

---

***Northland Regional Council***

***Supplement to Agenda***

***Council Meeting***

***Tuesday, 16 June 2015***  
***at 1 pm***

---

**ITEM: 2.0A**

**ISSUE: Supplementary Item for the Council Agenda  
- 16 June 2015**

**ID:** A756108

**To:** Council Meeting, 16 June 2015

**From:** Council Secretary, Chris Taylor

**Date:** 15 June 2015

**Summary** The purpose of this report is to place before the council:

- Supplementary Item 7.7: Digital Registrations of Interest – Support: A Joint Northland Response

The report concludes with the recommendation that the supplementary item be received.

---

**Report:**

As indicated in the 'placeholder' for Item 7.7, this item was unable to be completed in time for the circulation of the council agenda.

Hence, it is recommended that the following material be received:

- Supplementary Item 7.7: Digital Registrations of Interest – Support: A Joint Northland Response.

**Recommendation:**

---

That as permitted under section 46A(7) of the Local Government Official Information and Meetings Act 1987:

- Supplementary Item 7.7: Digital Registrations of Interest – Support: A Joint Northland Response

be received.

---



**ISSUE: Digital Registration of Interest – Support:  
A Joint Northland Response**

**ID:** A756077

**To:** Council Meeting, 16 June 2015

**From:** Darryl Jones, Economist

**Date:** 15 June 2015

|                      |                          |                      |                                     |                       |                                     |                     |
|----------------------|--------------------------|----------------------|-------------------------------------|-----------------------|-------------------------------------|---------------------|
| <b>Report Type:</b>  | <input type="checkbox"/> | Normal operations    | <input type="checkbox"/>            | Information           | <input checked="" type="checkbox"/> | Decision            |
| <b>Purpose:</b>      | <input type="checkbox"/> | Infrastructure       | <input type="checkbox"/>            | Public service        | <input type="checkbox"/>            | Regulatory function |
|                      | <input type="checkbox"/> | Legislative function | <input type="checkbox"/>            | Annual\Long Term Plan | <input checked="" type="checkbox"/> | Other               |
| <b>Significance:</b> | <input type="checkbox"/> | Triggered            | <input checked="" type="checkbox"/> | Not Triggered         |                                     |                     |

**Executive summary:**

- This report updates council on progress being made to produce a joint Northland Registration of Interest (ROI) – Support as input into the delivery of the government’s Ultra-Fast Broadband 2, Rural Broadband Initiative 2, and Mobile Black Spot Fund programmes.
- The ROI – Support provides local authorities with the opportunity to establish which towns, communities and areas may be selected for deployment to meet the objectives of the programmes, and to indicate support to facilitate infrastructure deployment under each of these programmes.
- Work is well underway in collecting the information and commitments from local authorities necessary to complete the ROI in time for the 3 July 2015 deadline.
- As the ROI is still being drafted and needs to be submitted before the next council meeting, a delegation of authority to the council’s Chief Executive Officer and Chair to sign-off the ROI on behalf of council is sought.

**Legal compliance and significance assessment:**

The activities detailed in this report are part of the council’s day to day operations, are provided for in the council’s 2012–2022 Long Term Plan, and are in accordance with the council’s decision making process and sections 76-82 of the Local Government Act 2002. The matter does not trigger the council’s Significance Policy.

**Recommendations:**

- 
1. That the report ‘Digital Registration of Interest – Support: A Joint Northland Response’ by Darryl Jones, Economist, and dated 15 June 2015 be received.

2. The council agrees to delegate powers to the Chief Executive Officer and Chair to sign-off the regional Registration of Interest (ROI) - Support document and any subsequent regionally approved documentation with respect to securing competitive government funding from Ultrafast Broadband 2, Rural Broadband Initiative 2 programmes, and Mobile Black Spots Fund.

---

## **Report:**

### **Background**

The government recently announced new competitive funding to improve digital connectivity in New Zealand. In brief this comprises of three competitive funding streams totalling \$360 million. This is an additional sum to the original government digital funding of \$1.65 billion. This new competitive funding consists of:

- *Ultra - Fast Broadband 2 (UFB 2) \$210M*  
UFB2 aims to lift the original UFB 1 scheme's coverage from 75% of New Zealand to 80% so that minimum broadband speeds of 100 Megabits per second (Mbps) is available. Generally 50 KMPH urban zones considered for UFB.  
  
Delivery Method: Fibre optic to exchange and user (home/business).
- *Rural Broadband Initiative 2 (RBI 2) \$100M*  
This is to develop faster broadband speeds outside of UFB 1 and future UFB 2 footprints of no less than 5 Mbps. However, priority rural users such as schools, libraries and public hospitals will be given fibre optic to ensure minimum 100 Mbps under RBI 1.  
  
Delivery Method: Fibre optic to the exchange and copper wire (old telephone network) or wireless to the user (home/business).
- *Mobile Black Spots Fund (MBSF) \$50M*  
This funding is to extend mobile telephone coverage into black spot areas. Emphasis is given to State Highway locations and popular tourist areas. The objective is to increase mobile connectivity to rural and remote areas in order to improve the safety of people and property adjacent to State Highways.

### **Timeframes**

The timeframe for bids to be submitted is outlined below:

- Deadline for submitting Registration of Interest (ROI) – Support: 3 July 2015;
- Request for Proposal (RFP) released to potential suppliers: mid-August 2015;
- Digital Enablement Plan: 18 September 2015;
- Evaluation of RFP responses, and selections of areas and suppliers: mid-October to mid-November 2015;
- Contract negotiations begin: mid-December; and
- Deployment starts: 2016 (anticipated).

### **Progress**

A regional approach to securing the government's competitive funding has been established. The regional broadband stakeholders are Far North District Council

**ITEM: 7.7**

Page 3 of 5

(FNDC), Kaipara District Council (KDC), Whangarei District Council (WDC), Northland Regional Council (NRC) and Northland Inc. (NINC). The work is being channelled and project managed through NINC and overseen by an officer stakeholder group.

The immediate task of the Regional Broadband Stakeholder Group is to submit a ROI by the government deadline of 3 July 2015, as per the government's criteria. Canler Consulting have been engaged, via NINC, to provide the technical project management expertise to help achieve this.

Significant work to meet government criteria has been made. In brief this includes:

- GIS expertise across all councils to spatially identify, using government criteria, potential communities for UFB, and existing RBI programmes that highlights inadequate provision in the existing RBI programme amongst other things;
- Collating demographic information to support government criteria requirements;
- Identifying infrastructure and council assets that may be available to enable cost effective deployment of UFB, RBI and mobile infrastructure;
- Identifying and refining a smooth regulatory and consenting process for deployment; and
- Community consultation (as part of a government criterion) via an online regional questionnaire that resulted in over 1400 responses. This is an excellent result considering the tight timeframes.

### **UFB**

As a consequence of this rigorous work with respect to meeting the government criteria, the following Northland towns/townships are very likely to be recommended in the ROI for UFB deployment consideration.

- Kaitāia
- Kaikohe
- Rawene
- Kerikeri (including Waipapa)
- Paihia and surrounds (Ōpua/Haruru Falls/Waitangi)
- Springs Flat/Hikurangi
- Three Mile Bush
- Marsden Point and Ruakaka
- Mangawhai Village and Heads
- Dargaville
- Maungaturoto
- Kaiwaka.

### **RBI**

After careful consideration and from the evidence available it is very apparent that there are significant areas of Northland under the existing RBI programme that do not receive the minimum 5 Mbps standard. Figure 1 highlights the current areas of interest being considered for RBI expansion.

### **Mobile Black Spots**

At the time of writing further work is required to hone down and clarify what the regional response and prioritisation to this will be in the ROI. It must be noted that this work is most advanced and it will be completed on time.

### **Public survey**

To assist in developing the ROI an online survey was conducted for two weeks to Thursday 4 June 2015 to gain a better understanding of Northlanders' satisfaction with current services and desire for change. The survey was publicised to the general population through council's social media, the local press and networks such as Northland's Chamber of Commerce database. A total of 1,466 responses were received over such a short timeframe, showing broadband is very topical for Northlanders. Only 14% of respondents were satisfied with their current connection. Forty-four percent were somewhat satisfied and 42% were not. Speed and connection reliability were cited as an issue by 89% and 76% of non-satisfied respondents respectively.

### **NRC support for the ROI**

NRC has been providing considerable support to the identification of towns and areas for digital expansion in the form of GIS capacity and data/information. In terms of support to facilitate infrastructure deployment under each of these programmes, NRC is proposing to include the following comments.

#### Potential uptake and awareness assistance

- Digital strategy supports the development of an increasing number of online services that will be available to Northlanders. Services include various types of transactions (e.g. consent applications) and also the availability of more environmental monitoring data that customers can download themselves.
- We are also moving towards the production of more video and multimedia content for web and social media channels.
- As we introduce new services, they will be supported by promotional activity.

#### Financial assistance

The Northland Regional Council has established an Investment and Growth Reserve (IGR) to invest in projects/ventures within Northland to increase jobs, household income and GDP. The allocation of funds from the IGR is not limited by a requirement for public consultation. However, there is a due process that applications need to follow and be assessed by in order to be considered for allocation. This includes the development of an appropriate business case. Consequently, until a central government decision on the extent of roll out has been delivered, it is not possible to make any funding commitment from the IGR. Nevertheless this funding avenue will be considered in due course as a source of investment to extend the coverage beyond the government commitment and/or promote the uptake of the government expansion programme.

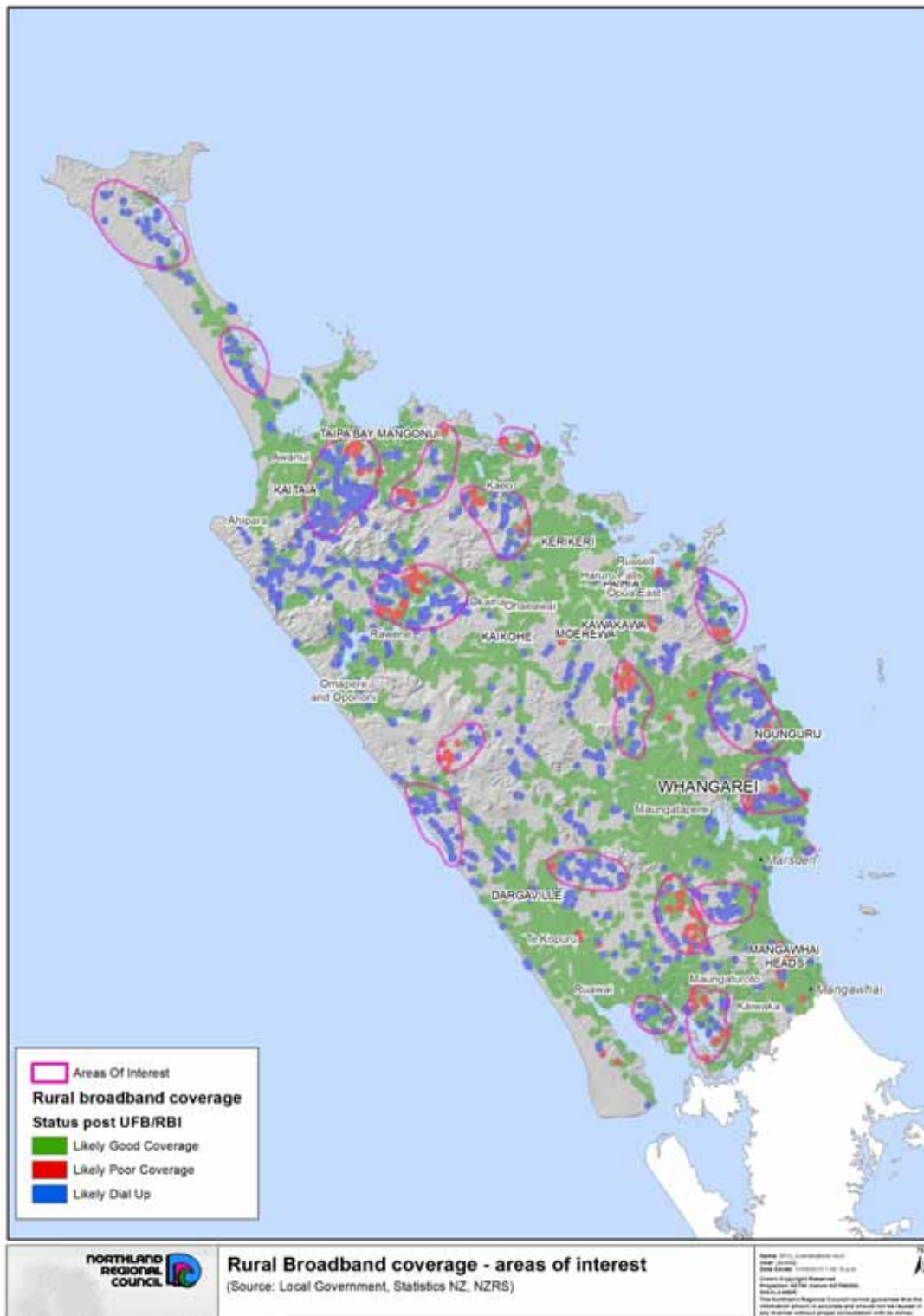
#### Provision of land for cell towers, or road access to towers for mobile deployment

A list of NRC owned properties will be included in the ROI along with an invitation to the successful contractor to identify any land that may be suitable. However, the provision of the land would be dependent on a council decision.

### **Conclusion**

The Regional Broadband Stakeholder Group is in the final stages of preparing the ROI – Support. This aspect of work includes finalising the regional response and prioritisation to Mobile Black Spots and most importantly market testing ROI assumptions. Market testing is to ensure that the recommendations and requests in the ROI are robust; in particular with respect to UFB. Finally, the Regional Broadband Stakeholder Group is on schedule to meet the ROI deadline of 3 July 2015.

Figure 1 - Potential areas of interest for expanded Rural Broadband Coverage



© 2015 Northland Regional Council. All rights reserved. Page 7 of 10