11th December 2017

Superfast South Yorkshire (SFSY)

New Procurement to further extend coverage of NGA Broadband.

STATE AID PUBLIC CONSULTATION – CLOSURE REPORT

1.Outcome of the Public Consultation

The Public Consultation to determine the State Aid classifications for the Superfast South Yorkshire project closed on 19th July 2017. The consultation period was extended from 19th July as initially published to 22nd November 2017. During the Consultation period SFSY received an update of future planned deployments from 3 suppliers. Public Consultation followed an Open Market Review (OMR) with the telecoms market to which 6 providers had responded with information on their commercial plans in the programme region.

Following this process, the eligible Intervention Area for the project was determined; the
'White' areas. The final State Aid maps for Next Generation Access (NGA) Broadband and Basic Broadband are shown below and are available on the project website at

http://www.superfastsouthyorkshire.co.uk/

SFSY intends to launch a public procurement to secure NGA network solutions to serve the Intervention Area.

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2. Timescales

The following table summarises the timescales of the next stages of the procurement:

Activity	Date
Consultation period for the State Aid Public Consultation	**19ᵗʰ July 2017 extended to 22ⁿᵈ November 2017**
Submit State Aid notification (Part 1) to the Department for Media Culture and Sport	**13ˢᵗ December 2017**
Expected start of procurement	**15ᵗʰ December 2017**
Submit State Aid notification (Part 2) to the Department for Media Culture and Sport	**March/ April 2017**
Award NGA Broadband contract	**April 2017**

3. Revised State Aid Maps

The following criteria have been used by SFSY to determine the classification of areas into Basic Broadband and NGA White/Grey/Black areas respectively:

For basic broadband
- A postcode is turned grey if there is only one broadband infrastructure operator providing basic broadband services (with speeds greater than 2 Mbps) to that postcode.
- A postcode is turned black if there are at least two broadband infrastructure operators providing basic broadband services (with speeds greater than 2Mbps) to that postcode.
- All other postcodes remain white.

For NGA
- A postcode is turned grey if there is only one broadband infrastructure operator providing NGA services (supporting minimum speeds of at least 30Mbps) to that postcode.

- A postcode is turned black if there are at least two broadband infrastructure operators providing NGA services (supporting minimum speeds of at least 30Mbps) to that postcode.

- All other postcodes remain white.

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In addition, the proposed Intervention Area includes a number of "under review" areas (coloured blue on the map). These areas have previously been indicated to have planned commercial coverage for NGA broadband (i.e. mapped as NGA grey), but those plans have been reported through the OMR (or 2014 OMR in the absence of a new operator response) as being 'at risk' of not being completed. These areas will be subject to continued monitoring and verification of operator plans by the Programme team within the 3 year period and in the event that these commercial plans fall away these premises will be mapped as NGA white and form part of the eligible Intervention Area via this aid measure.

The mapping analysis of existing and planned coverage (within the next 3 years) has identified significant remaining 'white NGA' areas. The outcome of the Public Consultation is summarised below in terms of NGA White, Grey, Black and "under review" premises in NGA White, Grey, Black and "under review" postcodes.

Postcode Classification	Number of Postcodes	Number of Black Premises	Number of Grey Premises	Number of White Premises
White	2,961	0	29,662	27,254
Grey	19,885	0	400,965	0
Black	6,995	139,604	0	0
'Under Review'	1,202	0	12,011	15,043

The Superfast South Yorkshire (SFSY) Intervention Area includes 27,254 NGA White premises spread over 2,961 NGA White postcodes, but could include up to an additional 15,043 "Under Review" premises, creating a total of 42,297 premises if the "Under Review" premises become White in scope.

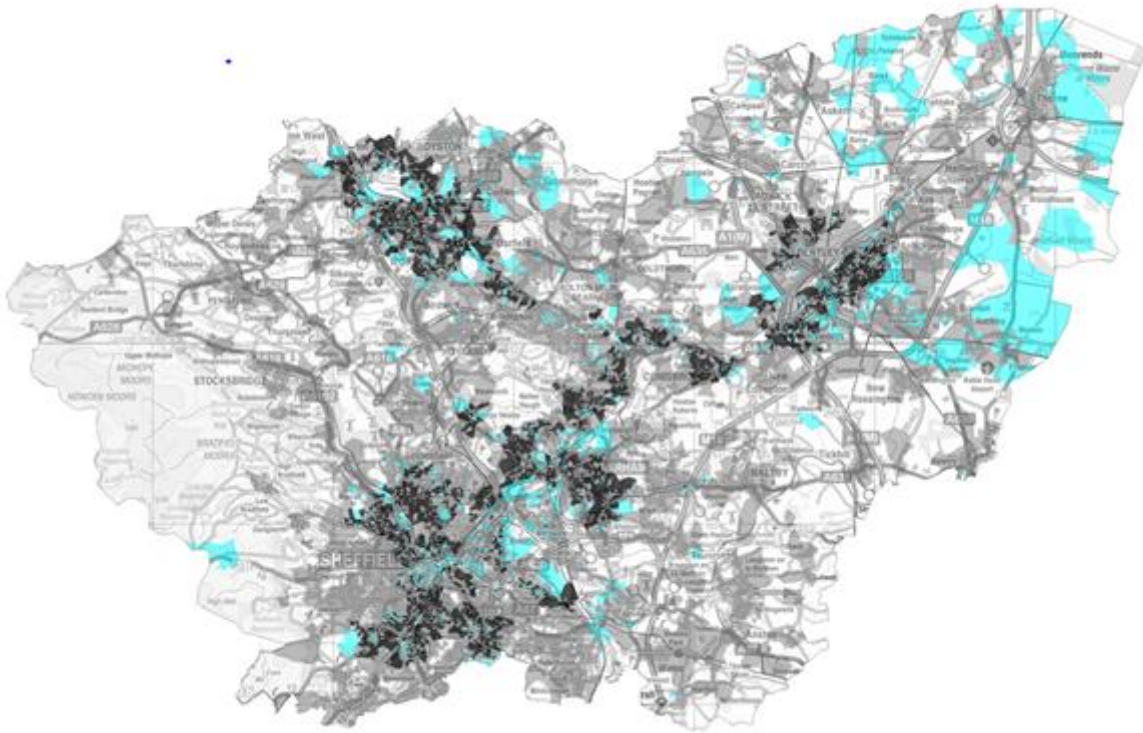The following table summarises the outcome of the Open Market Review in terms of White, Grey and Black postcodes and premises for Basic Broadband:

Postcode Classification	Number of Postcodes	Number of Black Premises	Number of Grey Premises	Number of White Premises
White	0	0	0	0
Grey	24,048	0	484,935	0
Black	6,995	139,604	0	0

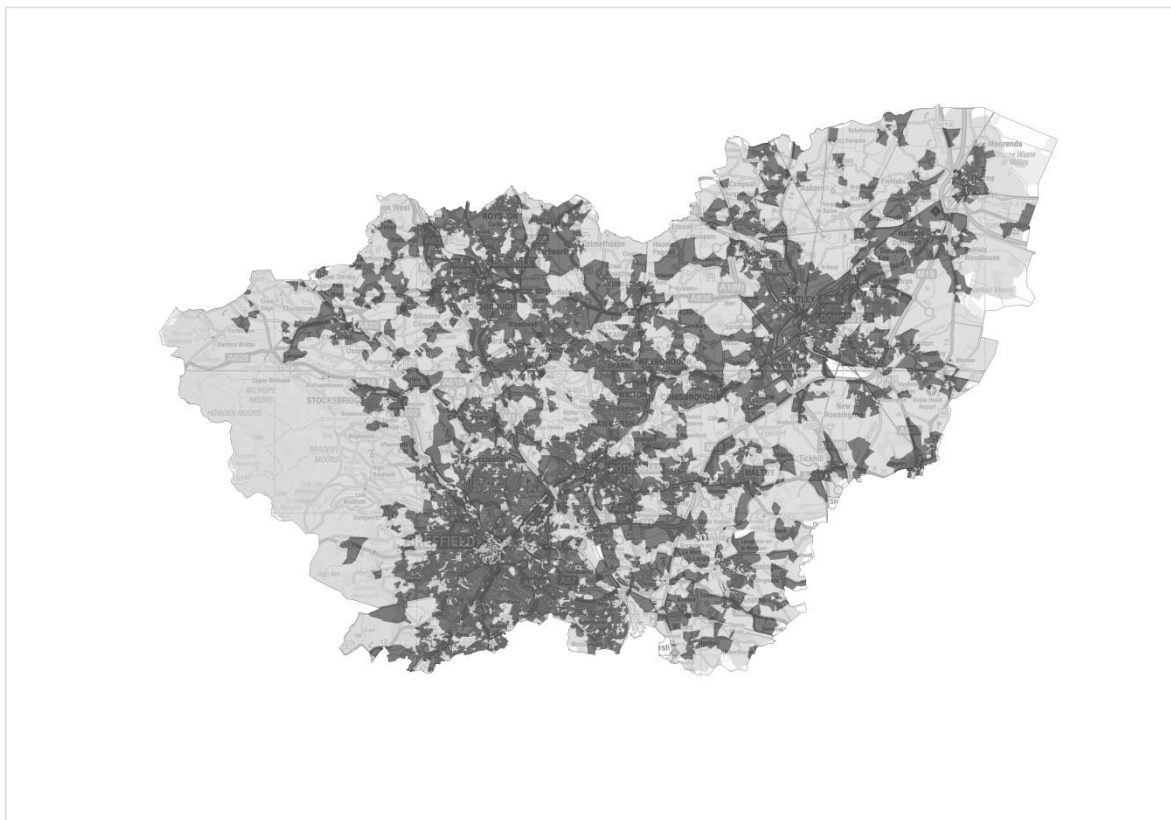State Aid Public Consultation – Closure Report

4. State Aid Maps

The State Aid maps for the Intervention Area are shown below for NGA Broadband and Basic Broadband respectively:

NGA Broadband

White = Postcodes containing premises with no Current or planned NGA service.
Grey = Postcodes with NGA service available to all premises from at least one operator.
Black = Postcodes with NGA service available to all premises from more than one operator.
Blue = Postcodes which are under review to monitor planned build.

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Basic Broadband

Grey = Postcodes with basic broadband service available from at least one operator.
Black = Postcodes with basic broadband service available from more than one operator.

5. Status of Intervention Area

The State Aid Public Consultation is now closed. SFSY has submitted its State aid (Part 1) notification to the National Competence Centre (part of the Department for Culture Media and Sport) which oversees the UK National Broadband Scheme. A decision on the eligibility of the proposed Intervention Area is expected in December 2017. If clearance is granted, the Intervention Areas mapped above will be confirmed as eligible for public sector intervention for the next stage of the Superfast South Yorkshire broadband project, including the forthcoming procurement and any extension of the Authority's existing contract with BT.

The confirmed new Intervention Area will be published on the project website following clearance by the National Competence Centre.

6. Contract Details

If you have any comments or questions regarding the project, you can get in touch with Superfast South Yorkshire's Broadband Project Team by email at:

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hello@superfastsouthyorkshire.co.uk

Up-to-date information about the SFSY Programme can be found at:

http://www.superfastsouthyorkshire.co.uk/

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