



Adur Executive Member for Resources
& Worthing Executive Member for
Digital & Environmental Services

1 July 2020

ADUR & WORTHING
COUNCILS

Decision to be taken on or after
9 July 2020

Key Decision: Yes

Gigabit Coast : Adur & Worthing - Internet Service Provider (ISP) Contract Award

Report by the Director for Digital & Resources

Executive Summary

1. Purpose

- The Joint Strategic Committee report from the 9th June 2020 'Moving forward with Citizen Wi-Fi' provided a progress update on the Gigabit project and set out the projects' financial profile. This report focuses on ISP services, which are an essential underpinning component of the project and future services (e.g. Citizen Wi-Fi); establishing equipment and Internet connectivity at the CityFibre fibre exchange (FEx) to bring the Council's fibre connections into service.
- This report provides detail of the service proposed by the successful ISP, procured through an OJEU-compliant framework (CCS RM3808), MLL Telecom Ltd, and requests approval for the Councils to enter into a contract with MLL Telecom for the supply & ongoing management of connectivity equipment and services.
- As a result of the decision the Council's will enter a 5-year contract (with a 2-year extension option) with MLL Telecom Ltd, committing the Council's to capital expenditure of £433k, funded by Local Growth Funds (LGF) through the Local Enterprise Partnership (LEP), and revenue costs of £53k per annum from 2021-22 for:
 - 1). The supply and set up of security and connectivity equipment and resilient backhaul & Internet circuits in the CityFibre FEx.
 - 2). The supply and set up of connectivity equipment at each of the designated Council's fibre-sites.
 - 3). The supply and ongoing management of network and Internet connectivity services, including the protection and management of service traffic and the performance of network services.

2. Recommendations

- The recommendation is for the Executive Members to approve the Council's proposal to enter into a 5-year contract with MLL Telecom for the supply and set up of security and connectivity equipment, backhaul & Internet circuits, and network management services.
- The financial commitment as a result of the decision is £433k capital, predominantly for equipment that will be owned by the Councils. The £53k revenue pa covers the operating costs and aligns with the financial profile set out in the 09/06/2020 JSC report: Moving forward with Citizen Wi-Fi.
- The capital payment of £433k will be fully funded by Local Growth Funds (LGF) through the Local Enterprise Partnership (LEP) and the £53k pa revenue costs will be covered by established revenue budgets and savings realised from the rationalisation of existing Council connectivity services.

3. Context

- In May 2019, Joint Strategic Committee received a report which outlined the opportunity for a substantial extension to the gigabit full fibre scheme which, in phase one, connected our main buildings through Gigabit West Sussex. The extension of fibre connections to a further 83 council assets across Adur & Worthing established a sufficient 'fibre footprint' to enable additional commercial investment of £25m by the supplier Cityfibre, for "Fibre to the Home and Business".
- At the time, West Sussex Leaders were developing their approach to funding digital infrastructure through the business rate pool, and Joint Strategic Committee were asked to provide a capital budget of £2.55m for the dark fibre project in advance of allocation decisions from the pool. This allowed progress to be made with a view to grant funding being received to meet some of the costs.
- The existing contract with Cityfibre will see the councils' 83 assets connected over the next 2-3 years. These include community centres, CCTV and sheltered housing sites, with capital payment only being due after successful delivery of 90% of sites. There is no separate public sector build programme in order to avoid disruption and cost, and our sites will be connected as the commercial programme passes them.

- The Citizen WiFi network aims to provide free ultrafast public WiFi access in our town centres and other public spaces. Beyond the dark fibre connections, the provision of these services will require new network infrastructure in the new Cityfibre Fibre Exchange, the purchase of public WiFi access point hardware, and the procurement of managed services to include IoT devices and management platform(s).
- Total programme costs have been estimated to enable bids to be made for grant funding. The costs were calculated as follows: £2.25m for dark fibre, £0.25m for project management & consultancy, £0.6m for Citizen Wi-Fi, £0.4m for network equipment and £0.2m for CCTV services.
- In September 2019 a business case was presented to the Local Enterprise Partnership (LEP) for Local Growth Funding (LGF), pitching for 50% of the estimated project costs. Adur and Worthing Councils were awarded 41% of their bid, resulting in a grant of £676.5k.
- The programme has secured significant grant contributions, totalling £2.22m towards the £3.7m scheme, which includes capital investment in network, WiFi and IoT equipment.
- The remaining capital requirement from Adur & Worthing Councils is now £1.5m, well below the allocation made by the Joint Strategic Committee in May 2019 of £2.55m although this had been anticipated when the 2020/21 revenue budget was set.
- As outlined in the JSC report 'Moving forward with Citizen Wi-Fi', the next phase of the project is to establish contracts with the Internet Service Provider (MLL Telecom) to install the necessary equipment and circuits in the CityFibre FEx and supply fibre-site connectivity equipment, enabling the 'lighting-up' of the Council's fibre sites from April 2021.

4. Issues for consideration

- The recommendation is to approve the execution of the contract with MLL Telecom for the supply and set up of network equipment & circuits, and the ongoing network management of the Council's fibre network.
- No alternative options have been considered because the proposal from MLL Telecom was the most competitive response. The option to 'do nothing' would leave dark fibre as unlit (i.e. dormant and not usable), preventing the delivery and operation of services such as Citizen Wi-Fi.

5. Engagement and Communication

- There has been no external engagement in creating this report; it follows on from the JSC report of 09/06/2020 'Moving forward with Citizen Wi-Fi', presenting detail on the ISP and the associated costs.
- Internal engagement has been carried out with the Council's Legal Services and Finance Department to confirm the financial profile aligns with agreed budgets and that the contract with MLL Telecom adheres to the Councils' CSO.

6. Financial Implications

- Finance has been consulted on the proposed contract to confirm the contract expenditure aligns with capital and revenue budgets.

7. Legal Implications

- Legal services have been consulted to confirm no legal issues exist.

Background Papers

- [Joint Strategic Committee Report \(July 2018\)](#)
- [Joint Strategic Committee Reports \(April 2019\)](#)
- [Moving forward with Citizen Wi-Fi \(June 2020\)](#)

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Sustainability & Risk Assessment

1. Economic

- The availability of free-to-use public Wi-Fi services (Citizen Wi-Fi) in shopping areas, parks, the sea front and community centres presents options to support and stimulate economic activity; linking local citizens and visitors with local businesses and commercial offers to increase footfall and economic activity, in addition to helping citizens understand the location and availability of services and activities in the towns. The Citizen Wi-Fi service is dependent on the activation of the ISP service, which is the purpose of this report.

2. Social

2.1 Social Value

- Matter considered and no issues identified.

2.2 Equality Issues

- Matter considered and no issues identified.

2.3 Community Safety Issues (Section 17)

- Matter considered and no issues identified.

2.4 Human Rights Issues

- Matter considered and no issues identified.

3. Environmental

- Matter considered and no issues identified.

4. Governance

- Adur & Worthing Councils' are committed to establishing their towns as some of the best digitally connected locations in the UK, investing in dark fibre to trigger £25m of commercial investment for the availability of ultrafast connectivity services for residents and businesses. Citizen Wi-Fi will build on the foundations of the dark fibre investment, presenting 'free-to-use' ultrafast connectivity in the public places to support digital access to the Internet, and local information & services.