

## **Superfast Northamptonshire**

# **Open Market Review**

Request for information on broadband infrastructure provision

17th November 2015



### **Document and version control**

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#### **BROADBAND - OPEN MARKET REVIEW (OMR)**

#### SUPERFAST NORTHAMPTONSHIRE

#### REQUEST FOR INFORMATION

#### 1. INTRODUCTION

The Northamptonshire Next Generation Strategy sets out the county's ambition to secure access to Superfast broadband for all businesses and residential premises by end of 2017.

This strategy is being delivered through the Superfast Northamptonshire project which is overseen by a cross-sector Partnership Board and led by Northamptonshire County Council.

#### 2. **GEOGRAPHICAL SCOPE**

The Overall Geographic Area (OGA) of the project consists of the postcodes and premises located within the county boundary of Northamptonshire as shown in Figure 1.

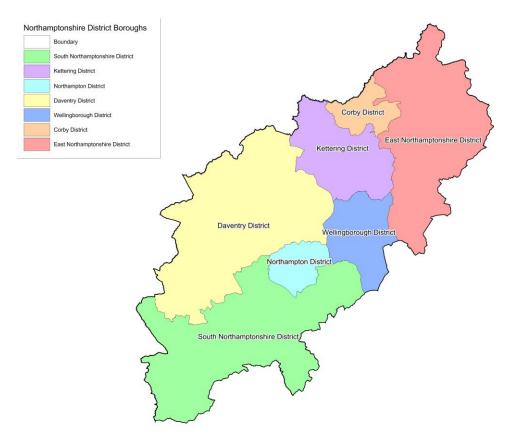


Figure 1: Northamptonshire District Boroughs Boundaries

To be consistent with previous initiatives under the Superfast Northamptonshire project, this border is outlined using the Ordnance Survey Boundary Line data dated October 2012.

The complete list of premises and postcodes that constitute the OGA is available as an attachment to this OMR request. This list of premises and postcodes has been extracted from the September 2015 release of Ordnance Survey AddressBase Premium.

At this point in time, the area in scope of the Open Market Review for the purpose of determining commercial interest consists of the complete county area. The County Council intends to clarify the areas in scope of the forthcoming procurement for Stage 3 of the project in the Invitation To Tender (ITT) documentation.

At the time of publication of this request only premises located within the boundary of the county area are in scope of the project.

Based on AddressBase Premium September 2015 data, the OGA is composed of 319,647 premises. After dismissal of all entries corresponding to non delivery point addresses (including PO Boxes) the area contains 308,249 residential premises and 11,398 non-residential premises.

#### 3. PROGRESS TO DATE

Following the approval of its Local Broadband Plan by BDUK¹ in December 2011, Northamptonshire County Council has completed two procurements to progress its implementation, both using the BDUK Broadband Infrastructure Framework. The first commenced in October 2012 and resulted in the appointment of BT in March 2013 under a BDUK Framework Call Off Contract. This will extend the coverage of Next Generation Access (NGA) infrastructure to approximately 90% of premises in the county by the end of 2015, when combined with current and planned commercial deployments. An OMR process and State Aid Public Consultation was undertaken in summer 2012 to inform this procurement process.

The second procurement commenced in late June 2014 and resulted in a second contract with BT in November 2014. An OMR process was concluded in May 2014 and the State Aid Public Consultation on the proposed Intervention Area was completed in June 2014. This Contract takes plans for superfast broadband coverage to c. 96% of premises in the county by December 2017, when combined with existing and planned commercial coverage and the project's Stage 1 deployment.

Information on the outputs from these two Contracts with BT can be viewed on the project website at www.superfastnorthamptonshire.net 'Working with BT'.

An interactive 'When and Where' map also provides further information on the expected deployment plans for superfast broadband in the county, including a postcode search facility. This, is available on the project's website at <a href="http://superfastnorthamptonshire.net">http://superfastnorthamptonshire.net</a> and will continue to be updated as plans progress.

In addition to the fibre deployment plans under Contract with BT, the County Council is pursuing other initiatives under the Superfast Northamptonshire project to extend superfast broadband plans further towards its full coverage target by the end of 2017.

In particular the County Council intends to run a new public procurement. This will not be tendered under the BDUK Framework which has now expired and instead will be advertised in the Official Journal of the European Union (OJEU). The County Council is currently finalising considerations for funding commitments to support this new procurement and the extent of funding will be confirmed in advance of the release of the ITT. Funding in the first instance is expected to be sourced from the County Council and BDUK.

The County Council currently intends to release an ITT in early 2016, after completion of this OMR and consequent State Aid Public Consultation and approvals for the area of intervention. The timing of the release of the ITT is wholly dependent on the latter.

<sup>&</sup>lt;sup>1</sup> Broadband Delivery UK is part of the Department of Culture Media and Sport leading on the Superfast Britain Programme

#### 4. PURPOSE OF THIS OMR

This OMR is intended as a precursor to the formal State Aid Public Consultation document which will set out expected commercial deployment plans and, in doing so, will identify those areas of expected market failure. The latter will form the eligible Intervention Area for public investment through the Superfast Northamptonshire project. The OMR, in contrast to that Public Consultation document, is not a specific requirement under the European Commission's Broadband Guidelines.<sup>2</sup> However, we consider that early market engagement at this stage is an essential and extremely important part of our early market research to ensure that the full extent of existing and planned commercial coverage is effectively documented.

The results of the OMR will assist us with understanding the broadband infrastructure (basic broadband and Next Generation Access (NGA)) already in place and where there are commercial plans for investment in such infrastructure in the coming three years to end December 2018.

We strongly encourage all suppliers with existing or planned infrastructure to respond to this OMR. The County Council will consult on the scope of these commercial plans with a view to define the eligible area for public intervention. Areas with no existing or credible planned commercial coverage, and which also are not part of planned deployment through Contracts with BT for Stages 1 and 2 of the project, will be the focus of the new procurement to extend coverage of Superfast Broadband.

#### 5. YOUR RESPONSE REQUIRED

Atkins has been appointed by the County Council to provide technical advice in support of the Superfast Northamptonshire project. Atkins is managing the OMR process on behalf of the County Council.

This OMR is being sent to all known broadband infrastructure and internet providers in the county of Northamptonshire. However, any providers with commercial plans to build broadband infrastructure in Northamptonshire by December 2018 are invited to respond. In addition, the OMR document has been published on the County Council's website<sup>3</sup>.

Responses to the questions set out in the Annex are required by 5pm on **Friday 18**<sup>th</sup> **December 2015**.

A full OMR response template incorporating a spreadsheet with all of the premises within the OGA will be released to providers once the attached Ordnance Survey PSMA Contractor licence has been signed and returned to <a href="Chris.Bond@Atkinsglobal.com">Chris.Bond@Atkinsglobal.com</a>. This is a requirement of the County Council's license with Ordnance Survey in order to share the base data with suppliers. Please ensure that the relevant company details are provided where highlighted in the Contractor license document before returning.

When submitting your Open Market Review return, we would be grateful if you could confirm your organisation's name and address, as well as the name, position and contact details of the person responding on behalf of the organisation.

<sup>2</sup> EU Guidelines for the application of State aid rules in relation to the rapid deployment of broadband networks (2013/C 25/01)

<sup>3.</sup> http://www.northamptonshire.gov.uk/en/councilservices/Council/consultations/Pages/default.aspx

#### Please send your responses to:

Chris Bond Consultant, Communications Atkins

E: chris.bond@atkinsglobal.com

Please note that the base data relating to your response, and any information that you provide in support, will be kept confidential to Northamptonshire County Council and Atkins as its appointed advisors, albeit that it may be necessary to share some/all of your response/supporting material with our legal advisors and/or DCMS/BDUK, Ofcom, BIS State Aid Branch and the European Commission in the course of seeking State aid approval for our local broadband project. The sharing of such information will be managed under Non-disclosure Agreements to assure commercial confidentiality.

It should also be noted that it is a State aid requirement to utilise this information to produce State aid maps to define white, grey and black areas<sup>4</sup> for basic and NGA broadband. Areas where there are no qualifying NGA networks present that deliver download speeds of at least 30Mbps will be classified as NGA white. These maps will be published as part of the Public Consultation process and will be utilised to define the eligible Intervention Area. However, please note that these maps will be assimilated utilising data from all relevant operators and will not be directly attributable to a single source.

If you have any questions about any of the above, please contact Chris Bond on 0141 220 2024, or by email at <a href="mailto:Chris.bond@atkinsglobal.com">Chris.bond@atkinsglobal.com</a>.

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<sup>&</sup>lt;sup>4</sup> <u>From footnote 2, Paragraph 58:</u> "NGA networks are understood to have at least the following characteristics: (i) deliver services reliably at a very high speed per subscriber through optical (or equivalent technology) backhaul sufficiently close to user premises to guarantee the actual delivery of the very high speed; (ii) support a variety of advanced digital services including converged all-IP services; and (iii) have substantially higher upload speeds (compared to basic broadband networks). At the current stage of market and technological development, NGA networks are: (i) fibre-based access networks (FTTx) (72); (ii) advanced upgraded cable networks (73); and (iii) certain advanced wireless access networks capable of delivering reliable high speeds per subscriber (74)"

<sup>&</sup>lt;u>Paragraph 66:</u> "White areas' are those in which there is no broadband infrastructure and it is unlikely to be developed in the near future. The Commission targets for the DAE aim for a ubiquitous coverage of basic broadband services in the EU by 2013 and of at least 30 Mbps by 2020."

#### **ANNEX**

1. Please provide details and supporting evidence of any current or planned investment in broadband infrastructure (basic broadband and NGA broadband) in Northamptonshire. Please refer to the latest <a href="MGA Technology Guidelines">MGA Technology Guidelines</a> from BDUK for details of the criteria used to assess NGA capabilities.

In the case of planned investment, we are particularly interested in plans for the coming three years up to the end of December 2018 (by date). However, any firm plans for years beyond that would also be of interest. Any information provided should include but need not be limited to:

- Detailed maps for basic broadband and NGA broadband showing the existing coverage and separately maps detailing the planned investment in the basic broadband and NGA infrastructure networks for at least the next three years (please refer to the Technology Guidelines (Footnote 5);
- Exact details of current premises passed or covered, and those planned to be
  passed or covered in the period up to December 2018 (please refer to the
  OMR Response Template). In partially covered postcodes, this should
  provide clarity on which premises within that postcode are covered or planned
  to be passed. For NGA, these premises should reasonably be expected to
  benefit from access to superfast broadband (access to minimum download
  speeds of 30Mbps) as a result of NGA deployment (i.e. meeting minimum
  standards set out in the Technology Guidelines and not simply being
  connected to NGA infrastructure);
- Details of the technology;
- Description of the services/ products currently offered and separately those to be offered within the next 3 years;
- Installation and rental tariffs for those services/products clearly identifying whether they are inclusive or exclusive of VAT;
- Upload and download speeds typically experienced by Customers;
- Appropriate indicators of quality of the service e.g. contention ratio or bandwidth allocation per customer;
- Details and timing of roll-out for future investment by year; and
- Confirmation from an authorised signatory that all information provided is of suitable accuracy.

Please supplement with other supporting evidence as you deem necessary e.g. public websites.

<sup>5 &</sup>quot;Guidance: The role of Next Generation Access technologies in addressing superfast broadband market failure under the UK's State aid scheme" – BDUK – August 2013

https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/379762/State\_aid\_-\_Guidance\_-\_Technology\_Guidelines.pdf