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| <b>Subject:</b>           | Belfast Local Full Fibre Networks Procurement                              |
| <b>Date:</b>              | 20 September 2019  |
| <b>Reporting Officer:</b> | Ronan Cregan; Deputy Chief Executive and Director of Finance and Resources |
| <b>Contact Officer:</b>   | Paul Gribben – Head of Digital Services                                    |

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| <b>Restricted Reports</b>                                |   |
| <b>Is this report restricted?</b>                        | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| <b>If Yes, when will the report become unrestricted?</b> |   |
| <b>After Committee Decision</b>                          | <input type="checkbox"/>  |
| <b>After Council Decision</b>                            | <input type="checkbox"/>  |
| <b>Sometime in the future</b>                            | <input type="checkbox"/>  |
| <b>Never</b>   | <input type="checkbox"/>  |

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| <b>Call-in</b>                               |   |
| <b>Is the decision eligible for Call-in?</b> | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |

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| <b>1.0</b> | <b>Purpose of Report or Summary of main Issues</b>  |
| 1.1        | Members will recall that the Council applied for and has now been awarded £11.5M from the Department of Culture Media and Sport's (DCMS) Local Full Fibre Networks (LFFN) Programme. Digital Services has now completed the procurement of gigabit fibre optic network services which will connect and future proof the network connections of 201 Council buildings across the city for the next 35 years. |
| 1.2        | This report provides an update on the outcome of the procurement, the potential benefits of a full fibre network for BCC and estimated timescales for delivery.   |
| <b>2.0</b> | <b>Recommendations</b>  |
| 2.1        | Approval is sought to enter into a Digital Fixed Line Infrastructure Wayleave Agreement with Virgin Media in respect of the installation of electronic communication apparatus at locations within BCC ownership.   |

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| <b>3.0</b> | <b>Main report</b>   |
| 3.1        | <p>Virgin Media has been awarded the BCC Full Fibre network contract that will connect 201 BCC sites across the city with gigabit fibre optic network connectivity.</p> <p>The new BCC gigabit fibre network will:</p> <ul style="list-style-type: none"> <li>• Meet our network connectivity and digital business requirements for the next 35 years,</li> <li>• Deliver almost unlimited bandwidth potential of optical fibre,</li> <li>• Provide a more secure purpose built point-to-point network,</li> <li>• Open up new possibilities for the underlying fibre infrastructure to: <ul style="list-style-type: none"> <li>○ support the development of new 'smart' technology initiatives now and in the future,</li> <li>○ and enable more efficient delivery of digital services like telephony and CCTV for the Council.</li> </ul> </li> </ul> |
| 3.2        | <p>Virgin Media will utilise their existing fibre optic network to provide a fibre solution to Belfast City Council. 80% of the network will be provided through existing infrastructure, significantly reducing potential disruption caused by street works.</p> <p>The remaining 20% of the network will be new build, meaning that there will be some requirement for street works. Early engagement with the Highways division and Virgin Media's experience in network deployment will hopefully ensure that disruption to communities and businesses is kept to a minimum.</p>   |
| 3.3        | <p>The provision of the new BCC network will provide several additional benefits by:</p> <ul style="list-style-type: none"> <li>• Allowing Virgin Media to extend its fibre footprint in Belfast to an increased number of businesses and communities,</li> <li>• Increasing procurement opportunities for Belfast businesses and consumers for digital connectivity,</li> <li>• Indirectly leading to: <ul style="list-style-type: none"> <li>○ increased investment in Belfast,</li> <li>○ encouraging economic growth,</li> <li>○ and creating new job opportunities.</li> </ul> </li> </ul>  |
| 3.4        | <p>Virgin Media Business' existing network footprint within Belfast ensures that implementation timescales will be much shorter than originally anticipated. It is expected that roll out of the new BCC full fibre network will be completed in under a year, with an estimated timescale for delivery of September 2020.</p>   |

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| 3.5  | <p>Successful delivery of the network will require assistance from several Council departments, including:</p> <ul style="list-style-type: none"> <li>• Estates and Legal Services <ul style="list-style-type: none"> <li>○ Virgin Media are required to enter into a Wayleave Agreement with BCC to record the locations and terms of the installation of electronic communication apparatus at sites within BCC ownership. The final destinations of the full fibre apparatus are still to be determined, Members are requested to delegate authority to the Estates Manager and Legal Services to agree the locations and terms of the Wayleave Agreement with Virgin Media.</li> </ul> </li> <li>• Facilities for power, asbestos surveys and other internal works</li> <li>• Relevant departments to provide key holders for building access</li> <li>• Planning for any required planning permissions</li> <li>• Financial planning</li> </ul> |
| 3.6  | <p>The Virgin Media proposal has also come with offers of free internet service provision and access to Virgin Media's Wi-Fi solution for a period of 5 years. These have the potential to either enhance or replace parts of the Belfast Wi-Fi service and deliver significant cost savings.</p>  |
| 3.7  | <p><b>City Centre Broadband Infrastructure</b></p> <p>A second phase of the BCC Local Full Fibre Programme will attempt to improve broadband infrastructure in the City Centre.</p>  |
| 3.8  | <p>Improvements to the Street Ahead zone within the city centre have resulted in the area receiving very little investment in fibre broadband infrastructure. This is due to the extremely high cost of civil works in this area as a consequence of the cost of replacing very expensive granite footpaths.</p>   |
| 3.9  | <p>Some publically owned ducting assets that have never been used before are available in the City Centre. It is BCC's ambition to attempt to survey and repair these ducts so that they can be offered out to commercial broadband providers to make investment in fibre infrastructure in the City Centre commercially viable. This could potentially enable businesses in this area to avail of full fibre connectivity at a cost effective price which currently is not possible.</p>  |
| 3.10 | <p>Digital Services has procured a contractor to conduct a survey of the ducting infrastructure. Survey work started in late November 2018 but could not be fully completed due to the impact of the Primark fire which sits over some of the ducting infrastructure. It is hoped that</p>   |

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|            | the survey can be completed in the next few months to allow planning to begin around how these ducts can be made available to the telecoms marketplace.  |
|            | <b>Financial &amp; Resource Implications</b>   |
| 3.11       | A delivery team has already been established within Digital Services to oversee the implementation of both strands of the BCC LFFN programme outlined above.   |
| 3.12       | BCC will contribute the support and maintenance costs of £450,000 over the lifetime of the project funded from revenue savings released by ceasing the network links that are currently in operation across the Council's ICT network.   |
| 3.13       | These savings will also allow the Council to employ an addition network engineer in Digital Services who will be needed to support a more complex and diverse network infrastructure.  |
| 3.14       | <p>The cost to implement the scheme in its entirety is £9.6million.</p> <ul style="list-style-type: none"> <li>• BCC has been awarded £8M from DCMS to cover the capital costs of both strands of the LFFN programme</li> <li>• The overall contribution to the scheme from the Council is £1.6million in staff and revenue costs which represents 16% of the BCC LFFN programme costs.</li> <li>• Existing Revenue spend for our current network services will now be used to support the LFFN programme meaning that there will be no revenue growth.</li> </ul> |
|            | <b>Equality or Good Relations Implications/Rural Needs Assessment</b>  |
| 3.15       | None   |
| <b>4.0</b> | <b>Appendices – Documents Attached</b>   |
|            | None   |