



**DRAFT PORTFOLIO HOLDER DECISION NOTICE**

**PROPOSED INDIVIDUAL DECISION BY THE PORTFOLIO HOLDER FOR FINANCE**

**TOPIC – DIGITAL WINCHESTER – SMART DISTRICT (WI-FI & APP)**

**PROCEDURAL INFORMATION**

The Access to Information Procedure Rules – Part 4, Section 22 of the Council's Constitution provides for a decision to be made by an individual member of Cabinet.

In accordance with the Procedure Rules, the Legal Services Manager, the Chief Executive and the Strategic Director: Resources are consulted together with Chairman and Vice Chairman of The Overview and Scrutiny Committee and any other relevant overview and scrutiny committee. In addition, all Members are notified.

If five or more Members from those informed so request, the Leader may require the matter to be referred to Cabinet for determination.

**If you wish to make representation on this proposed Decision please contact the relevant Portfolio Holder and the following Democratic Services Officer by 5.00pm on 21st August 2018**

**Contact Officers:** Stuart Marks, Business Development Manager,  
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**Case Officers:** Chris Roberts, Digital Transformation Officer, Tel: 01962 848389, email: [croberts@winchester.gov.uk](mailto:croberts@winchester.gov.uk); Keith Spake, IT Business Support Manager, Tel: 01264 368927, email: [kspake@winchester.gov.uk](mailto:kspake@winchester.gov.uk)

**Democratic Services Officer:** Matthew Watson, 01962 848 317,  
[mwatson@winchester.gov.uk](mailto:mwatson@winchester.gov.uk)

**SUMMARY**

Winchester City Council is looking to prepare our district for an ambitious digital future.

A significant aspect of this vision will be the Wi-Fi enablement of the City Centre with consistent, reliable and high speed Internet connectivity. To help achieve this we need to develop an infrastructure that supports future internet technologies and makes new public sector service delivery models possible.

The Council is proposing to select a suitably qualified, highly experienced business partner to design, deploy and operate a managed Wi-Fi service for the City centre.

As a complement to the Wi-Fi solution, we are also proposing to deploy a footfall monitoring solution which involves deploying a tracking solution which can track wireless devices that have not yet been authenticated to the system, as long as a wireless signal is active. Analysing and monitoring ongoing footfall information will help the Council to ensure promotional information is located in the highest footfall areas and can be used to effectively measure the success of the many events taking place in the City across the year. Dwell time reports will also provide a valuable insight into how long a visitor spends in a specific area – allowing us to effectively manage the future of our public realm, maximizing opportunities in tourism, retail and the local economy.

Overall the combined effect of the Wi-Fi solution and the new insight gained around footfall can help us manage footfall, supporting the high street and the local economy; whilst making it easier for visitors to access information about the city centre, such as retail and leisure.

Initially the Wi-Fi coverage will consider the full length of the High Street from City Mill to the Military Museums; take in the length of Jewry Street through to Station Approach with an extension out to the Cathedral and Jane Austen's house.

When visitors connect to the free Wi-Fi they will be presented with a Winchester branded splash page which is fully customisable and could also potentially be used to sell advertising space.

The proposed system will have the capability of sending automated alerts to visitors based on e.g. a welcome message for someone who hasn't connected to the Digital Winchester - City Wi-Fi before; a loyalty message for repeat visitors; birthday messages; and general updates, news and promotions. The objective is to provide a positive experience for all of our customers – residents, commuters, visitors and the local business community, visitors who we are also looking to enhance the reputation of our city as a place, encourage people to post on social media and interact with the destination presence on the various Visit Winchester channels.

There is an opportunity here to offer our business community (including high street and district wide tourism businesses) a new way of interacting with a wider customer base. The Corporate Head of Strategic Support will explore opportunities to monetise via subscriptions and/or quantify the financial benefit of this to the Council in order to offset any future costs.

Reporting tools will be used to build a better picture of what happens on a day-to-day basis in Winchester, for example how many people are using the Wi-Fi in real time, how many visited over a set period, a breakdown of gender and age as well as how far they travelled to get here.

The Wi-Fi and footfall monitoring initiative is at a stage that it is ready to go out to tender in order to select an appropriate business partner to deliver the both solutions as well as ensuring ongoing support & maintenance is in place.

A further element of the digital visions is to also create an App, based initially around the 'Visit Winchester' content and branding, with additional interactive and augmented content. With respect to the Winchester App, the requirements are still at the definition phase and the Council now intends to research the market to find a suitable business partner to take this initiative forward through design, development and launch stages. The proposal here is to initially prepare a PIN (Prior Information Notice) in order to scout the market and ascertain our options for taking the initiative forward. We propose that this will also require a formal tender exercise when we complete the specification and seek a development partner.

Tenders will be evaluated using a method known as MEAT (Most Economically Advantageous Tender). Tenders will be evaluated based on non-price as well as price factors. These will be weighted to reflect relative importance and scored accordingly. The Council has set aside funding for this proposal in the capital strategy.

Further to completed exploratory work on the Wi-Fi solution with two potential business partners, from a budgetary perspective we need to consider the following spend estimates:

Proposed Deliverable	Capital estimate	Revenue Estimate
Wi-Fi Infrastructure	£90,000	
Wi-Fi Annual Support		£12,000 per annum
Footfall monitoring infrastructure	£13,000	
Footfall monitoring Annual Support		£8,500 per annum
Internet Connection (100MB leased line)		£6,000 per annum
Total estimated spend	<b>£103,000</b>	<b>£26,500</b>
Budget available	<b>£210,000</b>	<b>£41,000</b>

It should be noted that there is a capital budget of **£210,000** in support of the Digital Winchester Smart District initiative, comprising £170k for Infrastructure and a further £40k for the App. However, on initial consultation with the market, experts and an outline quote, the cost for the App is anticipated to be significantly higher – the exact cost is still to be determined but anticipated initial outlay for all of the elements is in the regions of £100-140k. To provide greater clarification on the costs of an app it is proposed to issue a Prior Information Notice (PIN) before requesting any additional budget. This purpose of this is obtain further information from the market concerning the costs of delivering an application as this is currently in excess of the set aside budget.

Given the specific requirements of both the Wi-Fi and Winchester App it is proposed to adopt a 60%/40% split to relate to 60% quality and 40% price. This is in contrast to the Council's normal metric of 40% quality and 60% price.

A Governance group incorporating key senior internal representatives will be required to ensure proper implementation, particularly as it crosses over the strategic areas, as well as requiring liaison with external stakeholders (such as BID)

### **PROPOSED DECISION**

1. That the IMT Business Development Manager be authorised to conduct a tender exercise for the proposed City Centre Wi-Fi and footfall monitoring solution and award the contract to the winning tender based on a 60/40 ratio in respect of quality/price.
2. We are aware that the total value of the tender will exceed the OJEU limit and will be working in partnership with HCC procurement to manage and place an open tender in full accordance with WCC procurement policy.
3. That, subject to successful tender, capital expenditure amounting to £103,000 be approved as outlined in the table above.
4. That a recurring revenue budget of £26,500 for Wi-Fi annual support and footfall monitoring be approved as outlined above.
5. That the Digital Transformation Officer and IMT Business Development Manager be authorised to conduct a PIN (Prior Information Notice) exercise for the Winchester App in order to further substantiate the design, functionality and estimated cost of the proposed App.
6. A Governance group and Board is subsequently put in place to provide the required authorities and decision making

### **REASON FOR THE PROPOSED DECISION AND OTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

The rationale for this request is that we do not want to weight the selection of business partner to the lowest bidder. It is essential that we deliver a quality, stable and reliable solution for the City Centre given the high profile nature of the solution and we need to find a business partner who we believe will be around for the long term or at a minimum for the length of the initial 5 year contract period.

### **RESOURCE IMPLICATIONS:**

A budget of £210,000 to support the Digital Winchester Smart District initiative was approved as part of the Capital Strategy in February 2018 to be funded from the General Fund Capital Receipts Reserve. This was comprised of £170,000 for infrastructure and a further £40,000 for the App.

This paper seeks approval to incur £103,000 of capital expenditure in respect of the infrastructure as detailed in the summary above and a recurring revenue budget of £26,500 for Wi-Fi annual support (£12,000), footfall monitoring (£8,500) and internet connectivity (£6,000).

**CONSULTATION UNDERTAKEN ON THE PROPOSED DECISION**

Discussions have taken place with the Winchester BID, including a presentation of the proposals to the BID Board on 28th February this year.

This was followed with a workshop held with the BID Forum group on 21st March which was a vehicle for sharing our plans as well gathering ideas and input for the eventual design of the Winchester App.

The Portfolio Holders for Business, Finance and Professional Services have been consulted and are in agreement with the proposal.

The proposal has been ratified by the Joseph Holmes, Strategic Director Resources.

**FURTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED FOLLOWING PUBLICATION OF THE DRAFT PORTFOLIO HOLDER DECISION NOTICE**

N/A

**DECLARATION OF INTERESTS BY THE DECISION MAKER OR A MEMBER OR OFFICER CONSULTED**

N/A

**DISPENSATION GRANTED BY THE STANDARDS COMMITTEE**

N/A

**Approved by: (signature)**

**Date of Decision**

**Councillor Stephen Godfrey – Portfolio Holder for PROFESSIONAL SERVICES**

**Councillor Guy Ashton - Portfolio Holder for FINANCE**

**Councillor Rob Humby – Portfolio Holder for BUSINESS PARTNERSHIPS**

**APPENDICES:**

None