

<b>Key Decision Required:</b>	<b>Yes</b>	<b>In the Forward Plan:</b>	<b>yes</b>
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**CABINET**

**14 JUNE 2013**

**REPORT OF PORTFOLIO HOLDER FOR INWARD INVESTMENT AND GROWTH**

**A.7 WIRELESS COAST**

(Report prepared by Michelle Gordon)

**PART 1 – KEY INFORMATION**

<b>PURPOSE OF THE REPORT</b>
To update Cabinet on the progress of the Wireless Coast project and seek approval to enter into a Concessionary Agreement with MLL Telecom.

<b>EXECUTIVE SUMMARY</b>
<ul style="list-style-type: none"> <li>• Following the decision made by the Portfolio Holder for Inward Investment and Growth in June 2012, Regional Network Solutions (RNS) were appointed to support the development of the Wireless Coast project.</li> <li>• A briefing day was held in January 2013 to engage with telecoms companies who have the capabilities to deliver on our aspirations for this project.</li> <li>• An OJEU compliant tender process was then followed in order to identify a preferred partner, with only one telecoms company completing the full tender process.</li> <li>• Subject to Cabinet’s approval, a Concessionary Agreement will be entered into with MLL Telecom as the Council’s preferred partner covering revenue share, rental fees for each asset to be used, service coverage and phasing of the deployment.</li> </ul> <p>This pilot project will provide:</p> <ul style="list-style-type: none"> <li>• Guaranteed rental income per Tendring District Council (TDC) asset used.</li> <li>• Annual income based on an agreed percentage share of gross revenue.</li> <li>• Access to free wifi (for a limited daily period) in public places including town centres and seafronts.</li> <li>• Permanent free access to certain Council partner approved websites.</li> <li>• Local sponsorship, advertising opportunities and event promotion available on the Wifi home page.</li> <li>• Superfast broadband in business parks</li> <li>• Superfast broadband in rural areas</li> </ul>

<b>RECOMMENDATION(S)</b>
<b>a) That Cabinet note the progress of the Wireless Coast project and</b>

**b) Agree to enter into a Concessionary Agreement with MLL Telecom.**

**PART 2 – IMPLICATIONS OF THE DECISION**

**DELIVERING PRIORITIES**

Delivering superfast broadband and a wireless coast are both key aspirations of the Regeneration, Tourism and Health Inequalities strategies.

This project will put in place some of the tools to allow us to deliver a 21<sup>st</sup> Century Resort in Clacton which is consistent with the aspirations in the Celebrate-on-Sea report.

It will also help to deliver on all three key priorities of the Council's Corporate Plan through using technology to improve access to services, reducing social and digital isolation, improving the tourism industry whilst helping to regenerate the District and improve deprived areas.

**FINANCE, OTHER RESOURCES AND RISK**

**Finance and other resources**

The Concessionary Agreement is delivered at no cost to the Council, but will deliver a guaranteed fixed rental income for every TDC asset used as part of the agreement as well as a fixed revenue share on all gross revenue generated by MLL Telecom in relation to this project.

**Risk**

The major risk lies in the uncertainty of the potential revenue that could be generated by the concession. In order to mitigate this risk, we will work closely with the Concessionaire to ensure that the project remains viable for them and that all opportunities to maximise revenue are exploited.

**LEGAL**

MLL Telecom will sign a 7 year Concessionary Agreement with the Council which will set out its obligations and commitments for the contract length with optional extensions for a further two plus one years.

**OTHER IMPLICATIONS**

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

**Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.**

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**Crime and Disorder** - No direct implications

**Equality and Diversity** - No direct implications

**Consultation/Public Engagement** - No public consultation has been carried out.

**Area or Ward Affected - All**

**Health Inequalities** - The aspiration within the Wireless Coast project accords with the Council's Health Inequalities agenda by facilitating greater access to services and reducing social and digital exclusion.

**PART 3 – SUPPORTING INFORMATION**

**BACKGROUND**

In June 2012 the Portfolio Holder for Inward Investment and Growth approved the appointment of Regional Network Solutions (RNS) to assist with the development of the Wireless Coast project.

This involved the evaluation of the technical and commercial model, engaging with the private sector, assisting with preparation of the appropriate pre-tender specifications, soft market testing of proposal and providing technical and commercial advice and subsequent negotiations with the preferred partner.

This also involved a Briefing Day being with 22 telecoms companies in attendance on 11<sup>th</sup> January 2013 including major companies like BT, O2, Vodafone and Talk Talk as well as a number of smaller, local providers.

Whilst not a requirement for a Concessionary Agreement, we have chosen to follow OJEU approved tender procedures to ensure openness in the process and best value for the Council.

An evaluation panel comprising appropriate technical and project officers from across the Council believe the tender received from MLL Telecom delivers on the Council's key aspirations and best fits the requirements laid out in the Tender documentation.

Using the expertise of our consultants, RNS, we have been able to value check the submission from MLL Telecom to ensure value for money.

**CURRENT POSITION**

The MLL Telecom proposal is not unique to Tendring, and public Wifi projects have been implemented in London, Eastbourne and Manchester and most recently a similar scheme has been announced in Colchester. However, the quality of service, the coverage across the District, which includes some of the most deprived wards in the Country and the willingness of the operator to invest in every town centre in Tendring as well as delivering superfast broadband in business parks and rural areas, is unique.

By offering free access to a reliable, secure wifi network, we will be able to promote mobile working and enable easy access to information on local events, attractions, shops and services, which will be particularly useful for visitors to the District who can enjoy a family holiday at the seaside whilst still being able to check their emails, update social media or upload photos of their holiday in the District and all without eating into their contracted data allowances; this is exactly the type of service that is expected of a truly 21<sup>st</sup> Century resort and will give Tendring a real unique selling point.

The different elements of this proposal are broken down in more detail below:

## **Public Wifi**

The public wifi service will be delivered using TDC assets, primarily CCTV columns to relay signals to ensure a good level of coverage is achieved. A small piece of hardware will be mounted on the CCTV columns (just larger than A4 in size and 10kg weight).

It will be rolled out in a number of phases with Phase 1 focussing on Clacton town centre and seafront in time for the main summer season this year.

This will cover Station Road (from Town Hall to town centre), Pier Avenue, West Avenue, Agate Road, Rosemary Road and Jackson Road in the town centre and from the Pavilion to Collingwood Road on the seafront.

Public wifi will also be rolled out in year 2 (2014) in Walton (the town centre and the seafront north of the Pier towards the Columbine Centre), Frinton (Connaught Avenue and a small area of seafront). The specific coverage areas for Old Harwich, Dovercourt, Manningtree and Brightlingsea are still to be agreed.

This service will be free (subject to usage restrictions) to all users for 3 months at the start of the contract to launch the service after which 15 minutes per day free access to html websites (video streaming and high data uses will not be included) will be available with an easy and low cost option to users to pay for the rest of the day through secure micro-payments (this is expected to be approximately £1.50 per day) with weekly, monthly or annual packages and special offers including, for example buy 5 days in a month and get the 6<sup>th</sup> free.

A number of websites will be included on an approved list to which access will be free at all times. This list could include TDC and ECC websites, Essex Sunshine Coast, bus/rail timetables, libraries, JobCentre Plus, Citizens Advice Bureau, attraction information and medical services and will be defined as we go through the next stage of the project.

Similarly, a number of websites which are deemed to include inappropriate content will not be accessible through this portal.

The service will be capable of supporting up to 500 concurrent users and 30 simultaneous Voice Over Internet Protocol (VOIP) calls through each wireless access point.

Access to this wifi will be via a branded home page which can be location specific and which will include advertising/sponsorship opportunities for local companies and service or event promotion for TDC. Users will need to sign up to the Wifi service, but the system will remember the device and will connect automatically on future visits. Upon registration users will receive one marketing message, but their login details will not be passed to third parties or used for marketing purposes after this initial contact.

## **Business Parks, Holiday Parks and Rural Broadband**

In order to fund the investment in the public wifi, MLL Telecom will investigate the delivery of a superfast wireless/radio broadband solution to business parks/industrial estates, holiday parks and rural residential customers. Whilst this is not part of the Concessionary

Agreement as it is unlikely to use any of TDC's assets, it is likely to be an important part of the financial model for MLL Telecom and, if successful, will allow additional investment to be made in the public wifi element as well as providing significant added value for residents and businesses in the District.

This element of the project will be linked to the existing broadband and rural infrastructure projects to ensure that the investment is targeted to the areas that need it most to help us to reduce rural deprivation and digital exclusion.

<b>BACKGROUND PAPERS FOR THE DECISION</b>
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MLL Telecom Tender
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<b>APPENDICES</b>
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None
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