

CABINET – 6 OCTOBER 2015 EXECUTIVE SUMMARY OF AGENDA ITEM 5

Report title: Control Room Relocation Project

Wards affected: Citywide

Strategic Director: Nicola Yates, City Director

Report Author: Simon Jones, Project Manager

RECOMMENDATION for the Mayor's approval:

1. The Mayor approves capital funding to the value of £6.5M for this project (being a key decision by virtue of exceeding £500,000) to cover:-
 - a. Design, build and fit-out of an accredited Control Room environment at 100 Temple – 2 South
 - b. Specification, procurement and implementation of modern systems (primarily for Telecare, Traffic Systems and CCTV) to replace end of life equipment, to support service delivery to the existing level and provide a platform on which new services can potentially be provided.
 - c. Co-location of existing staff into a new environment
 - d. Procurement of expert consultants to support project delivery
2. The Mayor notes the separate report relating to letting of a commercial concession to utilise spare capacity in the Council owned B-Net duct network¹

Key background / detail:

- a. Purpose of report:

To seek approval of funding for **Control Room Relocation Project** – a key decision by virtue of exceeding £500,000

- b. Key details:

Estates rationalisation as part of the Bristol Workplace Programme (BWP) has created a requirement to vacate existing buildings in Brunel House and Wilder House, and to combine business-critical (24/7 in the case of ECC) control rooms into a single location.

An anticipated move to an Operations Centre² environment and an expected requirement for systems to be able to share information with each other has created an environment whereby existing system asset replacement investment has been significantly delayed, although systems were already approaching end of life. This has created organisational risk in terms of technical support, business continuity and disaster recovery.

¹ The concession will generate significant revenues to help offset the requirements of the new Operations Centre and will provide a model for commercialising any new ducts developed in support of the expanded City Operations Centre (this is subject to separate Cabinet approval).

² Establishment of an Operations Centre, whilst dependent on the deliverables of this project, is subject to approval of a separate Business Case and Target Operating Model. The 'Bristol Operations Centre Platform' has potential to realise significant service efficiencies and provide a platform for future service development.

The core systems to be replaced are: Telecare, Urban Traffic Management Control (UTMC) and CCTV. It would not be advisable to move existing core systems to the new environment given high availability requirement of the systems and technical risks associated with such a move.

In August 2015, SLT revisited the options around specific location of an Operations Centre and it was agreed that 100 Temple – 2 South would be the best strategic location. To enable this to happen, an extension of Brunel lease for 6 months was agreed.

The objectives of the Control Room Relocation Project are summarised below:-

- 1) **Design, build and fit-out of an accredited³ environment:** necessary for the organisation to realise its ambition to rationalise estates, and in particular to vacate Brunel House. In addition, existing contracts (that attract revenue of £1M per annum) are subject to services operating from an 'accredited' environment which meets a specific level of compliance. The accommodation component is expected to cost £4M
- 2) **Replacement of core systems and development of migration strategy:** to minimise risks to the organisation and service delivery. To maintain the status quo could result in critical system failures which is it estimated could cost the organisation £4.7M. The system component is expected to cost £3.4M
- 3) **Relocation of existing teams into the new environment:** Emergency Control Centre (Brunel), Traffic Control Centre (Wilder), CCTV Control Staff (John Cozens House)

This minimum scope represents essential cost that the organisation will need to meet if it wishes to continue providing control room services in a new control room environment. Assurance of these costs, funding sources and assessment of potential income has been provided by the Section 151 Officer.

c. Funding / Income

1. **Minimum scope** (*accommodation design/build, system replacement & relocation*) – £7.4M
2. **Additional investment** (*additional systems to realise service efficiency possible through co-location*) - £800K. *The income related to this option is estimated to be £8.4M over 10 years.*

The total cost for **minimum scope** and **additional investment** is £8.2M. BWP has identified a £1.7M contribution to this project. The Section 151 Officer has identified the remainder of the funding (£6.5M) to come from organisational reserves.

³ The physical environment and service provision within Control Rooms are subject to British Standards / European Union legislation, Telecare Services Authority (TSA) requirements and Alarm Receiving Centre (ARC) accreditation

**BRISTOL CITY COUNCIL
CABINET
6 OCTOBER 2015**

REPORT TITLE: CONTROL ROOM RELOCATION

Ward(s) affected by this report: ALL

Strategic Director: Nicola Yates, City Director

Report author: Simon Jones, Project Manager

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PURPOSE of the report:

To seek approval of funding for **Control Room Relocation Project** – a key decision by virtue of exceeding £500,000

RECOMMENDATION for the Mayor's approval:

1. The Mayor approves capital funding to the value of £6.5M for this project (being a key decision by virtue of exceeding £500,000) to cover:-
 - a. Design, build and fit-out of an accredited Control Room environment at 100 Temple – 2 South
 - b. Specification, procurement and implementation of modern systems (primarily for Telecare, Traffic Systems and CCTV) to replace end of life equipment, to support service delivery to the existing level and provide a platform on which new services can potentially be provided.
 - c. Co-location of existing staff into a new environment
 - d. Procurement of expert consultants to support project delivery
2. The Mayor notes the separate report relating to letting of a commercial concession to utilise spare capacity in the Council owned B-Net duct network⁴

⁴ The concession will generate significant revenues to help offset the requirements of the new Operations Centre and will provide a model for commercialising any new ducts developed in support of the expanded City Operations Centre (this is subject to separate Cabinet approval).

Background

B-Net

Fifteen years ago, BCC purchased a network of fibre and ducting from Rediffusion, the cable TV pioneer.

Since then, Bristol City Council has refurbished, extended and “lit-up” this network with high-capacity dark fibre to create B-Net, a high-speed, symmetrical digital network that is directly owned, managed and utilised by the Council.

B-Net consists of approximately 76kms of ducting, a majority of which is in active use. B-Net has been particularly helpful in underpinning city operations and management services including the cost effective roll out of CCTV and ANPR cameras, traffic signals information and real-time transport information. The ducts also support Bristol is Open, the Council's new joint venture with University of Bristol.

After making some allowance for BCC future needs, a concession to utilise spare capacity within the B-Net duct infrastructure was offered to the Telecoms market. Following a thorough period of dialogue and procurement, a concession has been awarded to a preferred provider, subject to Member approval.

The concession will generate significant revenues for BCC over a 20 year period. These will help to off-set the cost of establishing the Operations Centre. The concession has also been structured to allow for any new ducting, developed to support the work of the Operations Centre, to be offered to the concession provider, generating additional revenues for BCC.

Bristol Operations Centre

Estates rationalisation as part of the Bristol Workplace Programme (BWP) has created a requirement to vacate existing buildings in Brunel House and Wilder House, and to combine business-critical (24/7 in the case of ECC) control rooms into a single location.

The establishment of an integrated Operations Centre has potential to realise service efficiencies and provide a platform for future service development. The vision of the Bristol Operations Centre is:-

‘To create an integrated city-wide management, service delivery and collaborative centre for Bristol, focussed on the needs of citizens, and aided by an open information platform to aid innovation’

Following initial scoping work in summer 2014, Change Board commissioned work from an external consultancy (IBI Group) to detail the current and future operating models for services in scope, along with a business case to appraise the investment for the wider Operations Centre.

In August 2015, SLT revisited the options around specific location of an Operations Centre and it was agreed that 100 Temple – 2 South would be the strategic location. To enable this to happen, an extension of Brunel lease for 6 months was agreed because 2 South will be occupied to KPMG until early autumn 2016.

The proposal

The focus of this paper is on the establishment of infrastructure (accommodation and IT systems) and relocation of existing teams to the new control room environment. The business case for the wider Operations Centre is subject to a separate approval process.

Control Room Relocation Project

In May 2015, it was agreed that BWP would appoint a project manager to manage the immediate requirement to start planning around relocation of systems and staff into the strategic location.

The objectives of the Control Room Relocation project are:

- 1) **Design, build and fit-out of an accredited⁵ environment:** necessary for the organisation to realise its ambition to rationalise estates, and in particular to vacate Brunel House. In addition, existing contracts (that attract revenue of £1M per annum) are subject to services operating from an 'accredited' environment which meets a specific level of compliance. The accommodation component is expected to cost £4M
- 2) **Replacement of core systems and development of migration strategy:** to minimise risks to the organisation and service delivery. To maintain the status quo could result in critical system failures which is it estimated could cost the organisation £4.7M. The system component is expected to cost £3.4M
- 3) **Relocation of existing teams into the new environment:** Emergency Control Centre (Brunel), Traffic Control Centre (Wilder), CCTV Control Staff (John Couzens House)

This scope represents essential cost that the organisation will need to meet if it wishes to continue providing control room services in a new control room environment. It will be sensible during the planning period to accommodate capacity and capability for potential growth.

An anticipated move to an Operations Centre environment and an expected requirement for systems to be able to share information with each other has created an environment whereby existing system asset replacement investment has been significantly delayed, although systems were already approaching end of life. This has created organisational risk in terms of technical support, business continuity and disaster recovery.

Whilst BWP business case captured the benefits of moving out of Brunel by August 2016, it did not include the investment necessary to relocate/replace existing service specific systems. There was however £1.7m identified for relocation of systems at Wilder, which is allocated to the Control Room Relocation Project. The system funding

⁵ The physical environment and service provision within Control Rooms are subject to British Standards / European Union legislation, Telecare Services Authority (TSA) requirements and Alarm Receiving Centre (ARC) accreditation

shortfalls of up to £6.5m were reported to SLT and Change Board, primarily due to the need to replace end of life equipment as part of the move process.

The core systems to be replaced are: Telecare, Urban Traffic Management Control (UTMC) and CCTV. It would not be advisable to move existing core systems to the new environment given high availability requirement of the systems and technical risks associated with such a move.

Funding / Income

1. Minimum scope (*accommodation design/build, system replacement & relocation*) – £7.4M

2. Additional investment (*additional systems to realise service efficiency possible through co-location*) - £800K. *The income related to this option is estimated to be £8.4m over 10 years.*

The total cost for **minimum scope** and **additional investment** is £8.2M. BWP has identified a £1.7M contribution to this project. The Section 151 Officer has identified the remainder of the funding (£6.5M) to come from organisational reserves.

Assurance of these costs, funding sources and assessment of potential income has been provided by the Section 151 Officer.

Consultation and scrutiny input:

a. Internal consultation:

Requirements relating to decant of Brunel and Wilder control rooms has been considered as part of scrutiny under Bristol Workplace Programme.

Other internal consultation has been:-

- Consultation with Service Directors
- Bristol Workplace Steering Group
- Directorate Leadership Teams (Business Change and Place)
- Senior Leadership Team
- Change Board

b. External consultation:

A number of external parties are being consulted on future partnership joint working arrangements.

Other options considered:

None - business critical service to be re-provided as result of Bristol Workplace Programme

Risk management / assessment:

FIGURE 1							
The risks associated with the implementation of the (subject) decision :							
No.	RISK Threat to achievement of the key objectives of the report	INHERENT RISK		RISK CONTROL MEASURES Mitigation (ie controls) and Evaluation (ie effectiveness of mitigation).	CURRENT RISK		RISK OWNER
		(Before controls)			(After controls)		
		Impact	Probabilit		Impact	Probabilit	
1	Specialist requirements - specification of control room accommodation and systems create internal capacity and capability risk	HIGH	HIGH	Appropriate engagement of expert consultants	HIGH	LOW	Steven Pendleton
2	Procurement process issues/timescales	MED	MED	Supplier competition and value confidence through use of standard procurement frameworks, dedicated procurement resource to manage supplier contract negotiations	MED	LOW	Steven Pendleton
3	Overspend / cost uncertainty	MED	MED	Establishment of risk contingency within project budget to accommodate overspend	MED	LOW	Peter Mann
4	Service downtime during migration period(s) resulting in failure against CCTV and telecare standards. Significant risk a serious incident/loss of life due to not being able to respond to a critical incident e.g client activating alarm due to having a heart attack	HIGH	HIGH	1) Development of business owned migration strategy Procure and implement 'core' systems directly into new environment	HIGH	LOW	Peter Mann
5	Failure to integrate future elements of Operations Centre that are not yet approved – business unit, intelligence centre. Could lead to wasted expenditure, procurement of incompatible systems, failure to deliver full benefits	MED	MED	Ensure future elements work stream is integrated into delivery works stream at earliest opportunity – steering group to oversee both projects simultaneously	LOW	LOW	Steven Hilton

FIGURE 2							
The risks associated with <u>not</u> implementing the (subject) decision:							
No.	RISK Threat to achievement of the key objectives of the report	INHERENT RISK		RISK CONTROL MEASURES Mitigation (ie controls) and Evaluation (ie effectiveness of mitigation).	CURRENT RISK		RISK OWNER
		(Before controls)			(After controls)		
		Impact	Probabilit		Impact	Probabilit	
1	System and organisational resilience: currently creating operational (technical / service delivery) and organisational risks (reputational / liability). The probability of risk realisation will increase as time progresses.	HIGH	HIGH	Replacement of core IT systems with modern, supported systems	HIGH	LOW	Peter Mann / Nick Hooper
2	Estates Strategy: Brunel	HIGH	HIGH	Relocation of control rooms into	HIGH	LOW	Robert Orrett

	and Wilder Control Rooms in buildings BWP does not plan to retain in the longer term.			strategic location – 100 Temple 2S			
3	Financial: Existing control rooms need upgrade, would need to do same work twice which may incur additional costs. Failure to combine control rooms will remove resource efficiencies and potentially result in failure to attract additional income	MED	HIGH	Deliver one new operations centre, ensure co-location is adopted and resource efficiencies delivered	MED	LOW	Peter Mann / Nick Hooper
4	Reputational: Bristol has a reputation for being forward thinking and engaging with new technologies, failure to develop the new operations centre would be damaging both internally and externally – general public, private sector	LOW	MED	Deliver operations centre and engage fully with both internal and external partners	LOW	LOW	
5	City Management: A growing city requires adequate management. New developments on the northern fringe, The Arena and the Enterprise Zone will all put significant additional pressure on existing resources. The arena in particular requires cross departmental management which is currently not viable	HIGH	HIGH	If Operations Centre not delivered existing control centres will need to be expanded and fitted with new technologies to enable joint working and management of major events and significant increases in traffic and population	MED	MED	Peter Mann / Nick Hooper

Public sector equality duties:

Equality Impact Assessment not required

Eco impact assessment

The significant impacts of this proposal are:

Positive

Co-location of services at three sites into a single operations centre, in a more energy-efficient building equipped with solar pv panels.

Procurement of more modern equipment should reduce energy consumption and cooling demand.

New site at 100 Temple Street provides comprehensive facilities for sustainable modes of travel

Negative

Disposal of redundant equipment sited in the existing operations

Fit-out of new accommodation

Potentially, additional ducting for telecoms upgrades

The proposals include the following measures to mitigate the impacts

- Issues related to accommodation changes are covered by the existing BWP Cabinet report, available at:
https://www.bristol.gov.uk/committee/2012/ua/ua000/0704_11.pdf

- Redundant equipment should be disposed of in accordance with the waste hierarchy, with a focus on local re-use where possible
- New equipment will be energy efficient

The net effects of the proposals are

In the long-term, net impacts are anticipated to be positive

Resource and legal implications:

Finance

a. Financial (revenue) implications

b. Financial (capital) implications:

The move of the control room is needed because of the rationalisation of the Council's estate and as such it requires funding to the minimum scope of £7.4M

The opportunity to enhance the service provided and to provide an income generating option comes at an additional cost of £800k. The initial view of the income generation suggests an opportunity to increase income by some £8.4m over 10 years, i.e. the small upgrade should pay for itself within a year and then after should provide the Council with an income stream greater than the investment required for the whole control room move.

None of this income generation would be facilitated by the minimum scope option and even if the income generated only achieved 25% of that planned, the additional funding would be paid back within 4 years.

The opportunity provided by the additional investment is recommended as both a financial and service opportunity for the Council. Funding has been identified from both the BWP budget and from reserves which could be repaid by income from the control centre in future years.

Advice given by: Mike Allen, Finance Business Partner

Date: 3 September 2015

Comments from the Corporate Capital Programme Board:

Not Applicable

c. Legal implications:

The procurement procedures will need to comply with the Public Contracts Regulations 2015 and the Council's procurement rules.

The design, build and fit-out will be a works contract and, whilst it is sub-threshold, our rules require either a restricted or an open procurement.

The systems/migration element will likely contain elements of supply and services and the nature of the contract will be determined based on which element is of the greater value. However, the threshold is £172k for both supplies and services and therefore a full EU compliant procurement will be required.

Advice given by Eric Andrews, Solicitor
Date 10 September 2015

d. Land / property implications:

The relocation of control rooms from Brunel House and Wilder House is part of the overall Bristol Workplace Programme. There is approved provision for relocation costs. Closure and disposal of the Council's interests in those two properties will save over £2m per annum total premises costs.

100 Temple Street has been identified by analysis as the optimum location for the new control centre. It provides good quality building, capacity, sustainable travel, resilience and synergy with other Council staff. The design will be compliant with technical standards applicable to this use, combine accommodating the Council's existing function and allow for expansion.

Advice given by Robert Orrett, Service Director, Property
Date 25 September 2015

e. Human resources implications:

Staff will need to be fully consulted on the move from their existing work bases into the new control room base at Temple Street. While this is unlikely to represent a change of terms and conditions, any issues such as access, parking and transport will need to be explored with the affected staff to ensure a smooth transition. Aside from this, there are no further HR implications arising from the report.

Advice given by Alex Holly, People Business Partner
Business Change, Talent and Resourcing
Date 7 September 2015

Appendices:

None

Access to information (background papers):

None