**State Aid Public Consultation Update Report**

**8 November 2016**

## Contents

### 1.   Outcome of the Public Consultation

The 2016 Public Consultation for the Superfast Essex programme closed on 12th October 2016. This consultation was the second stage in a process which started earlier in the year with the Open Market Review, and whose objective was to determine an accurate set of maps of broadband coverage in Essex to serve as the basis for planning the third phase of the Superfast Essex broadband programme.

During the Consultation period the project team received an update on coverage from two of the suppliers who had previously also responded to the Open Market Review (OMR). One supplier provided a new OMR data set including minor revisions of coverage for the whole of Greater Essex; the other supplier provided a further update to their deployment plans and planned coverage.

No other supplier responses were received.

As a result of the Public Consultation, the State Aid Maps published at the start of the process were updated. The final State Aid maps for NGA Broadband and Basic Broadband are shown in Section 3 of this document and are also available on the project website at www.superfastessex.org.

A link to the Essex consultation was also provided on the BDUK webpages.

During the consultation, the programme team also received a significant number of comments from the general public. Whilst the bulk of these comments had no immediate impact on the State Aid maps, the programme team is taking this feedback into consideration during the planning and implementation of the next stages of the Superfast Essex Programme, as described in section 4 of this report. However in a very small number of cases where interested stakeholders responded with specific evidence that they could not receive service, which has also been established by ECC, then these premises have been made eligible for further investment.

### 2.   State Aid Mapping Methodology

This section details the methodology that has been followed to develop the State Aid mapping of broadband coverage in Essex. The mapping uses a set of reference postcodes for the county

of Essex and applies to each one the European Commission's definition of 'black', 'grey' and 'white', with the addition of an 'under review' category for the NGA coverage..

These categories, as described below, were used to develop the Basic Broadband (download speeds of 2Mb/s or more) map.

- **Basic black:** An area where two or more basic broadband networks already exist delivering affordable basic broadband (download speeds of 2Mb/s or more) or is planned to exist by the end of 2019.

- **Basic grey:** An area is mapped as 'basic grey' where one basic broadband network delivering affordable basic broadband services (download speeds of 2Mb/s or more) already exists or is planned and there are no private sector plans to roll out a second similar infrastructure by the end of 2019.

- **Basic white**: 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. By virtue of this definition, a basic white area also includes an area where there is no basic broadband infrastructure, nor any investment plans by a private sector network operator to deliver such infrastructure by the end of 2019.

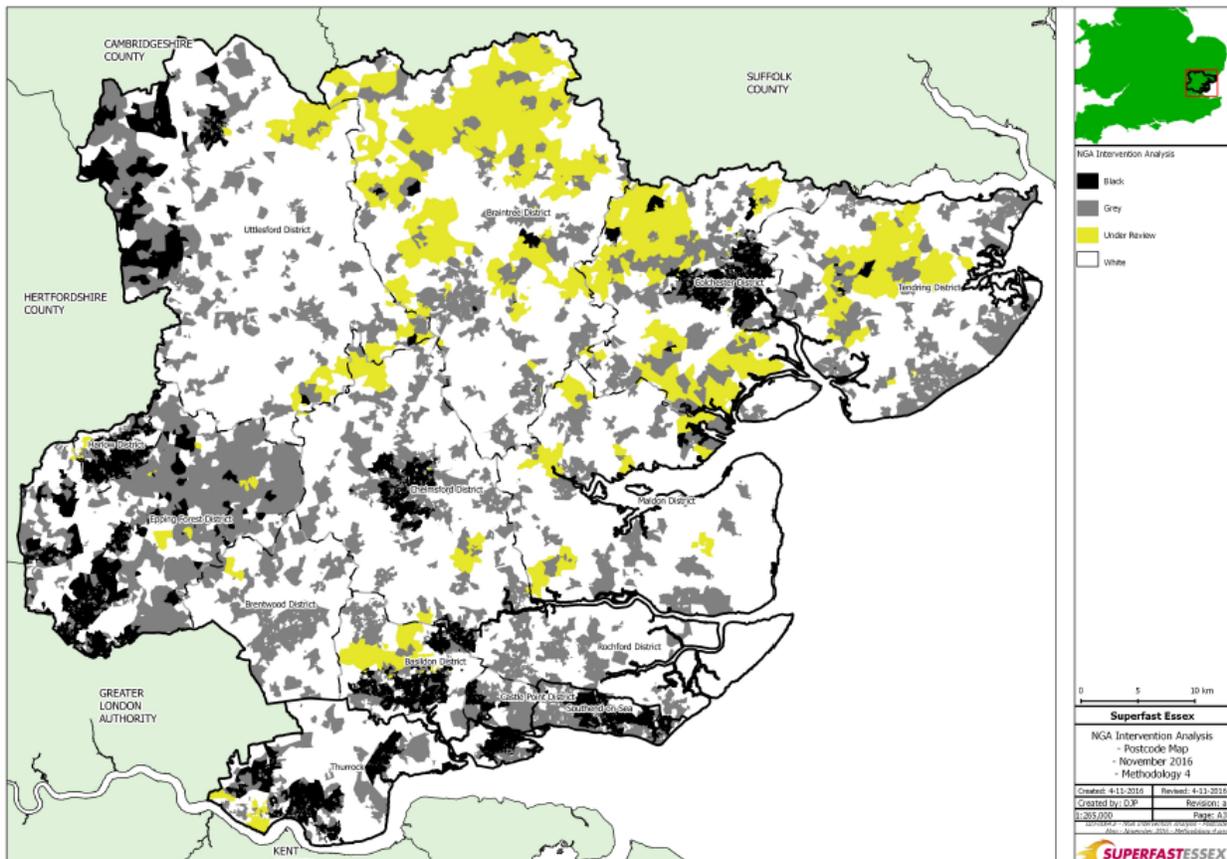Therefore, the following categories were used to develop the NGA Broadband map:

- **NGA black**: areas where two or more NGA operators providing superfast broadband now, or are planned to exist by the end of 2019.

- **NGA grey**: areas where one NGA operator providing superfast broadband now, or is planned to exist by the end of 2019.

- **NGA white**: areas where no NGA operator providing superfast broadband now, or is planned to exist by the end of 2019.

- **NGA under review:** an area where there is NGA broadband coverage described as providing superfast broadband from an operator whose quality of coverage or coverage plan is unconfirmed at this stage.

### 3. Updated State Aid Statistics and Maps

NGA Broadband Statistics and Map for Essex – as determined by OMR and Public Consultation:

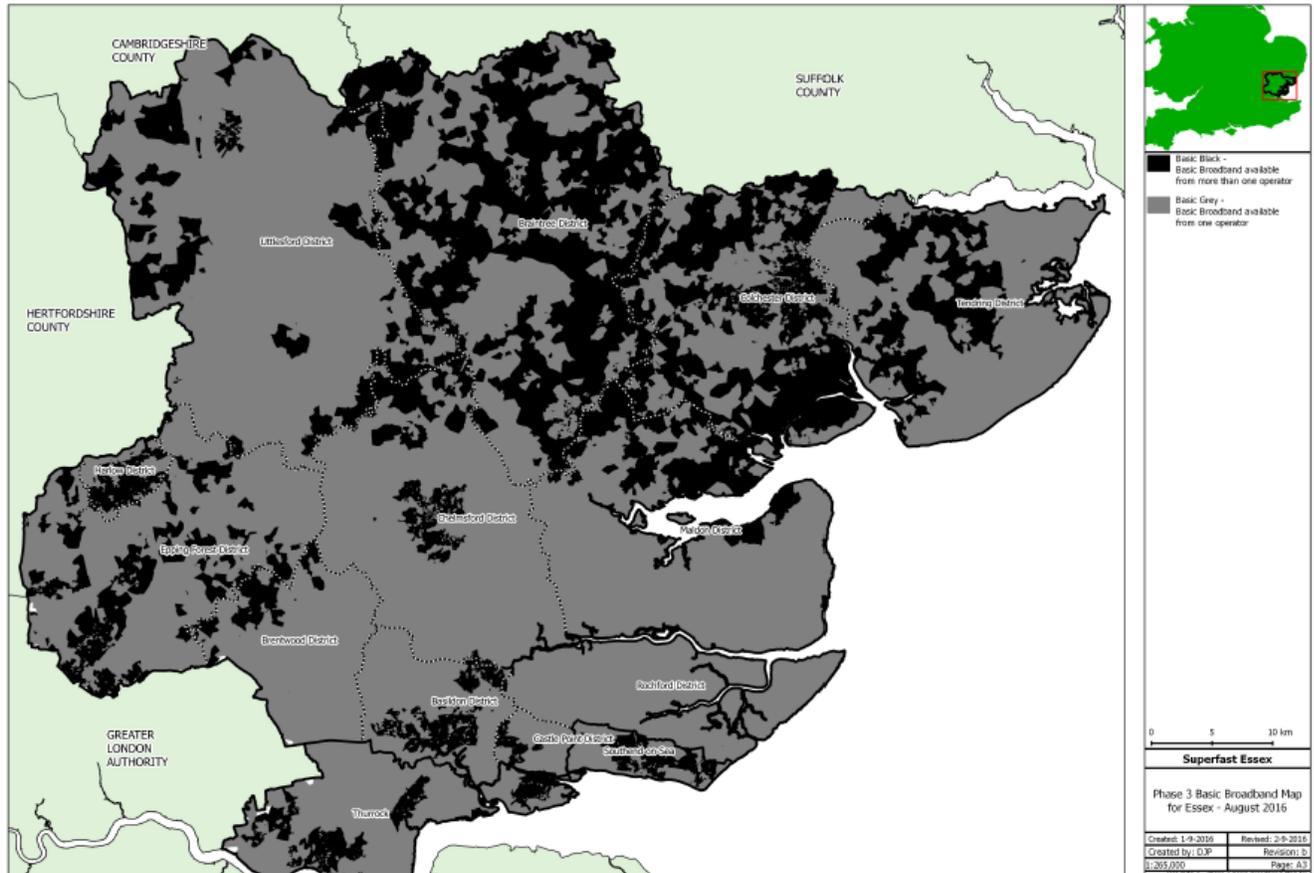| NGA Premises Status | | | | Total |
|---|---|---|---|---|
| Black | Grey | Under Review | White | |
| 309,466 | 479,877 | 9,547 | 54,670 | 853,560 |

**NGA Broadband Map for Essex**

Basic Broadband Statistics and Map for Essex– as determined by OMR and Public Consultation:

| Basic Premises Status | | Total |
|---|---|---|
| **Black** | **Grey** | |
| 798,890 | 54,670 | 853,560 |

**Basic Broadband Map for Essex**

## 4. Responses from the General Public

Essex County Council ran a Public Consultation from 12<sup>th</sup> September to 12<sup>th</sup> October 2016, where businesses and members of the public were welcomed to comment on any inaccuracies they saw in the coverage area mapping. The information was available on the programme website www.superfastessex.org and accessible from Essex County Council's main website www.essex.gov.uk. The consultation was promoted in local media both online and in print, and via the programme's social media channels (Facebook, Twitter and LinkedIn), and through the Essex County Council Weekly News Bulletin that is emailed out to over 70,000 subscribers. A note to pre-promote that a consultation would be happening was also included in the Superfast Essex Quarterly Newsletter issued in August which was emailed out to over 12,000 subscribers.

Essex County Council would like to extend their thanks to all who took the time to comment. A special section providing responses to the general stakeholder comments received has been created on the programme website www.superfastessex.org and can be accessed via the 'What's happening next' section of the *Where When and How* page.

The Superfast Essex programme maintains a comprehensive public engagement and communication plan. The dissemination of up to date programme information is driven via the programme website. The website explains in more depth the programme and benefits, allows visitors to fill in the online survey as well as showcasing case studies and information about other events and activities being carried out by the Superfast Essex programme. This Public Consultation Update report will be hosted on this website and will be accessible from Essex County Council's website.

## 5. Next Steps

Based on the outcome of this Public Consultation, Essex county Council is preparing a procurement to select one or several delivery partners for a Superfast Essex Phase 3 programme, which will seek to extend superfast broadband connectivity to the remaining areas with broadband speeds of less than 30Mbp/s as far as possible with the available funds.

Essex County Council commenced extensive market engagement and warming in June 2016 and has issued its outline requirements to enable feedback from potential bidders to be taken into account in the design of the scheme and to understand the capacity and capability of the market.

Essex County Council has also considered the ability of the private sector to deliver the project, available resources, and its own capacity and capability to develop its approach to intervention. It has decided that the project will use an investment gap funding approach to procure an infrastructure provider.

The forthcoming procurement is due to be launched in November 2016 and will be carried out in accordance with the Public Contracts Regulations 2015 and EU Public Procurement Directives. The tender will utilise the Open Procedure and will be conducted in a transparent and non-discriminatory manner, as required by the 2016 NBS.

The procurement has been designed to meet the specific requirements of the 2016 NBS, which recognises the need to optimise the number and quality of bidders, in particular by reducing the hurdles to participation in procurements by smaller suppliers and encouraging collaboration between larger and smaller operators so that a range of appropriate solutions can be brought forward. This was also a key objective of the market engagement exercise. The white areas that are in the scope of the procurement have been sub-divided into a number of lots to promote this. However, Essex County Council does not discount the possibility that some or all of these lots may be aggregated if this represents the most economically advantageous approach to meeting the requirements set out in its Invitation to Tender.

Essex County Council's priority will be to ensure that the available public funding is used most effectively by ensuring coverage of premises currently getting relatively slow broadband speeds (<15Mbps). However, areas with higher speeds may be targeted, subject to the need to provide a 'step change' in broadband capability (as outlined above).

The planned Phase 3 programme will re-invest around £5m comprised of project savings from Superfast Essex Phases 1 and 2and additional funding secured from local councils and BDUK grant.

Additionally, Essex County Council may invest up to a further £5m comprised of further ECC, local council and DCMS grant funding in order to achieve the required target coverage outcomes. This additional funding will be subject to further governance and is to be confirmed.

In total, public funding of up to £10 million may be committed via the forthcoming procurement.


## 6. Contact Details

If you have any comments or questions regarding the project, you can get in touch with the  County Council's Superfast Essex Project Team at: www.superfastessex.org/contactus.

Up-to-date information about the Superfast Essex programme can be found at:
www.superfastessex.org.