

COUNCIL
17 MAY 2018

**REPORT OF CABINET – MATTERS WHICH REQUIRE A
DECISION BY COUNCIL**

Worcestershire 5G Consortium

Recommendation

- 1. The Cabinet recommends that Council notes the additional £4.81 million income and matching expenditure that will form part of the Economy & Infrastructure revenue budget in 2018/19 for the Worcestershire 5G Consortium project.**

Background

2. The Worcestershire 5G Consortium has been successful in its bid for Government funding to test and explore 5G (fifth generation). Understanding of 5G technology is emerging, it will build on the foundation created by 4G Long Term Evolution (LTE), the current standard. This has the potential to revolutionise the Internet of Things (IoT).
3. From its launch, the Worcestershire 5G Consortium will begin one of the country's most comprehensive industrial 5G Testbed trial with a team of 5G specialists and business experts pioneering the concept of 'Industry 4.0' i.e. the current trend of automation and data exchange in manufacturing technologies. The consortium of partners includes national network operators and research and development facilities.
4. The 5G Testbed will provide a revolutionary platform for local and national businesses to develop next-generation technology focused on improving the UK's industrial productivity. Founder companies Worcester Bosch and Yamazaki Mazak have already been selected to experiment with preventative and assisted maintenance using robotics, big data analytics and augmented reality. QinetiQ, the multinational defence technology company, will use the Test Bed to advance cyber security application, providing assurances on the 'security by design' of IoT technology.
5. Worcestershire is one of the fastest growing economies in the country. As part of the 'Open for Business' agenda and promoting World Class Worcestershire, the County Council works in conjunction with Worcestershire's Local Enterprise Partnership (WLEP) on programmes and projects that drive economic growth for the county, as part of the Strategic Economic Plan. In November 2016 colleagues in Worcestershire, including representatives of Cabinet, WLEP Board, senior County Council officers and partners from the local district councils, identified that Digital Connectivity would continue to be an important strand of this work and in particular noted the opportunities presented by the development of 5G technologies.

6. Since November 2016, considerable work has taken place developing the connectivity plans within Worcestershire. This preparatory visionary work was given a 'call to action' in the shape of a national funding programme launched by the Department for Digital, Culture, Media and Sport (DCMS) which invited applications for funding for a Phase One 5G Testbed and Trials Programme.

7. The Worcestershire 5G Consortium submitted one of only six successful bids into Phase One of the Government's 5G Testbed and Trials programme to test and explore 5G connectivity to revolutionise the way future business will operate both in the UK and globally. The Worcestershire 5G Consortium has secured £4.8m in grant funding from the Government, and £3m in contributions from the partners over an initial 12 month period to deliver one of the country's most comprehensive industrial 5G testbed and associated trials. This could give Worcestershire businesses the opportunity to be at the forefront of innovative new technologies with the aim of creating new jobs, educational programmes and driving internal investment into the county.

Project Summary

8. The aim of the project is to deliver a quantified assessment of how 5G technology can increase industrial productivity and support new business models.

9. The testbed will comprise of 5 individual and interconnected indoor test areas located at:

- Yamazaki Mazak
- Worcester Bosch Group
- QinetiQ Malvern
- Malvern Hills Science Park (MHSP), and
- Heart of Worcestershire College (planned as next phase connection).

10. The businesses and organisations at these sites are part of the 'trials' and are supported by the other partners in the bid including; Telefonica, BT, Huawei, AWTC and 5G Innovation Centre at the University of Surrey. WLEP and the County Council take on the role of lead partners managing the programme, processes and coordinating activity.

11. With Worcestershire as the exemplar, the benefits of this investment will be:

- to put the Midlands Engine at the heart of the UK in Advanced Manufacturing
- to stimulate use cases to improve productivity and improve underperformance
- used as a fundamental building block of the Midlands Engine Vision for Growth and our response to Section 2.19 of Government's Midlands Engine Strategy, and
- to help to bridge the £54bn gap in productivity.

12. Within the 5G testbed trials, local businesses, namely Worcester Bosch and Yamazaki Mazak, will focus on ways to increase industrial productivity through preventative and assisted maintenance using robotics, big data analytics and Augmented Reality using 5G technology. The cyber security aspect involves QinetiQ providing assurances on the 'security by design' of 5G and IoT technologies.

13. Whilst the initial trial focuses mainly on 'industry' and 'security' type applications of 5G technology the social benefits it may present are not being overlooked. The project includes work with the Heart of Worcestershire College and University of Worcester, seeking to establish new content and courses to ensure local students have the opportunity to learn about new technologies and skills for the expectant changes in the job market.

14. Partners are excited by the opportunities that 5G technology could offer and recognise there is an element of risk in the work being undertaken as testing and trialling new technologies and pioneering new models are not without their inherent risks. The combination of partners within the project consortium offers a balance of small and medium sized enterprises through to global organisations. All commercial partners have been required to contribute financially to the project and are evidently committed to make the project a success.

The role of Worcestershire County Council

15. The Council will not be delivering the project in totality but will secure project and programme management and subject matter experts in conjunction with WLEP using part of the grant award and will act as the accountable body for the grant, receiving it on behalf of the consortium. The amount of grant awarded to the consortium for the 2018/19 period is £4.81 million. As a public body the Council is able to claim back 100% of eligible costs incurred on the project. It is anticipated that the grant would be used to fund additional revenue spending during 2018/19 only. The additional income and matching expenditure would form part of the Economy & Infrastructure budget in 2018/19. The Council, in conjunction with partners, also has a role to "champion" the project across the country.

16. The Cabinet has endorsed the work undertaken on the project, noting both the Council's role as the lead partner and accountable body for WLEP (managing the programme, assuring and financing partners' claims and drawing down the funding) and the potential opportunities and risks that accompany the project. The Cabinet has authorised officers to finalise and agree the necessary agreements to progress and support the programme and to take necessary actions to progress and support the Worcestershire 5G Consortium, including supporting investigations for alternative funding sources to potentially extend the project.

New Capital Investment - Social Care Case Management System

Recommendation

17. The Cabinet recommends that Council approves the addition of £2 million to the Capital Programme for Social Care Case Management System replacement and the capital cash limits be updated accordingly.

18. The current social care case management system for the Council is the Framework-I suite for Adults and Children's Services. This was procured more than ten years ago and whilst it continues to provide vital support is nevertheless reaching the end of its life cycle. The existing system will not be supported by the current provider from December 2018 so there is a need to consider a replacement.

19. The current options available through the social care IT sector which has undergone significant change over recent years will be considered, and investment will be needed in a replacement system to support the Council's existing and future needs. An effective system is crucial to supporting service transformation across Children's and Adult services.

20. The replacement of this system will be complex involving experts from across the Council and will be managed by the Director of Children, Families and Communities with the support of a Steering Board. The Cabinet Member with Responsibility for Transformation and Commissioning will also be on the Board.

21. The proposed benefits will be:

- Improved quality of social care service delivery through IT systems that are up to date and maintained in line with latest professional practice
- Resilient and stable IT platforms that do not compromise productivity
- Compliance with statutory requirements around practice and legislation
- Capability to extract and analyse high quality data for better service delivery
- Provides a trusted and secure platform for partners and residents to share information and engage with Council delivered and commissioned services.

22. Approval of the allocation of £2 million from the existing contingency within the Capital Programme for the replacement of the social care case management system is therefore sought. There is also the potential for additional revenue costs in 2019/20 which will be dependent on the solution selected once procurement is complete. These will be considered as part of the Council's budget setting process.

Mr S E Geraghty
Chairman

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Background Papers

In the opinion of the proper officer (in this case the Head of Legal and Democratic Services) the following are the background papers relating to the subject matter of this report:

Agenda and background papers for the meeting of the Cabinet held on 19 April 2018.