

BROADBAND AGGREGATION

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CEO Adit East Midlands

Regional MAN Managers meeting

London

October 6th 2004



Government initiative for the Broadband Aggregation

Broadband Vision:

**‘The UK is to have the most
extensive and competitive
broadband market in the G7 by
2005’**

Broadband Aggregation Goal

“We spend millions every year on IT and communications. It is clear that if we can manage our role as purchaser better we can both improve value for money and have a significant impact on the availability of broadband”

Tony Blair — Prime Minister

“The Government and public sector will be spending £1 billion on broadband over the next 3 years. The RABs will ensure that we make the most of that substantial buying power

“By using this approach, we estimate the public sector will save around £200 million. Not only will the RABs bring maximum value for money for the taxpayer, but they will also bring broadband to parts of the country that otherwise might find it difficult to get access.”

Stephen Timms — E-Commerce Minister

Broadband Aggregation Programme (BAP)

- Department of Trade and Industry initiated project designed to use the spending power of the public sector to bring vfm through aggregation and increased availability of broadband.
- Business plans built and approved during 2003 to build Regional Aggregation Bodies (RABs) throughout England.
 - Based upon two anchor customers:- Health & Education
- Partnerships with Regional Development Agencies established to ensure a regional focus.
- RAB company structures developed including recruitment of industry savvy resource.
- RAB companies incorporated as LLPs in early 2004 with DTI and the respective RDA as founding stakeholders.
- DfES nominated representatives to sit on each RAB Board
- RABs now branded as Adits.

Objectives of the BAP

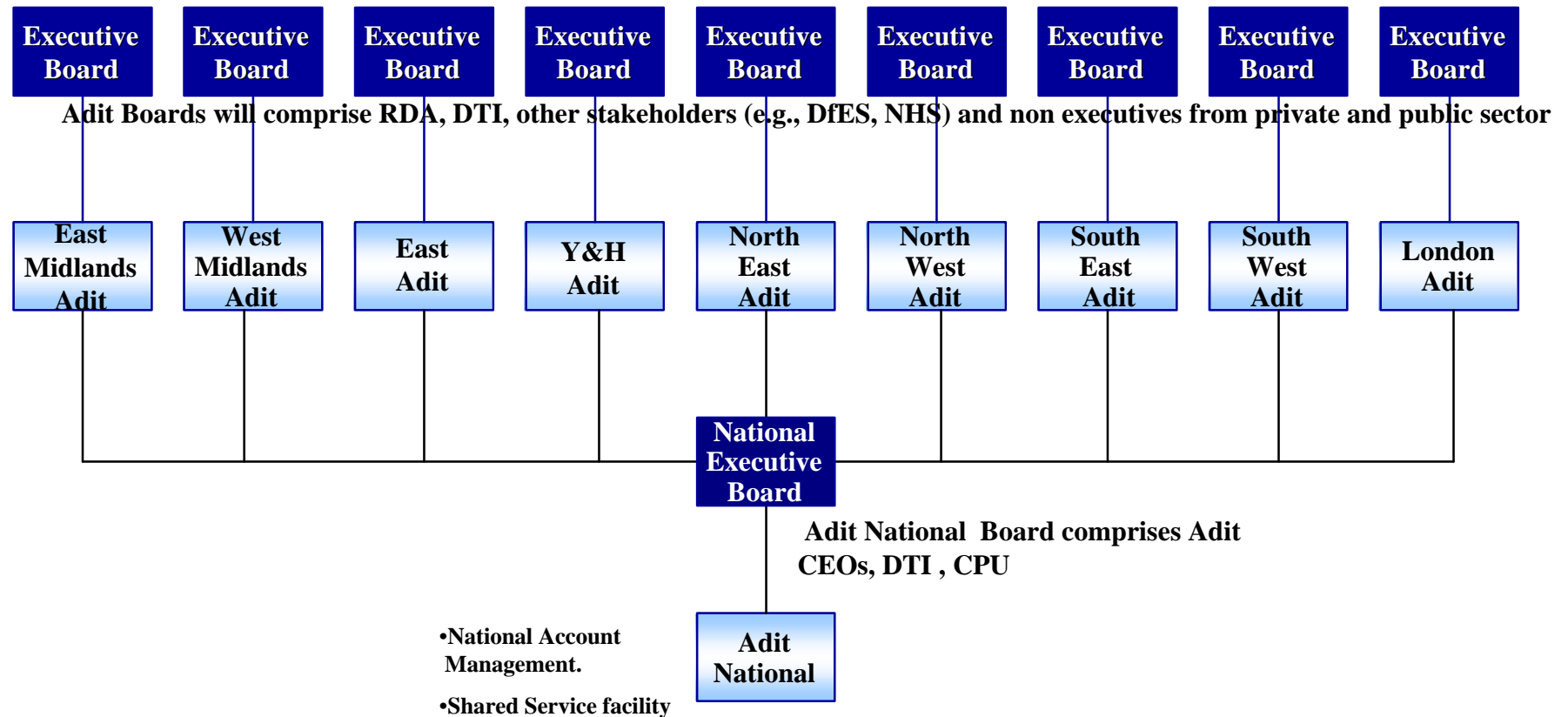
- The aim of the Adits is to provide a mechanism for aggregating and procuring broadband demand for the public sector with two key objectives:
 - Increasing value for money for public service spend on procurement of broadband through aggregation of demand
 - Increasing broadband availability for the public and private sectors
- When choosing solutions and telecommunications providers, the Adits will base their decision primarily on:
 - Value for money “combination of whole life cost and quality to meet user requirement” (This definition has been jointly developed and agreed by the BAP and Her Majesty’s Treasury)
 - Maximisation of broadband availability
- In achieving these objectives Adits will be required to
 - Comply with European and UK legal frameworks; including state aids rules, telecommunications regulations and competition law
 - Comply with other UK government regulations, including government accounting rules
 - Remain transparent in practice and choice of suppliers

Adit Organisation

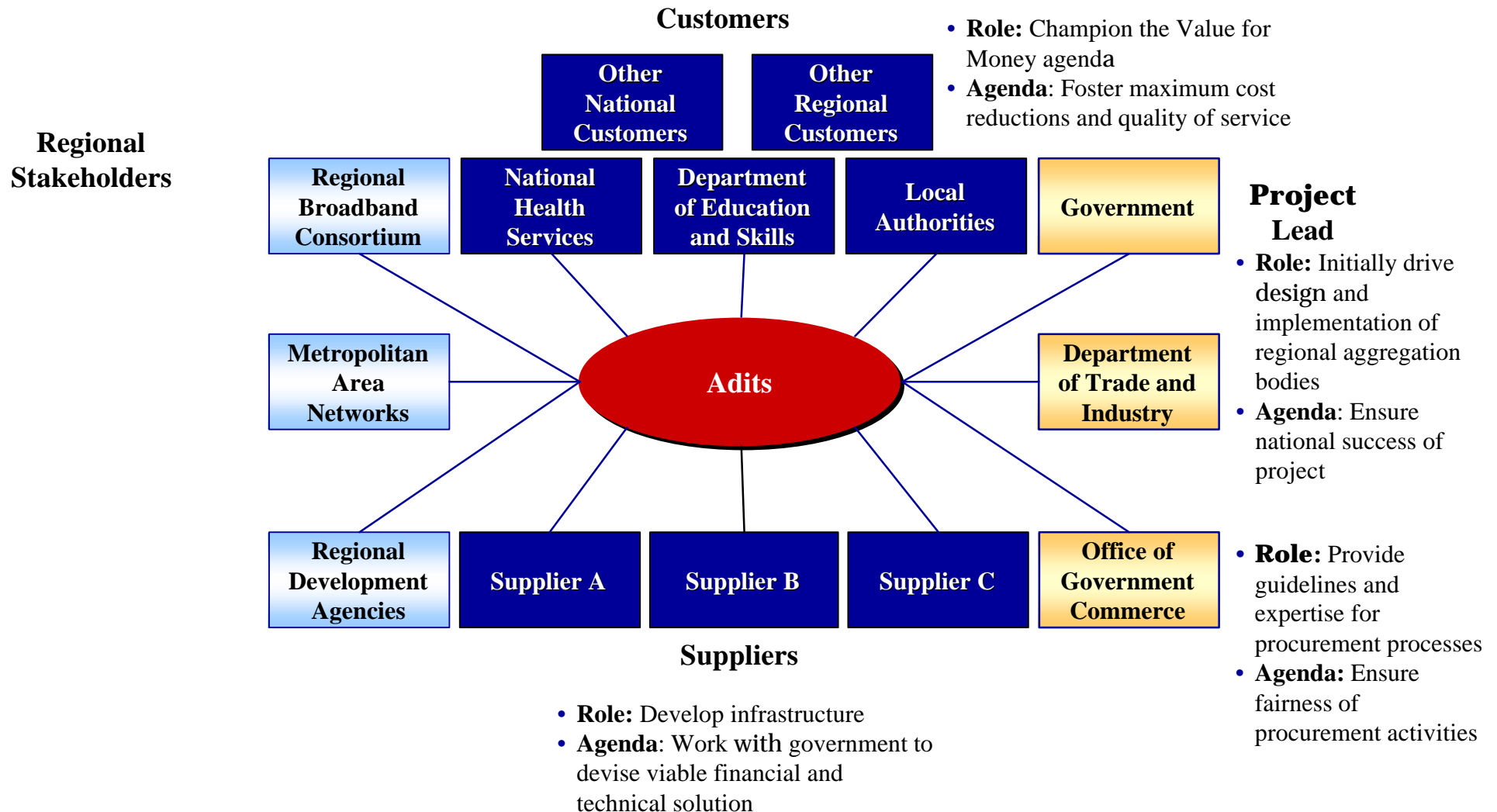


**Adit East of England
Adit East Midlands
Adit London
Adit North East
Adit North West
Adit South East
Adit South West
Adit West Midlands
Adit Yorkshire & Humber
And
Adit National**

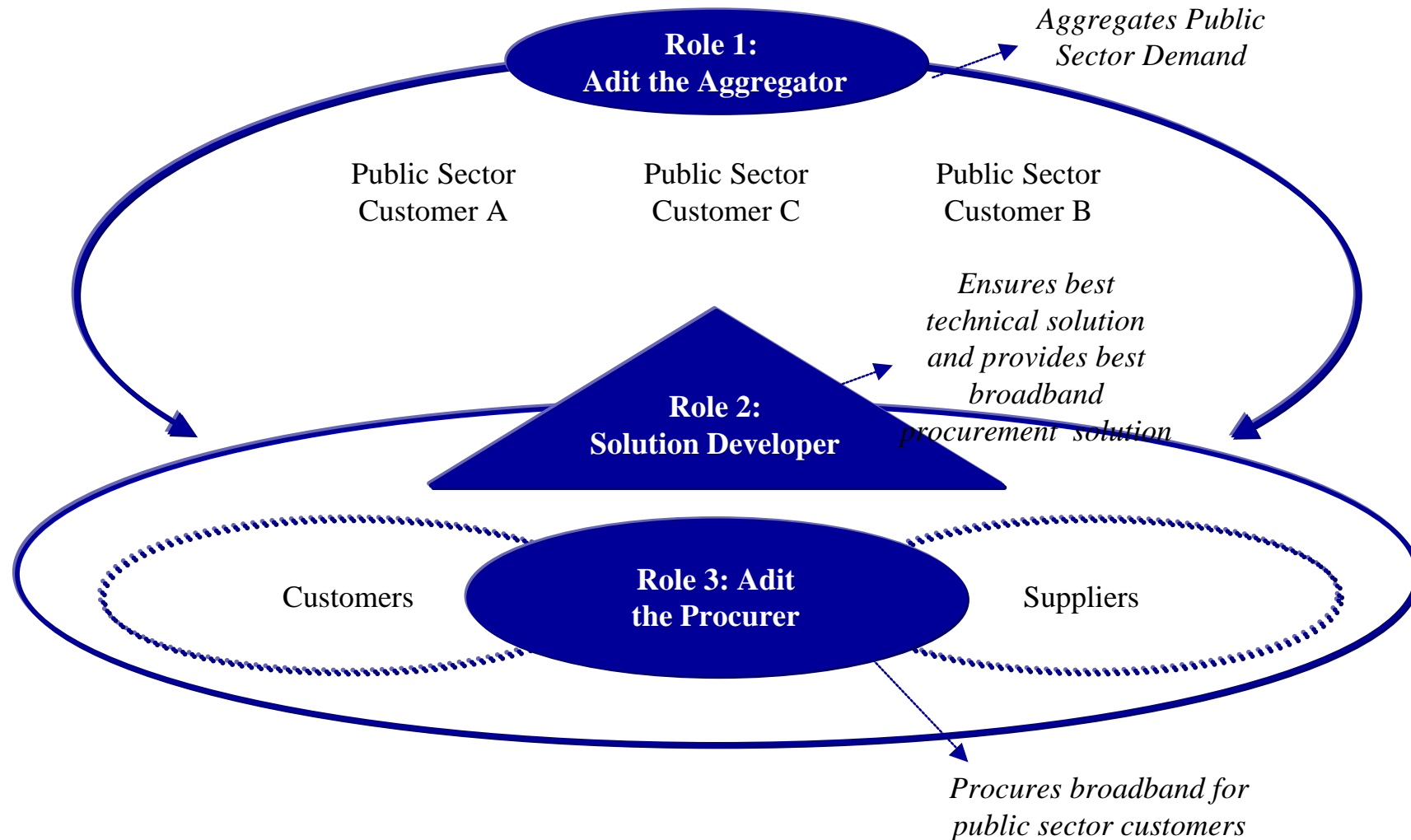
Adit Governance



Role of the Adit(1)



Role of the Adit(2)



BAP Framework Agreements

17 Framework suppliers:

BT

C&W

ntl

Telewest

Kingston

Colt

Energis

Thus

Your Communications

Easynet

Synetrix

MLL Telecom

Networks by Wireless

Research Machines

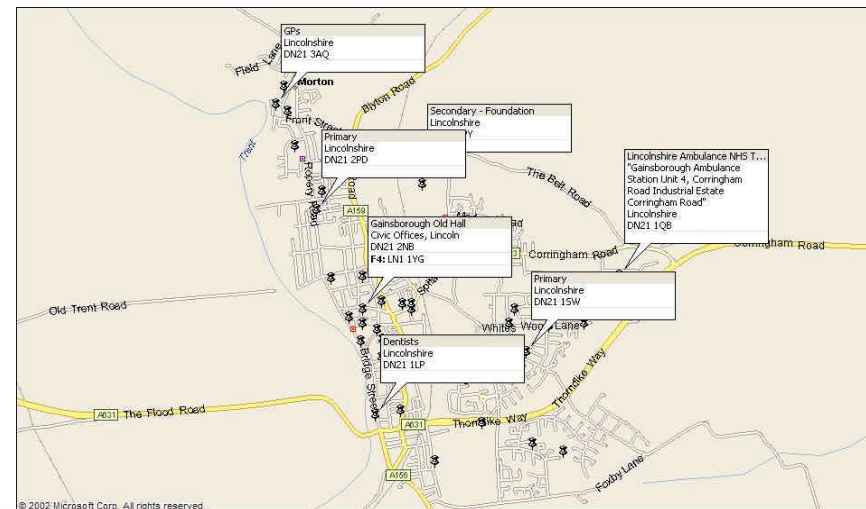
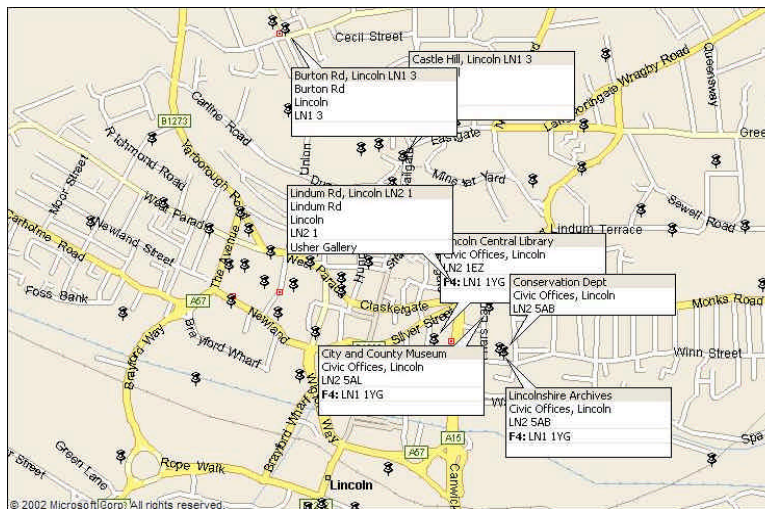
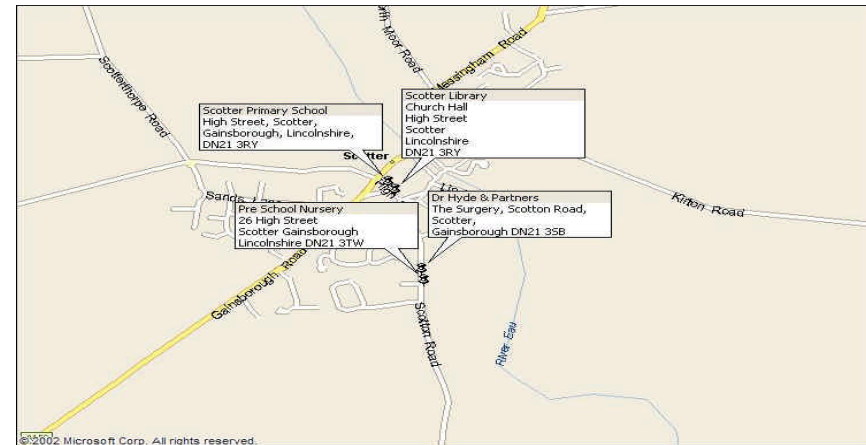
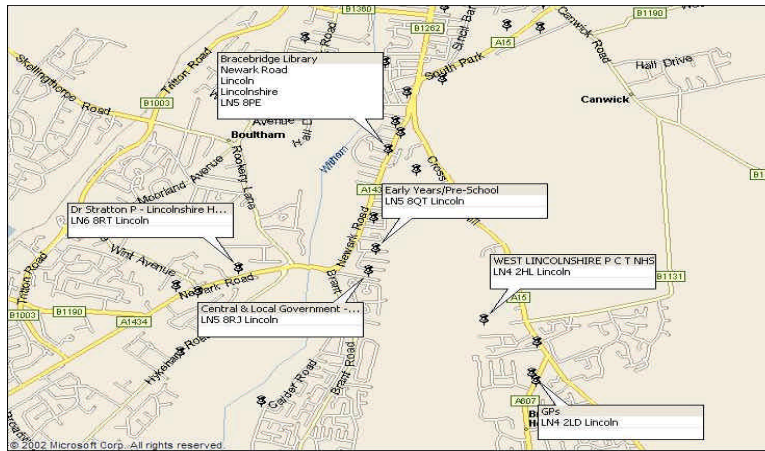
Equinox

Neos

Logicalis



Mapping Info – Cluster Maps



Benefits of Purchasing through Adit

- **Demand Aggregation** - realising competitive pricing through tendering larger volumes and across the public sector
- **Impartial professional advice** – experienced industry specialists available to assist with the design and procurement process
- **Fast-track & robust purchasing** – through established Framework Agreements that are OJEU-compliant and which offer sound contractual protection - saving time and money on procurement
- **Management of the market** – strategic leverage over 17 telecoms suppliers through an OGC-backed process - leading to improved competition, innovation & supplier engagement
- **Better e-government** – through the opportunity to co-ordinate regional and national networks across the public sector.

Conclusion

- Coordination of public sector spend on Broadband through Adit.
 - Bringing value for money propositions
 - Efficient use of existing networks
 - Increasing availability
- Leverage of public sector requirements to aid private sector demand.
- Using the overall knowledge base of Adit to facilitate and coordinate the efforts of the individual broadband initiatives in the region.
- Creating a regional broadband resource through Adit to build comprehensive and consistent broadband facilities to meet both local and regional public and private sector requirements.

Contact Adit

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Adit
East Midlands

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Q & A

