



Get faster broadband
**Superfast
Leicestershire**

**OPEN MARKET REVIEW (OMR) PHASE 2
SUPERFAST LEICESTERSHIRE
REQUEST FOR INFORMATION**

28th July– 29th August 2014

1. INTRODUCTION

Leicestershire County Council (LCC) (as Local Body lead) and Leicester City Council are working to deliver a project which aims to ensure the availability of Basic Broadband (2Mbps and above) to all premises, and superfast broadband connectivity to at least 95% of premises in the Council areas. Both targets are to be reached by 2017, with Leicestershire County Council has established a further target of NGA Broadband (minimum 30Mbps) capability to all business and residential premises in Leicestershire by 2018.

The delivery of superfast broadband across Leicestershire is viewed as critical to the growth of our economy and will help improve the quality of life for all Leicestershire and Leicester residents. This ambitious plan covers the Leicestershire County area including 7 District Councils and by the area administered by Leicester City Council. The integrated commissioning partnership, which includes the Leicester and Leicestershire Enterprise Partnership, is further supported by our 7 MPs and has been developed with input from local businesses and communities. To demonstrate the commitment of partners it is backed by a multi-million contribution (capital and revenue) to deliver on the County Council's vision to secure superfast broadband connectivity to all Leicestershire premises by 2018, subject to securing necessary funding. Leicestershire County Council is leading this programme on behalf of partners. Leicestershire has a broad business base with significant economic growth potential – ranging from home-based businesses to large development sites. Strong, active communities are leading the push for superfast broadband within their respective areas and many have conducted local demand surveys. Public sector organisations are committed to transforming services to make best advantage of new digital technologies. We have established a strong partnership able to deliver our vision for a superfast Leicestershire. Leicester and Leicestershire communities, businesses and public sector organisations have ambitious plans to ensure our County is vibrant, attractive, thriving and sustainable. Superfast broadband rollout is an essential infrastructure which will help us realise our vision.

Vision for Broadband in Leicester and Leicestershire

Our Vision for Leicestershire is to deliver superfast broadband to all Leicestershire premises by 2018, subject to securing necessary funding, through either a prime contractor or a sustainable community-led or commercial solution. Leicester City's priority is to secure superfast broadband to meet future business needs.

Our broadband aims

- Ensure access to significantly faster broadband for every business and community by 2018 across Leicestershire;
- Deliver competitively priced broadband services through an open access network attracting, where possible, a wide range of retail service providers;
- Unlock Leicester and Leicestershire's economic growth potential, deliver digital inclusion and transform access to public services through the effective use of digital technologies, including securing £92m economic growth in Leicestershire by 2021 through public investment in superfast broadband.
- Close the Digital Divide between rural and urban areas in Leicestershire;
- Work with public and voluntary sectors to deliver digital inclusion and transform access to services;
- Ensure deployment supports our ambitious environmental sustainability targets – including cutting carbon and improving the environment.

Core partners

The core partners are the top-tier authority together with the District Councils and community groups/representatives:

- Leicestershire County Council (Local Body lead)
- Leicester City Council
- Leicester and Leicestershire Enterprise Partnership
- Blaby District Council
- Charnwood Borough Council
- Harborough District Council
- Hinckley and Bosworth Borough Council
- Melton Borough Council
- North West Leicestershire District Council
- Oadby and Wigston Borough Council
- Community-led broadband groups

2. GEOGRAPHICAL SCOPE

The project Overall Geographic Area (OGA) encompasses all the postcodes and premises within the boundaries of Leicestershire and City of Leicester. The OGA and the District Borough boundaries are shown below in Figure 1.

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

The complete list of postcodes and associated premise counts (residential and non-residential and excluding PO boxes) that constitute the OGA is available as an attachment to this OMR request. This list of postcodes has been extracted from the April 2014 release of OS CodePoint data.

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 area administered by the County Council and City Council. The County and City Council intends to clarify the areas in scope of the forthcoming procurement in the Invitation To Tender (ITT) documentation.

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

Based on Codepoint April 2014 data, the OGA is composed of 20,559 postcodes. After dismissal of all entries corresponding to PO boxes the area contains a total of 432,861 premises, of which 412,797 are residential premises and 20,064 are non-residential premises.

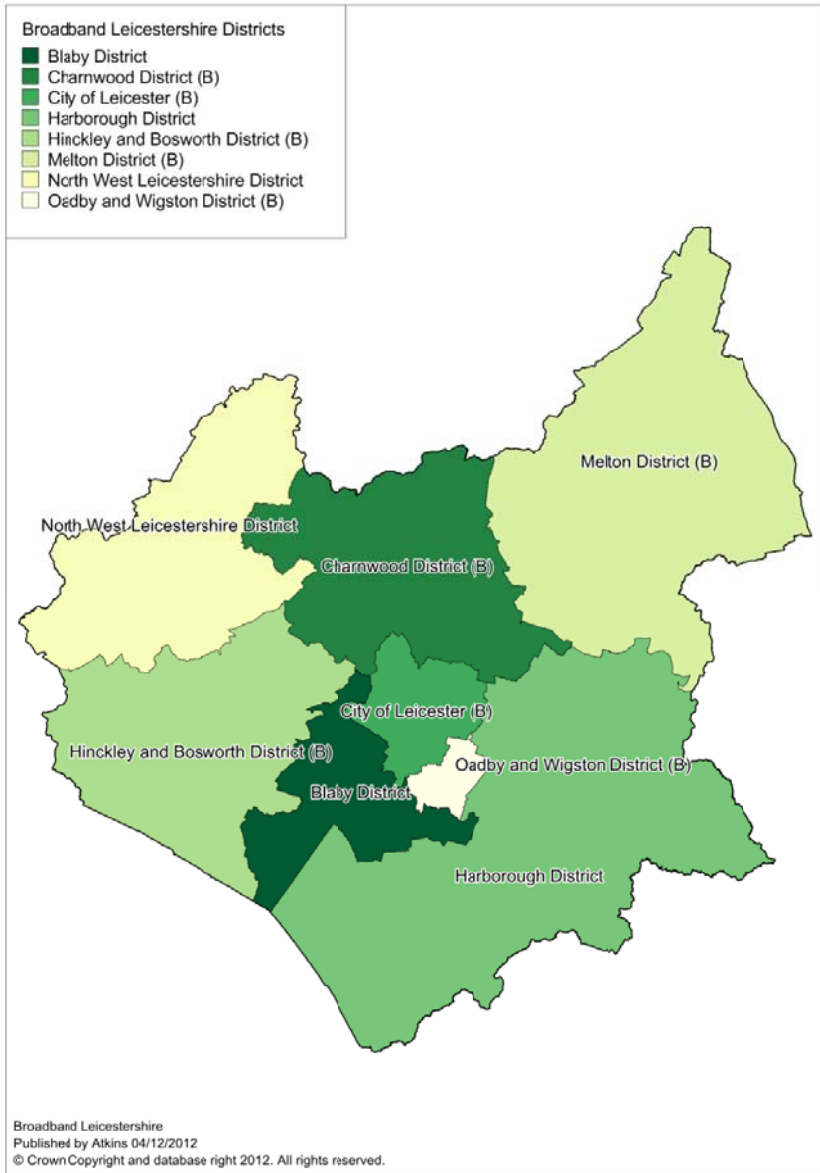


Figure 1. - Leicestershire County Council Districts and City of Leicester boundaries

3. PROGRESS TO DATE

Leicestershire County Council (LCC) set out their outline broadband strategy in their Local Broadband Plan, which was approved by BDUK in May 2012. [A redacted version of this is available at http://www.superfastleicestershire.org.uk/wp-content/uploads/2014/03/1.-Leicestershire-Local-Broadband-Plan-April-2012.pdf](http://www.superfastleicestershire.org.uk/wp-content/uploads/2014/03/1.-Leicestershire-Local-Broadband-Plan-April-2012.pdf). Following which, LCC entered into procurement for its implementation using the BDUK Framework in May 2013. This procurement resulted in the appointment of BT in August 2013. This will extend the coverage of Next Generation Access (NGA) infrastructure to approximately 96% of homes and businesses in Leicestershire by the end of March 2016, when combined with current and planned commercial deployments. It is expected that 93.9% of premises will be able to access superfast speeds of 24Mbps. Current superfast broadband deployment in Leicester City is 91.9%. Through the current BT contract due to limited government investment a small improvement in coverage is planned.

It is currently estimated that c.18,000 premises in Leicestershire and c.11,000 premises in Leicester City are not scheduled to receive superfast broadband through the commercial and publicly-funded rollout.

Leicestershire County Council is pursuing other initiatives under the Superfast Leicestershire project to secure additional superfast broadband coverage over and above the expected coverage through this joint partnership with BT, including new commercial and community-led solutions. Information on when superfast fibre broadband will be available on the project website at <http://www.superfastleicestershire.org.uk/>.

Leicestershire County Council intends to run a new procurement on the BDUK Framework to further extend coverage of superfast broadband. Leicestershire County Council and the City of Leicester are currently finalising considerations for funding commitments to support this new procurement. 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, BDUK and the Local Growth Fund, administered by the Leicester and Leicestershire Enterprise Partnership. The potential public sector funding package is outlined below.

	Leicestershire	Leicester
BDUK	£3.7m	£1.4m
Leicestershire County Council	£1.7m	n/a
Leicester City Council	n/a	£300,000
Local Growth Fund (through Leicester and Leicestershire Enterprise Partnership)	£2m	£1.1m
Total	£5.4m	£2.8m

Furthermore, Leicestershire district councils are being invited to invest to increase superfast broadband coverage further.

The County Council currently intends to release an ITT in December 2014, after completion of this OMR and consequent State Aid public consultation and approvals.

4. PURPOSE OF THIS OMR

This OMR is intended as a precursor to the formal public consultation document which will set out expected commercial deployment plans and, in doing so, will identify those areas of expected market failure which will form the Intervention Area eligible for public investment by Leicestershire County Council. The OMR, in contrast to that public consultation document, is not a specific requirement under the European Commission's Broadband Guidelines.¹ However, it is considered that early market engagement at this stage is an essential and extremely important part of our early market research.

The results of the OMR will assist the city and county councils with understanding the broadband infrastructure (basic broadband and Next Generation Access (NGA)) already in place and where there are plans for investment in such infrastructure in the coming three years to end July 2017.

¹ [Community Guidelines for the application of State aid rules in relation to rapid deployment of broadband networks \(2013/C 25/1\)](#)

Leicestershire County Council strongly encourages all suppliers with existing or planned infrastructure to respond to this OMR. LCC will consult on the scope of these commercial plans with a view to defining the eligible intervention area for public intervention. Areas not covered commercially 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 Leicestershire project. Atkins is managing the OMR process on behalf of the County Council.

This OMR is being sent to all recognised broadband infrastructure and internet providers in Leicestershire and Leicester City. In addition, the OMR document will be published on our website at www.superfastleicestershire.org.uk.

Responses to the questions set out in the Annex are required by **Friday 29th August 2014**. When responding, 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.

Please send your responses via e-mail to:

Simon Bryan
Consultant, Communications
Atkins
simon.bryan@atkinglobal.com

Please note that the base data relating to your response, and any information that you provide in support, will be kept confidential, 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 State Aid requirement to utilise this information to produce State Aid maps to define white, grey and black areas for basic and NGA broadband.² Depending on responses received areas may also be defined as "grey conditional". These maps will be published as part of the Public Consultation process and will be utilised to define the 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 Simon Bryan on telephone number 0141 220 2059, or by e-mail at simon.bryan@atkinglobal.com.

Or alternatively please contact Matthew Kempson (Broadband Project Manager, Leicestershire County Council) by telephone on 0116 305 6179, or by email on matthew.kempson@leics.gov.uk or in writing at:

Room 300B, Community Planning Branch,
Chief Executive's Department,
Leicestershire County Council,
County Hall, Glenfield,
Leicestershire, LE3 8RA;

²From footnote 1: "basic broadband white areas" are areas where basic broadband services at a minimum download speed of 2Mbps are not available at affordable prices and there are no private sector plans to deliver such services in the next three years." Similarly "white NGA areas are areas where NGA broadband services at an access (download) speed of more than 30 Mbps are not available at affordable prices and there are no private sector plans to deliver such services in the next three years."

ANNEX

Please provide details and supporting evidence of any current or planned investment in broadband infrastructure (basic broadband and NGA broadband) in Leicestershire & City of Leicester. Please refer to the latest NGA Technology Guidelines³ 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 (by date). However, any plans for years beyond that would also be of interest. Planned investments will require the submission of a business plan, together with a detailed calendar deployment plan as well as proof of adequate financing or any type of evidence that would demonstrate the credible and plausible character of the planned investment by private network operators.

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 basic broadband and NGA infrastructure networks for at least the next three years;
- Exact detail of premises passed or covered, and those planned to be passed or covered by postcode in the next three years (based on the postcode/premise list defined in Section 2 and attached with this letter) including information on the number of premises passed (in the case of a fixed network) or covered and able to receive services (in the case of a wireless/satellite network);
- Details of the technology. Please provide supporting evidence of how the proposed technology meets the NGA Technology Guidelines as referenced below³;
- 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 VAT⁴;
- Upload and download speeds typically experienced by Customers;
- Appropriate indicators of quality of the service e.g. contention ratio or bandwidth allocation per customer;
- Evidence to substantiate actual or planned coverage claims, including business cases and evidence of available funding to enable plans to be fulfilled.
- Details and timing of roll-out for future investment; 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.

³ 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/236341/NGA_Technology_Guidelines_300813.pdf

⁴ For the definition of affordable NGA services, please refer to the EU Decision on the National Broadband scheme for the UK: http://ec.europa.eu/competition/state_aid/cases/243212/243212_1387832_172_1.pdf