



**Shortlist: Fibre Options with Derwenthorpe**

**The Challenge**

Derwenthorpe, to the East of York, is the Joseph Rowntree Foundation's (JRF) flagship development, designed as an exemplar of sustainable community living for villages of the future. The development boasts many green credentials and JRF were keen to augment these by offering their residents high speed broadband, voice and television services delivered over an underground Fibre to the Home network.

With 40% of the proposed homes part-funded by the City of York Council to ensure the availability of quality affordable housing, JRF's desire to banish unsightly aerials and satellite dishes, while providing a future-proof communications infrastructure, led to a dilemma. How to fund such state of the art services, while still allowing the homes and services to be sold at prices which did not exclude their target demographic?

Furthermore, JRF were conscious of the fact that conventional ISPs had shown little appetite to deliver services over such innovative Next Generation Networks and were nervous that they might have to rely upon an Operator that would take advantage of a monopoly supply position or worse still, end up operating the network themselves.

JRF therefore published a competitive tender with a view to determining whether such a scheme was commercially viable and whether a partner could be appointed that would deliver the services for the benefit of the community. After a lengthy selection process, Fibre Options were appointed as the Access Network Provider for Derwenthorpe.

**The Solution**

Fibre Options responded to the tender with a collaborative and inclusive approach that provided JRF with a complete service solution. This ensured that JRF's capital expenditure would be significantly reduced, while the services delivered to the residents of Derwenthorpe would be second to none, at pricing that was competitive within the market. By offering to fund a share of the network investment with JRF in return for the opportunity to operate the network for a fixed period, Fibre Options ensured that JRF's costs to deliver the network did not have a significant impact on the sale price of the homes.

In addition, Fibre Options' commitment to regular benchmarking of their prices against those on offer in the open market, ensures that JRF continue to provide the best deal for their residents. An undertaking to migrate to an Open Access network once the development achieves sufficient scale also guarantees the long-term viability of competitive service delivery.

**The Achievement**

With their ability to deliver all phases of the network evolution, from initial design through to construction, operation and service delivery, Fibre Options have been able to create a business model that significantly reduces the risks for developers that wish to promote Next Generation Networks on their developments for the benefit of their residents.

By leveraging their considerable expertise in the market to assume a proportion of the commercial risk, Fibre Options have proved that it is possible to delivery compelling services at highly attractive prices, while still being able to offer unlimited call packages and broadband products to match the most competitive "up to" DSL offerings.

Derwenthorpe has proved that Next Generation Networks can be delivered while remaining sympathetic to the expectations of the affordable housing sector and without significantly impacting the bottom line for developers.