

Summary Sheet

Committee Name and Date of Committee Meeting

Cabinet & Commissioner Decision Making Meeting – 21 May 2018

Report Title

Free Public Wi-Fi for Rotherham Town Centre

Is this a Key Decision and has it been included on the Forward Plan?

Yes

Strategic Director Approving Submission of the Report

Judith Badger, Strategic Director of Finance and Customer Services

Report Author(s)

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Ward(s) Affected

Boston Castle

Summary

The purpose of this report is to seek approval to enable the delivery of a free public access Rotherham Town Centre Wi-Fi service as part of implementing the Digital Council Strategy approved by Cabinet on 12th September 2016.

Recommendation

That, subject to the required objectives described in this report being met, approval be given to the delivery of a public access Wi-Fi across Rotherham Town Centre.

List of Appendices Included

None

Background Papers

RMBC Digital Council Strategy 2016 to 2019

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Overview and Scrutiny Management Board – 16 May 2018

Council Approval Required

No

Exempt from the Press and Public

No

Free Public Wi-Fi for Rotherham Town Centre

1. Recommendations

- 1.1 That, subject to the required objectives described in this report being met, approval be given to the delivery of a public access Wi-Fi across Rotherham Town Centre.

2. Background

- 2.1 The Digital Strategy approved by Cabinet on 12th September 2016 outlined that an investigation would take place into the feasibility of deploying free Wi-Fi across the town centre.
- 2.2 It has now been established that it is likely a feasible solution can be achieved at no or minimal cost to the council.
- 2.3 Town Centre Wi-Fi provision is provided by a large number of councils across the UK with the majority favouring such a scheme.
- 2.4 A small number of Councils have opted to not provide this facility due to a number of factors including costs, internet safety, lack of value or benefits
- 2.5 Currently there is no ubiquitous free of charge public access Wi-Fi service across Rotherham Town Centre. However, there is some provision:
 - Free of charge public access Wi-Fi is available in many shops, bars and restaurants in Rotherham Town Centre, provided by either a national telecommunications company such as O2 in McDonalds or Costa Coffee or independently by the individual shop, bar or restaurant.
 - First provide free of charge public access Wi-Fi on some of their bus fleet.
 - Free of charge public access Wi-Fi is available is provided in RMBC in all of Rotherham's Libraries and Customer Service Centres.
 - Sky provides Wi-Fi hotspots which are for use by their broadband or mobile customers. In most cases their The Cloud Wi-Fi hotspots also provide free of charge access for the public.
 - BT provides Wi-Fi hotspots which are for use by their broadband or mobile customers via BT FON and BT Wi-Fi.
 - Finally free of charge public access Wi-Fi is being provided in some NHS locations.
- 2.6 This report sets out the proposals to procure and implement this project during 2018 subject to Cabinet approval for the delivery of a Town Centre Wi-Fi solution.

3. Key Issues

- 3.1 This project will provide a public access Wi-Fi service in public spaces and public buildings within the Rotherham Town Centre area in order to make Rotherham Town Centre a more vibrant and attractive place for citizens, visitors, businesses and shoppers in order to increase footfall and to help local businesses thrive and grow.
- 3.2 The fundamental principles that bids must comply with are:
- There should be no or minimal cost to RMBC, in deployment, operation or exit;
 - There should be no or minimal legal, financial or reputational risk to the Council throughout the contract life;
 - The arrangements should not prevent or limit the Council from being able to implement wireless communications services for its own administrative or service delivery purposes.
- 3.3 The outcomes sought from the Wi-Fi service are:
- Free of charge to the user;
 - A high quality customer experience for access, registration and use;
 - A family friendly, safe experience;
 - Good Town Centre coverage including Council owned public spaces such as Clifton Park;
 - Good performance that keeps pace with technology; and,
 - A reliable communications platform that can be used to increase footfall and to help local business thrive and grow.
- 3.4 There are other potential applications for a Town Centre Wi-Fi service and Officers recognise these and the benefits that they would bring. Therefore, proposals will be evaluated based on their ability to meet the fundamental principles and outcomes sought which are described above, and also a range of additional desirable requirements identified through consultations with stakeholders.
- 3.5 The Town Centre Wi-Fi service will provide access to the internet to those in society that may have an internet enabled device but that cannot afford a home broadband connection.
- 3.6 It is generally accepted that access to the internet provides the following benefits, though some of these will be limited by the nature of an outdoor Wi-Fi service.
- Improved access to public services which are increasingly available online;
 - Improved education outcomes through the use of web-based learning materials;
 - Better employability through more effective job-hunting;
 - Improved health and well-being through remote monitoring (health sensors are now built into smart phones) better communications and access to health and well-being services;

- Reduced isolation as access to the Internet can help improve communication and social engagement;
 - Access to savings and discounts offered through on-line shopping.
- 3.7 It is generally accepted that any connection to the internet, even with filtering, poses some risk that users will be exposed to unsuitable material. However it is generally acknowledged that this risk is minimal and outweighed by the benefits of such a scheme. Any solution would need to have appropriate filtering implemented to protect users from as much inappropriate material as possible.
- 3.8 From a business development perspective, improved connectivity provides a platform enabling business, and individuals to create and co-create high quality, targeted, real time products and that making the most of technology means having digitally literate local people; people with the ability and confidence to teach themselves and adapt to continually changing digital tools and services' in order to:
- Support existing businesses looking to adopt technology, enabling them to grow;
 - Increase the attractiveness of the Town Centre to businesses looking to start-up;
 - Enable local people to secure employment within new or growing businesses who will increasingly use this technology;
 - Raise aspirations of young people as they prepare for education, training and work;
 - Ensure people and businesses can access and use a range of services and resources, which are increasingly digitally enabled, in their everyday lives.

4. Options considered and recommended proposal

- 4.1 For the purpose of clarity, this project is something that the Council is choosing to do in order to support Rotherham Town Centre. The Council is in a unique position to help the Town Centre in that it owns hundreds of street assets that could be used to provide public access Wi-Fi through a concession contract, in exchange for providing the bidder with exclusive use of those streets assets for wireless communications. This project is not something that the Council is legally obliged to do. The Council could decide not to progress this project.
- 4.2 A RMBC funded public access Wi-Fi service has been considered as an option. However, the opportunity to provide a Wi-Fi service through a concession contract which requires no investment from RMBC is preferable to a model requiring investment. This approach enables the Council to provide a public access Wi-Fi service and to use limited budgets elsewhere.
- 4.3 An externally funded public access Wi-Fi service has been considered as an option. However, the funding source used to provide such services in Leeds, York and Edinburgh (the BDUK Super Connected Cities Scheme) is no longer available.

- 4.4 EU funding may be available for a public access Wi-Fi service. However, there is no guarantee that the requirements of RMBC will align with the criteria required to obtain funding. In addition, applications for EU funding are lengthy and complex processes that are costly to apply for and costly to administer. Officers believe that a concession contract, which can be procured relatively quickly, and that has a minimal administrative burden is the most appropriate route for this project.
- 4.5 It is recommended that RMBC undertakes a competitive procurement for a concession contract for the provision of a Town Centre Wi-Fi service and, subject to the required objectives described in this report being met, to enter into a concession contract for the provision of those services.
- 4.6 This is the preferred option because it enables RMBC to achieve its fundamental principles and outcomes sought without having to make a significant investment.
- 4.7 However, stakeholders should recognise that the concession contract approach carries the risk that the market is not prepared to provide some or all of the features and benefits available from a paid for Wi-Fi service.

Installation and Maintenance Considerations

- 4.8 The concession contract will enable the successful bidder to install wireless telecommunications equipment on council owned property and street assets such as street light columns and CCTV columns.
- 4.9 The concessionaire will be required to follow all appropriate RMBC policies and procedures including those relating to Health and Safety, Planning and Development.
- 4.10 The concessionaire will undertake network design and survey work and will ensure that the building facades, rooftops, street light columns and CCTV columns to be used are in a good state of repair and that installation will not cause damage.
- 4.11 The concessionaire will be responsible for obtaining and maintaining all necessary planning permissions, third party permissions and/or rights to provide services. RMBC will assist the concessionaire to obtain these efficiently and effectively. However, the concessionaire must satisfy the requirements of the various planning and development processes in the same way as any other developer.
- 4.12 The implementation, operation and maintenance of wireless telecommunications equipment installed on assets managed by third parties will be conducted or supervised appropriately and in a manner that is acceptable to RMBC.
- 4.13 All works will be undertaken or supervised by a RMBC approved and appropriately qualified and experienced third party.

- 4.14 The wireless telecommunications equipment and its mounting brackets will be fit for purpose, robust and designed for outdoor deployment.
- 4.15 The wireless telecommunications equipment will be regularly maintained.
- 4.16 The Council will seek for the contract to provide access to any anonymised data collected from the concessionaire through the scheme and seek a share of any proceeds the concessionaire makes from the sale of any such data.

5. Consultation

- 5.1 Officers have consulted widely in the production of this report. This has included dialogue with officers at Sheffield City Council who have recently awarded a concession contract for city centre Wi-Fi. Doncaster Council also provides the public with a similar solution, although Barnsley Council has not provided a solution to date. In addition officers have consulted with a number of telecommunications companies to determine if there is interest from the market.
- 5.2 There is no requirement for the Council to consult the public regarding this project, although if it proceeds, education and awareness of the project may be deemed appropriate.

6. Timetable and Accountability for Implementing this Decision

- 6.1 An indicative timetable of events is provided below. Please note that this is subject to change.
- Cabinet decision May 2018
 - Issue of Invitation To Tender to Long List - June 2018
 - Submission of Pre-Qualification Questionnaire and Stage One Tenders - July 2018
 - Evaluation of Pre-Qualification Questionnaire and Stage One Tenders - July 2018
 - Notification of Results of Evaluation - August 2018
 - Dialogue Sessions between RMBC and the Short Listed Bidders -August 2018
 - Submission of Best And Final Offer (BAFO) - September 2018
 - Evaluation of BAFO - September 2018
 - Notification of Award - October 2018
 - Standstill Period - October 2018
 - Contract Award – November 2018
 - Wi-Fi Service Go Live - March 2019

7. Financial and Procurement Implications

7.1 Concession Contract

Officers have identified that a competitive procurement for a concession contract is the most appropriate method of procuring a public access Wi-Fi service for Rotherham Town Centre. The concession contract will enable the preferred bidder to install its wireless communications equipment on council owned buildings, street light columns and CCTV columns, on an exclusive basis, in exchange for the provision of a free of charge public access Wi-Fi service and a rental payment for the use of the assets. The concession contract does not require the council to make an up-front or ongoing investment. However, this approach means that there is no guarantee that the market will respond with a proposal that meets all of the Council's requirements.

7.2 Commercial Arrangement

The project will require the council to enter into a contractual arrangement with the preferred bidder. Officers have developed a draft set of heads of terms. The draft heads of terms will be issued as part of the procurement process and will form part of the RMBC evaluation process.

7.3 Running Costs

It is intended that there will be no cost to the council for the deployment, operation or exit of the Town Centre Wi-Fi service. However, there will be a requirement for RMBC to manage the contract. If any revenue income was received from the concessionaire this would be used to cover the internal administration of the contract including for example liaison/communications with the concessionaire and other stakeholders. Before any tender is awarded, a full financial evaluation will take place to ensure that the proposal does not create additional financial pressure.

7.4 Revenue

RMBC could receive a revenue stream from the rental income paid by the concessionaire for exclusive use of the Council's assets. It may also be possible to negotiate a gainshare of profits generated by the concessionaire after the concessionaire has covered its costs. However, soft market testing has indicated that this is far from certain and cannot be assumed.

7.5 Exclusivity

Bidders will require exclusive use of RMBC assets for the provision of wireless communications services which are expected to include: 'Official' public access Wi-Fi, small cell technology for 4G backhaul (ideally on a wholesale basis rather than for a single Mobile Network Operator), and commercial wireless broadband services. Officers will ensure that the exclusivity terms do not limit the Council from being able to implement wireless communications services for its own administrative or service delivery purposes.

8. Legal Implications

8.1 Applicable Legislation

The Town Centre Wi-Fi Service will be compliant with all applicable legislation including the Data Protection Act 1998; the Data Retention Regulations 2009; The Regulation of Investigatory Powers Act 2000; and, the Digital Economy Act 2010 (if applicable) and other relevant legislation that may be implemented during the life of the contract. The Council will require the bidder to assume all responsibility for legislative compliance and will accept no such liability itself.

8.2 The procurement of the Town Centre Wi-Fi Service as set out above is exempt by EU Concession Directive (2014/23) and the Concession Contracts Regulations 2016. The procurement exercise will be consistent with the requirements of the Contract Procedure Rules.

9. Human Resources Implications

9.1 None.

10. Implications for Children and Young People and Vulnerable Adults

10.1 As set out in the report.

11. Equalities and Human Rights Implications

11.1 As set out in the report.

12. Implications for Partners and Other Directorates

12.1 As set out in the report.

13. Risks and Mitigation

Risk	Description	Mitigation	Impact and Probability
No Bids Are Received	There is a risk that the market is not interested in bidding for the concession contract because for example the market cannot identify a way of recouping its investment and making sufficient profit.	Soft market testing has identified that there is interest and that the council can expect to receive bids.	High, Low
Bidders Do Not Meet Expectations or Requirements	There is no upfront or ongoing investment being made by RMBC in this project. Therefore, there is no guarantee that the bids received will meet requirements. There is a risk that expectations exceed what the market is prepared to offer in exchange for the concession.	Expectations of stakeholders will need to be managed. RMBC will share with the market what its essential and desirable requirements are. RMBC will evaluate bids against these criteria. Soft market testing has indicated that RMBC can expect to receive bids that meet the essential criteria.	High, Medium

Risk of intervention being classified as state aid and illegal under EU rules.	The European Commission has considered public sector intervention in the broadband market. It's view is that there is no market failure in the provision of broadband services in urban cores and that any public sector subsidy to one particular broadband supplier would represent a form of state aid that distorts competition in a way that is harmful to citizens and companies in the EU	Concession contracts are not considered by the EC to be a form of state aid. However, care must be taken during the procurement process. The concession must be on normal commercial market terms. There must be limited or no risk or cost to the Council. The Council must not own or operate any of the services. The Council must not pay for or receive a service itself. The Council must not specify a particular wireless technology for the concessionaire to use. The risk is further mitigated through an open competitive procurement process.	High, Low
Risk of incurring financial cost	Concession contracts do not require the council to make an up-front or ongoing investment. However, there will be an ongoing cost to RMBC for liaison with the supplier and others regarding technical, contractual and practical matters.	The rental income received by RMBC for the use of its street assets will be used to offset internal administrative costs for managing the contract.	Medium, Low
Reputational risk from an inappropriate access	It is possible that some people, including potentially vulnerable individuals could access inappropriate internet information or images through the free Wi-Fi.	A full filtering service will be delivered as part of the contract which will exclude access to commonly regarded inappropriate materials e.g. drugs, violence, pornography. However it is inevitable that some inappropriate material can be accessed from any internet connection that is filtered.	Medium, Low
Reputational risk from a poor quality service	Examples of poor quality service include: a poor quality customer experience for access, registration and use; inadequate content filtering; poor coverage; poor upload and download speeds; periods of unavailability, providing exclusivity terms that limit the Council from being able to implement wireless communications services for its own administrative or service delivery purposes. There is also a risk that RMBC could become liable for legislative obligations under DPA and RIPA.	A draft set of heads of terms has been developed and will be shared with suppliers during the procurement process. Many of these are non-negotiable for example the bidder must accept liability for meeting all legislative obligations arising from providing the services. Other areas of risks such as the availability of the network, the geographic extent of the network etc will be negotiated with the chosen supplier.	High, Low

14. Accountable Officer(s)

Luke Sayers, Assistant Director – Customer, Information and Digital Services

Approvals Obtained from:-

Dermot Pearson, Assistant Director of Legal Services

James McLaughlin, Democratic Services Manager

Approvals obtained on behalf of:-

	Named Officer	Date
Strategic Director of Finance & Customer Services	Nikki Kelly	26.02.2018
Assistant Director of Legal Services	Stuart Fletcher	23.02.2018
Head of Procurement (if appropriate)	Kay Handley	26.04.2018
Head of Human Resources (if appropriate)	N/A	

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