

Appendix 2: Using public assets to unlock investment in digital infrastructure

<p>Accountable bidding borough: <i>It is anticipated that most – but not necessarily all – bids will be submitted by groups of authorities. In this case please identify an accountable authority to lead the bid, act as main contact and to receive and account for grant payments from the SIP</i></p>	<p>The London Borough of Ealing</p>
<p>Partner boroughs/authorities:</p>	<p>This bid is submitted jointly and equally by the London Boroughs of Barnet, Brent, Ealing, Hammersmith & Fulham, Hillingdon, Harrow and Hounslow through the West London Alliance. This is amongst the largest formally constituted joint working areas in the United Kingdom.</p>
<p>Other partners:</p>	<p>Other organisations involved with and supporting this bid are: Transport for London, the Greater London Authority and the Old Oak Common Development Corporation (OPDC)</p>
<p>Amount bid for:</p>	<p>£7,700,000, comprising £7m to extend the fibre trunk into slow-broadband “not-spot” areas, and £700,000 for a “fighting fund” that will unlock and enable private roll out of fibre in areas not currently considered by the market to be commercially viable.</p>
<p>Amount of match funding to be provided by: - Boroughs - Other public-sector agencies - Private sector or other partners</p>	<p>£150m TfL investment and capacity directly leveraged and enabling this bid to be delivered, see accompanying letter of support from TfL (See appendix five)</p>
<p>Summary of proposal: <i>Brief (maximum 500 words) description of the proposed project, to include:</i> - Nature of the project and anticipated benefit</p>	<p>This bid proposes a major extension of the high-speed fibre network to large areas of West London covering seven boroughs, particularly targeting areas affected by persistently slow internet speeds - so called “not-spots”- that are also located in mandated growth and regeneration areas. This bid leverages a substantial amount of public and private-sector investment.</p>

- *Geographic scope*
- *Alignment with local, regional and/or London-wide strategies*
- *Delivery timescale*
- *Private sector or other partners*

Specifically, local public buildings including libraries, schools, public and council offices located in such slow-broadband areas would be connected directly to the super-fast fibre network from their local TfL station, which are currently being equipped with high speed fibre nodes by TfL as part of its modernisation plans.

This bid is mandated through the joint West London Vision for Growth Strategy (appendix seven), which identified broadband connectivity as a significant shared priority for West London boroughs. It has been developed together by the seven West London boroughs, with significant input from TfL, the GLA and OPDC, who have written in support (appendices five and six).

The broadband “spine” and new street cabinets installed because of these connections to public buildings will enable private providers to, for the first time, viably and competitively connect business properties in the vicinity (approximately 250 meters) of the public building. Evidence from elsewhere shows that this model will have a transformative effect on internet speeds in the areas affected, and will be linked to the proactive business growth activity by boroughs to ensure local businesses gain maximum positive impact from their faster service.

A full list of all public buildings within scope of this bid, and the “not-spots” their connections will remove, are set out in detail in appendices one - three.

This bid aligns with national strategy, including the Government’s Local Full Fibre Networks (LFFN) programme, for which a successful bid was made previously to by TfL, the GLA, OPDC, Hammersmith and Fulham and a number of other boroughs.

A further London bid to the LFFN Challenge Fund by the GLA is anticipated in the summer 2018, as is a bid for 5G infrastructure. If successful, this approach will potentially double the match value of the programme to in-scope boroughs and allow the number of target buildings to be expanded, and for them to benefit from 5G trials (see TfL letter, appendix five)

This bid contains a smaller amount of funding for a “Broadband fighting fund” to enable highway teams to make targeted, lower-cost, interventions that result in otherwise unviable commercial investments by fibre providers becoming viable. For example, where the cost re-laying an old pavement on a street would otherwise make fibre installation commercially unviable.

Alongside this bid, West London boroughs will develop a shared strategic approach to supporting digital investment and the

	<p>digital economy including broadband, 5G, transport and energy that will allow us to take an increasingly focused and coordinated approach to supporting digital growth and which allows us to attract substantial further investment in future years.</p> <p>Physical delivery will commence in Q4 18/19 and be completed within 18 months.</p>
<p>Anticipated scale of economic benefit: <i>To include key metrics relevant to the project. Proposals that form part of a wider scheme e.g. feasibility studies or master-planning – will require at least a strategic outline case; capital delivery schemes should be supported by a fuller business case.</i></p>	<p>The seven boroughs within scope for this bid cover an area with over 100,000 registered businesses and 2 million residents, as well as the UK’s largest industrial estate.</p> <p>Each in-scope public building for this bid (appendices 2 and 3) has had a radius of 200m drawn around it, reflecting the localities and communities that would directly benefit from greater broadband connectivity. Within these radii there are an average of 390 residential properties and 180 commercial premises. The average distance of in-scope council buildings to their closes TfL station (where the fibre connections are made from) is 850 meters.</p> <p>This bid therefore aims to give access for the first time to the high-speed fibre network to approximately 40,950 residential households and 18,900 business (assuming an average of 15 target assets in each borough being connected) in slow broad band areas across West London, reflecting all commercial and residential and properties within the vicinity of in-scope public buildings.</p> <p>As a part of the development of this bid, Boroughs have prioritised the assets in scope (appendices two and three), allowing this programme be scaled to match to the resources available.</p> <p>The Government's own research (UK Broadband Impact Study, DCMS, Nov 2013). has shown that every £1 invested in broadband yields a return of £20, which means that, excluding leveraged external public sector and private funding, this bid's value of £7.7m would result in £154m of overall benefit to the economy, society and environment.</p> <p>TfL have agreed that they will explicitly enable the delivery and “in-ground” implementation of this bid by merging it into their major modernisation programme to equip the entire TfL network with high speed fibre. The value of this exercise is around £150m and the public assets identified as in scope in appendices 2 and 3 of this bid would not be viable without this agreement and connection with the TfL programme. It is therefore appropriate to view this bid as directly leveraging the value of the TfL programme to deliver growth benefits to</p>

	<p>businesses and the wider economy in West London, as the investment would not happen without this approach, which reflects the best value for money method of addressing broadband not-spot areas. The alternative, the boroughs commission and undertake this work themselves would not have the economy of scale associated with the TfL programme, and would carry additional risk and capacity requirements from the boroughs themselves. Therefore such an approach is not seen as preferable to the one proposed in this bid and supported by the boroughs, TfL and the GLA (appendix 5).</p> <p>In addition to the business and economic benefits of broadband investment, increasing residents' access to, and take up of, high quality affordable broadband will also support digital inclusion and reduce demand for council services, reflecting higher levels of economic activity. For individuals, this can mean cutting household bills, finding a job, maintaining contact with distant friends and relatives, the ability to work from home and access to online information. The Government's Digital Inclusion Strategy states that Households offline are missing out on savings of £560 per year from shopping and paying bills online, or being able to keep in touch with family members and friends.</p> <p>Delivering faster broadband speeds to Public Buildings and increased access to affordable fast broadband for large residential communities will enable more council services to be delivered online, and increase accessibility of council services for disabled and vulnerable groups. Camden estimate that face-to-face council services on average cost £13.86 per transaction, whilst services delivered by telephone and online cost £3.86 and £0.32 per transaction. Moving transactions from face-to-face channels to online channels, will save money.</p> <p>This project would also include a significant short term boost to skills construction and engineering jobs associated with the installation of the new network, and longer-term benefits associated with increased productivity, particularly for home-based companies, business retention in areas with slow business broadband speeds (a major issue for many West London boroughs) and increased attractiveness to external investment from abroad.</p> <p>We have worked closely with OPDC's Digital Programme in the development of this bid to ensure alignment of objectives and resources. That complementary programme aims to supply fibre spines along the six main roads in Park Royal Industrial Estate. These fibre spines will improve digital connectivity for around 1100 SMEs and micro-businesses as well as facilitating the installation of IP enabled CCTV which will help to deter criminal activity, enhance recording capabilities, and reduce maintenance and transmission costs.</p>
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	<p>Boroughs have prioritised their lists of "in-scope" assets identified in appendix three. This means that, should full funding not be achieved, it will be possible to quickly identify the highest-priority buildings to connect without causing any delays or risk to overall delivery.</p> <p>The smaller "fighting fund" component of this bid will make it viable to connect at least 20,000 additional homes to the full fibre network who do not currently have access and who are not currently in scope for private investment because of prohibitive costs associated with highways repairs that arise as a result of installation. The fighting fund would allow local authorities to contribute to these elements of work and so make these connections privately viable.</p>
<p>Evidence of support from participating boroughs / partners <i>E.g. Cabinet/member decision; letter of endorsement etc.</i></p>	<ul style="list-style-type: none"> - Covering letter of endorsement from Economic Prosperity Board/WLA Board leaders - Letter of support from OPDC (appendix 6) - Letter of support from TfL (appendix 5) - West London Vision growth (appendix 7)
<p>Accountable bidding borough lead officer contact details:</p>	<p>Luke Ward Head of Growth, Employment and Skills, West London Alliance E: wardlu@ealing.gov.uk T: 07738 802 929</p>

Supporting appendices:

1. Map 1: Broadband and public sector buildings map (using e-PIMs), confidential
2. Map 2: Priority public (local government) buildings in scope for connection via this bid, confidential
3. Long list of public buildings in scope for connection through this bid, confidential
4. Delivering the Bid FAQs – briefing note
5. Letter of endorsement from TfL
6. Letter of endorsement from the Old Oak Common and Park Royal Development Corporation
7. West London Vision for Growth sub-regional strategy

Appendix 4: Delivering the Bid FAQs

Using Public Assets to unlock investment in fast broadband

FAQs

1. What will this bid do?

This bid is focused on increasing the speed of internet broadband connections across West London on areas where current speeds for both businesses and residents are slow. It will involve making public buildings such as Libraries of sports centres located in the vicinity of such “not-spot” areas in to broadband fibre “hubs”, which private companies will then be able to competitively and viably connect local businesses and residents too. Evidence from similar models elsewhere shows that this will drastically reduce poor broadband coverage and boosting long-term economic growth prospects.

2. How will it be delivered?

West London boroughs have agreed to work with Transport for London and the Greater London Authority on this bid. In particular, TfL are currently undertaking a procurement to connect all TfL underground and Overground station to the fast fibre network. TfL have agreed that this bid can leverage that programme by then using the same contractor to then connect those stations to public building identified through this bid (see appendix 1 and appendix 2) to the network as part of the same programme. The TfL procurement approach makes this possible with minimal bureaucracy. This means that this bid leverages the full value of the TfL fibre programme in West London to deliver priority local government growth outcomes for local communities and businesses.

3. What is the role of the GLA and TfL?

TfL are leading the programme and associated procurement to equip the rail network with high-speed fibre connectivity. The GLA are leading a pan-London bid to the Local Full Fibre Network scheme led by MHCLG, which will be used as match against this bid to the Strategic Investment Pool. [refer to separate supporting TfL letter]

4. How will progress be monitored?

Progress will be monitored and coordinated via the WLA, with any escalations e.g. associated with slow delivery or low quality work, made to the programme sponsor at TfL via the West London Growth Directors Board.

5. Is state aid an issue?

The purpose of this bid is to connect public buildings located in areas with slow internet speeds to the fast fibre network being built using the TfL rail system. The private investment this enables will be entirely competitive and open to the market. Advice from MHCLG and the GLA is that there is not a state aid issue associated with this approach.

6. How do resources associated with this operate?

The procurement being undertaken by TfL allows third party organisations (e.g. local councils) to grant resource to the successful contractor. This approach is already part of the ongoing Telecommunications Commercialisation Project in TfL. Access to the TfL contract could occur through a short form contract between the Council and TfL. This will allow any funding secured with this bid to be ring-fenced against borough-identified priorities (appendices 2 and 3) and pooled with the wider TfL programme

7. When will the project be completed?

Should funding be secured in October 2018, work will commence on breaking ground in the first part of 2019, and be completed by mid 2020. This will be dependent on the number of sites and the amount of physical work required by the contractor to connect all public sector buildings within scope.

5. Letter of endorsement: Transport for London

Transport for London



Ward.Luke@tfl.gov.uk

Mr Luke Ward
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Employment and Skills
West London Alliance
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14-16 Uxbridge Road
London
W5 2HL

Transport for London
Commercial Development

5th Floor, West Wing
55 Broadway
London
SW1H 0BD

Tel No: 020 3054 3417

22 May 2018

Dear Luke,

WEST LONDON ALLIANCE SIP BID FOR FULL FIBRE CONNECTIVITY

We are very pleased that the West London Alliance is working in collaboration with us and the Greater London Authority (GLA) to extend full-fibre connectivity across its member boroughs.

This proposal for SIP funding fits perfectly with the work that we, the GLA and London Boroughs are undertaking to leverage a core fibre spine across the whole Underground network.

We welcome your joining with this initiative. It provides real additional value in providing fibre connectivity to public buildings that create an infrastructure and environment that will also grow commercially provided business and residential gigabit connections.

If your bid is successful the Connected London team will be pleased to work with you, Network Rail, other partners and ourselves to help you realise your plans for digital connectivity.

We aim to have a commercial partner in place by the end of the year to deliver our Local Full Fibre Network deployments, as a part of our wider scope.

Additional funding from SIP for West London will be used to extend the scope of this work to also connect up the public buildings that you have nominated in your target areas.

There will be a partner steering group consisting of us, WLA, partner boroughs and the GLA to help expedite this work as quickly as possible and overcome any obstacles.

MAYOR OF LONDON



SMT number: 356 2769 02

Our collaboration on full-fibre connectivity also creates the necessary infrastructure to underpin future 5G mobile communications that will also be the subject of a London bid to Government for a national testbed consisting of locations across the capital. We are very grateful for your collaboration and in this endeavour.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Graeme Craig', is positioned above the printed name.

Graeme Craig
Director of Commercial Development

Email: graemecraig@tfl.gov.uk

6. Letter of Endorsement: OPDC



Luke Ward
West London Alliance
Ealing Council
Perceval House
14-16 Uxbridge Road
London
W5 2HL

Date: 23/05/2018

Dear Luke,

In support of WLA's application to the Business Rates Retention - Strategic Investment Pool allocation – to improve digital connectivity in west London

The Old Oak and Park Royal Development Corporation is committed to working with the West London Alliance (WLA), west London local authorities, TfL and partners to improve digital connectivity in west London.

WLA's bid will deliver significant economic benefits to a number of areas in west London including a huge and much needed boost to broadband access and connectivity speeds for businesses, schools and local communities.

The Old Oak and Park Royal Opportunity Area (which straddles the west London boroughs of Brent, Ealing, and Hammersmith and Fulham) is the largest in the Mayor's London Plan, with the potential to deliver a minimum 25,500 homes and 65,000 jobs and become a world leading location for the adoption of smart city technologies, systems and approaches.

The new station at Old Oak Common will be the only place where High Speed 2 (HS2) meets the Elizabeth line. The connectivity provided by these two nationally significant transport projects represents an exceptional opportunity to deliver the largest regeneration project the UK has seen since the 2012 London Olympic and Paralympic Games.

Old Oak and Park Royal Development Corporation (OPDC) has overarching responsibility for planning and regenerating the Old Oak and Park Royal area, leading transformational change and development, whilst also seeking to safeguard and regenerate the UK's largest industrial estate at Park Royal.

A digital infrastructure that provides instantaneous connectivity is central to the delivery of OPDC's Digital Programme for Park Royal. It is key to helping existing businesses (including SMEs and micro-businesses) evolve, as well as to attracting new businesses to the area and creating an environment that supports a culture of digital entrepreneurship and innovation.

OPDC's Digital Programme aims to supply fibre spines along the six main roads in Park Royal Industrial Estate. These fibre spines will improve digital connectivity for around 1,100 SMEs and micro-businesses and will facilitate the installation of IP enabled CCTV

which will help to deter criminal activity, enhance recording capabilities and reduce maintenance and transmission costs.

The IP enabled CCTV network can also be used to monitor traffic and parking enforcement, reduce fly tip and environmental ASB, and gather public protection intelligence making the industrial estate safer and cleaner for businesses, employees, residents, customers and visitors, making it easier for businesses to operate and improving productivity.

OPDC has a programme of regeneration projects in progress and has developed excellent relationships with WLA, the local authorities and communities. We will be able to draw on this experience and these relationships to support the successful delivery of the WLA project.

Yours sincerely,



Tom Cardis
Interim Assistant Director of Planning
Old Oak and Park Royal Development Corporation

7. West London Vision for Growth (sub-regional joint growth strategy), including focus on broadband and digital connectivity.

<http://westlondonalliance.org/wla/wlanew.nsf/pages/WLA-307>