



Portfolio Holder Report

Item

4 April 2011

Report of	Head of Strategic Policy and Regeneration	Author	Jim Leask ☎ 282864
Title	Colchester Town Centre Next Generation Access Digital Network		
Wards affected	Castle Ward		

This report concerns the use of the Town Centre CCTV network as infrastructure for a potential investor to provide Superfast Broadband through both fixed and mobile connectivity

1. Decision Required

- 1.1 That Colchester Borough Council commercialise Colchester Town Centre's CCTV infrastructure to deliver, in addition to retaining the CCTV cabling and camera monitoring, 'Next Generation Access' (NGA) broadband services (40-50 Mbps) to residents and businesses and to provide a sustainable income stream for the Council.

2. Reasons for Decision

- 2.1 At present the Town Centre does not benefit from high bandwidth mobile services and signal quality is variable. Similarly, while there are offerings of high fixed bandwidth in the market there is very little competition and subscriptions to existing providers are higher than they need to be.
- 2.2 The Borough has a draft Digital Strategy which aims to make Colchester's urban and rural areas the best connected place in Essex, if not the East of England, by the end of 2013. This aspiration is to be achieved through the use of a range of proven Information and Communication Technologies (ICT) which will build out from the Town Centre to reach rural areas which the market fails to serve effectively.
- 2.3 The Town Centre network consists of 5 km of ducting and 126 cameras, the majority on poles, with their own power supply. This infrastructure represents a valuable "sunk investment" - perhaps of the order of £1 million – which is attractive to Internet Service Providers to invest in, drawing new fibre through the ducting and breaking out through micro antennas to deliver very high connectivity to residents, visitors and businesses. For an Internet Service Provider or Providers, this infrastructure removes 80% of the cost of setting up a completely new network.

3. Alternative Options

- 3.1 The alternative would be not to bring this asset to market, creating a missed opportunity to effect a "step change" in the delivery of NGA services in the Town Centre and thus limiting resident and visitor access to a wide range of applications which support the more efficient delivery of Council, private sector and community services, especially to those on low incomes.

4. Supporting Information - Digital Infrastructure Development

- 4.1 The key element of the Digital Strategy is to achieve a “Next Generation Access” (NGA) broadband infrastructure roll-out for Colchester Borough to provide the backbone for enhanced ICT services for business, inward investing companies, tourists, retailers and residents. Our NGA “floor” target is for the achievement of a robust, resilient and scalable network across the entire Borough which will deliver 4th Generation wireless in the urban area and 40-50Mbps synchronous (ie. upload and download speeds) by 2013.
- 4.2 This strategy intends to correct for “market failure” in the demand for high bandwidth services and, in so doing, to put urban Colchester three years ahead of what the market would otherwise deliver and, at the same time, to redress the inability of rural areas to obtain NGA over what would otherwise be a much longer period – perhaps 5 to 7 years.
- 4.3 The Town Centre project is expected to support interest by NGA carriers to extend their coverage to the poorly-served rural two-thirds of the Borough along with the other urban areas, business parks and regeneration and development sites. This wider roll-out is anticipated to be attractive to those ISPs investing in the Town Centre because the Council can facilitate delivery of NGA by wireless line-of-sight technology.
- 4.4 Through providing access to key buildings in its own ownership, CBC, together with the University of Essex, can facilitate the provision by the commercial sector of extremely high bandwidth, secure, radio microwave wireless connectivity using “line of sight” to these poorly connected and under-served areas of the Borough. This extension will be supported by the necessary backhaul (that is, the part of the network that links the Town Centre network to one or more of the three urban BT exchanges) by Local Loop Unbundling (that is, where the private sector co-locates its own equipment in the exchanges).

5. Proposals

- 5.1 A Strategic Seminar under the banner ‘Achieving Next Generation Access for Colchester Borough’ was arranged jointly with the University of Essex on February 3rd this year. The seminar focused on the investment opportunities and the aspirations of Colchester for NGA and succeeded in attracting 40 local and national communication companies including BT, Virgin Media and ‘The Cloud’ Europe’s leading Wi-Fi provider who were recently acquired by BSkyB.
- 5.2 Subsequently, 16 companies have expressed an interest in delivering services in either and/or the urban and rural areas by either cable, fibre and/or wireless technology deployments. These companies are currently being interviewed in a structured pre-tender dialogue process in order to issue a Public Information Notice (or PIN). The procurement process will seek to achieve the optimum combination of partners to commercialise the Town Centre CCTV network and to fulfil the Digital Strategy’s infrastructure objectives.
- 5.3 The timetable for delivery is:
 - Mid-March: Pre Tender Dialogue
 - Early April - PIN Inviting expressions of interest to engage with CBC with a view to accessing and utilising the infrastructure assets in return for an agreed commercial return
 - Industry Day – wc 11th April
 - Submission of Proposals May 2011
 - Commercial and Technical Evaluation June 2011

- Engagement August 2011
- Commencement deployment (Town Centre) September 2011
- Potential deployment (some rural areas) September 2011

6. Strategic Plan References

- 6.1 The proposal will directly contribute to five of the nine priorities: addressing older people's needs; addressing younger people's needs; enabling job creation; community safety; and congestion busting. Less directly, content applications possible over the network will support the remaining four priorities: community development; healthy living; homes for all; and reduce, re-use, recycle.

7. Consultation

- 7.1 Extensive stakeholder engagement has taken place with all the key business groups, shopping centres, Parish Clerks Forum and the University of Essex. The feedback from stakeholders to this initiative and the Digital Strategy has been very positive and supportive.

8. Publicity Considerations

- 8.1 A decision to proceed with the initiative will be publicised through different channels once an Internet Service Provider or Providers have been selected. These channels will include the networks and partners listed in para. 7.1 above, as well as through the local media and CBC website. A communication campaign will be put in place by the operator/s to residents and businesses in Castle Ward before the network is set to go live, stimulating demand through setting out benefits and tariffs.

9. Financial Implications

- 9.1 It is not possible at this stage to gauge the precise income flows for CBC. A clearer picture of the potential income stream will emerge following the commercial evaluation of proposals in June. In addition to the income generated there will be opportunities for cost savings and asset improvement both of which impact favourably on the 'bottom line'.

10. Equality, Diversity and Human Rights implications

- 10.1 The proposal is "equality neutral" and will improve access by low-income households who no longer have BT landlines but have switched to mobile phones on grounds of cost to have greater access to Internet-delivered services of all kinds.
- 10.2 All businesses, partner organisations, grant recipients and other customers are treated equally and fairly. An Equality Impact Assessment for the current strategy has been completed and is available on the Hub by following this link: [Q:\Strategic Policy & Regeneration\Enterprise\SPR EQIA - all group.xls](#). This will be reviewed in the light of the new strategy.
- 10.3 There are no specific human rights implications.

11. Community Safety Implications

- 11.1 The initiative will complement the range of community safety initiatives in place within the Town Centre. In particular, there will be opportunities for individuals to link with one another through video over the Internet, as well as to capture and send video streamed material of incidents to "blue light" services as well as the potential to enhance or

supplant the Colbac retail security network, providing visual images of offenders to town centre businesses at low cost.

- 11.2 Secondly, there is the potential to negotiate an upgrading of the CCTV fibre network from any commercial operator/s at the same time as the parallel data network is put in place , reducing or removing necessary upgrading of the CCTV network which is due in no more than three years time.

12. Health and Safety Implications

- 12.1 There are no Health and Safety implications. The output from each micro antenna is no more than the power of two mobile phones and each antenna will be pole-mounted at around 18 feet above the street level.

13. Risk Management Implications

- 13.1 There are some specific risk management implications which the procurement and contracting process will eliminate, namely:
- Certainty of delivery of planned services in terms of
 - Provision of an “open access network”, allowing other carriers and content suppliers to access the network;
 - Operator/s track-record, financial robustness, capacity for innovation and partnership working
 - Timing, resilience, robustness, scalability and continuing evolution of the solution/s adopted
 - Opportunities for Council services to be delivered free of charge over the network and for potential income stream sharing from advertising.
 - Agreed contract length with review periods and call-off

Background Papers

- CBC Digital Strategy – “Connected Colchester” (draft), June 2010
- Town Centre CCTV map