

Digital Glasgow - Connected City





APPLICANT INFORMATION

Project Name: Digital Glasgow - Connected City

Lead organisation: Glasgow City Council

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

**Proposed start
Date of Project:** March 22nd 2012

**Proposed end
Date of Project:** 31st March 2015



SECTION A – SHORT-FORM BUSINESS CASE

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

Glasgow is the largest city and the major international transport hub in Scotland, with a population of 600,000, 11% of the Scottish population. Its £17bn annual economy supports employment of 443,000 or 17% of all Scottish jobs, attracting 160,000 non-city dwelling workers to commute daily into the City. Glasgow's population is both younger and more ethnically diverse than the rest of Scotland, reflecting the City's history of attracting and retaining talent – especially via its internationally renowned universities, art school and conservatoire.

It is the economic, social and creative hub of the Clyde Valley region and is the regional 'knowledge' hub for Western Scotland across a number of economic growth sectors, including Low Carbon Industries, Engineering, Design & Manufacturing, Life Sciences, Creative & Digital Media, Financial & Business Services, Tourism & Events as well as Higher Education & Research (33% of Scotland HEI resource). It has delivered many major cultural and sporting events; from the Garden Festival through to planning and hosting the forthcoming 2014 Commonwealth Games.

However, Glasgow remains the most deprived city and local authority area in Scotland. Almost half of Glasgow's residents - 285,000 people - live in 20% of the most deprived areas in Scotland, with poor or no access to broadband and the opportunities of the digital economy. Nearly a third of our working-age population is economically inactive, compared to 20% nationally. The number of people on benefits has doubled in the last 4 years and the requirement for public services is much greater than the national average.

Internet take-up in Glasgow, at just 50%, lags behind the UK broadband average of 74% and 61% across Scotland. A recent Ofcom survey across 46,000 Glasgow residents showed that 27% of households have no connectivity and there is only 26% usage in low income families.

Appendix A shows a more comprehensive breakdown of demographic statistics.

Glasgow City Council in partnership with other public agencies has a number of programmes in place to stimulate the economy and tackle the social divide. One such initiative is 'Digital Glasgow' - an ambitious programme that draws together public and private sector expertise to enable Glasgow to become a major digital economy and promote social inclusion.

We are applying for £12m of ultra fast broadband funding to extend our work and launch the 'Digital Glasgow – Connected City' programme, to ensure that we have ultrafast broadband covering at least 90% of the City (aspiring for total coverage), as well as to support our new and important rising economies by implementing broadband capability up to 300Mbps to key business areas. Appendix B shows the structure of our Digital Glasgow Programme, highlighting the 'Connected City' component.

Our proposal is underpinned and informed by four guiding principles:

- the strong recommendations of the Glasgow Economic Commission to re-position the City in a global market, focussing on Creative Digital Media, Finance and Life Sciences
- the challenges raised in our local consultations on 'Future Glasgow', our emerging vision for the City for the next 50 years, focusing on communities and eradicating the digital divide
- partnership working through the 'One Glasgow' programme, a joined-up approach to reduce duplication, make better use of resources and reform how we deliver better services
- the opportunities presented by the 2014 Commonwealth Games and the communications, learning, business and employment, tourist and community benefits legacy it can bring

Our funding application would deliver:

- ultra fast broadband capability to a minimum of 90% of Glasgow City Council area premises (residential and business) via delivery of Fibre To The Cabinet or premise (FTTC supporting 80 – 100 Mbs) (vs 71% BT target for Glasgow)
- Fibre To The Premise (FTTP, supporting upwards of 300Mbs) to specific enterprise areas and locations for inward investment including the International Finance Services District (IFSD2), Glasgow South Hospital Life Sciences Campus and Creative Clyde
- ultra fast broadband capability and public access WiFi to new Digital Inclusion Centres of Excellence (DICE), to Glasgow Housing Association (GHA) multiple occupancy locations and to four new Digital Enterprise Centres (DEC) to promote broadband uptake across our communities
- ultra fast broadband capability and public access WiFi to our 2014 Commonwealth Games venues as a legacy.

Location maps of the above can be viewed in Appendices C and D.

Finally, our partners are hugely supportive of the ‘Digital Glasgow – Connected City’ proposal and programme. Our public sector partners will join with us to consolidate broadband and digital uptake initiatives, education and social inclusion programmes and will commit resources to drive this programme forward. Equally, our private sector partners have already pledged a matched funding for the telecoms infrastructure over the programme’s 3 year tenure.

We are fully equipped and geared up to deliver the above outcomes and benefits, have established governance boards in place, have strong private and public partnerships supportive of the initiatives and have developed plans to deliver the programme (see Appendix E).

A1.1 Economic growth

The Glasgow Economic Commission has advised us on future priorities for economic development in our City and recommended that we focus on a number of key growth sectors to rebalance our economy; the Creative Industries, Financial & Business Services, Life Sciences, Low Carbon Industries, Engineering, Design & Manufacturing and Tourism & Events. The Commission noted the growing need for ultrafast broadband to support these key economies and that Scottish Enterprise and Glasgow Chamber of Commerce should work to increase broadband uptake among businesses, especially SMEs.

We would plan to use the ultra fast broadband funding to deliver full FTTP (300Mbs) to all business locations in the following Enterprise Area and business opportunities: Creative Clyde, IFSD2 and the Life Sciences Campus, aspiring to create around 6000 new jobs in the City.

A1.2 Take-up of broadband services

Our strategic objectives are to be recognised internationally as a world class digitally connected City, providing ultra-fast internet access to as close as 100% coverage across our City as possible (and at least 90%). We will focus on key locations for specific citizen groups and economic opportunities, including our 2014 Commonwealth Games venues, promoting well-being and creating jobs in our growing market sectors.

We would actively measure our progress aiming to exceed 50% take-up of ultra fast broadband across the City. We will monitor our improvements in National and International rankings and ensure that specific demographic and social groups are targeted to take-up a wide range of broadband services. We will extend our strategic programmes to stimulate and increase the take-up of ultra fast broadband, and increase the number of local businesses that use our Business Portal.

A1.3 Social objectives

Our strategic objectives are to ensure that all of our citizens are ‘digitally included’ and have equal opportunity to access public services, learning initiatives and employment opportunities. We will focus on older and vulnerable people through our flexible tele-healthcare initiatives, supported by ultra fast broadband in currently hard to reach areas.

Young people will have access on demand to learning and employment opportunities through various digital channels and we would expect to see increases in educational qualification attainment and more apprenticeships being created. We will strive to improve the ability of communities and individuals to actively participate in online democratic processes.

We would align our programme with the 2014 Commonwealth Games legacy to foster a greater sense of community, create a world class legacy volunteering programme, increase educational attainment and employment opportunities and promote health and well-being through active sports participation.

We would determine specific social targets and measures as part of detailed planning, but would gauge success through different methods, including increased levels of feedback to public services, consultations, contact between citizens and Elected Members and increased uptake in our already thriving digital channels such as Twitter. We would exceed our current Commonwealth Games legacy targets for volunteering. Through our tele-healthcare initiatives we would aim to reduce hospital and care home admissions, enabling citizens to be cared for at home. Ultra fast broadband would enable us to extend these services, monitor the impacts and give our vulnerable people more choices as to the type of care that they receive. We would actively measure the take-up of extended online services, focusing on specific demographic groups supported by targeted marketing campaigns.

A1.4 Other local objectives

Our programme will support the Council's core objectives; to improve the effectiveness of public services, increase lifelong learning opportunities, making Glasgow a safer and cleaner City, bringing increased prosperity and improving health and well-being. Apart from tele-healthcare and online public services there is the potential for Education and job creation building on the Commonwealth Games legacy. Other exciting prospects are already being discussed, such as the ability to link CCTV cameras across the City contributing to a safer City. We would set specific targets and aim to narrow the gap between Glasgow and the rest of Scotland in relation to broadband take-up and reduce areas of deprivation in Glasgow (relative to the Scottish Index of Multiple Deprivation).

A2. Set out the rationale for public investment:

Glasgow is keen to build on the recommendations of the Glasgow Economic Commission to re-position the City economy in a global market, focussing on Creative Digital Media, Finance and Life Sciences. Our proposal specifically targets these business opportunity areas (Creative Clyde has Government Enterprise Area status) and our aims, objectives and job creation targets are clearly defined within our proposal. Ultra fast broadband is critical for these areas, to attract inward investment and allow companies to fully engage in business activities specific to their unique requirements. All of these sectors will require broadband capability (far in excess of current offerings) at 300Mbps. They require the extra bandwidth to ensure future-proofing and equip the associated businesses to compete in open markets.

Glasgow has areas of deprivation with low bandwidth or no internet and its take-up of broadband remains well below the national Scottish and UK average. Our proposal will create an equal platform for ultra fast broadband access and associated services for residents and communities, thereby reducing the digital divide that we face. We would aim for at least 90% coverage but aspire to reach 100%. Our Digital Glasgow – Connected City initiative would have a separate demand stimulation programme to specifically promote broadband take-up and access to services, targeting the most deprived areas for social inclusion.

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

BT have advised that current commercial plans will deliver access to ultra fast broadband across 71% of the City. With the ultra fast broadband investment applied for, this would increase to a minimum of 90%. Glasgow has some unique issues around social deprivation and poor use of broadband. We would address these through our Connected City demand stimulation programme and promote digital inclusion to those who most need it.

In terms of the economy and job creation, our growth sectors are the Creative Industries, Life Sciences and Finance and are part of business opportunity geographic areas, aiming to attract inward investment and create jobs. The Glasgow Economic Commission has urged us to extend broadband into these areas to enable businesses to compete effectively

and be able to deal with their unique data transport requirements. We would aim to deliver ultra fast broadband and private circuit capability into these, including the recently announced Creative Clyde Enterprise Area, to deliver speeds of 300Mbps.

We would also maintain the momentum generated by the 2014 Commonwealth Games to enhance Glasgow's reputation as a world class events location and support future ambitions via a technology legacy.

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

The demand stimulation will be addressed by the Digital Glasgow - Connected City demand stimulation programme (a partnership with major suppliers and city stakeholders) and encouragement of private sector investment will continue for the lifespan of the UBF capital investment project. It is expected that where identified objectives are met through either of these activities and reduced capital funding is required in those areas, that the available funding would then be redirected to increase either a) percentage of premises with ultra fast broadband capability or b) number of enterprise locations with FTTP capability or c) areas where further inclusion activities can be delivered.

This flexibility in budget allocation and planning is key to the nature of this programme. The drivers for private sector investment are constantly changing and despite the major suppliers providing information on planned rollouts for 2012 in the Glasgow City Council area for this bid, it is expected that local, national and UK commercial and public drivers will affect the infrastructure rollouts over the next 3 years.

It should be noted that no public sector investment will be utilised in areas where commercially driven technology rollouts are to be delivered and this will ensure that the investment (which will be matched by the private sector in selected areas) will deliver value for money and adhere to State Aid rules.

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

Glasgow has a proven track record in the delivery of multi disciplinary programmes across the City and its stakeholders.

The combination of these skill sets, enables innovation, flexibility and successful delivery.

The Digital Glasgow – Connected City programme will utilise these strengths throughout the strategic planning and delivery phases and will inform the demand stimulation activities which are expected to continue on a technology independent basis.

We will provide a full programme management capability, robust governance and risk management as outlined in the main body of this proposal.

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).

A consistently branded and phased city wide advertising campaign would be run to business and residential properties. This would utilise programme specific cabinet branding, street advertising and electronic and paper mail shots as required. Branding will be programme focussed rather than private sector (e.g. 'Digital Glasgow - Connected City') and will in the first place be private sector brand neutral and scheduled to match infrastructure rollouts and enablements. The private sector partners would be involved in the publication, delivery and funding of this advertising.

Business education and demand stimulation would be managed by the Digital Glasgow – Connected Cities Demand Stimulation programme / workstream and delivered via organisations such as Glasgow Chamber of Commerce, Business Network and Digital Enterprise Centres for SMEs with direct marketing for larger businesses targeted at increasing the awareness of technology that will support increased home / remote working capabilities across the city.

Citizens' education would be managed via the Digital Inclusion Centres of Excellence and Libraries and would link to vocational training offered by a range of City-wide partners.

A4.What new infrastructure does your proposal require?

A4.1 Fixed. (Fibre, cable, &c)

The funding would deliver an uplift in the capability for ultra fast broadband via the implementation of fibre to the cabinet or fibre to the premise (dependant on the priority and value for money) to a minimum of 90% of the city premises (residential and business) from the planned 71% by private sector organisations by 2014.

Included in the minimum 90% would be the identification and delivery of ultra fast broadband into “commercial white zones” via FTTC, an activity which is not funded in Glasgow from BDUK funding allocated to Scotland. It is accepted that it is unlikely that true eradication of all white zones will be delivered via FTTC alone and the use of wireless / mobile technologies to deliver this capability will be investigated and driven by the broader Digital Glasgow programme.

Also included are specific locations to support the education, demand stimulation and social benefits generated by this activity. These include 2014 Commonwealth Games venues, Digital Inclusion Centres of Excellence, Digital Enterprise Centres and GHA multiple tenancy housing locations for Telecare and Telehealth opportunities.

The selection of sites to be included in the minimum 90% target will be led by Glasgow City Council and will take business, residential, social and digital inclusion drivers to ensure the approach delivers best value for investment across the city and enables Glasgow’s place as a “super connected city” for this decade and beyond.

Specific enterprise opportunities and inward investment locations would have fibre installed to the premise to support speeds in excess of 300Mbps and drive inward investment and SME penetration.

It should be noted that public investment will only be made in areas where no planned private investment is in place and will be used to extend the availability of ultra fast broadband via FTTC / FTTP across the city. Public investment will not be used to extend the core network(s), with private sector partners providing matched funding to ensure that all required core network changes are delivered to match the requirements.

A4.2 Wireless connectivity.

Wireless connectivity (public access WiFi) will be delivered to locations supporting education, demand stimulation and social benefits generated by this activity. These include 2014 Commonwealth Games venues, Digital Inclusion Centres of Excellence, Digital Enterprise Centres and GHA multiple tenancy housing locations supporting wireless connectivity from laptops, tablets and smartphones which will support the delivery of training / fulfilment via wireless devices and enable the rollout of Public Services to an increased percentage of citizens.

These wireless locations will also act as pilots for a proposed commercial Metro WiFi network that is being addressed via the overarching Digital Glasgow strategy and Digital Glasgow Metro WiFi project.

Funding for mobile network connectivity (3G and looking forward, 4G) is not being requested from UBF, however City wide Mobile Network connectivity and bandwidth is being addressed within the Digital Glasgow programme in the City Wide Mobile Network project.

A5. Define the area(s) over which ultra-fast or superfast broadband is to be delivered:

A5.1 By existing networks and already-announced rollouts by existing communications service providers

BT have announced enablement of exchanges in Glasgow through 2012 (rollout plans beyond 2012 have not yet been publically released). The 2012 investment alone will account for just over 50% of exchanges within the Glasgow City Council area. In addition, BT have committed to rollout of ultra fast broadband via FTTC to 66% of the UK population and an expected 71% of Glasgow premises. The UBF allocation will be used to increase penetration of Ultra fast broadband in the Glasgow City Council area to a minimum of 90%.

As the rollout plans are only available to 2012 at this time, the planning and confirmation of areas to directly receive

public (and matched private) investment would commence in detail as phase 1 of the detailed business case and will continue through the lifespan of the programme as the private investment is confirmed.

Virgin Media have an established cable network that at the time of writing will deliver ultra fast broadband products to the premises, however as this is not an open network, it is not suitable for UBF investment.

A5.2 By investment in in-fill (areas not covered by commercial suppliers)

UBF allocation will only be used to fund a rollout of high speed broadband to those areas not already covered or planned by a private sector rollout. As the private sector rollouts are not fully confirmed, the Digital Glasgow - Connected City programme delivery will be planned as the private sector rollouts are released.

A5.3 By new networks

No entirely new networks are being planned. Extensions to existing networks throughout Glasgow are expected to deliver the required penetration and adhere to State Aid rules.

A5.4 Wireless connectivity

Free, time limited, public access metro WiFi will be installed around the DICE, 2014 Commonwealth Games venues and GHA multi occupancy locations.

Required infrastructure will be implemented to provide this service both in venue and in a public area within a limited radius. Due to locations, these are not sites where a commercial Metro Wifi service would be provided without public investment, therefore it is expected that they will act as pilots for a proposed Metro Wifi delivery being managed within the Digital Glasgow Programme. It should be made clear that funding for these locations has been targeted and is confirmed as being outwith any reasonable commercial deployment of a Metro WiFi solution procured via the dedicated project.

A6.What funding from the Ultrafast Broadband Fund are you requesting? (Details in Section G.) £12m.

A7. Briefly set out what additional funds will be contributed to the project (more detail to be given in Section G):

A7.1 by Local Authorities :

Revenue funding supporting the objectives of this bid is being provided by various stakeholders and will be pursued through the life of the programme.

A7.2 from the EU:

The current and future EU funding releases will be targeted across the lifespan of the programme, subject to the allocation being confirmed.

A7.3 by other partners:

Throughout the development of our proposals we have engaged with a wide range of partner organisations all of whom have given permissions to be referenced in this document. They are all fully committed to working with Glasgow City Council as we develop our detailed proposals and deliver the Digital Glasgow – Connected City programme.

Any resource or funding commitments will only become clear as the more detailed proposals are developed and therefore further discussions will be carried out with these organisations at the appropriate time.

These organisations represent key stakeholder groups within Glasgow as well as representatives of the Scottish Digital Participation Action Group

A workshop was held on 12th January to develop our proposal and has since been followed up with group meetings and discussions.

The Council has also engaged with suppliers BT and Virgin media as part of our process of understanding existing and planned coverage.

The following organisations are supportive of the Digital Glasgow – Connected City bid.



A8. Any physical resources the city or its partners are contributing to the project. (Details in Section C.)

Locations for the DICEs (9) and additional DEC's (4) will be provided by Glasgow City Council or its partners.

In addition, access to and use of public ducting, street furniture and building services will be provided where this enables value for money and efficient delivery of the programme.

Finally, Glasgow City Council will provide infrastructure for the Digital Glasgow - Connected City Programme team to operate from and deliver the programme of investment and associated demand stimulation.

SECTION B

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?

Glasgow is applying for Ultra-Fast Broadband funding to support and accelerate the development of the following strategic economic initiatives and Enterprise Area to attract inward investment, generate new jobs and improve productivity:

Creative Clyde Enterprise Area, Scotland's focus for commercial creative industries: Offer full fibre to the premises (FTTP) 300Mb/s to all locations

Creative Clyde is a strategic project led by Scottish Enterprise in partnership with Glasgow City Council. The 14 hectare site is the focus for developing commercially creative digital media businesses in Glasgow and is the largest in the UK outside of London. The Scottish Government has recently designated Creative Clyde an Enterprise Area (equivalent of Enterprise Zone in England). Significant regeneration and investment has already been attracted to the area including Scottish Television HQ, BBC Scotland HQ, Glasgow School of Art's Digital Design Studio, Film City Glasgow) and our aim is to build on this investment to attract creative SMEs with the capacity to grow, create employment and export. A catalyst for the growth of Creative Clyde will be the full digital-enablement of the site to ultrafast broadband standards and beyond (fibre to the premises) in order to attract and develop SMEs and creative industry companies.

Glasgow's creative industries can take advantage of the ready supply of skills and experience to support their future growth with a strong pipeline of future talent from the City's three universities, the internationally-renowned Glasgow School of Art and the new Royal Scottish Conservatoire and six FE colleges. Between them, they produce thousands of graduates each year, with qualifications directly relevant to the creative industries.

Our development targets are: 40 new businesses and 800 net new jobs (over 10 yrs)

South Glasgow Hospitals Campus, the focus for Life Sciences: Offer full fibre to the premises (FTTP) 300Mb/s to all locations within the Campus

The South Glasgow Hospital Campus is one of Europe's largest university hospital complexes. The campus will be the location for several Centres of Excellence including the Neurosciences and Spinal Injuries Unit (serving the West of Scotland). The University Teaching Hospital will provide a wide range of city-wide, regional and national services including the West of Scotland Mobility & Rehabilitation Centre and the National and Regional Accident & Trauma Centre.

It will also become one of the main focal points for the important Life Sciences Industry sector in Glasgow (one of 5 identified by the Glasgow Economic Commission). In Life Sciences, the Economic Commission recommends greater commercial exploitation of the university/NHS research of the wider economic and commercial potential of the £1bn+ investment in the South Glasgow Hospitals Campus. Full connectivity via ultra-fast broadband will be hugely significant to its efficacy of the entire campus as a centre of medical, research and teaching excellence, as well as a magnet to attract new businesses, in particular SMEs and micro businesses, in the burgeoning "MedTech" sector/supply chain, and high value jobs to the area.

Our development targets are: 25 new SMEs and 500 net new jobs

International Financial Services District (IFSD2), the focus for financial services in Glasgow: Offer full fibre to the premises (FTTP) 300Mb/s to all locations within the Financial Services area.

Financial & Business Services has been a significant employment generator for Glasgow during the last 20 years. It is a principal driver of GVA output for Glasgow accounting for 37% of total GVA output and it has doubled its economic output over the past decade. It is one of the 5 key sectors for economic and employment growth identified by the Glasgow Economic Commission.

Building on the outstanding success of Glasgow's award-winning International Financial Services District (IFSD), which attracted £1bn investment and created 15,500 (net) new jobs to the city between 2001 and 2011, the Commission recommends that Glasgow create IFSD2, extending the boundaries of the existing area to take in a further 3.5 m sq ft.

of office floor space. IFSD2 would aim to match these achievements. Although replicating this model is challenging in today's economic climate with many of the strategic development sites within the proposed IFSD2 area stalled, one of the key enablers of the original IFSD success was the early provision of world-class digital infrastructure. We plan on replicating this into the expanded geographic footprint.

At the same time, developers and other property professionals report that the supply of Grade A office space in the city centre will run out over the next 6-18 months, weakening the City's ability to compete for mobile investment, constraining the expansion of existing businesses in the area and stifling the growth of a key sector. Incentivising and supporting development, the intervention of the IFSD partnership (Scottish Enterprise, GCC) will be critical and ultrafast broadband will be a pre-requisite to deliver IFSD2 with FTTP supporting upwards of 300Mb/s.

Our development targets are: 5000 net new jobs in next 3 years and 3.5m sq ft floor space.

All of the above strategic developments will be supported by the following enabling measures:

Inward Investment: Glasgow for Business

Glasgow City Council, in partnership with Scottish Enterprise, and Scottish Development International (Scotland's inward investment agency) are responsible for the national and international promotion of Glasgow as a business location. Outwith London, Glasgow is the UK's most successful location for inward investment. Through a structured and comprehensive city-wide business assistance and training service (Glasgow for Business), Glasgow actively supports and encourages business growth and development for companies of all sizes.

The Glasgow for Business initiative will actively promote and encourage uptake of broadband facilities and digital business.

Digital Enterprise Glasgow: Digital Enterprise Centres (DECs)

Digital Enterprise Glasgow provides rent-free office facilities and intensive tailored business support services for pre-start and start-up businesses in Glasgow engaged in digital technology and e-commerce at Strathclyde University Incubator Ltd and City of Glasgow College, Cardonald College and the University of Glasgow.

A further 4 Digital Enterprise Centres will be established to support the expected growth in digital business driven by our ultra fast broadband proposed programme.

Job creation initiatives

A wide range of job-creation initiatives operate in the city including the Council-run Commonwealth Jobs Fund, the Commonwealth Graduate Scheme and the Commonwealth Modern Apprenticeship Scheme. Other city agencies offering job-creation initiatives include the Glasgow Regeneration Agency (GRA), Business Gateway (a national programme targeted at start-up companies) and Glasgow City Council's Business Services team.

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

Cushman & Wakefield's European Cities Monitor (2011) cites the availability of digital connectivity as a key factor in influencing corporate investment and local decisions. Scottish Government undertook research in 2011 amongst 1000 SMEs and micro-businesses in Scotland on broadband and business. The research revealed that

- 36% were constrained by current broadband speeds
- 61% believed that they will use broadband to a greater extent over the next five years
- 45% believed that they will require faster bandwidths in the next five years

Provision of ultrafast broadband within the Creative Clyde, IFSD2 and South Glasgow Hospitals Campus projects will address many of the constraints to growth experienced by SMEs, improve performance, productivity and competitiveness of businesses, especially SMEs and micro-businesses, in sectors which need to run multiple bandwidth-hungry applications and whose success is dependent on fast data transfer capability.

SMEs will be encouraged to transact electronically (B2B) and offer their services online to consumers, underpinned by the ultra-fast broadband architecture.

The development will offer increased efficiency and revenues through cost-sharing opportunities and SMEs can also take advantage of home and flexible working, high definition real time video conferences, saving on downtime and travel costs. An advice and awareness raising campaign will further assist SMEs and will be delivered via our demand stimulation programme. Scottish Enterprise's investment in this support to businesses in Glasgow and the surrounding area is typically around £1.5M per annum.

As an outcome of the Glasgow Economic Commission, Further and Higher Education institutions in Glasgow are working together to ensure a pipeline of appropriately qualified graduates to support Glasgow's key sectors.

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

Statistics show that broadband use is lowest among our older people, those with lower incomes or with health difficulties; social groups which represent a significantly larger proportion of Glasgow citizens than any other UK city. Those with greatest need of public services reside in areas where broadband infrastructure has been limited due to lack of commercial interest. The proposals in this bid recognise the need to first tackle this issue which will then allow Glasgow to develop and deliver new and enhanced public services closely aligned with service delivery from other public agencies.

The Council's Channel Management Board is currently exploring a range of options to extend services through smart phones, games consoles, TV and PDAs. The 'Digital Glasgow – Connected City' programme will deliver the infrastructure to support these extended services.

Driven by our 'One Glasgow' programme, a multi-agency reform initiative to deliver more efficient public services for citizens, Glasgow Housing Association (GHA) is an example of an organisation within Glasgow that will benefit from the programme. It provides social housing services for 41,000 citizens including homes to be constructed as part of the Commonwealth Games Village. They have set an ambitious target of giving all tenants the capability to connect to the internet at an affordable price by 2015 with an estimated £15m capital and revenue investment. Their tenants live in some of most deprived areas of the city and are among the poorest of Glasgow citizens. Internet take up is low at around 27% and the GHA programme aims to address this through public/private partnership and subsidy where required. As their tenants are largely consumers of a wide range of public services, getting tenants online offers an opportunity to deliver services in a more joined up way. The 'Digital Glasgow - Connected City' programme will deliver ultra-fast capability to the multi-occupancy locations to support innovation and extension of online public services.

Looking Local TV, formerly the DigiTV National Project sponsored by ODPM, offers innovative public service delivery and is currently under review in Glasgow. Targeting non-PC users/owners, C2, D & E demographic and housebound elderly and disabled, it uses the familiar and trusted media of TV and increasingly popular 3G enabled phones to provide interactive access to public services. Exploiting this service to its full potential requires not only internet connectivity but ultrafast speeds, delivered by the 'Connected City' programme.

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?

We have already gained commitment from the private sector to contribute at least £10m capital funding over the next 3 years if we are successful in this bid and will continue to forge close links for further investments.

The Scottish Government, with a number of other key organisations signed up to Scotland's Digital Participation Charter in November 2011. This seeks to focus co-ordinated action around digital participation. The charter commits signatories to bringing together their collective skills and resources to increase digital participation levels in Scotland and delivering the associated economic, social and environmental benefits through its Action Group. Signatories include Scottish Government, Microsoft, Cisco, Sopra Group, JP Morgan, Edinburgh City Council and Glasgow City Council.

As well as allowing collaborative working across Scotland, discussions are now underway with Scottish Government and signatories who are also Glasgow stakeholders to plan how to work together to increase uptake by businesses and consumers.

We will continue to forge close partnerships with all stakeholders to attract further funding as the programme develops.

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?

Many who would potentially benefit most from Internet access – whether from the financial savings available from online shopping, access to public services or simply from increased employability and confidence – do not have the relevant ability or awareness.

The development of appropriate foundation courses is a key enabler in achieving increased uptake and access to online services. This bid proposes the creation of Digital Inclusion Centres of Excellence (DICE), managed by Glasgow Life, our social and cultural inclusion partner, by converting community facilities in the most deprived parts of the City into venues that offer ultra-fast broadband connectivity. Venue locations are determined using a literacy hotspot, digital exclusion or Scottish Index of Multiple Deprivation (SIMD). DICE will offer blended learning, increasing involvement of young people, addressing literacy hotspots and provide a wider platform for volunteering, up skilling and employment opportunities.

DICE builds on the already successful REAL Learning Centre model. Officially recognised as innovative use of technology and part of Glasgow's successful bid to be Intelligent Community of the Year 2004, REAL is a partnership between key learning providers in Glasgow including the Council, all 3 universities, Scottish Enterprise and Glasgow Colleges. Each of Glasgow's 33 community libraries is a REAL learning centre.

Through the Glasgow Regeneration Agency (GRA), the Council also provides a range of training and development services as part of their role to improve local people's choices, chances and the environment where they live. Courses range from personal development and vocational skills to specific ICT skills. The GRA works in close partnership both with the Council's Education Services and private sector organisations such as Cisco and Microsoft. Hills Trust in Govan, part of Glasgow's Creative Clyde Enterprise area, houses the first Cisco community learning network academy to be established in Europe. Alongside foundation CBT courses they offer the Microsoft official curriculum and Cisco certified network associate programme.

Glasgow Housing Association (GHA) aims to increase educational attainment for its social housing tenants by establishing Community Champions, Local Tutors and Recognition and Reward through accredited training programmes.

The programme's delivery of ultra fast broadband will support greater access to online Education initiatives, for example the GLOW programme which is the world's first national safe and secure online community for pupils, parents and teachers.

All of the above initiatives will be aligned to the 'Digital Glasgow – Connected City' programme.

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.

We understand that national plans for broadband rollout in Scotland will focus on rural and remote areas and as a result, white zone eradication in Glasgow requires funding from UBF, the Digital Glasgow – Connected City bid is complimentary with the "Scotland's Digital Future Infrastructure Action Plan".

Since 2006, Glasgow and Edinburgh, as Scotland's 2 largest cities and engines of growth, have been working on the Glasgow Edinburgh Collaboration Initiative to create critical mass and scale of opportunity that allows each city to share respective asset bases in order to attract higher order functions and compete in high level global markets.

Connectivity – physical and digital – has been one of our key themes since the outset. Improving physical and virtual connectivity between, and to, the two cities is a priority which is seen by both the public and private sectors as key to unlocking the potential for step change in economic performance.

In December 2011, the Scottish Government, in collaboration with Scotland's six cities, established the Scottish Cities Alliance and published the cities strategy, "Scotland's cities: delivering for Scotland". Once again, connectivity features prominently in the document as one of 4 themes under which the Scottish Government and the cities will collaborate. The cities are committed to working collaboratively to deliver world class digital connectivity, capacity and usage across the cities and their regions and improved mobile coverage along our main transport links. Glasgow would fully intend to build on such best practice and indeed the partnerships formed with Edinburgh City Council and the Scottish Government if successful in this bid.

Ultra fast broadband funding will allow Glasgow to surpass the target set in the recently published "Scotland's Digital Future Infrastructure Action Plan" by achieving world class status in terms of the City's connectivity by 2015 rather than 2020 as defined, and support the acceleration of the Scottish 2020 target. Glasgow is committed to working nationally with the Scottish Government to derive the benefits for Scotland which will arise from such a coordinated approach.

We have had a series of meeting with the Scottish Government Digital Strategy team and they have endorsed our aspirations and submission.

SECTION C

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

Glasgow City Council will own the responsibility for delivering the infrastructure roll out programme and stimulating demand across the City.

We will provide a Programme Team consisting of a Programme Director, project and programme managers, PMO resources (including administration and planning resources) as required to manage delivery of the Digital Glasgow - Connected City Delivery programme along with specific technical resources as required covering procurement, legal and planning areas.

We will provide the core team for the Demand Stimulation programme, consisting of a Programme Manager, PMO, stakeholder engagement and technical resources to deliver the required planning, delivery and benefits management for Demand Stimulation.

The Digital Glasgow - Connected City Delivery and Demand Stimulation programmes will be managed within GCC's existing Digital Glasgow programme, ensuring that all aspects of City wide IT have a consistent and coherent approach to strategy, planning and delivery. The Demand Stimulation programme will deliver activities supporting the increased usage of any infrastructure rolled out alongside the Connected City Delivery programme, for example a commercially delivered Metro WiFi and increased mobile networks coverage.

In both programmes, the appropriate administrative and technical resource will be allocated and provided to allow for a full and open planning process which will achieve an efficient and expedited procurement and rollout of both infrastructure and demand stimulation activity.

Glasgow will provide the use of its commercial 'Business Portal' and SME support by its Business Engagement Team to ensure that local businesses, in particular SMEs are informed of opportunities and can compete for business created by this programme.

Glasgow City Council and its partners will provide physical locations for the centres of excellence - 9 DICEs, 4 DEC's with a further 4 that are planned across the City.

We will make public ductings, street furniture and building services available where this enables value for money and efficient delivery of the programme.

Accommodation and infrastructure will be provided to host the core Digital Glasgow - Connected City Delivery and Demand Stimulation programme teams.

C1.2 from the private sector.

Private Sector partners will provide planning, project management and technical resources to support the delivery of the Digital Glasgow - Connected City broadband programme. These resources will report into the Digital Glasgow - Connected City programme, dependent on the structure of the partnership(s).

Private sector partners will provide the office accommodation and infrastructure for the technology delivery teams as required.

For the Demand Stimulation programme, private sector partners will provide technical and delivery resources and infrastructure (for example the production and installation of marketing materials) required to deliver this programme across the City and stakeholders.

They will utilise local SMEs as per the government's guidelines and approaches in both the delivery and demand stimulation programmes.

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.

Glasgow City Council has an excellent track record in sound programme management and successful delivery, as an example completing the M74 project ahead of time and under budget. The Council manages £1.5bn worth of capital projects and utilises well-established governance and monitoring processes following OGC good practice guidelines. The challenging 2014 Commonwealth Games Infrastructure Programme is being managed successfully using the same principles.

The Digital Glasgow programme will have its own Executive Board responsible for successful delivery of the entire programme and objectives. Its members will include the Digital Glasgow Programme Director, the Executive Finance Director and an Executive Glasgow Council Sponsor. The boards have links to the Council's Capital Programme Board, which is the main decision making body around all major public investments.

The Council would also utilise the skills and experience of its professional and technical staff and those from its ICT, Property and Transformation Partner (ACCESS) to carry out the programme and project management. ACCESS is a joint venture between the Council and Serco, and manages a number of complex multi-million pound projects for the Council, delivering significant savings and the required outcomes, such as the £45m Tomorrow's Office programme which is rationalising City Centre Council properties to more modern premises and transforming the way Council staff work and deliver services utilising flexible working.

C3. How will value for money be assured?

All programmes linked into the Capital Programme Board as described above are expected to demonstrate value for money, delivering a balance between cost and quality and giving due consideration to the timescale within which the programmes must be completed. Programmes will meet the required specification standards set out in the developed project brief at a cost which has been competitively determined.

A full Digital Glasgow – Connected City Programme Business Case will be developed, and the individual project business cases will be verified. Benefits and outputs will be identified in individual business cases along with an early indication of costs (including optimism bias).

On projects that have appointed a contractor or preferred bidder, a full evaluation and award process will be carried out which covers price, quality and community benefits. This evaluation process will help to ensure value for money and the results will be reported to the Executive Board and the Council's Executive Committee. Value for money is also attained by adopting the following guidelines and principles:

- Managing Successful Programmes (MSP) and Prince II methodologies
- A robust risk management strategy underpinned by risk boards
- Robust change control and tolerance procedures
- Highlight Reporting and Budget Monitoring to allow the Programme Board to monitor budget, timelines and project benefit realisation
- A Council approved procurement manual and standing orders that govern external procurement activity
- Procurement(s) fully compliant with local government regulations and in accordance to any Scottish or UK Government frameworks implemented for ultra-fast broadband procurement
- A statutory duty to secure Best Value under section 1 of the Local Governance in Scotland Act 2003.

Every investment from the ultra fast broadband allocation will be cross checked against private sector commercial rollout plans to ensure that funding is not being provided in areas where rollout is already assured or planned. No public investment will be provided in areas where this could result in market distortion.

All rollouts will be integrated with demand stimulation activity being delivered by all major partners, ensuring that the appropriate stimulation activity runs in advance of, during and post the technology rollouts.

Benefit management and analysis will be delivered via the Digital Glasgow - Connected City Demand Stimulation programme and this will be continually monitored to ensure that the infrastructure and demand stimulation programmes are delivering to targets.

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.

Our governance process includes a comprehensive benefits realisation strategy, which all capital programmes must comply with. The Digital Glasgow Executive Board will be responsible for monitoring benefits and ensuring compliance in these areas.

We will monitor quantifiable benefits by measuring and reporting on a number of areas, including:

- Residential ultra fast broadband take-up
- Business ultra fast broadband take-up
- Business ultra fast private circuit take-up
- Growth in number of citizens attending community-based DICE training and education courses
- Growth in number of businesses attending digital business training and education courses and seminars
- Growth in users of GCC and public stakeholders web services
- Growth in users accessing Glasgow stakeholders public services via the internet
- Citizen channel shift data

SECTION D

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.

This bid will fund the creation of 9 Digital Inclusion Centres of Excellence (DICE), managed by 'Glasgow Life', that will provide training, education and demand-building activities for demographic groups that are statistically-proven to have low broadband take-up.

The bid will also fund 4 additional Digital Enterprise Centres (DEC) to provide similar for SMEs.

We will also build upon community education services provided by Glasgow's Regeneration Agency and at our 33 community libraries.

A partnership arrangement will be implemented with all large scale broadband providers and Glasgow City Council as lead partner. This partnership will form the Digital Glasgow - Connected City Demand Stimulation programme and will be responsible for planning, managing and delivering coherent demand stimulation activity across the city as a (publically) branded activity.

We will create a marketing strategy to promote this across the City with our private sector partners including those from the Digital Participation Action Group.

GCC and the Chamber of Commerce will jointly lead the development of the business contribution to a new Digital Strategy and Action Plan in line with the above. This will link in to the demand stimulation activity noted above with particular reference to SME's.

The Digital Glasgow – Connected City Executive board will monitor the broadband targets (>50% take-up and >90% City penetration) to ensure that programme objectives are attained.

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?

High speed broadband services will not, in themselves, transform the lives of citizens. The key will be simplicity and reliability of access to enable citizens to contact the Council and transact 24/7 at their convenience and to receive the same standard of service across all channels. The Council's customer care and joined-up contact strategies mandate that our online public services are available across multiple channels where appropriate. The provision of greater connectivity to ultrafast broadband combined with improved access and uptake as a result of the bid will impact upon this programme of work, increasing the propensity for the online channel across the City, allowing GCC to provide richer and more interactive services to connected Citizens.

In the business arena, the GCC supplier portal provides a single point of contact for all supplier accounts activity increasing efficiency and effectiveness. It allows all organisations, big and small to interact with GCC easily to check their account 24/7, submit invoices and transact as necessary online. Digital Glasgow – Connected City will act as a driver to accelerate and extend services delivered to businesses and support demand stimulation.

Building upon our 'One Glasgow' approach, we aim to go one step further to not only provide the Council's services online, but to work across the City to provide all public services in one place for the residents of the City. We are working with our partners, including the GHA and Glasgow Life to support this.

We will contact citizens using different channels including social media to not only transact with citizens but develop the overall customer relationship. We have made considerable inroads into the use of social media and the Council is currently the most 'followed' local authority in the UK on Twitter with 20,000 regular followers. This has proved extremely useful in getting key messages out to customers quickly and cost-effectively. We were commended for the use of social media in the annual Better Connected survey of local authority web sites, carried out by SOCITM in 2011.

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.

Part of our proposal is to roll out ultra-fast broadband across at least 90% of the City.

With this will come opportunities for delivering more social benefits, and the Council, with its partners would build upon a number of current initiatives and projects, including:

- Developing new programmes with our private sector partners to stimulate uptake amongst citizens and local business growth, (we are a major contributor to the Scottish Digital Participation Action Group).
- Extending the penetration of our 'e-communities' initiatives in conjunction with the 2014 Commonwealth legacy commitment to promote volunteering, well-being through sports and exercise promotion
- Our Digital Centres of Excellence (DICE) would specifically target 'hard to reach' communities to support digital inclusion through their core activities:
 - o "Responsible Communities" providing activities and forums to support individuals and groups to participate more widely in the shaping of their own communities
 - o "Effective Communities" providing a range of employability, training and volunteering options
 - o "Connected and Informed Communities" providing access to ICT and connectivity
 - o "Facilitating online commerce transactions", offering facilities and guidance for online purchasing
- Extending the Glasgow Housing Association (GHA) broadband plan which focuses on hard to reach housing schemes and tenants, to identify 'digital champions' amongst school pupils and housing tenants to 'shape' and support their local communities
- Promotion of Glasgow City Council's 'Personalisation' Portal to offer citizens (especially the elderly) a wider range of personalised services and choice
- Further uptake of the award-winning Education 'GLOW' portal which offers children and young people a wider range of personalised services and choice, aligned to the Curriculum for Excellence
- Offering greater provision of our 'tele-healthcare' services, enabling more homecare for vulnerable groups of citizens and freeing up hospital beds
- Enabling flexible and agile working across the City, increasing efficiency and improving work/life balance
- Online Involvement in Democratic Processes. Civic participation is currently low in Glasgow, with residents less likely to be involved in democratic and decision making processes, including voting in elections. Ultra-fast broadband, coupled with community engagement and support as championed above, will help to open new channels of dialogue between citizens and government.

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.

Glasgow City Council will commit a Senior Planning resource as part of its 'Digital Glasgow – Connected City' programme and governance structure, who would be the single point of contact to manage and coordinate all planning applications from operators progressing broadband rollout and to advise on all planning matters.

The Planning resource would be appointed from the inception of the programme and be involved in the detailed planning phases from day one, inputting into project plans and ensuring that correct scoping activities are carried out where new broadband infrastructure is required.

This approach will ensure that all new installations and upgrades would be planned well in advance, local companies kept informed, with correct permissions in place to support the overall programme in meeting its objectives in a timely and efficient manner.

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

As part of the overall programme, we would establish a protocol between relevant Glasgow City Council departments and Services (City Property, Development & Regeneration Services and Land and Environmental Services) to facilitate a 'one-door' unified approach to enable the rollout of any infrastructure activities and streetwork installation across private land and properties.

The relevant personnel would work closely with the dedicated Senior Planning resource within the programme structure, to focus on the required outcomes and to liaise with suppliers and private land and property owners.

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

This bid has full support of the Leader and Chief Executive of Glasgow City Council and the Council's Executive Management Team.

The Council's Local Development Plan will reflect the importance of this programme, its technical requirements and will acknowledge the fundamental nature of the programme's deliverables, to facilitate network deployments and upgrades.

The Council will attach an Advisory Note to Planning Decision Notices encouraging and promoting applicants granted planning permission to be receptive to approaches from operators to undertake installations on their sites.

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.

In delivering this programme for any part of its area, the Council will ensure that it complies with the relevant rules on State Aid and will consult, where appropriate, with the Scottish Government's State Aid Unit.

At this stage, the Council's view is that there are a number of approaches which can be taken in relation to State Aid issues.

The Council will consider if it is possible to deliver part of the Project as a Service of General Economic Interest (SGEI). If the aim of the Project is, for example, to serve only end users who can't (and won't for the foreseeable future be able to) afford ultrafast broadband services, then it might be delivered as an SGEI. The Council would then require to follow all the procedures for funding an SGEI in terms of defining the service, selecting the provider, ensuring the provider is not over-compensated, and for ensuring that it serves the targeted end users.

If the SGEI approach is not considered to be relevant, then the Council will ensure that it follows the EU Commission's Guidelines on State Aid in relation to broadband projects. The main issue which the Council would need to address is justifying public intervention in a densely populated city. The Council will adopt the following approach in relation to the Commission's Guidelines. Where there are existing broadband providers in the target area, the Council will require to demonstrate that the project addresses only underserved areas. The Council will conduct a mapping exercise, as set out in the first criterion of the Commission Guidelines (set out at (i) below), to demonstrate existing, or planned future, provision.

The Council will notify the EU Commission of the Aid it intends to provide, together with details that will enable the Commission to assess that the public funding is compatible with the common market. We will ensure that the project strikes the right balance between the positive impact it will have in reaching the following objectives:

- maximising availability for ultrafast Broadband and high speed connectivity
- supporting economic growth in particular for SMEs and employment zones
- drive take up of ultrafast Broadband from residents and businesses

while at the same time minimising any negative effect of the project in terms of distortion of trade and competition.

In particular, for assessing the compatibility of Next Generation Access (NGA) networks, the Council's project will meet the following criteria:-

- (i) A detailed mapping and coverage analysis will be provided identifying which areas will be covered by the project, and a full analysis of whether those areas are "white", "grey" or "black" zones in terms of existing (or planned future) provision.
- (ii) An open and fair procurement exercise will be carried out where required in accordance with the EU Procurement Regulations, as applicable, to ensure equal treatment of all bidders.
- (iii) Any contract to be awarded following any such procurement exercise will be on the basis that the bidder submitting the most economically advantageous offer will be selected.
- (iv) The Council will not favour any particular technology e.g. cable, wireless etc or network platform unless there is an objective justification for doing so.
- (v) Bidders will be required in terms of the project specification to use available existing infrastructure and existing network operators will be encouraged, where appropriate, to contribute their infrastructure to the project.

- (vi) Third parties will be entitled to secure wholesale access for a period of at least seven years to any ultrafast Broadband infrastructure which has been provided using public funding, including where any third party competes at the retail level with the selected provider. In particular, the access obligation will include the right to use ducts or street cabinets to permit access to passive as well as active infrastructure. The position will be reviewed at the end of the seven year period to determine if the wholesale access obligation should be extended because the infrastructure operator is designated as having significant market power.
- (vii) An appropriate benchmarking exercise will be undertaken based on average wholesale access prices prevailing in other comparable areas of the country to ensure effective wholesale access and to minimise distortion of competition. Benchmarking criteria will be included within the relevant tender documents.
- (viii) In the event that demand for ultrafast Broadband in the project area increases beyond anticipated levels, an appropriate contractual claw back mechanism will feature as part of the terms and conditions relating to the project in order to avoid overcompensation to the selected bidder in excess of the public funding provided.
- (ix) In setting the conditions for wholesale network access, the Council consult the relevant national regulatory authority.
- (x) Whatever kind of NGA network architecture is to be provided using public funding, it will be required to support effective and full unbundling and satisfy all different types of network access that operators may require.

Another potential approach involves application of the Market Economy Investor Principle which is described in Section 2.2.1 of the EU Commission Guidelines. The overriding rule to this principle is that the Council would have to behave like a commercial operator (i.e. like an organisation that is motivated solely by the possibility of making a profit or a return on its investment). One advantage of this approach is that the coverage wouldn't have to be strictly limited to underserved areas. The form of the Council's participation under MEIP could take many forms, such as an equity investment or a loan. A good way to demonstrate this would be if the Council invests similar amounts at the same time and on equal terms with a private investor. Of course, the Council would require to consider this approach in more detail, in consultation with the State Aid Unit and in the light of the Commission Guidelines and recent State Aid cases (*e.g. the Amsterdam case – reference Case C 53/2006*).

SECTION H – DELIVERY

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

The Digital Glasgow – Connected City programme will be developed as two major work streams:

- A delivery programme that will provide the infrastructure components as stated in this proposal
- A demand stimulation programme to manage and coordinate activities with private and public sector partners

It should be noted that this programme will be delivered within our existing Digital Glasgow Programme. This will ensure that our City-wide strategies and objectives are coordinated centrally and delivered efficiently.

Procurement will meet Local Authority rules and regulations and we have dedicated procurement resources within the programmes that will lead negotiations with suppliers and demonstrate best value. The procurement process will be expedited to assure timely delivery of the programme.

A high level Digital Glasgow programme plan is attached in Appendix E. This includes the Digital Glasgow – Connected City plans over the 3 years.

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

We will scope the procurement plans during the detailed planning phases.

Procurement / partnership discussions (as per public sector procurement rules) will commence on confirmation of funding being allocated to GCC's ultra fast broadband bid at the 2012 UK budget.

Our dedicated procurement team will work within Local Authority guidelines to ensure compliance, attain best-value and meet programme delivery objectives.

H3. The proposal should demonstrate its fit with the government's approach to using SMEs in delivery

All procurements will include a requirement to utilise local SMEs to deliver services won under the procurement as per UK, Scottish and Glasgow guidelines and rules.

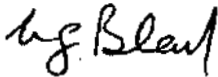
Glasgow City Council in conjunction with various partners has developed the Glasgow Business Portal to advertise both public and private sector contracts. The Glasgow Business Portal brings together contractors and suppliers and provides businesses of all sizes with the opportunity to find out about and compete for business opportunities.

All suppliers will be expected to use the Glasgow Business Portal to advertise and select SME suppliers of these services.

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

Name of proposal: Digital Glasgow – Connected City

I verify that this proposal to the Ultrafast Broadband Fund fits with corporate policy

Signed: 
Name: George Black
Job Title: Chief Executive, Glasgow City Council
Date: 10/02/12

Appendix A – Glasgow City Facts, Figures and Demographics

Economic

- Is an international tourist destination, with around 2.3 million tourists visiting the city each year generating around £600 million for the local economy.
- Is an important part of the Scottish and UK economy: Glasgow, combined with the Clyde Valley, Edinburgh and the Lothians, is part of the UK's biggest metropolitan economy outside London
- Is the centre of a city region, the Clyde Valley, which produces goods and services to the value of £35.4 billion a year
- Is home to 11% of Scotland's population, and the location for 17% of all Scottish jobs
- Is the second largest retail centre in the UK
- Is the third largest centre of further and higher education
- Has increased the total number of jobs in the city by 70,000 in ten years
- has a growing collection of creative businesses, with employment in the creative and cultural industries accounting for 11% of the city's jobs
- has delivered major cultural and sporting events from the Garden Festival to the forthcoming 2014 Commonwealth Games
- contributes to approximately one third of the life sciences activity in Scotland.

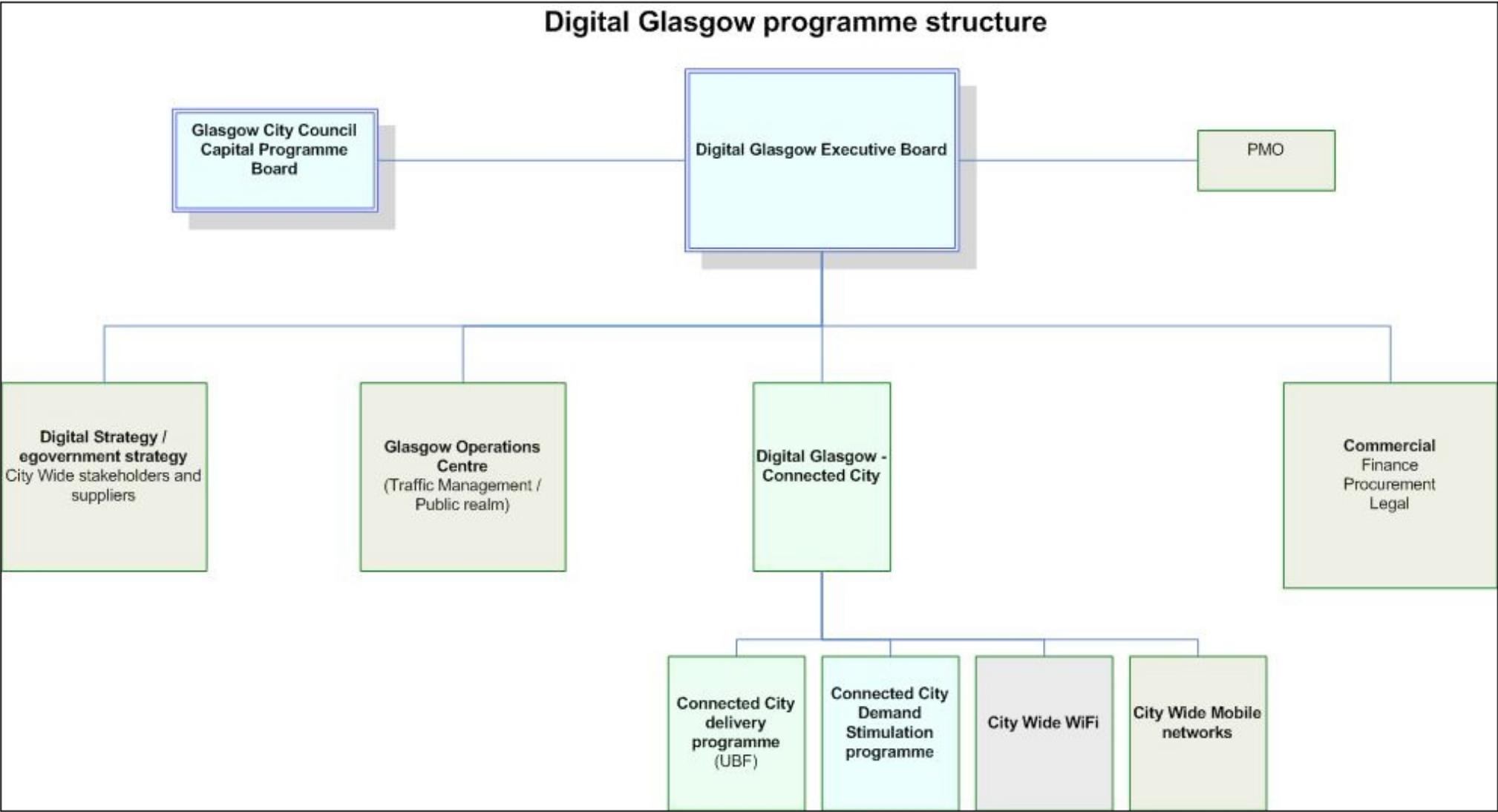
Social

- Glasgow remains the most deprived city and local authority area in Scotland.
- Almost half of Glasgow's residents- 285,000 people - live in 20% of the most deprived areas in Scotland.
- Just 3% of the city's population(17,000 people) live in the top 10% of least deprived areas in Scotland
- At least 10,000 people each year in the city seek help because they are homeless
- The city's rate of drug-related deaths is the highest in Scotland: double the national average and rising. More than 6,000 children in Glasgow are estimated to live with a parent who has a substance misuse problem
- There are massive differences in people's health between different parts of the city with an estimated 15% male life expectancy gap between the most deprived to the most affluent areas.
- Nearly 30% of our working age population is economically inactive, compared to 20% nationally
- 33% of Glaswegian children live in households where no-one works, a figure which is much higher than the Scottish average of 19%
- The number of people on unemployment benefit has nearly doubled in the last 4 years. An extra 36,000 Glasgow residents would need to be in work for the employment rate to match that of Scotland
- 6.4% of working-age Glaswegians are unemployed claiming JSA, a rate which is higher than in any of Scotland's other main cities and two percentage points above the Scottish average
- Among the city's working age population there is a higher than average proportion of adults with a degree or professional qualification – just under 25%

Broadband and Internet Usage

- 50% internet usage (compared to 74% UK)
- 26% usage of the internet in low-income households (<£17,500 p.a)
- 34% take-up in population aged 55+
- 30% take-up in DE social groups
- 27% households with no internet access
- 23% of GHA tenants regular internet users at home

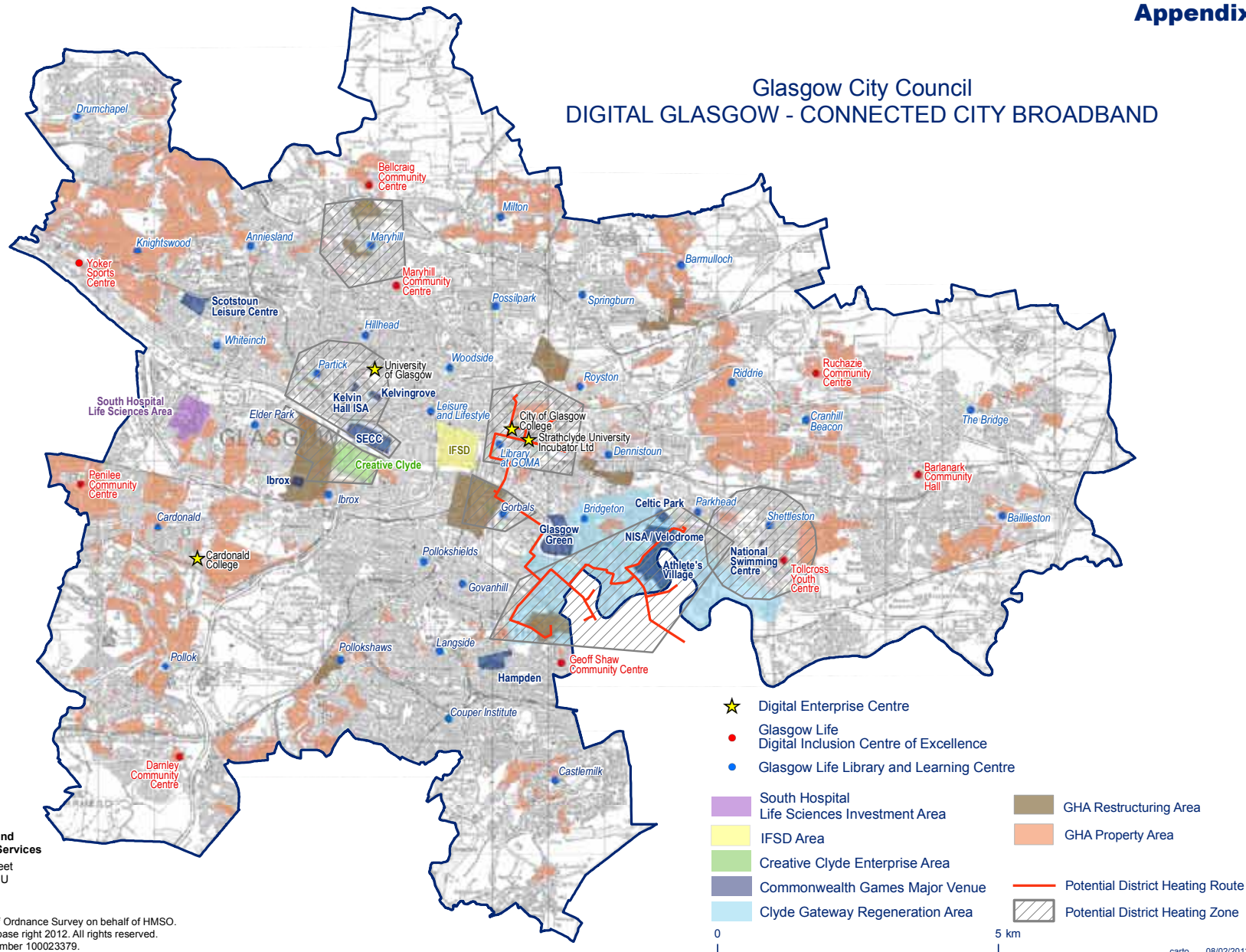
Appendix B – Digital Glasgow Programme Governance Structure



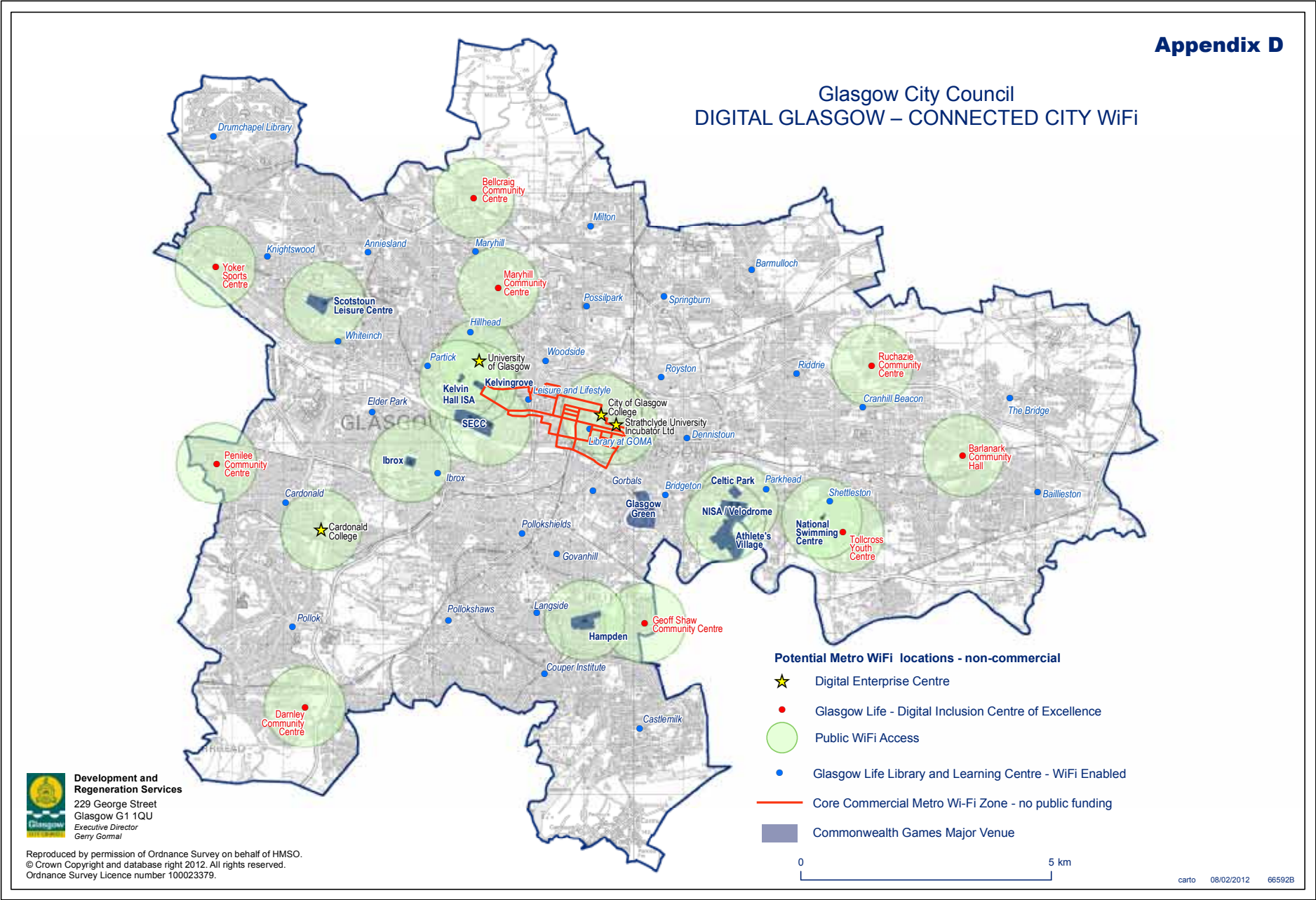
Appendix C – Locations (Wired connectivity)

Appendix C

Glasgow City Council DIGITAL GLASGOW - CONNECTED CITY BROADBAND



Appendix D – Locations (Wireless connectivity)



Appendix E – Digital Glasgow High Level Programme Plan

