 MB last year it was 1,100 GB and the year before that 500 GB.

This increase in usage has not required an increase in backhaul capacity and so we have again been able to reduce quota charges for year five by a third. The year five tariff comes into effect on the 1st December 2018 and has been set at a fixed charge of £5 per installation plus a variable portion at £1 per 20 GB. Any surplus income will be set aside so we can replace or upgrade equipment as and when required.

A year ago we had net assets of £4,785; by the end of August 2018 this had risen to approximately £8,800 (please note this figure will change after the final accounts have been reviewed and the deferred income pool has been calculated and apportioned).

As has happened in previous years we have found ourselves being distracted from developing the system by various government initiatives:-

R100 (Reaching 100%)

In the first part of the year we were involved in the Scottish Government's R100 initiative to provide fast broadband to 100% of premises. Initially we were given the option of applying to be recognised as a service provider by the R100 team. However the amount of information requested was way beyond what we could produce in the time available. We then received a series of conflicting messages from the R100 team and CBS as to whether we would be considered as a supplier. In the end we decided the only sensible approach was not to apply to be recognised as a service provider by the R100 team. This means that other providers are free to come into the area and apply for government funding to set up a rival service to CMNet. There should be a decision about funding in our area by spring 2019 with delivery by 2021. However it now seems likely that R100 will not be able to deliver superfast speeds for the original estimate of £600 million. CMNet directors have committed to provide a service up to spring 2019.

There is more information about the R100 initiative on our website.

The demise of CBS

Whilst trying to get to grips with R100 we were also informed that CBS was to be reduced to a skeleton service and that we would need to submit all outstanding funding claims by the end of 2017, fortunately this was subsequently revised to the end of March 2018. For us to be able to make our final claim against our CBS grant we had to get written commitments from all potential subscribers, complete the outstanding physical network design and create a shopping list of every item we thought we would need down to the last nut and washer. As the grant monies are only paid on presentation of invoices we then had to buy all the items on our shopping list. Only when this was completed could we submit our claim and obtain the payments from CBS. This was a major distraction to other progress. Our final group of claims totalled approximately £15,000. In total we spent £35,816.68 of

our £37,538 grant which will provide a connection for 76 subscribers at an average cost of £471 per subscriber. We asked CBS if it would be possible to extend our grant end date beyond March 2018 but received no reply.

GDPR

On the 25th May the General Data Protection Regulation came into force. We started work on the GDPR in February when Joe attended a course. To comply with the new act we had to create a data protection policy, list all the personal data items we hold and then get subscribers and potential subscribers explicit agreement to hold their information. This last step involved numerous emails, reminders and phone calls. As the deadline arrived three people had still not given us written permission to hold their data and so they were deleted from CMNet records and will not be connected.

Statutory Reporting - A considerable effort is required to produce the annual accounts and tax returns for HMRC and Companies House as well as the documentation for the AGM. This cannot be avoided and we are trying to streamline the process so it is less time consuming. The workload to produce the returns for Companies House and HMRC was greatly increased as we were badly let down by the accountant and had to produce all the figures ourselves at very short notice.

Other topics:-

Long term support plan

We need to increase the number of people that can support the system as it is not feasible to always have one of the directors available for support in the long term. Although we are very grateful to all those that volunteered the number of volunteers was disappointing. We felt it would be too much to ask such a small number of volunteers look after the entire system on behalf of all subscribers. It was therefore decided to install duplicate equipment in key locations and use software to detect and bypass problems where this is feasible. In due course we will provide the volunteers with software and training so they can support their own installations; they will not be expected to support other subscribers.

Electricity supply

We changed electricity supplier this year which has further reduced costs.

Directors:-

There have been no changes to the directors in the past year.

Here is a breakdown of “progress” by area:-

Achmore - Three new subscribers were connected this year.

Fernaig - One new subscriber was connected this year.

Ardaneaskan - The access point in Ardaneaskan has been rebuilt to use stainless steel fittings and was re-aligned to provide access for Craig.

Craig - One subscriber has been connected but is showing intermittent interference which we believe is due to the rise and fall of the tide.

Lochcarron - Testing of the line has shown it is of poor quality and unable to deliver more than 40 Mbps download and 10 Mbps upload.

Portchullin, North Strome, Leacanashie, Strome Ferry and Ardnarff - No progress this year but the new relays on Creag Mhaol will be used to provide a signal.

Creag Mhaol - Work has started on the two new relays and power distribution network.

Backhaul No change in the past 12 months but given the growth in usage in the past year it is anticipated that we will install a third line, preferably from the new Achmore cabinet when it is available.

Subscriber's Bandwidth - Although the equipment has the capacity to increase subscriber's bandwidth we have not increased beyond 29 Mbps download and 14 Mbps upload. As new technologies become available with higher backhaul speeds we will review subscribers' speeds.

If the Lochcarron line performance cannot be improved to match the Plockton line we will have to introduce measures to balance throughput based on subscribers needs until a third line is installed.

Equipment - The hardware continues to perform well; we have had one exterior antenna fail and two interior routers. There is an ongoing problem with apparently random spontaneous reboots of a few internal routers. We have evaluated alternative units to replace the internal routers and these will be installed as required.

CMNet Software - We have had a few problems with our home grown software this year, this was traced to a rogue process on the server PC. Since this has been removed there have been no problems with our software.

There are many people to thank for their efforts in the past year:-

I would like to thank Fay Mackenzie who has so kindly given us permission to use Creag Mhaol and The Glen for our relays.

Thanks to Roger Hornby, Dave Whittingham and Beccy Smith, Ken Hopper and Robin Blamey for their help in Ardaneaskan. Thanks are also due to Andrew and Emma MacKenzie who are hosting equipment which allows us to connect to the BT exchange in Lochcarron.

I would like to thank everyone who has given a loan to CMNet, without your funds we would not have been able to get CMNet off the ground. All loans have now been repaid.

I would also like to thank all our potential subscribers for being patient.

Finally I would like to thank my fellow directors who have all freely given their time and expertise.

Please accept my apologies if I have missed anyone off this list.

I hope next year we will be free of distractions and be able to make good progress on installations.