Appendix A1	
Title: Bristol Is Open Update: Further Information	
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1. Background:

1.1 Between 2013 and 2014, Bristol City Council was awarded £5.3m funding from the Department of Culture Media and Sport / Building Digital UK's Super- Connected Cities programme to develop the 'Open Programmable City' - Bristol Is Open 'research and development test bed' project. (Referred to as 'Bristol Is Open, hereafter) The original vision for Bristol Is Open was to create a physical network infrastructure where companies, and city organisations can test communications technology in a real-world environment – it was unlike anything else that existed in the world at the time.

1.2 The project, involved the purchase and installation of ducting and fibre, linking to a number of nodes on the network (located at We The Curious, Watershed, Engine Shed and the University of Bristol) and a wide area wireless mesh network. This infrastructure relies on a network of ducts that Bristol City Council bought from a cable TV company more than a decade ago. Subsequently, the ducts were refurbished and used to network Council buildings and beyond. The duct network was extended to reflect the city's changing business footprint.

1.3 To take forward Bristol Is Open, a Joint Venture Company, BRISTOLISOPEN LIMITED (company number 9302408) was established by Bristol City Council and the University of Bristol (UoB) in April 2015.

1.4 Since its establishment, the BRISTOLISOPEN LIMITED has delivered a number of benefits for Bristol including:

- Enhancing the city's profile for being a leader in the smart city sector in the UK and internationally, helping Bristol win a number of awards: TM Forum Global Innovator of the Year; World Communication Awards 'Smart City of the Year'; Global Mobile Award for Smart City, and top spot on Huawei's Smart City Index.
- Raised the profile of Bristol in collaborative working in this area.
- As a joint venture, the company has completed many technical trials and experiments - for the University of Bristol this has supported their world leading 5G network research, and helped to put the University and the City on the world stage.
- As an asset, it helped the City's organisations leverage grant funding linked to research and development e.g. REPLICATE and other Horizon 2020 projects.

1.5 Some of the specific projects BRISTOLISOPEN LIMITED has supported have included:

- ***Harbour-side Safety Use Case****,* West of England Combined Authority (WECA), (Department of Culture Media Culture & Sport funded) 5G Tourism Public Safety project:

- o Working in collaboration, BRISTOLISOPEN LIMITED utilised the extensive research and development infrastructure to successfully trial a mix of technology using Infra-Red and High Definition CCTV and software to enhance the approach to water safety. Sensors were used to create virtual barrier lines across the water's edge. When the line is breached by a person who might have fallen into the harbour, the images are beamed straight to the Bristol City Council's Operations Centre through simulated 5G mobile technology. Operations staff can then check the cameras and alert Fire and Rescue teams allowing rescue boats to get to the scene quickly. The high speed connectivity enables very precise information to be transmitted to the emergency service teams. This has shown that we can inform the decision processes that would enable a safer harbour-side and reduce the loss of life.

- *Smart Home/Energy use case as part of the REPLICATE project .*
  This a European project, in which BCC and BRISTOLISOPEN LIMITED have been working closely with six local partners and European partner cities, Florence (Italy) and San Sebastian (Spain). These cities are testing different smart solutions that if proven successful could be scaled up and help influence production and delivery of innovative smart technology solutions to address city issues in areas such as energy and mobility.

  - o BRISTOLISOPEN LIMITED developed a mobile-friendly website, from which householders could monitor their home electricity consumption in real-time and get analytics on their daily/weekly energy consumptions. This helps users to identify where electricity is being consumed by electrical appliances while they are switched off (but still plugged into an outlet) or in standby mode.

  - o From a technical point of view, one of the main goals was to make sure that the data from the REPLICATE project home sensors would be available to use to inform wider energy projects. The Bristol is Open network and data platform has been designed to store and distribute the data collected from the 150 home units and the various devices from the 11 other consortium partners data.. This not only contributes to improving the user's quality of life as they make monetary savings but at the same time it helps them to take care of the planet.

  The below video link provides an overview of REPLICATE;

https://www.youtube.com/watch?v=Uhp0M5vNOZs&feature=youtu.be

- *The Open Programmable City Region Programme*), has involved the extension of the original Bristol Is Open network, focussed in the City Centre, out in a spur to South Bristol, to be connected to the Knowle West Media Centre. The project is still ongoing, will end in March 2023. When fully realised – will create the following outcomes for Bristol and its associated communities, businesses and institutions:
  - o Connect physical infrastructure (duct & fibre) to areas of South Bristol to enable the use of new technologies to help develop skills and education opportunities for local residents and businesses.
  - o Increase the capability of Bristol's 'Living Lab' located at Knowle West Media Centre, leading to the development of technology solutions addressing real community issues.
  - o Enable the creation of jobs directly attributable to the roll out and operations of the new network.
  - o Attract companies to accelerate development of applications and products where access to the Bristol Is Open network will reduce the time to market.

- o Attract companies through the access to hyperfast connections and the availability such as Cloud based data and application hosting
- o Increase the attractiveness of the connected Enterprise Zone in Bristol and surrounding Enterprise Areas

Please see Appendix A2 for further OPCR Project detail.

2. Transfer of ownership of JV company, and process of assessing next steps for Bristol Is Open

2.1 Following three years of operation, Bristol Is Open was moving out of its research and development phase, and in April 2019, Cabinet approved a revised ownership structure for the Company, which involved the Council's acquisition of the University of Bristol's shares in BRISTOLISOPEN LIMITED. This led to the Council becoming the sole shareholder of the company, owning 2 ordinary shares and 700,000 redeemable preferences shares.

2.2 This was a joint shareholder decision aimed at re-positioning Bristol Is Open in order to support the Council to focus on the citizen facing benefits of the smart city agenda, which included supporting the roll out of the OPCR (Open Programmable City Region) project and the final stages of the REPLICATE project.

2.3 Following the completion of the share purchase in December 2019, the Council has carried out an options analysis and technical assessment in order to make recommendations to support the next phase of the Bristol Is Open project given that it is now that it is under the full ownership of the council. This review has considered:
- the limited commercial opportunities available to the BRISTOLISOPEN LIMITED company at this time
- financial and technical requirements for the delivery of the remaining grant obligations of the OPCR project and REPLICATE project
- requirements of the underpinning network which remains under the ownership of the Council
- it has also taken into account the wider strategic context of the Council and City's smart city agendas, to determine whether a commercial delivery vehicle is required at this point in time.

2.4 The review has concluded that, given that REPLICATE and OPCR are nearing the end of their delivery phase (March 2021), the best value delivery of mechanism going forwards for the is to transfer the responsibility for completing those obligations to Bristol City Council.

2.5 These commitments specifically include:
- Completing the connection activities and providing maintenance support for the extension of the current city network out to the south of Bristol (OPCR project) to 2023
- Continuing to provide ongoing support and maintenance to the REPLICATE Smart Platform to ensure the project use cases can be concluded.

3. Benefits and costs associated with BCC taking on BRISTOLISOPEN LIMITED staff under TUPE regulations.

3.1 In order to deliver the grant obligations, it is proposed that those BRISTOLISOPEN LIMITED staff with the necessary skills to deliver grant obligations will be required to transfer under TUPE [Transfer of Undertakings (Protection of Employment) Regulations

2006]. The 5 staff are technical specialists whose particular skills are required for the completion of the technical activities, and for the maintenance of the infrastructure in business as usual.

3.2 The benefits of BCC taking on taking direct control over the BRISTOLISOPEN LIMITED staff under the TUPE regulations are the following:
- Greater control over cash flows, to ensure that the cost of spending on the programmes do not exceed stated budgets.
- Improved BCC oversight over the delivery of the OCPR deliverables.
- Improved strategic planning capacity in relation to the future of the Bristol Is Open network (owned by BCC)
- Improved management support and supervision for the 5 remaining technical staff who deliver and maintain the network.
- Enhanced collaboration between the Connected City Service, and ICT Service in relation to smart city ambitions.

3.3 By transferring these responsibilities, this will enable greater efficiency, by supporting the current overhead costs associated with running the company to be further reduced, and future costs avoided; this includes administrative, project management, business development and general management costs.

3.4 There are also strategic benefits, in that this enables Bristol City Council, to take forward all future development activities in relation to Bristol Is Open, which includes future development of the network infrastructure and future strategy development around Smart City innovation in line with the Councils Connected City and digital transformation agendas.

3.5 The estimated financial impact of the transfer of responsibilities will be £359k which includes salaries, and technical support contracts which will support the completion of remaining projects and any ongoing maintenance of the OPCR network. It is intended that this cost will be in the first instance met by an estimated £250k of the risk reserve approved by Cabinet in April 2019 for the project, with any additional costs being absorbed into existing Digital Transformation, or OPCR budgets. An estimated £219k of the same risk reserve will be drawn down to cover with cash support provided to BRISTOLISOPEN LIMITED for payroll costs, and unbilled rent for office accommodation up to 30th June 2020, with a further estimated £31k expected to be required to run BRISTOLISOPEN LIMITED as an inactive company for the remainder of 2020/21.

3.6 There are no particular implications of COVID-19 to note in relation to the proposed staff transfer, they will in the immediate term be supported with the ability to continue to work from home, as they are currently as per national guidelines, until such time a change in arrangements are formalised within the ICT Service.

5. Planned Activities related to the transfer of responsibilities from BRISTOLISOPEN LIMITED to the council:

5.1 The Report seeks approval for the Council to take direct control over the delivery of the OPCR (Open Programmable City Region Project) and the transfer of BRISTOLISOPEN LIMITED's responsibilities under the REPLICATE project.

5.2 In relation to the former (OPCR), this might involve the novation of any existing BRISTOLISOPEN LIMITED agreements to Bristol City Council and the mutual termination of the existing contract for services between BCC and BRISTOLISOPEN LIMITED**.**

5.3   In relation to the latter (REPLICATE), the withdrawal and assignment of BRISTOLISOPEN LIMITED's responsibilities to BCC will involve discussions with and agreement of the partners to the REPLICATE Project.

5.4   Those BRISTOLISOPEN LIMITED staff with the necessary skills to deliver grant obligations required to transfer under TUPE [Transfer of Undertakings (Protection of Employment) Regulations 2006], have already been informally consulted with by BRISTOLISOPEN LIMITED. If approved, the staff would transfer to the Council on 1 July 2020, subject to the completion of a formal consultation.

5.5   Following the transfer of all remaining liabilities it is intended that the BRISTOLISOPEN LIMITED company is retained with no staff members in an inactive form. By retaining the BRISTOLISOPEN LIMITED company, the council retains the flexibility of keeping the name, brand, and any intellectual property associated with the company in a form which can quickly and easily be utilised as we explore the next phase of Bristol's smart city ambitions. The benefits of this may include for example being able to build on the strong reputation the project has developed internationally, to explore future funding or partnership opportunities.

5.6   Smart city research and development remains key to the region's economic growth, and the proposals contained within this paper are designed to support Bristol City Council to reposition Bristol Is Open so that it can support the region to develop fit for purpose infrastructure for future needs. Smart City research and development will assist Bristol businesses to succeed and develop world class skills and employment opportunities, and support residents to benefit from a stronger economy and higher quality of life.

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