

Report to CABINET

Oldham Council Local Full Fibre Network (LFFN)

Portfolio Holder:

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for Finance & Low Carbon

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Reason for Decision

This paper follows on from the GM Local Full Fibre Network (LFFN) Cabinet report (19.08.2019) which approved capital funding to deliver a LFFN fibre network into 71 Oldham Council assets / buildings.

The installation of the LFFN fibre network is expected to be completed April 2022; the next steps will be to “light the fibre” network infrastructure; migrate Council buildings to the new optical high-speed network and decommission legacy network services.

Executive Summary

Oldham Council alongside TfGM and three other Local Authorities have collaborated in a GMCA led procurement process to assess the costs and effort to “light up” and provide network services for 1,600 sites throughout GMCA including 71 Oldham Council buildings and assets and to identify a preferred bidder to deliver the GM One Network.

The procurement exercise is now complete, a preferred supplier has been identified for the Greater Manchester One Network to deliver the Wide Area Network services for Oldham Council; GMCA including GM Fire & Rescue, GMCA/TfGM Urban Traffic Controls Signals and select TfGM sites, and Stockport, Bury and Rochdale Councils.

1. The purpose of this report is for Cabinet to approve to enter into the Collaboration Agreement over 10 years with GMCA for delivery, governance, and shared funding of GM One Network.
2. To agree to the revenue budget (WAN) Wide Area Network dual running costs during transition from existing legacy services to GM One Network.
3. To approve capital, spend from the capital programme for the delivery of the LFFN Project

Recommendations

The Strategic Direction is to join the GM One solution

Oldham Council Local Full Fibre Network (LFFN)

1 Background

- 1.1 In March 2018, Greater Manchester (GM) secured 25% of the UK Local Full Fibre Network (LFFN) funding pot, offered by the Department for Culture Media and Sport (DCMS), to connect over 1,600 public sector sites across GM.
- 1.2 The LFFN Programme is expected to have a transformational impact on digital infrastructure in GM - leading to an increase in full fibre coverage throughout Greater Manchester.

“Lighting the Fibre”

- 1.3 Each of the public sector organisations that are part of the LFFN anchor tenancy programme operate a “Wide Area Network” (WAN). The Oldham Council “WAN” provides network services for all Council, Unity Partnership, Miocare, CCG staff who operate from a Council building / asset and the public at Oldham Council Libraries, Access Oldham, Oldham Tommyfield Market.
- 1.4 Oldham Council WAN services are currently procured from four major telecoms companies and include both infrastructure and services. Recognising that LFFN is providing a shared fibre infrastructure, in 2020; Oldham Council with several other partners considered the option for jointly procuring a new “WAN” service across the fibre infrastructure for their own organisational needs to take advantage of economies of scale.
- 1.5 Consequently, the principal drivers for the creation of a GM One Wide Area Network were identified as being to:
- Consolidate and reduce the total costs of ownership of WAN services procured from other telecom companies.
 - Support GM to become a globally recognised digital city region.
 - Realise the benefits of the Local Full Fibre Network investment.

2 Benefits.

- 2.1 The overall benefits from the GM One Network procurement are identified as being:
- The LFFN project will demonstrate Oldham Council’s commitment to improving the borough. ‘Lighting up the fibre’ can be communicated externally to highlight positive news and the benefits this project will bring to Oldham
 - Significant improvements in user experience via service speed and quality, particularly for Council sites on legacy copper services as the sites transition to fibre will see site network performance increase from ten times faster than current available network speeds.
 - Improved resilience through a digital infrastructure connectivity “backbone” across Greater Manchester.

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- Overall financial savings against current network spend by consolidating the Councils Wide Area Network.

3. Current Position

- Oldham Council currently has four telecom suppliers which provide WAN Network Services to 132 sites of which 71 are in scope for LFFN project.
- Oldham Council has a 30-year Indefeasible Right to Use (IRU) on the LFFN infrastructure that connects to the 71 sites. Oldham Council can extend the network to any future sites.

4 Options - Alternatives

Three options were identified.

1. Do nothing and stay “as is”.

With this option, the Council would make no use of the LFFN infrastructure at the 71 LFFN sites.

2. Subscribe to the GM One WAN service.

With this option, the Council would subscribe to the GM One service to make use of the LFFN infrastructure at the 71 sites. Oldham Council would not own the network equipment.

3. Contract with the Council's Current Network Partner.

With this option, the Council would contract with their current network partner to make use of the LFFN infrastructure at the 71 sites. The Council would own all the equipment and the current network partner would provide a managed service including maintenance.

4.1 Option 1 – Continue with the Current Service

4.1.1 Description

- With this option, Oldham Council would continue to take service from their current telecom providers for all its 71 LFFN sites.
- The service would continue to be provided using existing circuits and Customer Premises Equipment (CPE), i.e., it would not use the LFFN infrastructure.
- Oldham Council would simply ‘roll on’ its existing contract(s) with the telecom’s providers.

4.1.2 Positive Aspects.

- No project required as the existing service would just continue.
- All costs are known

4.1.3 Negative Aspects

- The service at the 71 LFFN sites would not improve. - this option will not provide a bandwidth increase to any site and the Council may need to repay the grant fund to DCMS as a condition of the DCMS grant would be for Oldham Council to enable services over the LFFN fibre network.
- The Council would not realise any benefits from the LFFN investment.
- The Council would need to go through a procurement exercise when the current contract expires with the current telecom's providers.

4.1.4 Risks

- The Council's operational performance would be impacted by the bandwidth constraints of the network.

4.1.5 Conclusion

- This option would not contribute to tackling digital exclusion within Oldham and would not demonstrate Oldham Council's commitment to improving the borough.
- This option should be eliminated from further consideration

4.2 Option 2 – Enter into a Collaboration Agreement with GMCA

4.2.1 Description

- Oldham Council would contract with the GM One supplier for the GM One managed WAN service for the 71 LFFN sites.
- The service would be provided using Greater Manchester Core WAN infrastructure shared with other members of the GMCA 'partnership'.
- Oldham Council would lease the network equipment.

4.2.2 Positive Aspects.

- The Council would be seen as a committed partner to the GMCA initiative.
- This option should meet the Council's current and future WAN requirements and the Council should realise benefits from the LFFN investment.
- The service at the 71 LFFN sites would improve which should support and enable improvements in the Council's network performance
- The Council should be able to reduce its operational expenditure on WAN services, and future revenue costs may fall if the GMCA partnership expands.
- The proposed solution and associated technology have been selected after a detailed procurement, assessment, and evaluation process.

4.2.3 Negative Aspects

- The minimum commitment is 10 years.
- Future revenue costs may rise if the GMCA partnership contracts.
- If for whatever reason the Council wanted to leave the GM One initiative, there would be 'exit costs'.

4.2.4 Risks

- The Council's future revenue costs may rise due to 'external factors', e.g., organisational changes in the GMCA partnership

4.2.5 Conclusion

- This solution would contribute to tackling digital exclusion within Oldham. The LFFN network would provide speeds up to 1000Mbps, which are from ten times faster than current network speeds within Oldham Council Assets and Buildings, including Libraries.
- The LFFN project would demonstrate Oldham Council's commitment to improving the borough. 'Lighting up the fibre' could be communicated externally to highlight positive news and the benefits this project would bring to Oldham – including for residents, businesses, and the local economy.
- While there are some financial uncertainties, this is a tenable option worthy of further consideration by the Council.

4.3 Option 3 – Contract with the Council's Current Network Partner

4.3.1 Description

- With this option, Oldham Council would contract with the current network partner for a managed WAN service to the 71 LFFN sites.
- Oldham Council would own the network equipment.

4.3.2 Positive Aspects

- This option should meet the Council's current and future WAN requirements and the Council should realise benefits from the LFFN investment.
- The service at the 71 LFFN sites would improve which should support and enable improvements in the Council's performance
- If for whatever reason the Council wanted to cease the service, there would be minimal 'exit' costs.

4.3.3 Negative Aspects

- The Council would be unlikely to benefit from future 'economies of scale' as the service is dedicated to the Council.

4.3.4 Risks

- The Council may incur unexpected costs, e.g., for equipment upgrades.

4.3.5 Conclusion

- This solution would contribute to tackling digital exclusion within Oldham. The LFFN network will provide speeds up to 1000Mbps, which are from ten times faster than current network speeds within Oldham Council Assets and Buildings including Libraries.
- The LFFN project would demonstrate Oldham Council's commitment to improving the borough. 'Lighting up the fibre' could be communicated externally to highlight positive news and the benefits this project would bring to Oldham – including for residents, businesses, and the local economy.
- This solution is a tenable option worthy of further consideration by the Council.

5 Preferred Option

5.1 Strategic Direction is to join Greater Manchester (GM) One solution

6 Consultation

6.1 The approach has been circulated and endorsed by relevant Council governance forums. Responses from specific areas can be found in sections 7 to 16 below.

7 Financial Implications

7.1 The financial implications are contained within Part B

8 Legal Services Comments

8.1 The legal implications are contained within Part B

9. Co-operative Agenda

9.1 NA

10 Human Resources Comments

10.1 The proposals do not present any immediate workforce implications other than the proposals aligning with digital ways of working. Should there be any at a later stage these shall be dealt with using the appropriate policy.

11 Risk Assessments

- 11.1 The report identifies a way forward which benefits from the investment made and mitigates any grant clawback. In upgrading the network there is a net cost to the Authority and this will need to be managed within the Council's budgetary arrangements

12 IT Implications

- 12.1 This initiative forms part of ICT Strategy and Roadmap and is a key component necessary for modernising the Council's data networks & improving digital inclusion.

13 Property Implications

- 13.1 None

14 Procurement Implications

- 14.1 GMCA have managed the procurement exercise for the recommended option via the Chest. The Collaboration Agreement with GMCA as the Lead Authority and the Partners will be for a 10-year duration.

15 Environmental and Health & Safety Implications

- 15.1 Environmental: the preferred option will allow the Council to use the LFFN and realise the benefits of the new network for the Council, residents and potentially also businesses. This will support the Council's Ways of Working blended approach to service delivery, further enabling videoconferencing and remote working, and reducing the need for business travel and commuting. It also supports the Vision of Oldham's Green New Deal Strategy to make Oldham "a smarter, greener, more enterprising place".

16 Equality, community cohesion and crime implications

- 16.1 There are no community cohesion implications arising from this report.
- 16.2 There are no crime or community safety implications arising from this report.

17 Implications for Children and Young People

- 17.1 NA

18 Equality Impact Assessment Completed?

- 18.1 No - as the proposal essentially relates to the speed of the network it is unlikely to impact disproportionately on the groups with protected characteristics

19 Key Decision

- 19.1 Yes

20 Key Decision Reference

- 20.1 [State the reference number of the item which gives notice of the intention to make this decision. If item was not included on the published Key Decision Document, include reference to general exception/special urgency procedures (paragraph 16 and/or 17 of Part

4 of the Constitution) and include dates of consultation with appropriate Overview & Scrutiny Chair(s). If not a Key Decision, insert N/A.]

21 Background Papers

- 21.1 [A copy of the list of background papers to the report must be included in the report and at least one copy of each of the document included in that list must be available for inspection by the public at the office of the Council and on the local authority's website, i.e., included on the Cabinet Agenda / delegated item.]

The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act:

File Ref: [insert]
Name of File: [insert]
Records held in [insert] Department, [insert address]
Officer Name: [insert]
Contact No: [insert]

22 Appendices