DCIA Dissemination Event: Delving into the other DCIA workstreams

Whereas the June event had focused primarily on the digital asset management pilots, this time round, attendees were able to also hear more about the remit - and significant progress - being made across the other three workstreams.

Dave Kinshott, DCMS, introduced this section of the event, observing that while the other workstreams are smaller than the pilots, "they are equally important and offer value in different ways".

Kinshott then went on to set the context around the other three workstreams, explaining how they had been designed based on the experiences of both the public sector and industry:

Standard Contracts - DCMS was receiving feedback from local authorities, MNOs and their suppliers that it is taking a lot of time and effort to agree contracts for small cell agreements. There was a sense that a real lack of standardisation in the market is creating unnecessary delays and cost. As Kinshott explained: "We absorbed that feedback and we took it on ourselves to try and standardise things as best we can". He went on to state that their work here has been to share best practice so that any local authority starting the process of deploying small cells has a wealth of information to start with.

Standards for smart infrastructure – Local authorities were telling DCMS that although there are standards that exist for EV charging, IoT sensors etc., "nobody had pulled all of that together into one standard to allow local authorities to future proof for future demand. There was a gap in the market and we partnered with British Standards Institute (BSI) to fill that gap" Kinshott explained.

Private Finance Initiative (PFI) contracts – "we had heard a lot anecdotally and via direct feedback that PFI was holding up the deployment of small cells" " Kinshott said, before noting that it had already been mentioned multiple times during the course of the event so far. In response to this feedback, DCMS has been working

closely with the Department for Transport (DfT) PFI team to see how they could jointly help local authorities.

Standard Contracts for small cell providers

Anthony Menezes, DCIA Engagement Manager at DCMS, delved into this workstream in more detail.

He began by echoing Kinshott's words that DCMS recognised that rental agreement negotiations for public assets have proved to be time consuming and costly for both the public sector and industry. In order to significantly reduce this time, and therefore encourage roll-outs, both stakeholders are keen to standardise the process as much as possible.

This understanding kickstarted a process whereby DCIA engaged closely with a small number of local authorities who had already created their own small cell agreements. As the end point of this workstream, DCMS received approval from three local authorities to publish links to templates of the standard contracts that they use on the UK Government's website for public access. The three local authorities are the City of Wolverhampton Council, Glasgow City Council and Lewisham Council.

Links to the template contracts are all now available on the GOV.UK website under 'Guidance on access agreements'.

Standards for Smart Infrastructure

Peter Lee, BSI then took to the virtual stage to provide an update on the work BSI has been leading to develop two new standards for smart infrastructure.

Lee explained that this work is in effect a parallel activity to the pilots and that they have already started to consult with members of the pilots and other stakeholders to develop two new Publicly Available Specifications (PAS).

PAS190 is for the assessment and categorisation of existing multi-functional lighting column assets for the suitability of possibly modifying them so they can handle equipment such as small cells

PAS191 is coming up with a new design specification for when those assets cannot be modified - for instance because they're too old or cannot support the weight required - but could be used as the site for small cells.

Lee explained the scope of both 190 and 191, who they are aimed at and importantly, what they do not cover. For PAS190, it is focusing on small cells and also issues around physical security. For example: is it secure enough? Do we need additional locks and tamper proof settings? PAS190 could be used for guidance on procurement in as much as helping to create a specification, but Lee advised that it won't help you procure those subcomponents, nor does it cover the operational use or installation and maintenance of the equipment. Instead, it's scope is "purely focused on the assessment of what you have out there".

PAS191 however is a design specification and aims to specify the installation and maintenance requirements of these multifunctional structures. Lee noted the scope has expanded beyond traffic signal poles and CCTV columns to also now include additional sign poles, cantilevers, traffic signals and mast types. It covers smart equipment, hosting and physical security, security items, durability and installation but does not cover how to go about procuring these multi-functional structures or the sub-components and equipment.

Lee went on to provide an overview of who BSI has consulted with and worked with in the development of these standards, with a clear takeaway being that they have tried to get "as wide a consensus as possible". He outlined how they are working with some of the larger stakeholder groups they have and are working with around 20 individuals from different organisations including their sponsors - DCMS and DfT - the equipment manufacturers - of both the columns and the kit to be hosted on them - local authorities, Highways Agency, the Office for Zero Emission Vehicles, the utilities for power & communications, MNOs, neutral host providers, EV charging point providers, police, consumer and public interest groups, and the Centre for the Protection of National Infrastructure.

Clear progress has been made in the last three months with Lee observing that "when we were meeting in Bristol we were at the draft 0 stage – scoping the structure of the standards. Those have now been developed and are being reviewed by our steering group. The PAS 191 review finishes in September and the PAS190 review starts in September.

Findings from the steering group will then be collated and fed back for analysis and agreement of which items to remove and any new items which should be included. A new draft will then be developed that goes out for public consultation. Lee went on to invite all of those who are not part of the steering group to join the public review, explaining that this is a critical stage to "ensure

(the PAS is) fit for purpose and covers everything required. The benefits of the standards through this consensus process really depends on the feedback we get early on to meet the needs of the market".

Once the public consultation - which will run from the end of November until mid January - is complete, any further feedback is reviewed by the steering group and the technical authors update the standard for a final review by the steering group before publication.

In conclusion, Lee advised that the standards will be published at the end of the DCIA project, in April, whereupon they will be freely available for a couple of years before they are reviewed to see if they need to be updated. The market will undoubtedly change during this time so it's likely at this juncture that updates will be required, especially for the decision specification.

All attendees were invited to join the public consultation process by emailing their interest to editorial.assistants@bsigroup.com.

At this point in the presentations, Kinshott paused to open up for questions, the first of which asked if this workstream had looked at any of the work ETSI and 3GPP have done in this space.

Lee said that before they started working on any standards, BSI reviewed what is already in existence or being developed to avoid duplication. Through this process they identified "there was clear space in the market for these specifications". He went on to explain that BSI does sit on ETSI on behalf of DCMS so they will make them aware of these standards and hope to drive international adoption as well to the end of the programme. Kinshott also added that all the MNOs are involved in this workstream and contributing to the steering group, so there is an obvious opportunity there to ensure there is harmony with any broader standards work being undertaken.

Another question noted that trying to support local authorities on a case by case basis for things like PFIs will be difficult, especially when there are only a small number of PFI providers. The question asked therefore was how we can get those providers to address the challenges as a group to make it easier for local authorities? Kinshott provided reassurance that BSI' steering group had both local authorities and PFI providers represented but acknowledged that DCMS is already looking at how they can work with all parties to ensure the standards developed are adhered to.

PFI contracts

Kinshott opened this session by recognising that this issue was first raised many years ago and it is something that DCMS has really taken on board and looked to firstly evaluate the impact it is having and the issues arising, and then to jointly work with DfT to offer support to local authorities.

With that, he handed over to Michelle Zamyadi, DfT. “We’ve heard a lot about how PFI contracts have added clunkiness and difficulty in enabling small cell deployments across street lighting” Zamayadi said, before outlining exactly what PFI contracts are and why they have proved challenging.

PFI contracts are long term – 25 or 30 years - output based contracts. This means that for street lighting for example, local authorities have defined lighting levels and availability and a private sector provider has raised capital and debt to replace the original asset. The private sector now owns that asset and leases the use of the asset to a local authority. The difficulty when it comes to small cell deployments lies in the fact that the street light is owned - and therefore any associated risk is owned - by the private sector and not by the local authority who wishes to deploy the equipment.

Forhad Ahmed, DfT, reported that 36 PFI contracts have a key component of street lighting columns and therefore have the potential to impact small cell deployment. They are across the country from Stoke, Manchester, Rochdale, Cambridgeshire, Croydon & Lewisham, to Surrey, Lambeth, Hampshire, Southampton and others.

Additionally, DfT highlighted five highways maintenance PFIs which are larger scale projects, including street lighting, and can be found in places such as Sheffield and the Isle of Wight.

Working with DCMS, DfT issued a survey to collect data about the roll out of small cells using PFI assets, across their network. They were particularly interested in identifying demand and potential issues so that any key lessons could be identified and shared with local authority contract owners.

The survey captured some of the common issues; loading (structural concerns), Health & Safety concerns, maintenance liability, emergency attendance / safety, replacement process and electrical usage / safety. Through a series of workshops they then discussed some of these issues with local authorities, with a notable emphasis on expectations regarding management of the columns and compliance with the Electronic Communication Code.

At the time of the survey 58% of projects had been approached by small cell operators – Ahmed observed that they now imagine that will be closer to 100% - and 42% had a clause prohibiting telecoms installation on their assets.

Having identified the scale of the challenge, Ahmed went on to outline the work DCMS and DfT have jointly developed to support local authorities facing this situation. He outlined that there are three key methods to facilitate installation of small cells on lighting columns under PFI contracts:

1. **Change Request** - the feasibility of this option is entirely dependent on the individual project and it is estimated will only be applicable for 25% of projects
2. **De-accrual** - this only offers a temporary solution but is a possibility if there is an urgent requirement to install small cells in a set window
3. **Deed of Variation** - DfT anticipates this will be the preferred route for approximately 75% of PFI projects
   Examples were then provided of three local authorities who had undertaken one of these methods.

Change Request

Zamyadi outlined how DfT and DCMS have deployed a pilot project that supported Ealing to take the change request route.

Ealing was identified as an ideal location for such a pilot for a number of reasons: there was known appetite from communication providers; it's a densely populated urban borough which offers scale; there is strong internal buy in with a digital infrastructure plan; they hadn't worked with small cells before so there were no exclusive agreements in place; and critically their PFI agreements for street lighting make it clear the PFI provider cannot attach telecoms equipment, but it does allow the local authority to do so where they are classified as "attachments".

The goals as set out with Ealing's digital infrastructure provider were to make Ealing appealing to comms providers and to improve connectivity for residents and businesses. Additionally, there was a need to remain aligned with the wider West London Alliance (WLA) small cell programme, to protect the PFI relationship which continues for another 13 years, for any process to be efficient and avoid unnecessary legal costs, and for risks to be managed and not just transferred to the local authority.

All three options outlined above were considered. The deed of variation route was deemed to not be in line with the open access approach and the-accrual route would entail transferring risk to Ealing and was not therefore seen as aligned with

their objectives. The change request option was seen as being the most appropriate solution.

Ealing has therefore followed the WLA open access approach and views small cells as an attachment. This uses the existing provisions in the project agreement and is considered a neat solution that avoids legal costs and therefore provides a zero cost change. The risk remains with the PFI partner which also creates a precedent for other PFI projects looking to engage in this type of contractual change.

The change notice itself is a two part template which specifies the assets in scope, and that the risk transfer for the installation and maintenance passes from the PFI to the local authority, who in turn passes that onto the communication provider. A standard maintenance contractors rate card for surveys etc. is provided which is chargeable to the communications providers. Zamyadi highlighted that "a tripartite approach to drafting the template was essential, having everyone around the table to bring their own views and add to the discussion".

The next step is to agree the final wording of the Change Notice, ensuring the Change Notice and local authority's legal agreement with the communications provider locks together. An expression of interest process has been completed and they're now working on tariffs for the communications provider.

Having DCMS and DfT involved in the pilot has highlighted the opportunity to learn from other projects and how breakthroughs can be quickly shared with other local authorities. Open communication was identified as the key to success, with the involvement of the PFI partner and maintenance provider from the outset being vital, as well as Ealing council being open with communications providers about processes and progress. Ensuring a good fit with broader strategic objectives also played an important role, making the buy-in process quick and simple.

De-accrual

Kinshott then spoke of a similar exercise that has been undertaken with Coventry City Council. He began by thanking Richard Greenslade, who was unable to attend the event but had put a significant amount of work into the process.

Coventry has around 40k street columns on a PFI, in an arrangement that works well. However, the PFI master agreement prohibits the installation of telecoms equipment on those columns, which prevents a real barrier. Due to the positive broader relationship, Coventry was reluctant to make any changes that significantly changed the relationship or reduced the asset base.

In order to encourage investment and improve connectivity, Coventry made the decision to take some of those columns out of the PFI arrangement and back under council control, using a clause in the agreement that allows a limited percentage of assets to be de-accrued. On this basis, they decided to de-accrue two batches of 20-30 assets for a couple of small cell providers, where coverage was required.

To do this a standard agreement was created which at a high level aims to avoid exposing Coventry to any additional cost or risk. The MNO, or partner, accepts liability for damage, due to for example traffic collisions, on a temporary basis. The MNO agrees to pay a small annual inspection cost and the agreement is dependent upon a physical survey and the MNO securing structural approval from the column manufacturer. Those two steps were critical to ensure assets are only de-accrued once viability of the asset has been established. Having established the assets were indeed viable, Coventry then entered into a contract with the two providers, initially for a period of five years.

Following this, deployment was quite a simple process. An implementation schedule was created, the MNO would have to apply for the usual planning permission, and standard permitted development was given with 28 days notice. The de-accrual process itself then took only two weeks, with forms sent in batches two weeks ahead of works commencing.

A redacted copy of the contract is held by the DfT team. Please contact PFIPortfolio@dft.gov.uk for details.

Deed of Variation

Returning to Zamyadi, it was explained that PFI contracts were done in batches through late 1990s and 2000s, via a standardised contract. This means that a standardised variation template makes sense as it can let local authorities know what clauses give them a good starting point, when going into deed of variation negotiations.

Zamayadi then talked about an upcoming workshop with two local authorities, their funders and some service providers to develop a draft deed of variation. The goal is to agree standard wording to minimise legal costs at a local authority level.

In conclusion, Zamayadi reflected that de-accrual is likely to be the best route for urgent connectivity needs. Kinshott also stated that although the PFI workstream has focused on working with two local authorities, at the end of the project they will be sharing all of the learnings as best practice, as with the standards work.

Inviting questions from the audience, Jamie Hayes, BAI Communications, asked if there were plans to look wider than lighting columns in this workstream? Bus shelters, which are typically owned by advertising companies, were voiced as one potential target, with James Body, Telet Research, confirming that bus shelters are “an obvious place to site small cells particularly in areas with poor coverage and / or congestion”.

Kinshott responded by stating that currently they aren’t considering bus shelters because PFI portfolios only look at street lights but that they “are open ears, and do raise with us if you have clear demand and we will absolutely do our best to help”. This was further supported by Zamayadi who confirmed that bus shelters would possibly come under the DfT remit.

Wiggin concluded the proceedings by calling out a few of his key takeaways from the day:

1. The need to be clear on what data is required
2. The value of Digital champions
3. The importance of Open Access agreements
4. The continuing importance of contextual data
5. The need for collaboration by all, with an open dialogue

The next dissemination event will take place on December 7th and attendees were invited to submit suggestions for the agenda.