



# Connecting Cumbria

through superfast broadband

## Special Edition

July 2012



### Important update on Connecting Cumbria



Following a meeting of the Connecting Cumbria Partnership Board last week (3 July 2012), it was agreed that an 'extra' newsletter would be helpful to explain some more detail around the Council's decision to enter into a 'new phase' of procurement. In this special edition there is information about the next steps in our procurement process, as well as some brief updates on where we are with some of Cumbria's pilot schemes, along with an explanation of State Aid and where we are with securing these funds.

By now you may also have heard that Fujitsu have now withdrawn from bidding in Cumbria.

Their decision does not affect our procurement process or our timeline and there is some more about the next steps in our new procurement process in this special edition.

With this in mind I hope that the following information and articles are of interest to you

Councillor Elizabeth Mallinson

Cumbria County Council's Cabinet Member for Organisational Development and ICT portfolio holder

## Statement regarding Fujitsu's Decision to withdraw from Connecting Cumbria Procurement Process

This week Fujitsu have announced that they are withdrawing from the Connecting Cumbria procurement process to deliver Superfast Broadband across Cumbria. This leaves one final supplier being considered by the Council which is BT.

Councillor Elizabeth Mallinson, Cabinet Member with responsibility for Connecting Cumbria says,

***Although today's news is disappointing for us we completely understand Fujitsu's reasons, particularly as these are national rather than specific to Cumbria. In their letter Fujitsu thanked the council for its professional engagement and management of the process so far and we appreciate the time and effort that they have committed to this process so far. We will now focus our resources to complete the process in order to secure an outcome which meets the needs of Cumbria and its communities.***

Cabinet will now make a final decision in September.

## Update from the Board

**At a meeting of the Connecting Cumbria Partnership Board last week it was agreed that it would be helpful to clarify what the new phase of procurement actually means and whether or not it will affect any plans for rollout.**

The Board described this new phase as a 'gear change'. This means that there will be intense formal negotiations over the next few weeks as the connecting Cumbria project team work with BT, our final preferred supplier, to look at ways to improve the overall offer on the table from them, to Cumbria. Then, the project team will formally evaluate the final tender ready for Cabinet in September. Even with this extra process it is believed that this should not affect any plans for roll out in 2013 and onwards.

## Definition of State Aid

State Aid approval is required when money is given by government to a large private sector business to allow it to provide a service would not be financially viable without additional support. This situation is often called a "market failure". To be eligible to be considered for State Aid the project must demonstrate how it would deliver a wide range of benefits. In the Cumbrian context this could be how it would support smaller rural businesses or stimulate economic growth.

State Aid can be provided from any level of government but must be approved by the European Union, the government must demonstrate how providing State Aid will deliver this 'wider' benefit ensuring that many businesses are benefitted, not just the one in receipt of the state aid.

That is what is happening now between the UK government and the European Commission with respect to the broadband project. The UK government must show how using public money to support a private company to roll out broadband to areas of 'market failure', like parts of Cumbria, will do more than simply benefit that single private business.

The decision to allocate state aid is complicated and one that we cannot directly affect however we can continue to apply pressure to government to ensure that funds are allocated to Cumbria.

## New timeline

- **September** – Cabinet Decision (if a supplier is selected the time line will be as follows).
- **September to January** – Connecting Cumbria Project Team to work with agreed supplier to finalise Roll out plan.
- **January** – Cabinet agreed high level roll out plan, which will be ratified by the Connecting Cumbria Partnership Board.
- **January** – Publish 'High Level' Rollout plan – although this will not provide low level detail e.g. Miss S Smith at 142 Made-up Street. It will provide high level information on the roll out to areas e.g. Thursby Nr Carlisle.
- **April** – start to implement roll out. This will begin six months after the contract has been signed by our preferred supplier.

## Update on Duddon Valley Initiative

As you may know Duddon Valley was provided with a broadband service under the original 'project access' funding. The continuation of the service was achieved through an annual subsidy from the regional development agency. The service was innovative, but like all technology, has become outdated.

The Duddon Valley team were originally hoping to upgrade the current service but the abolition of the RDA last year meant that the subsidy stopped and despite the efforts of the community and the companies concerned it has proven impossible to continue or improve the service.

Looking forward the Connecting Cumbria project will now include Duddon Valley as part of the Cumbria wide program and hopefully will deliver a better service.

The Connecting Cumbria program roll out plan has not yet been agreed and so a date for the replacement service and the level of service are still to be finalised. It is hoped this will be announced in 2013 as per the timeline in a previous article.

# Update on other initiatives and projects linked to connecting Cumbria

## Update on Cumbria County Council's application to the Rural Development Programme for England Rural Community Broadband Fund (RCBF)

During the development of the Connecting Cumbria project it has become very clear that the funding available for the project will not deliver Superfast Broadband to the last "10%" of very remote and hard to reach communities.

With this in mind Cumbria County Council are making a bid to the Rural Community Broadband Fund which, if successful, will enable resources to be targeted to specific rural communities within the 10% of very remote and hard to reach areas.

Hard to reach and remote areas have been identified where properties are a significant distance from an exchange but are directly connected. This makes it difficult to provide any broadband services and especially superfast broadband due to distance and cost.

So if our bid was successful funding from the RCBF will be ring fenced to these hard to reach areas.

The council has submitted their expression of interest to the Rural Community Broadband Fund. Feedback on this will be published in a future newsletter.



## 4G Update

4G is new technology, which allows faster wireless data access for mobile phones and other devices. It is often described as the next generation of telecommunications. At the moment Government is being encouraged to select Cumbria as Pilot to test this new technology and assess the benefits it can bring.

There is no timeline for this decision but as we get more information we will keep you up to date via this newsletter

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