

Community Fibre

Local Body Partnerships



Community Fibre Partnerships

Around 90% of homes and businesses in the UK already have access to superfast broadband. The UK Government wants to extend coverage to 95% by December 2017. It also wants to deliver superfast broadband to the remaining 5% by 2020.

But there's no funding mechanism to cover all of this final 5%.

We can help

A Community Fibre Partnership is a way that BT and local communities can co-fund infrastructure upgrades, so the final 5% can gain access to fibre broadband services.



Community Fibre Partnerships is the BT programme to extend fibre into the final 5%

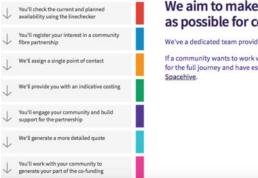
- Existing programme, leveraging 3 years of **Openreach led community engagement**
- Relaunched with increased focus, and BT Group owning the 'front door'
- Communities can work with BT to get infrastructure deployed in the final 5% by cofunding
- Over 50 communities live, over 100 more proposals issued.
- Pipeline of >1700 interested communities



Building your community fibre network

Ne're helping to provide 95% coverage across the UK by the end of 2017, but aspire to go further and are always earching for ways to reach the last 5%.

Ve're committed to working with all communities to find a fibre solution, and our community fibre partnership scheme is designed o enable this. Delivering fibre to the hardest to reach communities is a huge challenge. In rural areas we often face long distances ind challenging terrain and in urban areas we have the complexity of working in busy streets with limited space. Our strong imbition is never to say 'no' and work together with local communities to agree a suitable and affordable option to bring fibre to in area and our dedicated team is focused on helping communities understand what we can do, as well as to support them to pring faster broadband to parts of the UK not covered by existing rollout plans.



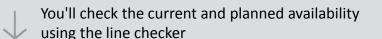
We aim to make the process as simple as possible for communities

We've a dedicated team providing management and support.

If a community wants to work with us, we provide a single point of contact for the full journey and have established a crowdfunding partner



Community Fibre Partnership process



You'll register your interest in a community fibre partnership

We'll assign a single point of contact

We'll provide you with an indicative costing

You'll engage your community and build support for the partnership

We'll generate a more detailed quote

You'll work with your community to generate your part of the co-funding

We'll plan and build the infrastructure

We aim to make the process as simple as possible for the community

- Dedicated national team providing management and support via CommunityFibre@bt.com
- We've established a crowdfunding partner and are working with a company which specialises in supporting communities to establish legal entities for contracting
- If a community wants to work with us we'll provide a single point of contact for the full journey
- We've built a new CRM database to proactively manage the process, meaning a much smoother and more transparent experience for communities.





BT provides the strongest, most future-proofed and best value-for-money solutions for the remaining 5%

Value for money	Over 500 ISPs to choose from; the most choice of any European market	The right technical solutions
Lowest superfast and fixed line broadband costs in Europe	Best value for money for local bodies, for consumers, and for businesses	Most future- proofed solution – a roadmap to Ultrafast





Our Community Fibre Partnership capabilities

We've got a dedicated team providing management and support via <u>CommunityFibre@bt.com</u> We're working with 100s of communities across the UK and have passed over 20,000 THP via our Community Fibre Partnerships to date

We're looking to make the process for co-funding fibre for communities simpler, faster and as painless as possible

We've established a partnership with Spacehive to help communities to crowdfund their superfast broadband. This will support communities to establish legal entities for contracting If a community wants to work with us we'll provide a single point of contact for the full journey We can provide marketing and packs to help communities raise awareness and funds



Crowdfunding with Spacehive

Crowdfunding is a way to raise money, awareness and support for a project, from the people around you.

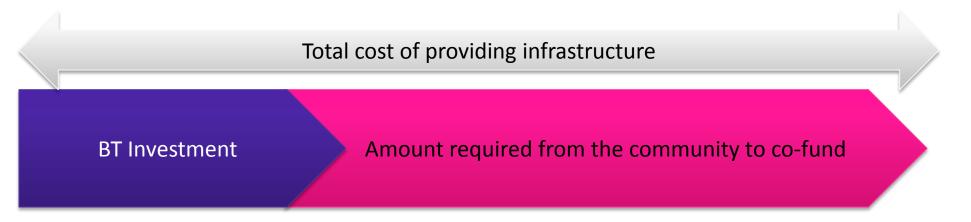
Crowdfunding is based on the idea that a number of people can split the cost of something – in this case broadband infrastructure – with multiple people contributing an amount, rather than any one person footing the whole bill. We've teamed up with Spacehive to help hard-to-reach communities get access to fibre broadband via a package of cofunding tools and support.

On Spacehive, projects that raise just 10% of their funding target have a 79% chance of success.





BT will always invest in new infrastructure, contributing the amount that's commercially viable – the community will be asked to co-fund the gap



- BT will fund based on the number of THP covered, and an assumed level of takeup, with a generous payback period.
- The community will be asked to raise the balance
- The infrastructure will be delivered by Openreach, and will be maintained and supported (including capacity management, repairs etc.) in the same was as any other part of the Openreach network.

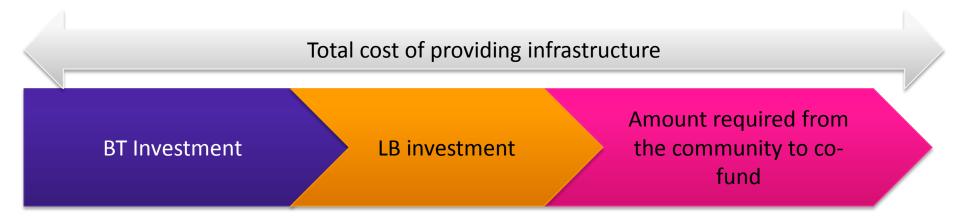




Local Body Partnerships



We have established a process where the LB can provide funding to support the community partnerships



- LBs will offer funding based on their local arrangement.
- The contract will be between BT and the LB, so the community provides funding to the LB; LB tops up with funding and contracts with BT



How co-funding with Local Bodies will work

Established working in partnership with Hampshire and Staffordshire

CFP opportunity is registered, validated, planned and costed as usual Once we have a costed solution, the community can opt to contract with Openreach directly as before OR where a LB is engaged they can agree joint funding with the LB

Their price is unchanged either way Community provide their part of the cofunding money to the LB, against an MOU

• This way round there are no State Aid issues

BT create a change control for the community's infrastructure

- CR still specifies the premises and the speeds they will receive
- Contracted timescales are the same whichever way the community contracts (direct or via LB)
- SCT changes are bulked up and done 6 monthly
- Gainshare applies on the new prems.

LB Partnership Scheme cycle

Community Registers at CFP, proceeds through Validation and Qualification. During this we'll assess whether it is within IA, is white, whether it is plan and whether it is a priority area.





LB Partnership Scheme cycle

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Community transfers funds to LB / LB executes CR note to add Community to agreement





Community proposal is added to aggregate incremental build, which will be modelled as part of next Investment Fund cycle. 3 - 4 p/annum



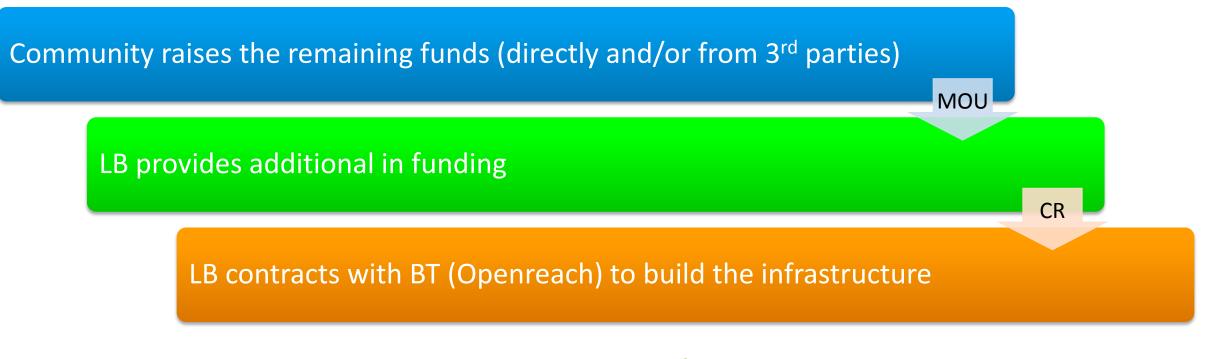
Payment assured through M2C. Payment from LB based on Actual Costs – as per Framework agreement. Delivery maintained within plan and monitoring. Community kept informed of build progress via CFP Team.

Delivery of communities is assured as normal through M2C. Every Six Months or sooner, CR Raised to model all communities in scheme and any wider investment fund, inclusive of private investment. Apply BDUK assumptions (take-up + Gainshare). SCT, PFM and MPT updated on an aggregated basis.



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To avoid state aid issues, the money must flow from the community to the LB, not the other way around...





...but operationally (and for PR), BT will treat the community as the customer, with BT & the LB positioned as supporting the community

- Community is treated as the customer with direct contact with BT via a named point of contact
- BT will directly update the customer on progress (so no reporting overhead for the LB)
- Enquiries from the community handled by BT (again, no overhead for the LB)

- Price for the community will be the same regardless of how they contract with BT...
- ...price for the LB will be calculated as per BDUK, and half the original price paid by the community.
- Gainshare will be paid on the scheme if we contract via the LB
- Commitment to the community (specific speeds at the Ps for names premises within 12 months) will be the same whichever route is used to contact.

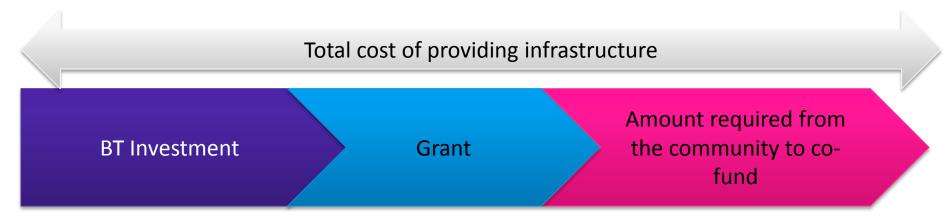




Community Fibre Partnerships Grant Scheme



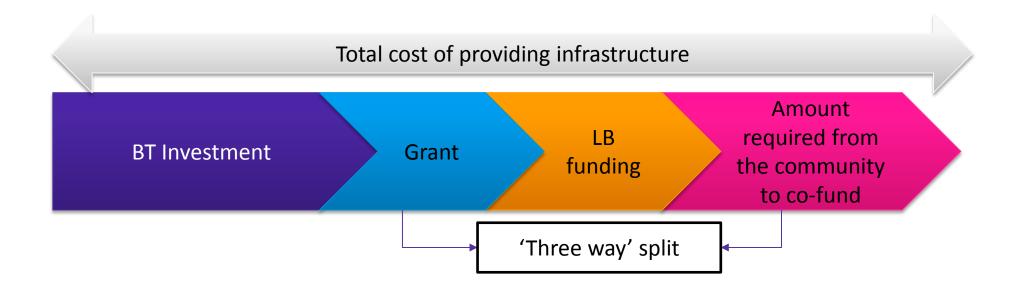
We have launched a £2m grant scheme with the Purposeful Business team to help provide fibre to communities where the local school has no fibre



- The community can apply for a grant once they have a proposal from BT
- Grants will match funding from the community, capped at £20K
- The school must be served by the new infrastructure, but isn't conditional on the school buying fibre immediately.



Communities can use LB funding and a grant where applicable







CFP and the Voucher Scheme



Voucher Scheme



We're able to accept vouchers from BDUK Supplementary Scheme to help towards a Community Fibre Partnership.

If a member of the community scheme currently receives less than 2mbps of broadband download speed and is unable to secure a service from a provider for less than £400 p.a. then they could be eligible for £350 contribution to the CFP Scheme.

We can help co-ordinate vouchers with the community and secure contribution from the BDUK Scheme towards the cost of a fibre solution.

Award information

- Eligibility: Available to homes currently receiving less that 2mbps download and unable to secure an affordable alternative.
- Level of award: £350 per household
- Period of award: Available to contribute against total cost and redeemable on completion
- Vouchers are available through to December 2017



How can local bodies help?

Helping to raise awareness and understanding of the programme Social media Website Other channels

Simplifying the process for communities

Help simplify the contracting process for communities

Simple MOU between the community and the LB

Avoid need for the community to create a legal entity

Contributing co-funding

Underspend/Infill

Direct funding

Helping to attract funds from LEPs etc.







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