	CORPORATE LEADERSHIP TEAM MEETING 31 October 2017

V3 DRAFT TOWN CENTRE WI-FI AND FOOTFALL COUNT SOLUTIONS

Checks (Please confirm that checks have been completed)

Legal	☐	**Finance**	☐	**HR**	☐	**ICT**	☐

Item for Decision	X	**Item for Discussion**	☐	**Item for Information**	☐

PURPOSE OF THE REPORT

1.0 To gain approval from CLT for a report to be presented to Cabinet on 14 November 2017 to request that Cabinet delegate authority to award the contract for town centre public WiFi and footfall count solutions to the Chief Executive in consultation with the Portfolio Holder.

CONTEXT

2.1 Procurement

The Business Focus team has been exploring ways of providing free WiFi and footfall counting solutions within the town centres of Ashby and Coalville.

It is proposed that the council procure a five year contract (an initial three year term plus two optional 12 month extensions) for WiFi and footfall count solutions to cover proposed locations in Ashby and Coalville town centres, with enough flexibility to make small adjustments to the service as needed during the life of the contract, such as the locations covered. The contract would be for the installation, support and maintenance of free town centre WiFi and footfall count solutions and provision of monitoring data / management information.

Soft market testing has been undertaken which has placed the estimated value of the contract at approximately £110,500 (capital costs and five year revenue costs). It is possible that any increases to coverage during the life of the contract, as well as the requirement for the supplier to manage the installation process, could increase the total value above £110,500.This contract will be procured in compliance with the constitution (contract procedure rules) and all relevant procurement legislation.

The decision to go ahead with procurement does not amount to a decision to go ahead with installation. That decision will be based on the quality of submissions during the tender process and subsequent due diligence.

2.2 WiFi

The *Leicestershire Market Towns Research* report of August 2016 identified free town centre WiFi as being of vital importance to market towns and a 'must have' to meet the expectations of consumers[1]. Similarly, the Great British High Street's *Digital High Street 2020* report of March 2015 asserted that public access WiFi is a critical element of the digital infrastructure that is necessary to revitalise the high street[2].

The Office for National Statistics has reported that 73% of adults in Great Britain in 2017 access the internet 'on the go' using a mobile phone or smartphone (compared to 36% in 2011)[3]. Ofcom report that 72% of those aged 16 and above use a smartphone, and adults are now more likely to access the internet via smartphone than by computer[4]. The extent of this increase in mobile internet usage over a relatively short period of time has almost certainly fed into a growing sense of expectation from the public that free WiFi provision should be part of the infrastructure of a town centre.

The benefits of free public WiFi include:

- Town centre users not having to rely on 'patron-only' networks in order to access WiFi.
- Users save on their mobile data and associated charges. This promotes increased use of smart devices, which encourages increased the dwell time within town centres.
- It is anticipated that when users access the council's free WiFi service they would have to register. This would present the opportunity to build a database of users to whom marketing could be targeted electronically.
- The landing page for the free WiFi could be used to promote various facets of the town centres, including promotion of events, attractions, business offers, and the shopping experience.
- Greater consistency of mobile internet coverage.
- Addressing the digital needs and expectations of town centre users.
- Potential use by businesses.

2.3 Footfall count solutions

---

[1] ERS (2016) *Leicestershire Market Towns Research.* Available at https://www.llep.org.uk/strategies-and-plans/leicestershire-market-towns-study/

[2] Digital High Street Advisory Board (2015) *Digital High Street 2020 Report.* Available at: http://thegreatbritishhighstreet.co.uk/pdf/Digital_High_Street_Report/The-Digital-High-Street-Report-2020.pdf

[3] Ofcom (2017) *Adults' Media Use and Attitudes.* Available at: https://www.ofcom.org.uk/__data/assets/pdf_file/0020/102755/adults-media-use-attitudes-2017.pdf

[4] Office for National Statistics (2017) *Internet Access – Household and Individuals 2017 – Statistical Bulletin.* Available from: https://www.ons.gov.uk/peoplepopulationandcommunity/householdcharacteristics/homeinternetandsocialmediausage/bulletins/internetaccesshouseholdsandindividuals/2017

The Business Focus team currently organises monthly footfall counts. These are manual footfall counts in Ashby (at 4 locations) and Coalville (at 5 locations) on the fourth Thursday of each month. This is a resource intensive exercise, which requires the input of 9 council officers, but still only provides 30 minutes of footfall data per month.

In contrast, footfall counting technology has the capacity to provide footfall data for 24 hours a day over 365 days a year. This breadth of data can accordingly be used to analyse the performance of a town centre in much greater depth and detail. For instance, continuous footfall data can be used as follows:

- To provide a clear performance framework for Ashby and Coalville town centre.
- To gain a greater understanding of usage patterns for both the daytime and evening economies.
- To track footfall trends in the town centre over the longer term for multiple locations.
- To ascertain the additional footfall when there are events in the town.
- To provide data for use in funding applications.
- To establish baseline data prior to significant investment in the town.
- To provide evidence of return on investment.
- To monitor progress towards each town centre's strategic vision.
- To illustrate trading conditions to attract new businesses into the town centre and potentially challenge perceptions on footfall.
- To indicate footfall trends and potential comparisons to other centres (where shared data is available).
- By detecting early warning signs of change, so that relevant strategies can be devised and implemented.
- Some of the footfall counting technology that is available on the market enables the identification of patterns of movement within a town centre, as well as information relating to dwell time and the proportion of town centre users which are repeat visitors or new visitors.

2.4   Other council services use of data.

Once footfall counting is in place, Business Focus would use internal communications to make other council services and officers aware of the availability of the footfall counting resource. Cultural Services and Coalville Market have both expressed their desire to access the data. For instance, Cultural Services wish to evidence how many people attend town centre events, and how this has an impact on footfall across the town centre.

Provision of footfall counting technology at Coalville Market would record the footfall within the Market and evidence if the amount of footfall increases when market based events and activities are run, as well as when other town centre events take place.

RESOURCE COMMITMENTS

3.0 It is proposed that the Business Focus Town Centres Officer would be the data manager for the footfall data and would be responsible for preparing regular data reports.

3.1 The Town Centres Officer would be supported by the Knowledge Officer and the Technical Support Officer. The Town Centres Officer would prepare a monthly report that would present data changes and trends in town centre footfall and pedestrian flows. These reports would be made available internally to various teams within the council and potentially to other stakeholders.

FINANCIAL IMPLICATIONS

4.0 Please see Appendix 1 for a breakdown of the estimated costs and funding for WiFi and footfall count solutions in Ashby and Coalville town centres.

4.1 The estimated value of a contract for 5 years is £110,487.25 and would be procured in compliance with the constitution (contract procedure rules) and all relevant procurement legislation. The above sum is based on a proposal that has been provided by a company that specialises in providing WiFi and footfall counting technology.

4.2 The total estimated installation costs for WiFi and a footfall count solution for both Ashby and Coalville town centres is £57,412.25. External funding of £20,000 has been offered towards installation costs. Leicestershire County Council has offered £15,000 of funding, and £5,000 of LLEP funding has been offered through the Leicestershire Market Towns Digital High Street Project that is administered by Leicestershire County Council. The remainder of the installation costs would be met by North West Leicestershire District Council (estimated at £37,412.25). The total estimated revenue costs for WiFi and a footfall count solution for Ashby and Coalville town centres is £10,615 per annum. Over five years this equates to a total of £53,075. The annual revenue costs would be met by North West Leicestershire District Council.

4.3 Please see further details regarding the various sources of funding for this project and their security in Appendix 1. There is sufficient funding available to cover the capital cost of installation of WiFi and footfall counting technology. With regards to funding of the ongoing revenue costs, funding from the Business Focus budget has not yet been allocated beyond 2019/20. In respect of the revenue contribution for the share of costs relating to Coalville Market, this funding has not been committed beyond 2017/18.

4.4 As part of the tender process, suppliers would be requested to manage the installation process. The supplier would be responsible for reaching agreement with the owners and occupiers of premises, or any other types of structures, on which the WiFi and footfall counting technology may be installed. This would include the supplier having responsibility for agreements to access power supply. The tender specification would request that the supplier obtains all necessary permissions, which may include planning permission and building regulations approval. This degree of management would demand significantly more input from the supplier than was reflected in the WiFi and footfall count proposal supplied to the Business Focus team, on which the above cost estimates are based. Consequently the price of the tenders may increase to reflect the increased level of input from the supplier.

RISKS

5.0 The following risks have been identified during development of this proposal to date, with proposed mitigation explained below.

Risk	Mitigation
Inability to secure necessary permissions (e.g. planning permission, building regulations)	It is intended that the supplier would be responsible for obtaining all necessary permissions, which may include planning permission and building regulations approval. As part of the tender process, potential suppliers would have to detail their proposed delivery method
Inability to secure permissions from owners or occupiers of premises/structures on which equipment would need to be attached	It is intended that the supplier would be responsible for the installation process, including reaching agreement with the owners and occupiers of the properties/structures on which the WiFi and footfall counting technology may be installed. This would include responsibility for agreements to access power supply. As part of the tender process, potential suppliers would have to detail their proposed delivery method.
Technical issues (e.g. poor connectivity)	The tender process will require potential suppliers to demonstrate their experience of successfully delivering similar projects in other towns. Business Focus propose to work with colleagues in ICT to help anticipate possible technical issues.
Obsolescence of technology	There is a risk that the technology may become obsolete. Although this is difficult to predict, Business Focus propose to work with colleagues in ICT to understand the technology that is being proposed by suppliers to help to assess its future sustainability.
Unreliability of data gathered by footfall counting solution	Potential suppliers will be invited to explain the accuracy of the data supplied by the solution and how they will 'future proof their solution. Responses will be assessed as part of the procurement process and related due diligence. The decision to go ahead with procurement does not amount to a decision to go ahead with installation.
Lack of financial resources	Due to the complex nature of the project, it is possible that the tenders might be higher than anticipated - for capital and/or revenue costs. The decision to go ahead with procurement does not amount to a decision to go ahead with installation.

RECOMMENDATIONS

6.0 That CLT approves that a report will be presented to Cabinet on 14 November 2017 to request that Cabinet delegate authority to award the contract for town centre public WiFi and footfall count solutions to the Chief Executive in consultation with the Portfolio Holder.

VALIDATION PROCESS

7.0 This report has been developed following consultation with economic development officers at County and neighbouring districts, LLEP, Ashby Town Council, members of the Business Focus team and the Head of Economic Development.