**Superfast Essex Phase 4 - State Aid Public Consultation Final Update Report**

**5 July 2018**

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# Public Consultation Objective

The 2017 Public Consultation for the Superfast Essex programme closed on 31st August 2017. This consultation was a further stage in a process which started with the Open Market Review (OMR) and Public consultation in 2016. The objective of the 2017 public consultation was to capture the latest status of superfast broadband availability in Essex and to create a coverage map which will serve as the basis for planning the fourth phase of the Superfast Essex broadband programme. Superfast broadband is defined as a service that provides download speeds of at least 30Mb/s and which is compliant with the other requirements set out in the EU regulations on Next-Generation Access (NGA) broadband.

The consultation was published on the Superfast Essex and Essex County Council websites and a link to the Essex consultation was also provided on the BDUK webpages. This document provides an update on the outcome of the public consultation following responses from all interested stakeholders.

# Network Operator Responses to the Consultation

During the Consultation period the project team received an update on coverage from three network operators who had previously also responded to the 2016 Open Market Review:

* One operator provided a new OMR data set including a number of coverage revisions for the whole of Greater Essex.
* A second operator provided an update on their commercial deployment progress and planned coverage in Essex.
* The third operator confirmed its pre-existing claim of NGA broadband coverage in the county and also advised Essex County Council (ECC) of additional deployment plans in Essex. Following further clarification with the operator, it was agreed that the fibre deployment plans were not fully developed and that the operator would contact ECC again, once further progress had been made.

All network operators have received detailed feedback on the coverage claims and deployment plans they presented to Superfast Essex and confirmation of how the information has been integrated into the updated State Aid map.

# Responses Received from the General Public

During the Consultation period, members of the public were able to submit responses via an online form hosted by the Superfast Essex website on the [What’s happening next?](http://www.superfastessex.org/whatshappeningnext) page. More than 430 responses were received, and the information provided by residents and businesses has been fed into the consultation outcomes.

# Superfast Essex Communications and Further Comments on the Consultation

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 the benefits of faster broadband. It also allows visitors to fill in the online survey and showcases case studies and information about other events and activities being carried out by the Superfast Essex programme. In the [What’s happening next?](http://www.superfastessex.org/whatshappeningnext) section, the website also provides the latest status of the Superfast Essex programme’s deployment and procurement plans.

In addition, Superfast Essex maintains ongoing communication with the key broadband network operators in Essex and seeks to ensure that the information contained in the State Aid map reflects the latest position known at the time of publication.

The proposed final State Aid map for NGA Broadband to underpin Superfast Essex Phase 4b has been published in the Appendices of this document.

# State Aid Mapping Methodology and Updates to the Draft Maps

No updates were made to the draft Basic Broadband map as published under the Consultation. A copy of the map can be found in the Appendix of this document.

As a result of the Public Consultation, the State Aid map showing the availability of NGA broadband in Essex, which was published at the start of the process, has now been revised in line with the responses. The changes take into account the updates received from network operators as well as the comments from the general public, where these were backed by appropriate evidence. The updated map also reflects the expected impact of the new subsidised deployment now planned under Superfast Essex Phase 4a, for which delivery contracts are now ready for signature (see details in the Next Steps section below).

For NGA coverage, Superfast Essex has mapped premises as White, Grey or Black using the following criteria:

* A premises is turned Grey if there is only one broadband infrastructure operator providing NGA services (with speeds greater than 30Mbps) to that postcode.
* A premises is turned Black if there are at least two broadband infrastructure operators providing NGA services (with speeds greater than 30Mbps) to that postcode.
* All other premises remain White. All premises identified as White on this State Aid map are eligible for state intervention.

In addition, the NGA map includes a number of *Under Review* areas (coloured yellow on the map). These areas have been identified to have:

1. planned commercial coverage for NGA broadband or
2. planned coverage by Superfast Essex, or
3. existing coverage by a network operator whose technology is currently being checked for compliance with the NGA guidelines, or
4. a claim of existing coverage by a network operator, which is still undergoing geographical validation (e.g. postcode-level data being translated to premises-level data).

These *Under Review* areas will be subject to continued monitoring and verification by Superfast Essex to clarify their status as soon as possible, and within three years at the latest.

The mapping analysis of existing coverage and areas with confirmed deployment plans (within the next 3 years) has identified that significant *NGA White* areas remain. These areas form the Intervention Areas for Superfast Essex Phase 4.

If the potential coverage in the *Under Review* areas does not reach the identified premises, or if plans fall away or prove unfounded, then these areas will be mapped as *NGA White* at the earliest opportunity, as set out in the [EU Broadband Guidelines 2013](http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52013XC0126(01)), paragraph 65. They will then form part of the proposed intervention area and be eligible for state intervention.

# Updated State Aid Map Statistics

The final Phase 4 State Aid map for NGA Broadband has been published as a tabular and graphic version at postcode level in the appendices of this Final Update Report. A summary of the premises classification on the final Phase 4 State Aid Maps for Basic and NGA Broadband is shown below:

* NGA Broadband Statistics for Essex – as determined by 2017 Public Consultation

|  |  |
| --- | --- |
| State Aid Classification | Number of Premises |
| NGA White | 26,878 |
| Under Review | 105,725 |
| NGA Grey | 523,961 |
| NGA Black | 200,302 |
| **TOTAL** | **856,866** |

* Basic Broadband Statistics for Essex – as determined by 2016 OMR and Public Consultation, no changes after 2017 Consultation:

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

*\*As no further feedback was received on the Basic Broadband status of Essex premises under the 2017 Consultation, the overall premises count for the purposes of Basic Broadband coverage remains as published under the 2016 OMR*.

# Next Steps

Essex County Council is publishing the proposed final Phase 4 State Aid map for final feedback from all interested stakeholders. Based on the outcome of this Public Consultation, Essex County Council is in the process of shaping its delivery programme for Superfast Essex Phase 4b. Under Phase 4b, Essex County Council will select one or several delivery partners to extend NGA broadband infrastructure (capable of delivering download speeds of at least 30 Mbps) to the remaining areas with broadband speeds of less than 30Mb/s as far as possible with the available funds – the *Intervention Areas*, as described in section 5 of this report.

Essex County Council has carried out extensive market engagement during 2017 during which outline requirements were issued and feedback was received from potential bidders. This feedback is being 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 Phase 4 procurement is being completed in two parts. The Invitation to Tender (ITT) for Phase 4a was published on 13th October 2017. Bids for this part have been received and evaluated, and resulting delivery contracts covering some parts of the *Intervention Areas* are now ready for signature.

The Superfast Essex team is now finalising the scope and details for the second part of the procurement, with the expectation of issuing the ITT for Phase 4b in August/September 2018. The procurement will be carried out in accordance with the Public Contracts Regulations 2015 and EU Public Procurement Directives. The tenders will utilise the Open Procedure and will be conducted in a transparent and non-discriminatory manner, as required by the 2016 National Broadband Scheme (2016 NBS).

Like Phase 4a, the 4b 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 NGA 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 seeking coverage of premises currently getting relatively slow broadband speeds (typically under 15Mb/s) as a priority. However, areas with higher speeds will also be targeted, subject to the need to provide a ‘step change’ in broadband capability, as required by the 2016 NBS.

The Phase 4 programme is investing public funding comprised of project savings relating to Superfast Essex Phases 1, 2 and 3, additional funding secured from local councils and matching BDUK grant. In addition, ECC is exploring the potential to secure additional funding from other government grants under relevant broadband schemes.  In total, public funding of up to £30 million may be committed via the combined Phase 4a and Phase 4b procurements.

# Contact Details

This Public Consultation Update Report will be hosted on the ‘What’s happening next?’ page of the Superfast Essex website at [www.superfastessex.org/whatshappeningnext](http://www.superfastessex.org/whatshappeningnext) and will be accessible from Essex County Council’s website. Anyone wishing to submit final comments on this update of the Public Consultation as described in this report is encouraged to send in feedback via the Superfast Essex online contact form in the first instance: [www.superfastessex.org/contactus](http://www.superfastessex.org/contactus), however we understand attachments cannot currently be added to this form, and will therefore accept any email attachments being submitted as evidence via this email address: [digital@essex.gov.uk](file:///C%3A%5CUsers%5Clucy.dickinson%5CAppData%5CLocal%5CMicrosoft%5CWindows%5CTemporary%20Internet%20Files%5CContent.Outlook%5C1KDQB2KC%5Cmake.theconnection%40essex.gov.uk) with the subject ‘Broadband Consultation July 2018’. Comments should be received no later than noon on the 6th August 2018.

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

Alternatively, residents and businesses can find comprehensive and up-to-date information on the Superfast Essex programme at: [www.superfastessex.org](http://www.superfastessex.org)

# APPENDICES

1. Basic Broadband map for Essex 2016 – as published for 2017 Consultation
2. NGA Broadband map for Essex July 2018 – map
3. NGA Broadband map for Essex July 2018 – tabular