

Report for: ACTION



Contains Confidential or Exempt Information	Part I except Appendix A (InTechnology WiFi Supplier Presentation) and Appendix B (InTechnology WiFi: Financial Offer) which are Part II - Not for publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972
Title	Town Centre WiFi
Responsible Officer(s)	Simon Fletcher, Strategic Director of Operations, 01628 796484
Contact officer, job title and phone number	Ben Smith, Head of Highways & Transport, 01628 796147
Member reporting	Cllr Hill, Lead Member for Customer & Business Services
For Consideration By	Cabinet
Date to be Considered	28 April 2016
Implementation Date if Not Called In	Immediately
Affected Wards	Oldfield, Belmont, Castle Without, Eton & Castle; Ascot & Cheapside

REPORT SUMMARY

1. This report provides an update on the introduction of town centre wifi and invites Cabinet to consider an offer from 'InTechnology WiFi' which delivers free public wi-fi in Windsor and Maidenhead town centres at no cost to the Royal Borough.
2. The report seeks approval to appoint 'InTechnology WiFi' to develop, deliver, manage and maintain the town centre wi-fi solution for residents, visitors and business in Maidenhead and Windsor and town centres.
3. The report recommends that Cabinet:
 - Award a concession contract to 'InTechnology Wi-Fi' for a period of 10 years to develop, deliver manage and maintain town centre wi-fi
4. The financial implications of this report are:
 - Annual income of £6,450 in the form of a concession fee
 - 25% share of all revenue generated
5. Additional points to note are:
 - 'InTechnology WiFi will design, build and manage the infrastructure to

provide public wi-fi and a community smartphone app

- the service will be provided at no capital cost to the Royal Borough and will be monetised through sponsorship, advertising and smart technology services for the duration of the ten-year contract
- delivery of town centre wi-fi supports the manifesto commitment to ‘...*Bring in town centre wifi...*’

If recommendations are adopted, how will residents benefit?	
Benefits to residents and reasons why they will benefit.	Dates by which they can expect to notice a difference.
Residents will be able to access free, unlimited wi-fi in public spaces in Maidenhead and Windsor town centres	1 st November 2016

1. DETAILS OF RECOMMENDATIONS

RECOMMENDED: That Cabinet:

- Award a concession contract to ‘InTechnology WiFi’ for a period of 10 years to develop and deliver town centre wi-fi in Windsor and Maidenhead**
- Notes the suppliers projection that the contract award will realise an annual concession fee of £6,450, plus a 25% share of all revenue generated from the contract**

2. REASON FOR DECISION AND OPTIONS CONSIDERED

Background

- 2.1 Development and delivery of town centre wifi is a commitment of the Royal Borough and forms part of the manifesto which states ‘...*Bring in town centre wifi...*’
- 2.2 A number of options have been explored to secure a partner to develop and deliver town centre wifi in Windsor and Maidenhead town centres.
- 2.3 Following an earlier procurement process which failed to appoint a supplier, a subsequent bid has been received from ‘InTechnology WiFi’ which will deliver free, unlimited, public wifi in Windsor and Maidenhead town centres with future phases to extend the network into Eton, Ascot and other key public spaces (including Kidwells Park, Maidenhead) at the earliest opportunity.
- 2.4 The offer includes design, build, management and maintenance of the infrastructure required to create a public wifi network supported by a new community smartphone app.
- 2.5 There is no capital cost to the Royal Borough and the following annual income will be received:
 - An annual concession fee of £6,450 (the infrastructure is designed around installing access points on existing street lighting columns – the annual fee is based around a rental charge of £150 per asset which equate to 43no.)

- A 25% revenue share all revenue generated (the bid offers no minimum guarantee for this element)

2.6 The contract award is for a 10-year period which is monetised through creating a community smartphone app which drives revenue from sponsorship and advertising and underpins the business model.

The new smartphone app will replace the existing 'Visit-Windsor' app but will retain all existing functionality and increase benefits by seeking to grow the user base; increase content; introduce social media content which is not currently available and develop a community platform

2.7 'InTechnology WiFi' are focused on three key markets: Towns and Cities, Sports Stadia and Events offering the digital user experiences beyond simply connectivity – creating communities, marketing opportunities and commercial returns. Seamless, free, unrestricted wi-fi connectivity will be provided to high-footfall public and residential areas, complemented by an official app, promoting events, attractions, local businesses and communities.

Current clients include City of Edinburgh, Coventry City and Watford Borough. Additionally, temporary seamless connectivity has been delivered to music festivals including Reading, Download, Creamfields and Latitude (45,000) - clients include AEG, Live Nation and Festival Republic.

2.8 Due diligence has been completed and the bid has been scrutinised internally by key stakeholders, including Economic Development and Visitor Management.

A supplier presentation was delivered to the Leader; Lead Member for Customer and Business Services and the Strategic Director of Operations and Customer Service – a copy of the presentation is attached as Appendix A.

Informal references have been secured from current clients.

2.9 The contract award will secure free public, unlimited wifi access in Windsor and Maidenhead town centres which delivers a key corporate commitment and provides direct benefit for residents, business and visitors. The business is based upon a new community smartphone app which will promote local business, events, attractions and creating a community platform.

2.10 Therefore, it is recommended that a concession contract be awarded to InTechnology WiFi for a 10-year period.

2.11 In order to ensure delivery to time and quality and to manage finances it is essential that clear governance is in place. The bid from InTechnology WiFi offers a detailed approach to project management (based on an Agile / Waterfall hybrid model) with clear key performance indicators and a dedicated project manager.

2.12 A Royal Borough project team will be created to manage this project during the implementation phase with clear ongoing accountability post-implementation. Management, monitoring and reporting will be undertaken in line with corporately adopted practices.

Options

Option	Comments
(a) seek to secure alternative bids through a new competitive procurement exercise	<p>This option is not recommended.</p> <p>The original open, competitive procurement exercise failed to secure any bidders to deliver this project.</p> <p>Whilst our understanding of the marketplace has grown and the contract could be re-presented to improve market attractiveness the indications are that securing a range of alternative bids is unlikely</p>
(b) seek to secure an alternative provider by bundling this project with other activity	<p>This option is not recommended.</p> <p>Bidders for the LED lighting contract were encouraged to submit innovative bids, beyond the scope of the core contract, which could include delivery of a public wifi network.</p> <p>Alternative, more advantageous offers were not secured</p>
(c) Do nothing and rely upon public wifi being offered by commercial providers	<p>This option is not recommended at this time</p> <p>This option does not meet the corporate objectives of the Royal Borough.</p> <p>Public wifi will be made available in commercial areas (for example: coffee shops) but widespread coverage of public space is unlikely</p>
(d) Award a 10-year concession contract to InTechnology Wifi	<p>This option is recommended as it delivers the corporate objectives of the Royal Borough with no capital investment and derives an ongoing income stream</p>

3. KEY IMPLICATIONS

Defined Outcomes	Unmet	Met	Exceeded	Significantly Exceeded	Date they should be deliver by
Free, public wifi available to residents, business and visitors in Windsor and Maidenhead town centres	Beyond 1 st November 2016	1 st November 2016	1 st October 2016	In advance of 1 st October 2016	1 st November 2016
Wifi available in phase II areas (Eton and Ascot)	Beyond 1 st May 2017	1 st May 2017	1 st April 2017	In advance of 1 st April 2017	1 st May 2017

Annual income generated through contract	Below £50k	£50-£60k	£61-£70k	Above £70k	31 March 2017
--	------------	----------	----------	------------	---------------

4. FINANCIAL DETAILS

4.1 Revenue Funding

	2015/16	2016/17	2017/18
	Revenue £'000	Revenue £'000	Revenue £'000
Addition	£0	£0	£0
Reduction	£0	£0	£0
Additional income	£0	£0	£50

* Part year effect for the period commencing 1st November 2016

4.2 Capital Funding

	2015/16	2016/17	2017/18
	Capital £'000	Capital £'000	Capital £'000
Addition	£0	£0	£0
Reduction	£0	£0	£0

4.3 Details of the financial offer from 'InTechnology WiFi' are set out in Appendix B which forms a Part II element of this report due to commercial sensitivity

5. LEGAL

InTechnology WiFi have offered a bid which is generally compliant with the requirements of the earlier procurement exercise.

However, the supplier is currently seeking to vary some of the terms and conditions which are the subject of dialogue between the Royal Boroughs procurement and legal teams.

Shared Legal Solutions have been engaged to complete the contract, in the form of a direct award, subject to Cabinet approval.

6. VALUE FOR MONEY

A closed procurement exercise has been conducted, following the earlier open procurement process, seeking to ensure value for money.

As there is no capital investment required from the Royal Borough the value for money element relates to whether the income opportunity has been maximised in delivering a solution which meets corporate objectives. Soft-market testing and references from existing clients have been secured to establish that value for money is being achieved.

7. SUSTAINABILITY IMPACT APPRAISAL

The development of free wifi will create opportunities for sustainable economic growth and assist town centres to thrive commercially.

8. RISK MANAGEMENT

Risk	Uncontrolled Risk	Controls	Controlled Risk
Revenue share projections are not achieved	High	Soft-marketing testing / due diligence and challenge in place	Medium
Delay in system 'Go Live' (including technical elements which are reliant upon third party suppliers)	High	Strong programme governance / clear project plan in place / phased implementation	Medium
Quality of connectivity and accessibility of service not achieved	Medium	The supplier has an established and credible record and has been subject to extensive due diligence	Low

9. LINKS TO STRATEGIC OBJECTIVES

The recommendations of this report and the anticipated outcomes are wholly consistent with the Borough's strategic objectives, in particular the following:

Residents First

- Improve the Environment, Economy and Transport
- Work for safer and stronger communities

Value for Money

- Deliver Economic Services
- Improve the use of technology
- Invest in the future

Delivering Together

- Deliver Effective Services
- Strengthen Partnerships

10. EQUALITIES, HUMAN RIGHTS AND COMMUNITY COHESION

Free, public wifi with unlimited access will benefit all users.

11. STAFFING/WORKFORCE AND ACCOMMODATION IMPLICATIONS: NONE

12. PROPERTY AND ASSETS

Creation of a town centre wifi network utilises existing highway assets (primarily street lighting) to establish access points.

In addition to the use of highway assets, coverage may be achieved by installing access points on private buildings (for example: Nicholson Centre, Maidenhead).

The supplier will be contracted to deliver the specified service and assumes all responsibility for securing consents on private property and establishing the network.

13. ANY OTHER IMPLICATIONS:

N/A

14. CONSULTATION

The report will be considered at the Corporate Services Overview & Scrutiny Panel meeting on 21 April 2016 with comments reported to Cabinet for consideration.

Extensive internal consultation has been conducted with key stakeholders including Economic Development; Visitor Management and the Town Managers who are supportive of the proposal.

15. TIMETABLE FOR IMPLEMENTATION

November 2015 to January 2016	Secure supplier bid (Complete)
January to April 2016	Due diligence (In Progress) / supplier presentation (Complete)
28 April 2016	Cabinet report
1 May 2016	Contract award (subject to Cabinet approval)
May to October 2016	Delivery phase (Windsor and Maidenhead)
November 2016	'Go Live' (Windsor and Maidenhead)
December 2016 to May 2017	Delivery phase (Ascot and Eton)
May 2017*	'Go Live' (Ascot & Eton)
*Note: subject to approval, the project team will seek to advance these elements to achieve an earlier 'Go Live' date	

16. APPENDICES

Appendix A – InTechnology WiFi Supplier Presentation (Part II)

Appendix B – InTechnology WiFi: Financial Offer (Part II)

Appendix C – Wifi coverage area: Maidenhead

Appendix D – Wifi coverage area: Windsor

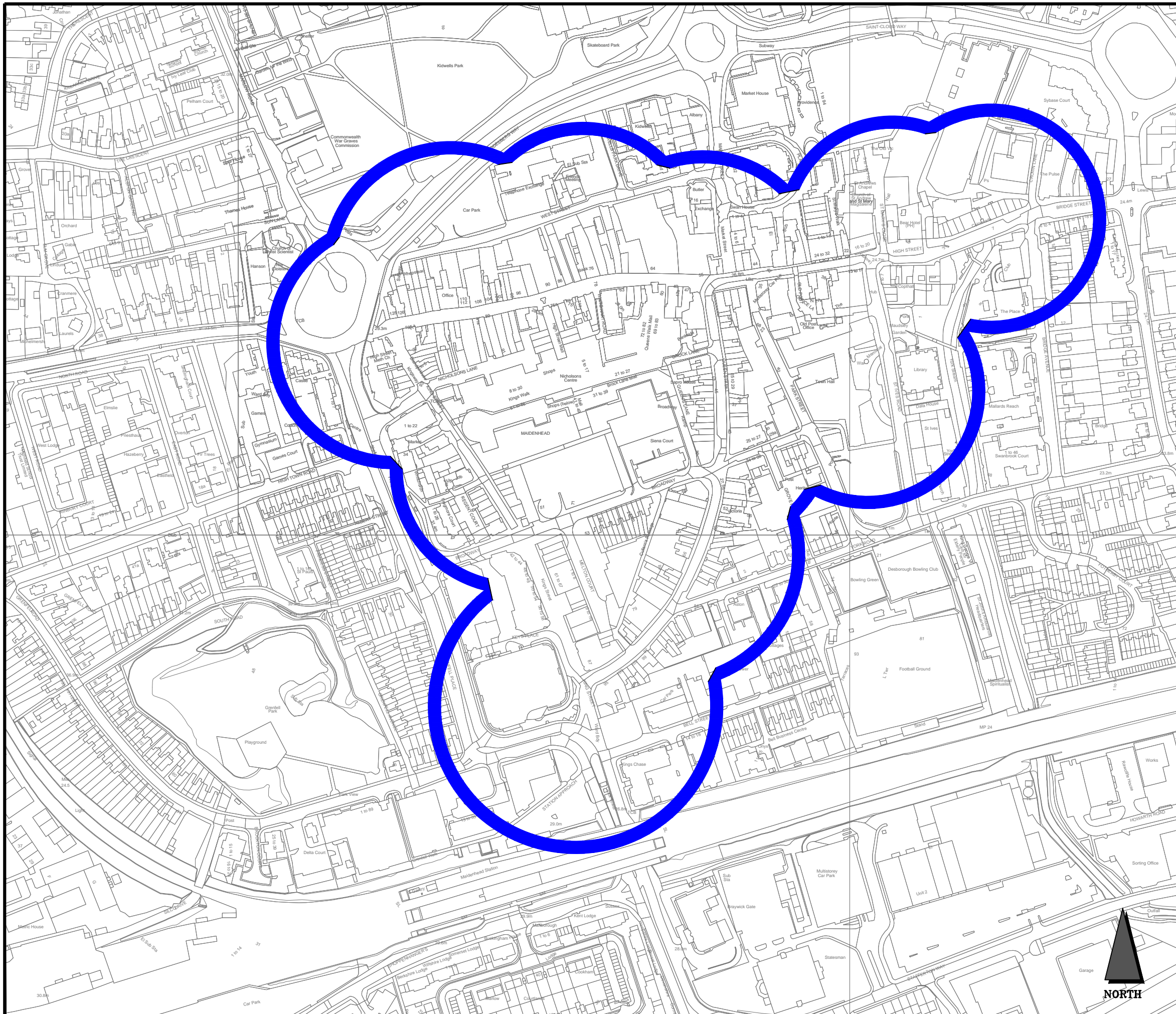
17. BACKGROUND INFORMATION: NONE

18. Consultation (Mandatory)

Name of consultee	Post held and Department	Date sent	Date received	See comments in paragraph:
Internal				
Cllr Burbage	Leader of the Council	01/04/16	07/04/16	Coverage maps included as Appendices C and D / delivery date for 'Defined Outcome' relating to income amended / minor text changes
Cllr Hill	Lead Member for Customer & Business Services	24/03/16	24/03/16	Report approved
Simon Fletcher	Strategic Director of Operations	24/03/16		
Michael Llewelyn	Cabinet Policy Office	24/03/16	27/03/16	Outcome relating to income added
Carole Pratt - Shared Legal Services	Shared Legal Solutions	24/03/16	31/03/16	Comments reflect those of Lyn Hitchinson / Advises that fees, revenue share, methodology and Appendix A should be Part II as commercially sensitive
Mark Lampard	Finance Partner	24/03/16	30/03/16	Section (4) and recommendation amended
Lyn Hitchinson	Procurement Partner	24/03/16	24/03/16	Paragraph 2.3, Sections (5) and (6) amended to reflect procurement comments relating to potential variations to contract terms and conditions
Sarah Plowman	Project Manager	24/03/16	30/03/16	Report approved

REPORT HISTORY

Decision type:	Urgency item?	
For information	No	
Report author	Job title	Full contact no:
Ben Smith	Head of Highways & Transport	01628 796147



Drg No.	Rev.		
-	-		
Rev	Date	Amendments	By

Operations Directorate
 Highways, Engineering & Transport
 Town Hall, St. Ives Road,
 Maidenhead, Berks,
 SL6 1RF.

Tel: 01628 683800
 Fax: 01628 796774
<http://www.rbwm.gov.uk>



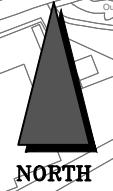
Project:
Wi-Fi Coverage Area
Maidenhead

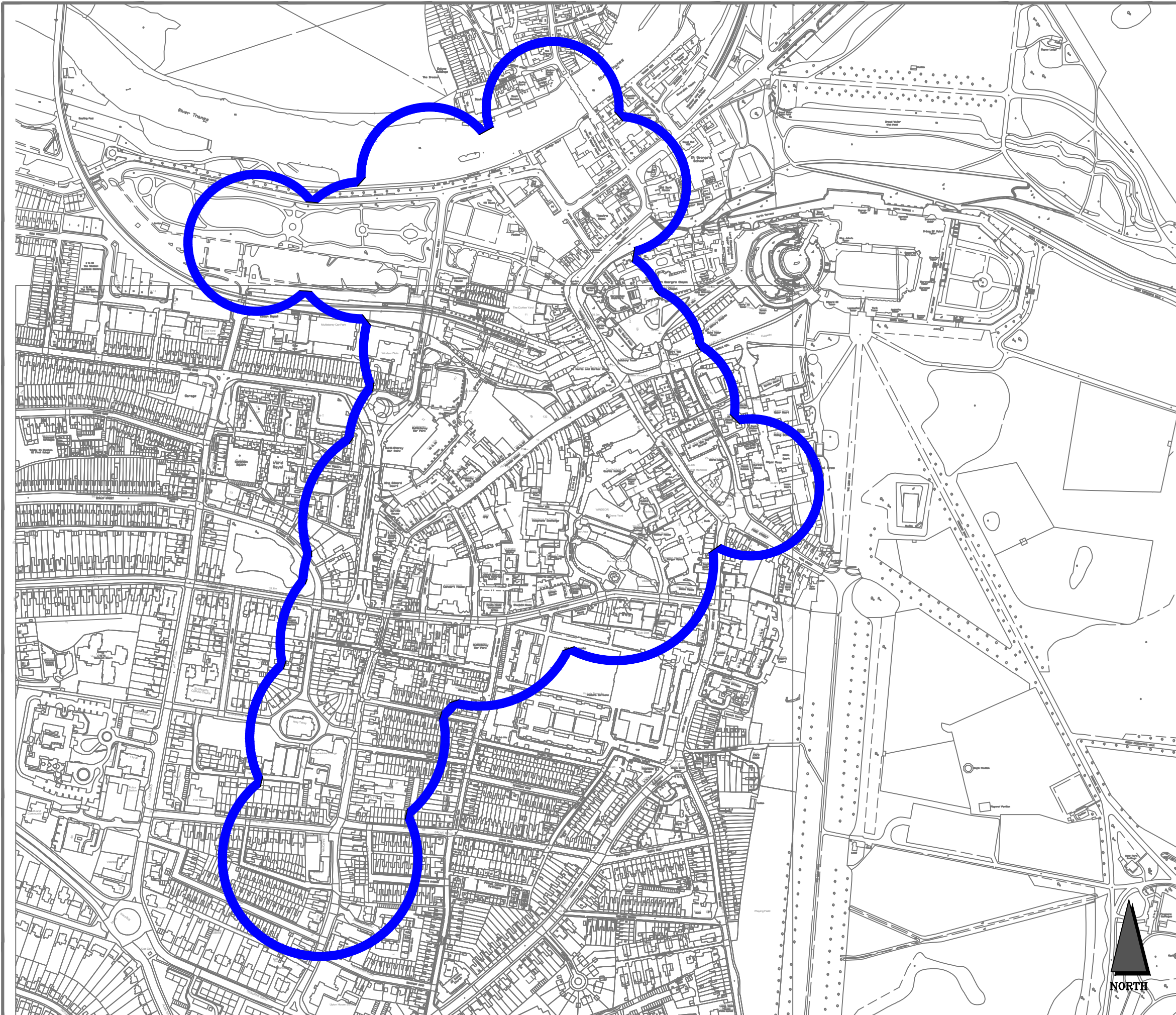
Title:
(Appendix C)

Drg No.	Rev.		
-	-		
Date	Scale	Size	
08.04.16	NTS	A3	
Drawn By	CAD By	Checked By	Signed Off By
RSG	RSG	BS	

Drawing Path.
 -

Reproduced from the Ordnance Survey Mapping with the permission of the Controller of Her Majesty's Stationary Office Crown Copyright ©. Unauthorised reproduction infringes Crown Copyright and may lead to prosecution or civil proceedings, Royal Borough of Windsor and Maidenhead - Licence Number 100018817





Drg No.		Rev.	
-		-	
Rev	Date	Amendments	By
Operations Directorate Highways, Engineering & Transport Town Hall, St. Ives Road, Maidenhead, Berks, SL6 1RF. Tel: 01628 683800 Fax: 01628 796774 http://www.rbwm.gov.uk			
			
Project: Wi-Fi Coverage Area Windsor			
Title: (Appendix C)			
Drg No.		Rev	
-		-	
Date	Scale	Size	
08.04.16	NTS	A3	
Drawn By	CAD By	Checked By	Signed Off By
RSG	RSG	BS	
Drawing Path.			
-			
<small>Reproduced from the Ordnance Survey Mapping with the permission of the Controller of Her Majesty's Stationary Office Crown Copyright ©. Unauthorised reproduction infringes Crown Copyright and may lead to prosecution or civil proceedings, Royal Borough of Windsor and Maidenhead - Licence Number 100018817</small>			