

Isle of Wight Council
Broadband Open Market Review (OMR)
Isle of Wight Local Broadband Plan
REQUEST FOR INFORMATION

Version 0.2
Issue date: 11 February 2013
Owner: Matt Ford
Approval: John Metcalfe

**National Broadband Scheme for the UK: Supporting the local and community roll-out of
superfast broadband**

State Aid Guidance: Open Market Review Template

Isle of Wight

REQUEST FOR INFORMATION

1. INTRODUCTION

The Government has the objective of stimulating private sector investment to deliver the best superfast broadband network in Europe together with increased coverage across the UK by 2015. Broadband infrastructure investment is vital to supporting the government's economic growth agenda and this includes selective investment in rural and remote locations not served by traditional market mechanisms.

The Isle of Wight's economy, measured in terms of GVA, lags behind the more prosperous South East and the UK average. Household incomes are lower and unemployment rates higher on the Island than the mainland (with youth unemployment, between the ages of 16 and 24, disproportionately high). Island businesses report fewer vacancies and limited supply chain opportunities with the mainland, while the costs of living in terms of the price of goods both bought and sold are high.

Physical separation from the mainland by sea is a major contributing factor to the Island's economic performance and related social issues, evidenced by high levels of deprivation. Broadband coverage on the Island is also inconsistent. There are a significant number of private and commercial properties across the Island in broadband 'not spots', either having no broadband access or suffering very slow internet speeds of less than 2Mb/s (megabits per second) with co-existing pockets of digital, social and economic exclusion. Access to superfast broadband will therefore enable the Island to address local disparities across the Island as well as reduce the performance gap with the South East and UK.

"The economy of the Isle of Wight is markedly poorer than in the rest of the south-east because of our separation by sea. Access to superfast broadband would help."
Andrew Turner MP to the House of Commons (2010)

"The Isle of Wight does not have good or consistent broadband coverage and this Government are determined to sort it out."
The Secretary of State for Culture, Olympics, Media and Sport (2010)

There is a significant risk of a widening digital divide in terms of broadband speeds between the Island and the mainland, which would result in greater economic disparities and further social exclusion. The Isle of Wight Council is therefore committed to bringing superfast broadband to the Island. We are making a significant multi-million contribution (capital and revenue) to make this happen.

The Island's Vision:

The vision for the Isle of Wight is to reduce the digital divide between the Island and the mainland and to enable economic growth and digital inclusion for all residents and businesses via access to faster broadband by 2015 and superfast broadband by 2020.

Our aims:

- To achieve 2Mb/s as a minimum, right across the Island by 2015
- To achieve faster broadband at a minimum of 24Mb/s for over 90% of all premises on the Island by 2015
- To narrow the digital divide between the Island and the mainland by 2015
- To 'future proof', via linkages with other economic development programmes (e.g. PFI Highways) to enable greater capacity for fibre to premise and infrastructure upgrades to

superfast broadband (30+Mb/s) by 2020

- To provide an 'open' access infrastructure to multiple service providers to drive competition and demand.
- To enable improved delivery of public services via broadband technology
- To support the development and growth of Island businesses, and
- To contribute to the Eco-Island vision for a sustainable and low carbon economy.

The Strategic Need

The need for investment in superfast broadband on the Isle of Wight is identified in a range of high level strategic plans.

The Isle of Wight Council has identified the strategic importance of superfast broadband in its **Corporate Plan 2011-13**. The council continues to face the challenges posed by the recession and the changing global economy in the quest to deliver long term economic well-being for the Island and its community.

The **Economic Development Delivery Action Plan 2011-14** outlines six priorities for growth, including:

Priority 1	Increasing inward investment;
Priority 2	Provision of sufficient employment land;
Priority 3	Development of a skilled workforce in key sectors;
Priority 4	Promotion and expansion of renewable energy activities;
Priority 5	Installation of a superfast broadband network;
Priority 6	Developing and promoting 21st century tourism offer.

The installation of superfast broadband is identified as a separate priority. However, it will be instrumental in realising other economic priorities including the provision of employment land and the attraction of inward investment, including high value renewable energy activities.

The **Eco-Island vision** (2008-2020) was adopted as part of the Island's Sustainable Community Strategy. This is based on the need to develop a higher value, low carbon, sustainable economy which superfast broadband will help to facilitate and support. This will be achieved by, for example: minimising commuting and business travel (on and off the Island) via video and audio-conferencing and increased home working; more energy efficient and carbon neutral business processes and ICT products; and smart digital technologies including smart meters, remote sensors and cloud based technology – such as the facility for Island based data centres.

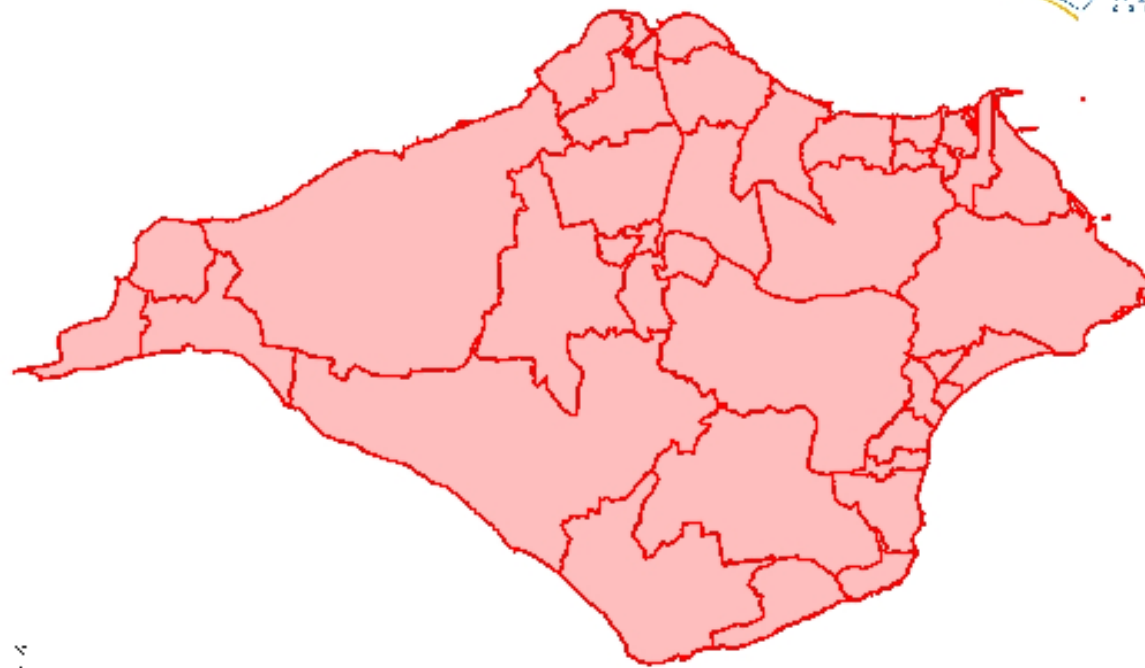
The council has also taken a leading role in the successful bid for the sub-region to be recognised by Government as a Local Enterprise Partnership (LEP). With a population of over 1.3 million and some 50,000 businesses, the Solent area is a well recognised functional economic area including the Isle of Wight, the two cities of Portsmouth and Southampton, the M27 corridor and Solent waterway. **The Solent LEP** will be an important business-led component in delivering the business growth and job creation required to grow the Island economy. The council has ensured the activities of the LEP will include the development of industry sectors of particular importance to the Island including; tourism, marine, marine renewables, advanced engineering and composites. Within the Solent LEP proposal the Isle of Wight is specifically identified as a priority area for broadband investment within a key LEP objective to:

"... extend the coverage of reliable high speed broadband across the Solent area.... with a particular focus on improving delivery on the Isle of Wight."

2. GEOGRAPHICAL SCOPE

The project covers the whole of the Isle of Wight. There is no overlap with other local authority projects, and it does not encompass any RCBF or other Community Broadband initiatives.

A spreadsheet of postcodes and a document explaining the mapping methodology are enclosed with this document.



Legend



© Crown Copyright and database rights 2011
 Ordnance Survey 100019226

Map of proposed area to be covered including unitary authority/ward boundaries. This is available in a GIS format upon request.

3. PROGRESS TO DATE

The Isle of Wight Broadband plan was approved by BDUK in February 2012, and can be found on iwight.com. The plan is underpinned by c. £6.18m of public funding, with the procurement exercise scheduled for completion by late-August 2013.

4. PURPOSE OF THIS OMR

This OMR is intended as a precursor to a formal public consultation document. The OMR, in contrast to that public consultation document, is not a specific requirement under the European Commission's Broadband Guidelines.¹ However, we consider that early market engagement at this stage is an essential and extremely important part of our early market research. The results of the OMR will assist us with understanding the broadband infrastructure (basic broadband and Next Generation Access (NGA)) already in place and where there are plans for investment in such infrastructure in the coming three years and a significant step in the design of your intervention area.

5. YOUR RESPONSE REQUIRED

We are sending this OMR to all recognised broadband infrastructure and internet providers in our area. In addition, we are publishing this OMR document on our website².

We require responses by 11th March 2013 to the questions set out in the Annex. When responding, we would be grateful if you could confirm your organisation's name and address, as well as the name, position and contact details of the person responding on behalf of the organisation.

Please send your responses to:

Jayne Tyler (jayne.tyler@iow.gov.uk)
 Rural Broadband Project Support Officer
 County Hall
 High Street
 Newport
 Isle of Wight
 PO30 1UD

Please note that the data you provide in your response will be treated as commercially confidential to Jayne Tyler³, albeit that it may be necessary to share/some all of your response data with our professional advisors and/or DCMS/BDUK, Ofcom, BIS State Aid Branch and the European Commission in the course of seeking State aid approval for our local broadband project. It should also be noted that it is a State aid requirement to utilise this information to produce State aid maps to define white, grey and black areas for basic and NGA broadband. These maps will be published as part of the Public Consultation process and will be utilised to define the intervention area. However, please note that these published maps will be assimilated utilising data from all relevant operators and will not be directly attributed to a single source.

If you have any questions about any of the above, please contact Jayne Tyler (jayne.tyler@iow.gov.uk).

¹ [Community Guidelines for the application of State aid rules in relation to rapid deployment of broadband networks](#)

² <http://www.iwight.com/homepage/>

³ We are also subject to legal obligations to disclose information in certain limited circumstances.

ANNEX

1. Please provide details and supporting evidence of any current or planned investment in broadband infrastructure (basic broadband and NGA broadband) in the Isle of Wight. In the case of planned investment, we are particularly interested in plans for the coming three years (by date). However, any plans for years beyond that would also be of interest. Any information provided should include but need not be limited to:

- Detailed maps for basic broadband and NGA broadband showing the existing coverage and separately maps detailing the planned investment in the basic broadband and NGA infrastructure networks for at least the next three years;
- Exact detail of premises passed or covered, i.e. postcodes including information on the number of premises passed (in the case of a fixed network) or covered and able to receive services (in the case of a wireless/satellite network);
- Details of the technology;
- Description of the services/ products currently offered and separately those to be offered within the next 3 years;
- Installation and rental tariffs for those services/products clearly identifying whether they are inclusive or exclusive of VAT;
- Upload and download speeds typically experienced by end users;
- Appropriate indicators of quality of the service e.g. contention ratio or bandwidth allocation per end user;
- Details and timing of roll-out for future investment; and
- Confirmation from an authorised signatory that all information provided is of suitable accuracy.

Please supplement with supporting evidence as you consider appropriate e.g. public websites.