



Open Market Review (OMR)

Cornwall Council 'Superfast 3 – Inclusive Growth' Project

REQUEST FOR INFORMATION

1. INTRODUCTION

Investing in digital infrastructure has been a strategic priority for Cornwall since first generation broadband investments in 2000. Faster broadband helps our businesses to overcome peripherality from national and international markets and is a proven catalyst for large-scale economic growth. It is estimated that the combined investments of c£150m through the £132m part EU funded 2010-2015 Superfast Cornwall programme and subsequent programmes have delivered over £400m of economic benefit, with an increase of over 4,000 net jobs created and 7,000 safeguarded¹. Cornwall Council is committed to providing the best broadband connectivity possible for Cornwall's businesses and residents, as reflected within the 'Connecting Cornwall' priority area of the Council's 2018-2022 Business Plan. Further investment in digital connectivity is also a priority within the Cornwall & Isles of Scilly Strategic Economic Plan 'Vision 2030', which highlights the role of the digital economy in driving creativity and innovation across all sectors. Delivery of the part EU funded Superfast 2 project is currently underway, with delivery due to complete in 2020, and the Council is now in the process of establishing a new phase of investment through Superfast 3, with delivery expected to take place between 2020 – 2022.

2. GEOGRAPHICAL SCOPE

This Open Market Review (OMR) relates to coverage in the local authority area of Cornwall². The area encompasses the premises that are defined within the accompanying spreadsheet³ which details the UPRNs in Cornwall. The UPRN dataset has been sourced from Ordnance Survey taken at July 2019. A map of the area is shown below.

¹ www.superfastcornwall.org/current-programme/evaluation-2011-2015-programme

² Previous investment is understood to have delivered 100% coverage of superfast broadband across the Isles of Scilly, although if any minor gaps become evident we will seek to address these through the scheme.

³ A Microsoft Excel file containing the list of all UPRNs in Cornwall with their associated ID number, address and coordinates. This template will be released to suppliers subject to the receipt of a signed Contractor Licence, which will be provided on request

Local Authority Area of Cornwall

Scale 1:600,000



3. PROGRESS TO DATE

The 2010-2015 Superfast Cornwall programme, a partnership programme between the EU, BT, Cornwall Council and Cornwall Development Company, represented a £132m investment into digital infrastructure to enhance broadband networks, with £53.5m of ERDF funds being used and BT investment of £78.5m. Completed in September 2015, the programme delivered an estimated 85% of premises able to access 24+Mbps superfast broadband, and an estimated 83% of premises able to access 30+Mbps. This has been delivered using two main technologies:

- Fibre to the Cabinet (FTTC), with speeds currently up to 80Mbps
- Fibre to the Premises (FTTP)⁴ (approximately 30% of coverage), with speeds currently up to 1Gbps

The follow-on 2015-2017 Superfast Extension Project (SEP) used the Framework Agreement established under the UK's National Broadband Scheme, and the Council signed a contract with BT PLC in June 2015 to provide access to superfast broadband to more than 8,000 premises by December 2017, the final tally shows that over 10,000 premises were upgraded using a similar mix of technologies.

The 2017-2020 part-EU funded Superfast 2 Project is also being delivered in partnership with BT / Openreach⁵. Delivery is currently underway, with around 5,000 premises now upgraded, virtually all with Full Fibre.

Cornwall Council also fund a Superfast Cornwall grants scheme, where businesses and households beyond the current planned fibre footprint can access funding towards a superfast solution of their choice. This scheme can work alongside the Government's GBVS (Gigabit Broadband Voucher

⁴ FTTP is now more commonly known as Full Fibre

⁵ Following legal separation of Openreach, the contract with BT PLC was transferred to Openreach

Scheme) which funds Gigabit solutions to qualifying premises. See www.superfastcornwall.org/getting-connected/alternative-solutions for details of alternative solutions and funding.

The Superfast 3 – Inclusive Growth project will address premises that will remain unable to access 30+Mbps broadband speeds following delivery of the Superfast 2 programme. We are securing additional public funding to help towards this challenge from the following sources:

- Up to £4.2m⁶ of European Regional Development Funding (ERDF). Following submission of an outline application in response to a recent Call for Proposals under Priority Axis 2 – Enhancing Access To, and Use and Quality of, Information and Communications Technology of the ERDF Operational Programme, the Council has been invited to submit a full application for funding for the Superfast 3 project;
- £1.5m Cornwall Council capital funding (confirmed subject to the £4.2m ERDF application being successful).

It is Cornwall Council's intention to procure future-proofed Next Generation Access (NGA) solutions – those capable of achieving a minimum of 30 Mbps download speed and ideally up to 1Gbps - for the remaining area in scope for NGA deployment.

4. PURPOSE OF THIS OMR

As part of this new procurement process, we are now commencing an Open Market Review (OMR) to establish existing and planned (next 3 years) commercial coverage of broadband services across Cornwall by all existing, and any prospective, NGA broadband infrastructure providers.

This OMR is intended as a precursor to a formal public consultation document. The UK applies a best practice process that promotes the use of both an OMR and a Public Consultation, the latter being conducted in a manner consistent with the requirements of the Broadband Guidelines⁷. We consider 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 us with understanding the broadband infrastructure (Next Generation Access (NGA)) already in place and where there are plans for investment in such infrastructure in the coming three years and is a significant step in the design of the intervention area to be targeted by the new contract.

Once we have defined these Intervention Areas from the OMR, we will be conducting a minimum one month State Aid public consultation on our proposed Intervention Areas. We propose to issue our ITT in the financial year 2019/2020.

5. RESPONDING TO THIS OPEN MARKET REVIEW

We are sending this OMR to all recognised broadband infrastructure and internet providers in our area. In addition, we are publishing this OMR document on our website.

⁶ Including c.£3.85m of capital expenditure and £0.35m revenue. HMG announced on 24.07.18 an extension to the guarantee, which will now cover the full 2014-20 programme period and allocation in the event of a no-deal. The extension means that departments will continue to sign new projects during 2019 and 2020, after EU exit, to the value of programme allocations.

⁷ Community Guidelines for the application of State Aid rules in relation to rapid deployment of broadband networks <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2013:025:0001:0026:EN:PDF>

We require responses to the questions set out in the Annex. A spreadsheet of the UPRN dataset will be shared to all recognised broadband infrastructure and internet providers in Cornwall, subject to the receipt of a signed Contractor Licence, which will be provided on request to broadband@cornwall.gov.uk. Each respondent should use the provided UPRN response template to indicate its existing and planned coverage.

When responding, you will be required to 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 response to arrive no later than 15 September 2019.

Via email to broadband@cornwall.gov.uk (marked "Cornwall Council Superfast 3 Public Consultation Response").

Please note that the data you provide in your response will be treated as commercially confidential to Cornwall Council and its appointed advisor, Analysys Mason, and, albeit that it may be necessary to share some/all of your response data with DCMS/BDUK, Ofcom and the European Commission in the course of seeking State Aid approval. 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 for NGA broadband. 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 published maps will be assimilated utilising data from all relevant operators and will not be directly attributed to a single source.

ANNEX

1. **Please provide details and supporting evidence of any current or planned investment in NGA broadband infrastructure in Cornwall. In the case of planned investment, we are particularly interested in plans up to 31 December 2022. Beyond completion of the UPRN response template (or instead of the spreadsheet if you are not able to provide the information in the required template form), any information provided in response to this request should include but not be limited to:**
 1. Premises detail for NGA broadband showing the existing coverage and planned coverage **up to 31 December 2022** using the provided UPRN response template;
 2. Details of the technology and where these claim to be NGA, demonstrate how they meet the minimum standards as set-out in the BDUK Technology Guidelines⁸.
 3. Description of the services/ products currently offered and separately those to be offered **up to 31 December 2022**;
 4. Installation and rental tariffs for those services/products clearly identifying whether they are inclusive or exclusive of VAT;
 5. Upload and download speeds typically experienced by end users;
 6. Appropriate indicators of quality of the service e.g. contention ratio or bandwidth allocation per end user;
 7. Evidence to substantiate actual or planned coverage claims including business cases and evidence of available funding to enable plans to be fulfilled.
 8. Details and timing of roll-out for future investment; and
 9. Confirmation from an authorised signatory that all information provided is of suitable accuracy.

Please supplement with supporting evidence as you consider appropriate e.g. public websites.

Include your organisation's name and address, as well as the name, position and contact details of the person responding on behalf of the organisation.

Thank you,

Cornwall Council

⁸ <https://www.gov.uk/government/publications/2016-nbs-tech-guidelines>