

department for  
**culture, media  
and sport**

# Super-Connected Cities Project

## Proposal template

**Guidance on the Application Process is available at: [www.dcms.gov.uk](http://www.dcms.gov.uk)**

**Bids should be no more than twenty-five pages long. In addition, you may append mapping information and project plans.**

**December 2011**

Our aim is to improve the quality of life for all through cultural and sporting activities, support the pursuit of excellence, and champion the tourism, creative and leisure industries.

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SIGN OFF

## **NOTES ON COMPLETING THIS FORM.**

1. Throughout the form 'superfast' means broadband with a headline download speed of at least 24Mbps (megabits *per* second). 'Ultra-fast' means broadband with a headline download speed of at least 100Mbps, with no upper limit. 'Ultra-fast' includes technologies, principally fibre to the cabinet (FTTC), that are capable of up to 80Mbps and are ultimately up-gradable to 100Mbps.
2. The format of this form should be followed and the answers to all questions made clear for assessment purposes.
3. Applications should be sent to DCMS by 10am on 13 February 2012. Proposals ideally should not exceed twenty-five pages in length. In addition mapping information and essential diagrams may be supplied, but no other supplementary material will be considered.

Three hard copies of proposals, maps and diagrams should be sent to:

Ms Susan Hawker

Department for Culture, Media and Sport (DCMS)

2-4 Cockspur Street

London

SW1Y 5DH

Envelopes should be marked: **'Submission for Ultrafast Broadband Fund'**.

An electronic copy should also be submitted to [urbanbroadbandfund@culture.gsi.gov.uk](mailto:urbanbroadbandfund@culture.gsi.gov.uk)

## **APPLICANT INFORMATION**

### **Project Name:**

CLOI Broadband

Cardiff Leading Opportunities to Innovate with Broadband

### **Lead organisation - include address with postcode:**

Cardiff Council - Cyngor Caerdydd  
Atlantic Wharf  
Cardiff  
CF10 4UW

### **Lead Contact Details (Name) and position held:**

Steve Durbin  
Head of Internal Services

### **Contact telephone number:**

029 20 872100  
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### **Email address:**

steve.durbin@cardiff.gov.uk (unclassified information)  
steve.durbin@cardiff.gcsx.gov.uk (IL1-3 information)

### **Postal address:**

Steve Durbin  
Head of Internal Services  
Room 247  
Cardiff Council - Cyngor Caerdydd  
Atlantic Wharf  
Cardiff  
CF10 4UW

**If the bid is a joint proposal, please enter the names of all participating bodies and specify the co-ordinating authority**

### **Proposed start Date of Project: (day/month/year)**

01/04/2012

### **Proposed end Date of Project: (day/month/year)**

01/04/2015

## **SECTION A – SHORT-FORM BUSINESS CASE**

### **A1. Define the strategic objectives, measures of success and targets of the proposal with respect to:**

#### **A1.1 Economic growth**

Cardiff has large, successful digital media, broadcast and retail sectors, an international sports presence, strong growth in SMEs and is planning a new financial district (visualisations in appendix). The city also has a large student population from its various universities. Visitors to the city are attracted by the cultural heritage, the sporting facilities and the bar/club district.

Availability throughout the city of ultrafast broadband, and a “free” wireless provision in the high footfall areas will stimulate growth in all these areas.

Within the area defined – the entire urban area of the city (see appendix), the Ultrafast Broadband provision will consist of:

- 100% availability of 1Gb ultrafast broadband connections for business
- 100% availability of Superfast broadband for homes

The “free” wireless provision will consist of:

- An always-available Cardiff specific information portal – tourism, local services, history, where to stay, where to get help etc. , with rich content provided by the local digital media community.
- A free access to the entire internet, limited to 30 minutes per day per device (or similar model). Access for longer periods would be chargeable.

The key targets for growth are provisionally:

- 10% approx increase in financial services employment by 2015
- 4% approx increase in tourism by 2015
- 15% approx increase in media services employment by 2015

(we will expand and fix these in the final bid)

4G services via LTE additionally require large backhauled to provide a usable offering. This project will ensure that all of urban Cardiff has 1Gb provision available at economic pricing to all service providers.

Ultra-Fast Broadband capability will be especially beneficial (if not essential) to the new BBC Drama Production Village at Roath Lock, in Cardiff Bay’s Creative Quarter, where a 9-studio complex is now in place to service the bulk of the BBC’s network TV drama production over the next 20 years (until 2035) - this site is also planned to include a range of ancillary support organisations: from digital micro-businesses, media production and facilities companies and digital incubators, to key Creative Industry Stakeholder & Gatekeeper organisations, who have expressed support for such provision (including BBC Wales itself, which is currently considering the feasibility of moving its entire HQ, production and back-room services to the Creative Quarter in Cardiff Bay).

### **A1.2 Take-up of broadband services**

Many Cardiff citizens are “early adopters”, so increases in broadband speeds will be quickly taken up. In a survey conducted this month, 71% of residents and 75% of businesses stated that they would take up faster broadband if available. Provisionally, we expect to see:

- 80% of media businesses in Cardiff using at least superfast broadband by 2015.
- 100% of broadcasters & broadcast support organisations using ultra-fast broadband by 2015
- 25% of Cardiff homes using ultrafast broadband by 2015.
- 70% of Cardiff homes having at least superfast broadband by 2015
- 60% of student accommodation having ultrafast broadband by 2015.

### **A1.3 Social objectives**

Cardiff has a large migrant worker population, and a number of socially deprived areas (see appendix). Two key issues for these populations are education and access to services. As part of this project, Cardiff will endeavour to:

- Provide free to all super- and ultra-fast wireless access in all schools, community hubs and youth centres.
- Improve its current deliveries in libraries, community hubs and youth centres for free public access computing
- Improve public participation in government and social engagement – provision in public buildings will include the ability to participate in meetings/debates across the city region.
- Provide a free basic wireless service to particular deprived areas; targeting the most socially deprived areas (see map at appendix).

### **A1.4 Other local objectives**

#### **City Identity and Feel:**

A key to success of a city is how it “feels” to visitors; for many visitors, the first point of contact with a city is its public transport, and if first impressions are poor these are often lasting. Cardiff is already planning its transport centre rebuild (see Central Business District map/visualisation in appendix), and as part of this transport improvement we will provide free wireless access across all city bus services (about 230 vehicles). Additionally, in conjunction with service providers, we will look at improvements to the information available at stops, leveraging the wireless infrastructure to provide bus position and timetable information, coupled with an electronic advertising delivery. The vision here is of electronic “gateways” to the city; dual purpose signage giving wireless access to a variety of information (visitor, emergency or advertising), providing a sense of “arrival” and giving an identity to the city.

#### **Tourism/ History:**

Another option is to include an immersive, GPS-driven network of content “maps” of the city, providing a range of touristic, historical, information-rich digital content for different sectors of the city - landmarks, sites of significance, retail offers, transport options, etc - delivered to mobile or

hand held/tablet-style devices, via smart location-responsive technology (eg Four Square and Social Media networks)

### **Public Access to Sport:**

Coach Education – Using existing content to aid with skills development, coaching, Health and Safety, Child Protection, CRB checks, First Aid and other core competency training/ infocation. Introduction to UKCC Level 1 Coaching qualifications (and other pathways) can be encouraged – and offered online in conjunction with sporting governing bodies as appropriate. Most of this content already exists in digital format, so this is an aggregating exercise to kick start the process, leveraging the wide broadband availability,

Also, information on clubs and leagues, training sessions and matches, availability of facilities (online booking where appropriate) and social media harnessed to push opportunities as well as pull.

### **Work/ training opportunities**

“Fun Football” is a scheme geared towards creating job/ earning opportunities for the unemployed/ returners. This already exists and could be adapted as a pilot – and then harnessed to other community based sport and leisure opportunities.

Other existing material (specifically within the Creative Industries) could be harnessed to create a critical mass of content in that field – and other training for work opportunities also looked at. Templated eLearning systems will allow easy/ cost efficient management of training content – and robust models for this already exist.

### **Education**

Similar to “Training” above – and there will undoubtedly be much economy of scale to be gained through re-purposing of content here

## **A2. Set out the rationale for public investment:**

### **A2.1 What are the specific needs you are addressing?**

1. Provision of ultrafast broadband availability across entire urban area of city.
2. Provision of a mixed free and charged model of super- and/or ultra-fast wireless to major footfall areas
3. Provision of a free super- and/or ultra-fast wireless to all schools, community hubs, youth centres and city buses.

### **A2.2 Have all options to meet these needs by the stimulation and encouragement of private sector investment been explored?**

We have consulted widely with the private sector and the bid is based on those discussions. Cardiff already has a wide provision of ultrafast broadband – the remainder is now those areas it is not economic to provide for.

On the wireless provision, the main footfall areas will be provided commercially, with Cardiff providing access to street furniture and streamlined processes for necessary works. The social provision – schools, community centres etc. – will be provided jointly with partial funding by Cardiff and assistance from commercial suppliers. This partial funding will be taken either from, or instead of, income streams for the use of street furniture and other sites.

### **A2.3 What resources and skills are you uniquely placed to contribute to the project?**

1. Cardiff Council owns large numbers of the city buildings, almost all of the street furniture in question.
  2. Cardiff Council acts as the planning authority and is therefore uniquely placed to assist service providers in delivery
  3. Cardiff Bus, which provides the majority of public transport within the city, is a wholly owned subsidiary of Cardiff Council.
  4. Cardiff Council's staff in a number of areas have unique experience and understanding of the city as a whole.
- A3. Outline the information, education and demand-stimulation (consumers, business, public sector and third sector) activities to be undertaken (more detail should be given in Section D).

The Economic Development Team are well versed in Demand Stimulation programmes, usually run in association with organisations such as BT and Virgin. The activities include focus events, local radio and press advertising etc.

A4. What new infrastructure does your proposal require?

#### **A3.1 Fixed. (Fibre, cable, &c)**

Fibre provision to provide 1Gb backhaul available **throughout** the urban areas of the city. (100% coverage of city excluding rural areas of Creigau/St. Fagans and Pentyrch – these are being picked up by the Welsh Government Next Generation Broadband Initiative for Wales Project).

#### **A3.2 Wireless connectivity.**

Wireless provision in:

- Central retail/entertainment districts – Cardiff Bay, City Centre, Millennium Stadium, International Sports Village, Cardiff City Stadium)
- Business districts – Roath Lock, Mount Stuart Square, Dumballs Road, Loudon Square, all business parks.
- ALL Schools, community hubs, libraries and youth centres.
- University halls of residence and other student accommodation

**A4. Define the area(s) over which ultra-fast or superfast broadband is to be delivered:**

#### **A4.1 By existing networks and already-announced rollouts by existing communications service providers**

72% of the city is already covered. See provided map.

#### **A4.2 By investment in in-fill (areas not covered by commercial suppliers)**

In-fill will provide 100% coverage. The total cost of infill is estimated at £8m.

#### **A4.3 By new networks**

None – no new networks are required.

#### **A4.4 Wireless connectivity**



Wireless connectivity will provide coverage over major footfall areas, constituting about 5% (see map at appendix) of the city by area.

A5. What funding from the Ultrafast Broadband Fund are you requesting? (Details in Section G.)

£12m approximately for the full model. This consists of:

In-fill provision: £8m

Additional build costs/furniture replacement: £3m

Public Conferencing facility provision/Social Housing basic wireless: £1m

Two other models are provided for lower ambitions priced at £10m and £8m; these will affect outputs if taken and we shall quantify in further detail if these options are required.

**A6. Briefly set out what additional funds will be contributed to the project (more detail to be given in Section G):**

A6.1 by Local Authorities

£4m contribution to provide wireless access in all schools

£1m contribution to provide wireless access in community centres/youth centres/social housing.

These contributions are subject to budget agreement; the initial £4m has been agreed in the draft budget for 2012-13.

**A6.2 from the EU**

None planned at present.

**A7. Any physical resources the city or its partners are contributing to the project. (Details in Section C.)**

Cardiff will contribute – Street Furniture access, project management, financial management.

Network service providers will contribute – demand stimulation.

## **SECTION B – DIGITAL-LED ECONOMIC GROWTH**

**Demonstrate an ambitious vision for growth. In particular:**

**B1. What job creation initiatives and strategies for attracting new businesses into the city are in your proposal including, where relevant, linkage to the delivery of a successful Enterprise Zone?**

Cardiff's economic development plans include the creation of the Cardiff Business District; a convention and financial centre (see appendices for maps etc.) intended to bring around £43m additional revenue into the city and create jobs in this key area. This is an Enterprise Zone delivery which is being jointly financed by Cardiff, Welsh Government and Central Government. Cardiff is already a major finance & business services provider – about 40% of net contribution.

The broadband availability in this key area will obviously increase opportunities for growth.

**B2. How will the proposed development enhance the capability of businesses, particularly SMEs, to increase efficiency and revenues?**

Largely due to the presence of key broadcast organisations in the city like BBC, S4C, ITV and their attendant support organisations like the Film Agency for Wales, Skillset Cymru (the CI Sector Council), etc, Cardiff has a large number of independent media SMEs – including such famous names as Boomerang, Tidy and Green Bay – all of whom need ultrafast broadband provision to deliver their products to broadcasters. Current deliveries, particularly ISDN, are unsuited to HDTV and cannot allow real-time streaming.

The Cardiff retail area, which contains a large number of SMEs, will be able to use the wireless facilities for advertising and other location-based demand stimulation, e.g. targeted special offers.

The large International Data Centre and a strong media sectors backed by BT, BBC and S4c have resulted in a Cluster of SMEs, many spinning off these large corporates who will benefit directly from the higher speeds available. Their expertise in developing new and innovative applications enhance the other SME base by providing them with opportunities to lead in their marketplace. e.g. a typical Mobile Application developed locally to provide a new type of security system enables a local SME to market and supply the system thereby providing local employment etc.

The development of Roath Lock as a full HDTV broadcast centre (which is currently being considered by BBC Wales) would further stimulate demand for high-end (ultra-fast) capability.

**Collaborative Procurement opportunities, building the local supply chain.**

Opportunities for business collaboration will be enhanced by super-fast on line networks, which can create collaborative supply-chain partnership, via e-commerce.

**B3. What proposals are included for leveraging innovation and new broadband connectivity for the development and delivery of public services?**

The public wireless delivery will assist with a wide range of public services – tourism is the obvious one, but outreach activities of all kinds, across all wellbeing services become enabled by wide wireless provision. As a simple example, being able to put a temporary stall out with a focused goal of assisting citizens with benefit claims becomes enabled to actually process them there and then using the wireless network. The continual improvement in Business Development with emphasis on specific sectors such as Media has shown to be successful and should be built on, looking at specific needs such as the ICT infrastructure etc to support these specific industries.

Road transport, a very complex area is an excellent example where the ICT infrastructure of the city could be used to great effect to control pollution, traffic flow, parking, etc. These are just two examples of where the Cardiff Smart City outlook could benefit the city, but there are many more and each Service Area will benefit from a Smart City Champion who would look at UK and Global developments in their own area and champion the need for a similar development in Cardiff.

This approach would ensure that the practical expertise in the Service Area would be utilised efficiently and would result in focussed projects which will keep Cardiff at the forefront of Local Authority development.

Picking up from a pilot project done for Cardiff Council previously by a local CI business CC4, in which short, rich-media items were created introducing and explaining a diverse range of the Council's services, including the Recycling scheme, Housing Benefit, Disability Sport opportunities and explaining the Planning Application Process – all done in a very intuitively accessible format. This used videos, stills, text, storytelling, and interactive “Flash” based games.

Over a dozen other opportunities were also identified to extend the pilot in future, when connectivity (along the lines envisaged here via the new Fund) made this viable... eg. Self diagnosis for common ailments, prescription ordering and delivery, leisure opportunities – classes, online booking, clubs etc., adult education, local shopping, property checkers, crime statistics etc. Some of these have since been developed independently, so a caching exercise would conglomerate some of this existing work.

**B4. How do you propose to stimulate additional private sector investment in order to generate greater accessibility to faster broadband services by businesses and consumers?**

The capital funding will act as a suitable stimulus. Service providers have been very clear to us that they will invest at roughly 50% match funding to this stimulus as it makes economic for them closed markets. Additionally, wireless service providers have offered to provide free services and hardware in exchange for access to street furniture.

**B5. What commitments to raise skills levels in the local population, providing greater accessibility to educational programmes to equip more people with better knowledge-based skills, will accompany this investment in faster broadband?**

A key part of this delivery is the focus on the education sector. Cardiff's schools are ambitious to move away from fixed ICT-room style deliveries and to a 21<sup>st</sup> century model based around tablet computing and mobility. The schools wireless delivery is a key to this change. This will also provide better community deliveries, as much adult learning is based in schools.

**B6. Describe, where appropriate, how the project will dovetail with existing Local Broadband Plans (for projects in England with allocations from BDUK's £530m superfast broadband programme) or with national plans for broadband rollout in Scotland and Wales.**

Discussions with Welsh Government have been conducted and agreement reached on dovetailing. Basically, this project will deal with the urban areas of the city and the Welsh Government Next Generation Broadband Initiative for Wales Project will deal with the remaining rural parts of Pentyrch and Creigiau/St.Fagans.

**SECTION C – COMMITMENT OF RESOURCES**

**C1. Detail those physical and administrative resources that will be committed to the achievement of objectives in this proposal (show financial resources in Section G – Funding):**

**C1.1 from the city**

Cardiff Council will commit to:

Opening access to street furniture and other property for the provision of wireless/4G capabilities.

Providing the project and administrative resources to ensure successful delivery, including project, procurement and administrative management.

Using its communications and media to stimulate demand, and encouraging channel shift by reflecting in charging models the reduced cost of public service in electronic deliveries

**C1.2 from the private sector.**

Private sector companies will commit to:

Providing the relevant infrastructure including fibre/cable, wireless access points and 4G equipment.

Providing project management for their infrastructure works.

Providing demand stimulation activities

**C2. Provide evidence that the City Authority has access to the project management capability and strengths in programme governance to deliver the programme of work.**

Cardiff Council has a wide range of trained staff in project and programme governance including MSP and PRINCE2 practitioners, along with staff trained in our own MSP/PRINCE2 methodology, PQA. Cardiff's management is committed to transformation both internally and externally, and our Annual Improvement Report notes that our record in this area is strong.

**C3. How will value for money be assured?**

All procurement and spends will be managed by the Project Executive appointed by Cardiff, and carried out in accordance with EU requirements. In particular, provision of the infill will be tendered

via OJEU. Cardiff Council will commit to having the project audited annually by its independent audit team, or external auditors as appropriate and to publish these reports.

**C4. Broadband investment will lead to both quantifiable and non-quantifiable benefits. Outline how you propose to measure and monitor the delivery of such benefits that are quantifiable.**

All measures noted above are already measured by Cardiff Council. A difficulty will be separating the benefits of this programme from other Cardiff programmes; we will modify current measures to provide this.

The Smart City rationale of each Service Area in the Council having specific measures on their initiatives will also enhance the measurement and monitoring of the effectiveness of the project.

## **SECTION D –STIMULATING TAKE UP AND DEMAND**

### **D1. Detail your proposals for education, information and demand building activities generating greater demand by businesses (including SMEs) and residences for ultra-fast broadband services, aiming for 50% take-up across all sectors.**

As part of bids for monies to provide the infill services and wireless services, service providers will have to provide commitments to education, information and demand building activities targeted at this area.

Cardiff Council will use its media team to build momentum in press and television about the project, and events in years 2 and 3 will have additional services/advertising to draw public attention to the new service provision.

### **D2. How will the proposed investment be utilised to transform the delivery of public sector services by making as many services as possible available online?**

Cardiff Council already has ambitions to channel-shift as much delivery as possible to online. Using the new networking facilities, along with the Wales-wide public sector network, we will work with other public sector organisations to increase the pace of this. In particular:

The Cardiff portal on the free wireless network (and free portion of the commercial offering) will carry local services from all local public sector providers.

QR codes will be provided on Cardiff printed matter which will allow those with capability to directly go to service presences. Other public sector bodies will be encouraged to utilise the facility for their deliveries.

The continual improvement in Business Development with emphasis on specific sectors such as Media has shown to be successful and should be built on, looking at specific needs such as the ICT infrastructure etc to support these specific industries.

Road transport, a very complex area is an excellent example where the ICT infrastructure of the city could be used to great effect to control pollution, traffic flow, parking, etc. These are just two examples of where the Cardiff Smart City outlook could benefit the city, but there are many more and each Service Area will benefit from a Smart City Champion who would look at UK and Global developments in their own area and champion the need for a similar development in Cardiff.

This approach would ensure that the practical expertise in the Service Area would be utilised efficiently and would result in focussed projects which will keep Cardiff at the forefront of Local Authority development. E.g. A mobile Application developed to control Care Worker appointments and data input to the central office would be looked after and continually improved by that Service Area.

### **D3. Proposals for delivering social benefits, possibly including: online involvement in democratic processes; flexible working; more flexible local labour markets; changing patterns of work; more online commerce.**

As noted above, online involvement in democracy and community matters is planned via conferencing facilities. Flexible working is already common in Cardiff, and the Council is already moving to a 1-in-5 working from home model for office staff; we will encourage others to follow. Anecdotally, we have evidence that incoming media professionals are picking home locations based on broadband speed, so improvements in this area improve labour market flexibility.

## **SECTION E – STREAMLINING PLANNING PROCESSES TO SUPPORT INFRASTRUCTURE ROLLOUT**

- E1. Demonstrate how the Local Authorities involved will expedite the installation of new infrastructure by ensuring that wayleaves, streetworks and other permissions required for access to public land and properties are made available in a timely fashion.**

This is a complex area and we have not been able to get definitive legal advice at this stage. Cardiff Council will work to ensure that these are prioritised, granted in a timely manner and not unreasonably refused, but needs to investigate this in more depth as part of the full bid process.

- E2. Indicate how engagement with large private owners of properties and land will be used to facilitate access for the deployment of infrastructure.**

Discussion with a number of large businesses and other public sector organisations has already taken place. It has been very clear from these discussions that these sectors are strongly interested in ensuring that deployment takes place and initial indications are that this will not be an issue.

- E3. Detail any other steps the Local Authorities will take to facilitate network deployment and up-grading.**

Cardiff Council will work to ensure that any other necessary steps are undertaken, including potentially, but not limited to, private duct sharing, joint planning of works to reduce costs, modification of street furniture replacement programmes to ensure easier deployment.



## **SECTION F – COMPLIANCE WITH STATE AID RULES**

### **F1. Show how the proposed infrastructure investments and business models to be used will comply with State Aid rules.**

The infrastructure infill and wireless provisions will be OJEU tendered, open to all. The provision of monies will ONLY be to cover capital costs of investment in a particular “white” area (see map), the requirements fulfilment will be conditional on funding being received and the lowest cost tender for EACH “white” area will be taken. This will ensure that the funding meets the four provisions of the Altmark judgement.

We will perform more detailed analysis and include full legal opinion in the final bid document.

### **F2. Summarise any information you have received from the Commission that supports the view in F1.**

No additional information – see Case C-280/00 “Altmark judgement”

## **SECTION G – FUNDING**

**G1.** Please complete this funding table detailing proposed funding make up and profile.  
Non-monetary resources to be contributed to the project should be set out in Section C.

*MODEL A – 100% Coverage of Ultrafast, all schools/community centres covered, all business districts and key socially deprived housing, including communications for political participation.*

*The UBF funding consists of an £8m in-fill cost, £3m build costs and £1m socially deprived housing/public communications contribution.*

<i>Total capital funding required (GBP)</i>	<i>2012-2013</i>	<i>2013-2014</i>	<i>2014-2015</i>	<i>Notes</i>
£ millions	millions	millions	millions	
Private sector investment				
UBF funding	£3	£7	£2	
Other funding (Local Authority &c.)	£4	£1		Subject to budget approvals
Other funding (European/ERDF)				
Totals				
Approximate number of premises, residential / non-residential, covered by the funding	15,000	24,000	6,000	

*MODEL B – 90% Coverage of Ultrafast, all schools/community centres covered, all business districts and key socially deprived housing, including communications for political participation.*

*The UBF funding consists of an £4m in-fill cost, £2m build costs and £1m socially deprived housing/public communications contribution. This model does NOT meet the complete ambition of 100% coverage.*

<i>Total capital funding required (GBP)</i>	<i>2012-2013</i>	<i>2013-2014</i>	<i>2014-2015</i>	<i>Notes</i>
£ millions	millions	millions	millions	
Private sector investment				
UBF funding	£2	£4	£1	
Other funding (Local Authority &c.)	£4	£1		Subject to budget approvals
Other funding (European/ERDF)				
Totals				
Approximate number of premises, residential / non-residential, covered by the funding	13,000	22,000	5,000	

*MODEL C – 80% Coverage of Ultrafast, all schools covered, all business districts and key socially deprived housing.*

*The UBF funding consists of an £1m in-fill cost, £1m build costs and £0.5m socially deprived housing contribution. This model does NOT meet the ambition of 100% coverage and also will not produce major economic benefit due to the scale of “white” areas.*

<i>Total capital funding required (GBP)</i>	<i>2012-2013</i>	<i>2013-2014</i>	<i>2014-2015</i>	<i>Notes</i>
£ millions	millions	millions	millions	
Private sector investment				
UBF funding	£1	£1	£0.5	
Other funding (Local Authority &c.)	£4			Subject to budget approvals

Other funding  
(European/ERDF)

Totals

Approximate number of premises, residential / non-residential, covered by the funding	12,000	17,000	4,000
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## G2. Funding Structure:

**G2.1 Describe any modelling that has been used to arrive as the funding estimate. (Full details not required at this stage.)**

Models are based on Capex contribution cost – that is, difference between service provider's estimates of economic cost of deployment and anticipated cost of deployment, plus council's own estimates of build/provision costs over and above that that can be expected from the market.

Service providers tell us that current economic provision is around 72% of the urban city area.

**G2.2 How will the capital funding be spent and who will own the infrastructure? For example, do you propose to lease equipment from a private sector contractor (cabinets) or own the capital investment (laying cable, installing wireless) or will the private sector contractor own the capital investment?**

The infrastructure (except as noted below) will be owned by the private sector contractors.

The council will own the wireless provision in school and community centres.

The ownership of the provision on public transport and in social housing depends on the final model agreed with service providers; it is likely to be joint ownership (some parts of the infrastructure council, some parts private sector).

**G3. Describe the commercial model that you propose to use. Give the reasons for your choice and, if it is a JV/PPP or alternative model, the nature and key principles of the risk bearing arrangements.**

The commercial model proposed for the infrastructure investment is a direct provision one. For the wireless/4G, it is proposed to be a joint venture – the council contributing sites, the service provider contributing wireless/backhaul technologies and the community benefiting from the free provision.

## **SECTION H – DELIVERY**

### **H1. Timely development, procurement and delivery timescales to ensure delivery is completed no later than March 2015**

It is intended that the procurement will commence as soon as funding is agreed. The schools wireless provision will commence immediately, as this has already been funded.

### **H2. Give the proposed timetable for procurement and demonstrate how cost effectiveness will be achieved.**

Procurement will commence in July 2012 (following funding signoff) and is expected to be completed by October 2012. Work will commence immediately following this, and the cost profile above assumes this; there is the possibility that service providers may not be able to schedule work this quickly, so a degree of flexibility in years 1-2 will be needed. Cost effectiveness will be guaranteed by competing at the postcode area level for the monies, so service providers will be granted funds only in the areas where their proposal is cheapest.

### **H3. The proposal should demonstrate its fit with the government's approach to using SMEs in delivery<sup>1</sup>.**

Breaking the procurement into postcode-sized lots allows SMEs to compete.

Subcontracting for installation with local businesses will be built into the tender process.

### **Sign off by Local Authority CEO, Section 151 officer or Portfolio-Holding Executive Member**

Name of proposal:	
<b>I verify that this proposal to the Ultrafast Broadband Fund fits with corporate policy</b>	
Signed:	
Name:	
<b>Job Title</b>	Date:

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<sup>1</sup> See <http://www.cabinetoffice.gov.uk/content/small-and-medium-enterprise-sme-action-plans>

# Appendices

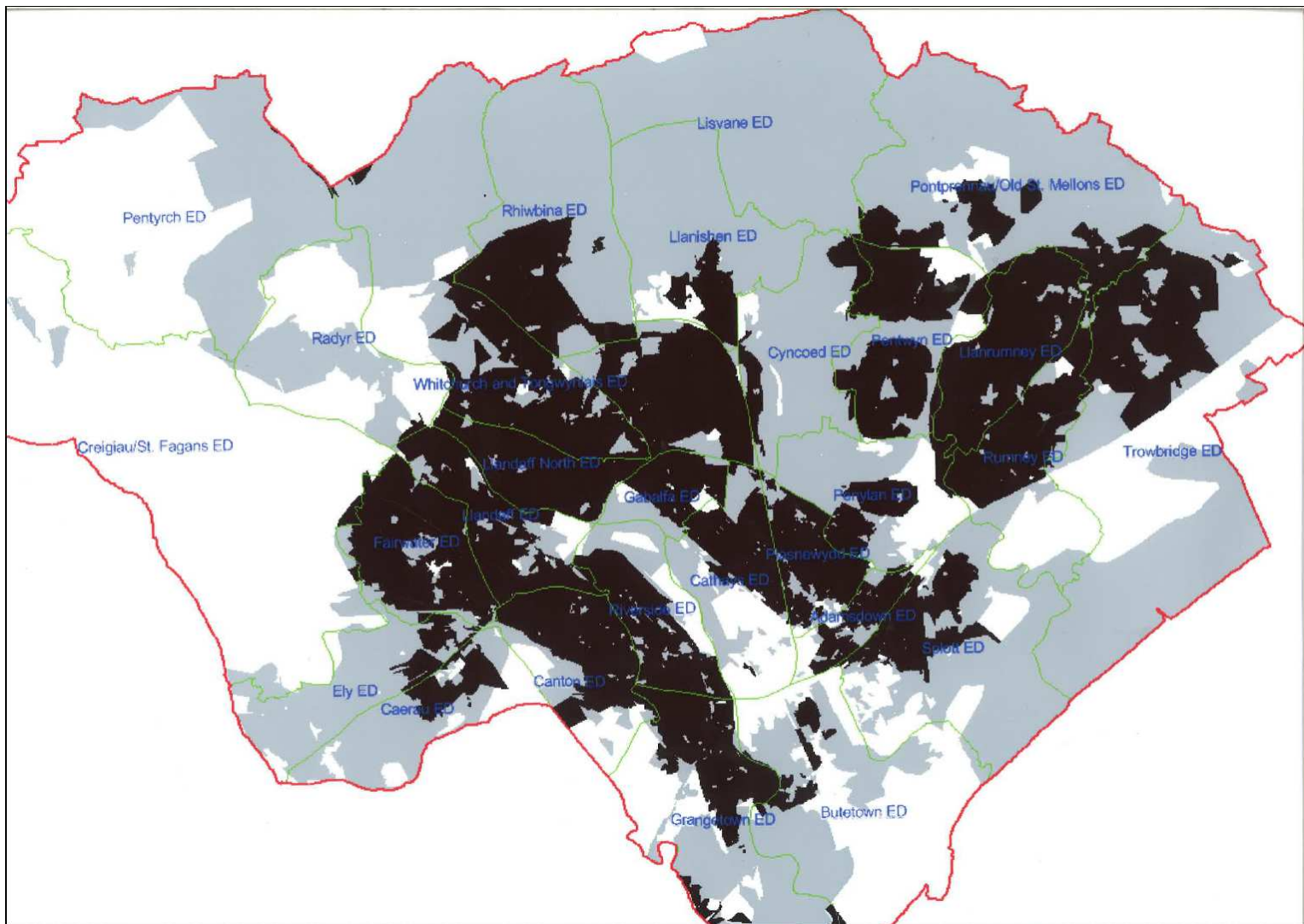
## Cardiff Current Broadband Coverage

**Key:**

White – no NGA access

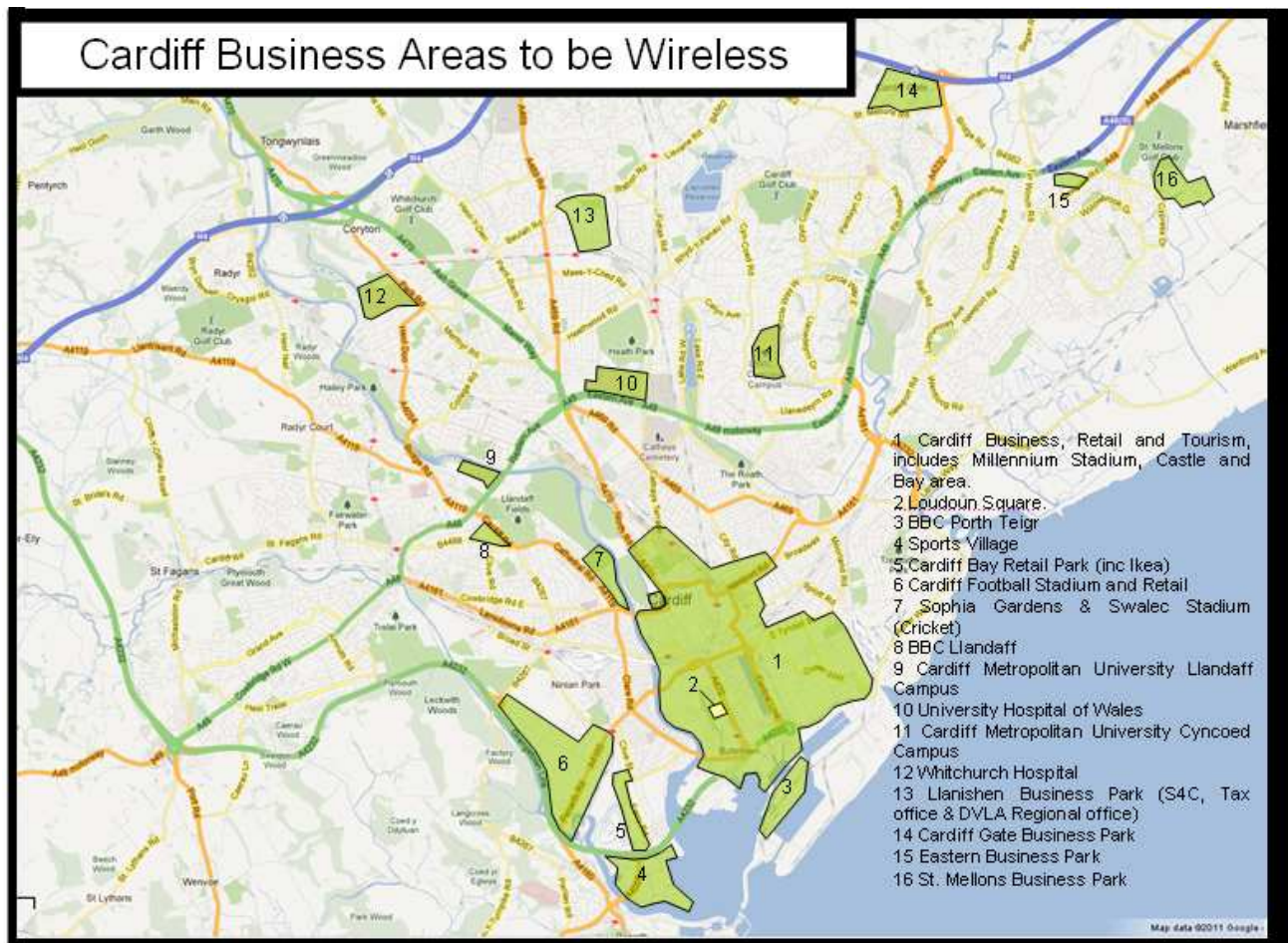
Grey – one NGA provider

Black – more than one NGA provider



Note that this project will deal with the urban areas of the city and the Welsh Government Next Generation Broadband Initiative for Wales Project will deal with the remaining rural parts of Pentyrch and Creigiau/St.Fagans.

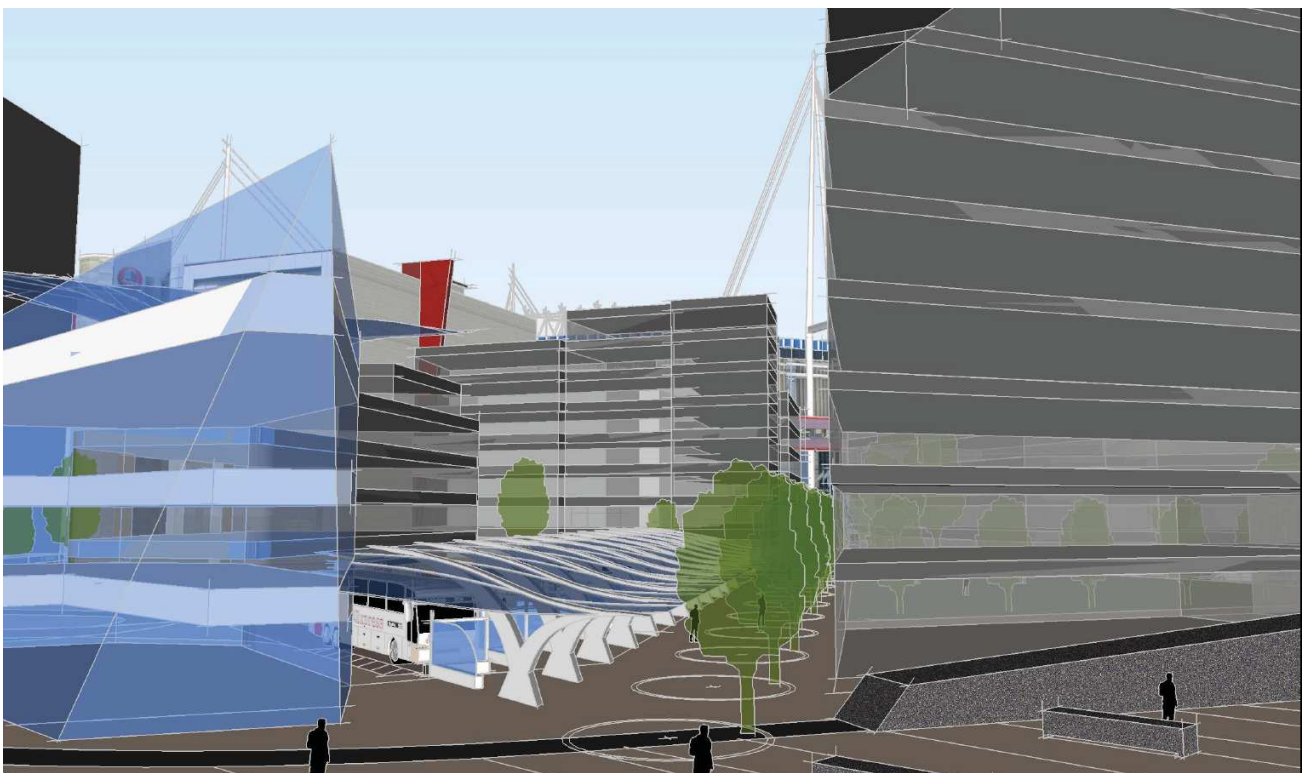
## Business Areas for Wireless Coverage



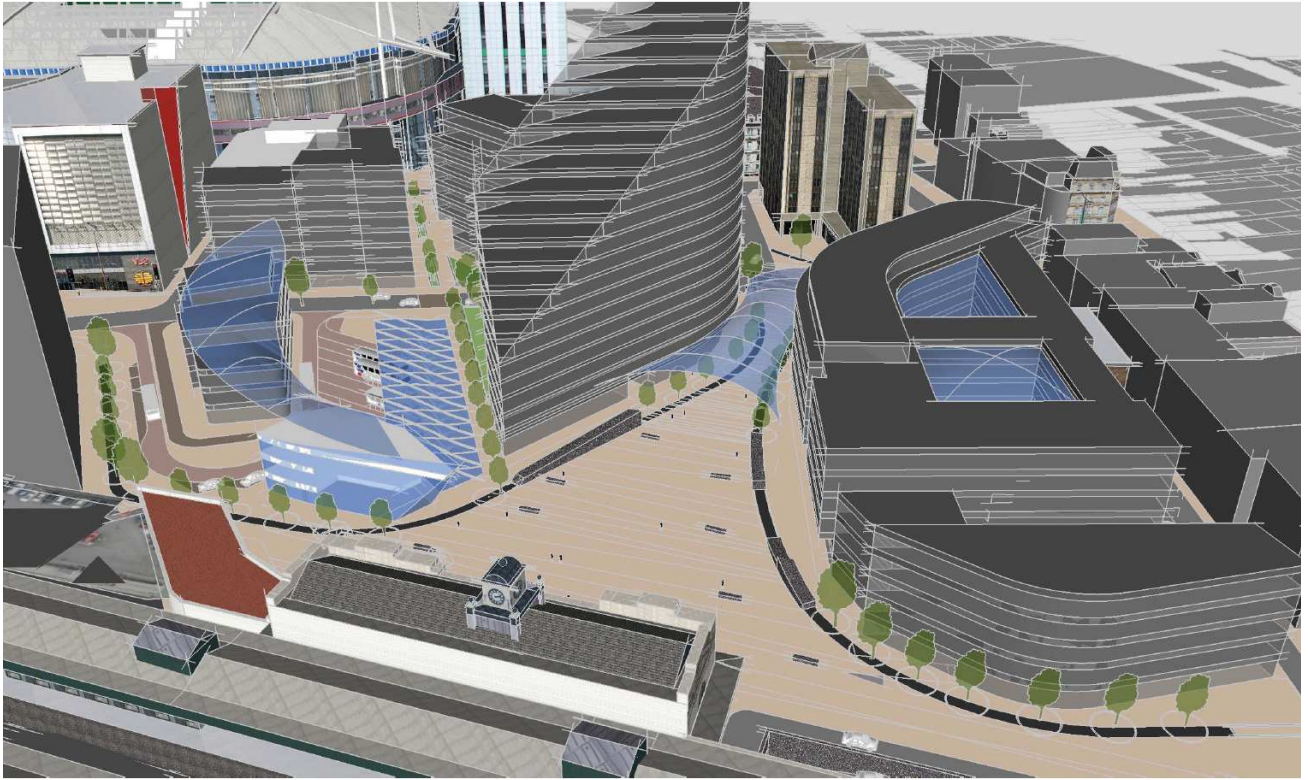


## Cardiff Central Business District Visualisations

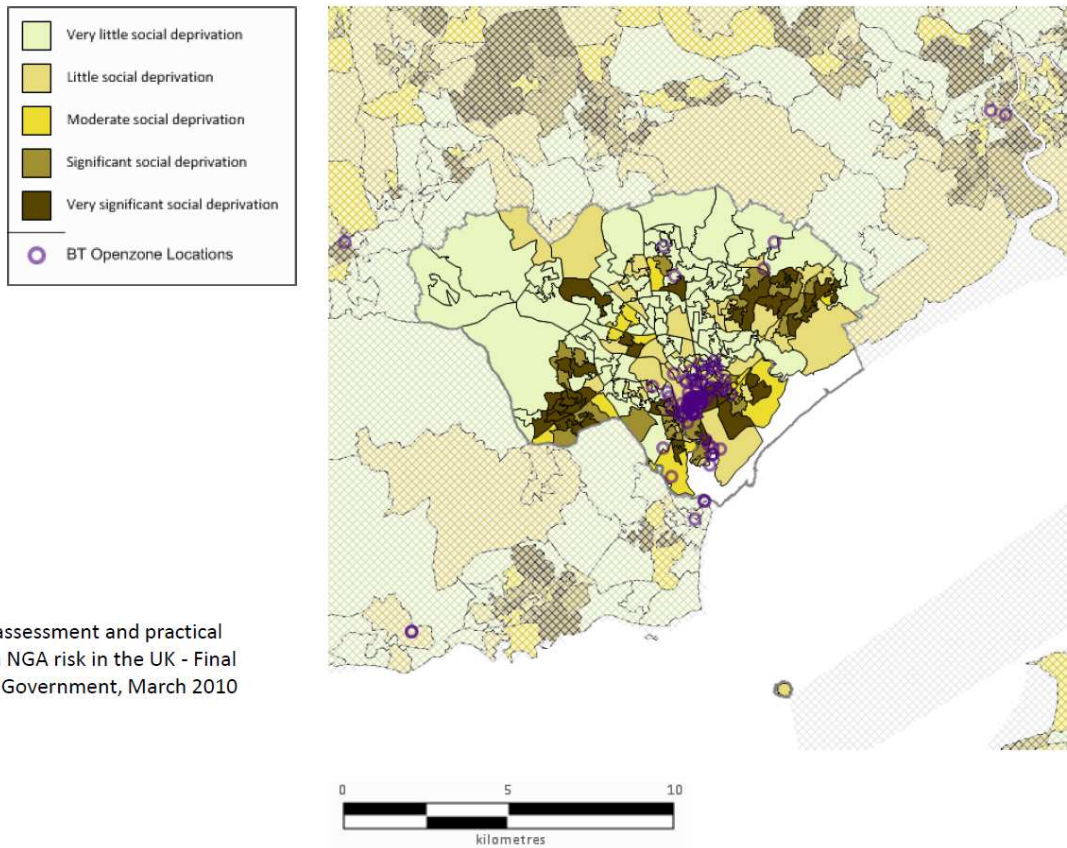
The foreground building is Cardiff Central station, the Millennium Stadium is on the left. This area will be wireless and have 1Gb wired broadband available throughout. This area is the north of the region marked 2 on the map above. This is a defined Enterprise Zone.







# Social Deprivation



Source: An assessment and practical guidance on NGA risk in the UK - Final Report, HM Government, March 2010