

Committee(s)	Dated:
Policy & Resources Committee	16/02/2017
Subject: Future City and Smart City Update	Public
Report of: Director of the Built Environment	For Decision
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Summary

This report notes that the City Corporation is preparing its updated mission statement, vision and ambitions and that these will be before Members in the Spring. Meanwhile the report shows that the City Corporation is making practical progress while the vision and ambitions are being refined and that further steps will be taken during 2017 to implement the agreed mission statement and ambitions for the future city. It explains the importance of 'smart city' initiatives to the overall vision and seeks approval and funding for further 'smart city' work to be undertaken.

Future City is a change programme aiming to ensure the City's continuing competitiveness as a thriving international financial and business centre and as a centre of innovation. It recognises that the future City will need to be 'smart', relying on greater use of new technology, collaboration and other innovations to create a 'smart city' that is competitive, innovative, resilient, open, inter-connected and intelligent. In order to achieve these aspirations the City Corporation needs to improve its understanding of future trends and technological possibilities in order to be in a position to exploit them for the future City's benefit so that it continues to compete with innovations in global competitor cities. Therefore interim funding is being sought for a programme of smart city initiatives in 2017 to enable the City Corporation to increase its experience of new technology applications and its appreciation of how they could benefit the future City in the longer term. The interim funding is to help build momentum while we establish the nature and extent of longer term funding required.

Recommendation(s)

Members are recommended to:

- i. Note the contents of the report concerning the recent progress made and future initiatives expected to help deliver the place elements of the City's emerging mission statement, vision and ambitions.
- ii. Note the contents of the Initial Strategy for a Smart and Innovative City (summarised in paragraphs 8-10)
- iii. Agree to the proposed Smart City Initiatives for 2017 (set out in paragraphs 17-20).
- iv. Agree to a funding request of £200k for interim funding for the programme of smart city initiatives for 2017.

- v. Note the intention to seek funding for additional permanent staff to progress the smart city agenda longer term.

Main Report

Background

1. The City Corporation is in the process of defining its 'Future City' mission statement, ambitions and the programme of work to deliver it. This work is progressing through new officer governance arrangements based on three Steering Groups (People, Place and Prosperity) and two Delivery Groups (Strategic Resources and Customer Services). The work will influence the Corporate Plan Review and this will then set the context for the annual review of departmental Business Plans and individual Performance Plans. These changes will ensure that the City Corporation's current and future activities are better aligned to its agreed vision and priorities. The Steering Groups will provide a high level strategic overview of relevant key programmes and projects and will also facilitate better integration of work streams between departments to deliver the wider corporate vision and priorities.

Vision and Place Ambitions

2. The overarching vision has not yet been finalised but is due to be considered by Members in the Spring. Early drafts suggest it can be expected to focus on ensuring London's and the City's continuing competitiveness as a thriving international financial and business centre and as a centre of innovation. It will rely on greater use of new technology, collaboration and other innovations to create a smart city that is competitive, innovative, resilient, open, interconnected and intelligent. It will be a successful place with excellent connectivity using the latest communications technology and transport links; with significant capacity for growth due to its quality buildings and infrastructure; and with a distinctive character derived from its interesting mix of uses, streets and spaces and its outstanding heritage and culture.
3. The Place Steering Group has, using evidence and research from EDO on competitiveness, identified three key themes of capacity, connectivity and character which contribute to the City being a successful place now and in the future. The three key place themes are interrelated and are supported by ten place topics identified by research on what makes the City competitive. The Group has been drafting an ambition for each place topic that will help the City be a successful place in the future:-
 - Unrivalled breadth and quality of buildings and mix of uses;
 - Energy and climate resilient;
 - Famous for enabling and leading innovation;
 - World leading technology for agile lifestyles;
 - Unrivalled transport links between the City, the country and the world;
 - Moving around is safe, easy and enjoyable;
 - Quality public space that everyone enjoys;

- World's capital of commerce and culture making the City a 'must visit' destination;
- Minimal emissions from vehicles and buildings;
- Global reputation for being secure.

Recent Progress on Future City Initiatives

4. Although the vision and ambitions are still being refined there has already been significant progress in place-making for the future city. During 2016 major occupiers have taken space at iconic buildings such as 20 Fenchurch St, Leadenhall Tower and 5 Broadgate, while over one million square metres of office floorspace has been under construction, sufficient to accommodate over 75,000 extra workers in schemes such as London Wall Place, 100 Bishopsgate, Bloomberg and the Scalpel. Blackfriars Pier was moved downstream of the bridge in preparation for Thames Tideway Tunnel works at its original site. London Bridge staircase linking the bridge and the river walk was opened. Highways and public realm have also been changing fast including major highway changes at Aldgate and Holborn Circus, the refurbishment of Tower Bridge and over 5,000 square metres of public realm enhancements across the City. The Sky Garden viewing gallery has become a major attraction with over 1 million visitors since it opened. The 'cultural hub' initiative has been gaining momentum, complemented by high profile cultural events elsewhere such as Sculpture in the City among the eastern cluster of tall towers.
5. In 2016 the City Corporation worked with the City Property Association to deliver a new social media platform under the brand 'onecity' to promote the changing city. This initiative is informing perceptions of the City among younger workers and businesses, is broadening the appeal of the City as a place and has prepared the ground for further changes ahead. See information on onecity at <http://www.onecity.london/#whoweare>
6. In 2016 the Dept of the Built Environment led corporate development of our thinking concerning the relevance of 'smart city' ideas to the circumstances of the City of London. The approach to smart city - developed with assistance from consultant Ernst and Young - suggests that this will involve greater use of new technology, collaboration and other innovations to create a smart city that is competitive, innovative, resilient, open, interconnected and intelligent. The next stage will be to identify smart priority areas that support our future city agenda and to focus on some quick wins to generate a sense of purpose and momentum. To this end we have recently appointed a Place and Future City Officer within DBE.

Initial Strategy for a Smart and Innovative City

7. This initial strategy, developed by consultants Ernst and Young, describes the significant opportunity available to the City of London to drive its global competitive standing and economic growth by focusing on smart-enablement and collaborative innovation. This opportunity is present as a result of the factors including global competition, an evolving workforce, greater urbanisation, the rise of starts-ups and SMEs, greater need for resource efficiency and greater

economic uncertainty. The Strategy is available in full in the Members' Reading Room.

8. The Strategy defines a city as being smart when:
 - a. It uses information and communication technologies (ICT) to be more intelligent and efficient in the use of resources, resulting in cost and energy savings, improved service delivery and quality of life and reduced environmental footprint, all supporting innovation and the low-carbon economy.
 - b. There is a mind-set of the city as a 'system of systems': data, energy supply, waste management, infrastructure and transportation. The individual systems can be smarter and more innovative if they work together.
 - c. It utilises smart partnerships in order to speed up the process of attracting large and small technology partners to test and develop the smart solutions of tomorrow.
9. A model for delivering a competitive future City of London using smart-enablement and innovation is provided in the Initial Strategy. This model is structured using the emerging corporate vision, the three key themes of People, Place and Prosperity, and with smart-enablement and innovation as the foundation for this structure, cutting across all future city activities as an enabler of change.
10. The model identifies six building blocks for smart enablement and innovation. These are: centralised data and data management, connected technology, predictive analytics and cyber security, user engagement, network coverage and adaptable City of London processes and policies.
11. In order for a cross-cutting Smart City approach to move from a strategy to an agile and identifiable programme which will help deliver the outcomes of the People, Place and Prosperity Strategic Steering Groups, additional resources will be required. This report proposes a funding request of £200k interim funding for the programme of smart city initiatives for 2017 to progress the recommendations and quick wins identified in the Strategy. These are described in detail in paragraphs 17-20 of this report.

Recent Progress on a Smart City approach

12. In addition to the development of an initial strategy for a Smart and Innovative City, a number of initiatives with a smart-enablement focus are already in place. These include:
 - a. Individual smart phone applications containing visitor trails, a toilet finder and an ability to report on environmental issues
 - b. City-wide reviews of way-finding, lighting and the City's Traffic Environment Zone (Ring of Steel), to implement an upgrade of City infrastructure incorporating more efficient, interactive and dynamic technology

Future City Initiatives for 2017

Publicity

13. Many City projects are already in progress and new projects yet to start will contribute to the delivery of the Future City vision and ambitions. Therefore during 2017 and 2018 there will be an integrated communications campaign on the Future City to demonstrate our commitment and that we are making progress. It will give a sense of purpose and progress as a regular short summary of the City Corporation's Future City vision will be supplemented by topical news of key projects and other delivery steps.
14. There will also be a complementary campaign delivered by ING Media to tell the 'whole story' about the City as an interesting, different and diverse place, including a new brochure, to change perceptions of the City. We will also be publishing research at Mipim into the impact of technology on City industries in recognition that the City is changing and we need to promote investment in the City. Such campaigns will be complemented by commissioned images and descriptions of the future City to show clearly what it might be like.

Projects

15. Achieving the place ambitions will take time but we are already making progress. Key projects reaching significant stages in 2017 include:
 - Bank junction experimental highway launch (April 2017) and other **enhancements to the pedestrian experience**;
 - World class **wifi** connectivity (including Citywide gigabit wifi network) to enable agile lifestyles (June 2017);
 - Appointment of an officer to support SMEs with **affordable fibre access**;
 - Delivery of **freight and servicing strategy** (such as new consolidation centres; micro-consolidation centres; special servicing and delivery for the Eastern cluster; re-timing of deliveries and servicing; promotional campaigns; and establishment of a City Freight Forum).
 - Running of new **Crossrail trains** into Liverpool Street (May 2017) in advance of through-tunnel running;
 - Opening of **five star hotels** - Ten Trinity Square (Jan 2017) and The Ned, Soho House in Poultry (April 2017);
 - Completion of 544,000 square metres **net office floorspace** in the City including Bloomberg office building (Nov 2017);
 - **Thames Tideway tunnel construction** starts at Blackfriars (Spring 2017);
 - Highway measures to **reduce traffic levels, pollution & improve traffic movement**
 - Further work to understand the implications for the City of developments in **driverless cars, drones, artificial intelligence and robots**.
 - **Enhanced cultural offer** including new museum preparations, cultural hub branding, improved signage at Barbican gateways (June 2017) as part of the cultural hub quick wins programme, new external lighting at St Paul's Cathedral (Nov 2017);
 - **Maximise public space** including new green roofs, viewing galleries and enhancement of existing public space including Aldgate Square (Sept 2017);

Smart City Initiatives for 2017

16. There are a number of next steps identified in Sections 5 and 6 of the Initial Strategy for a Smart and Innovative City. These are:

Transitioning to a Smart Delivery-Focused Programme

17. To deliver a smarter and more innovative City will require a structured but agile and identifiable programme which provides a home for open innovation, smart enabled solutions and delivery of corporate outcomes. Specific tasks comprise:

- Creating an inspiring vision and messaging
- Resourcing the programme to deliver success
- Developing a robust business case
- Determining the appropriate funding and budget routes
- Building the appropriate programme management and governance structure
- Actively assessing and managing risks

Stakeholder Engagement and Communications

18. A strong and consistent engagement will be important to managing stakeholders as part of the programme. A successful Smart City programme for the City of London will require resources to support the following core activities including:

- Mapping, documenting and managing critical stakeholders
- Enhancing the image and perception of the City of London
- Maintaining and growing stakeholder buy-in (internal and external)
- Targeting communication and engagement events

Smart Innovation as part of the Future City programme

19. Embedding innovation into City activities that produces tangible results will require planning and change, including:

- A review of current internal processes and implementation of changes to allow smart-enablement and innovative practices to flourish
- A review of both the in-house City resources and skills and the access to suitable external consultants and implementation of changes to create a structured way of enabling innovation and ideation for smart city solutions
- 'Quick wins' in a number of targeted service areas within the following timescales:
 - Real-time pedestrian optimisation - timescale: 4 months (small test/pilot), 2 years (Scale Up)
 - Dynamic City way-finding - timescale: 9 months (small pilot), 2 years (scale up)
 - Connected and flexible green spaces - timescale: 3 months (pilot), 2 years (scale up)
 - Smart parking systems - timescale: 8 months (pilot), 3 years (scale up)

City Bench-marking and Competitive Characteristics

20. On-going bench-marking will be needed to assess the City's position and future opportunities in relation to its competitors, particularly in a quickly changing political and economic environment.

Proposals

21. This report proposes that Members:

- Agree to the proposed Smart City Initiatives for 2017 (set out in paragraphs 17-20).
- Agree to a funding request of £200k for interim funding for the programme of smart city initiatives for 2017.
- Note the intention to seek funding for additional permanent staff to progress the smart city agenda longer term.

Conclusion

22. This report shows that the City Corporation is making practical progress while the corporate vision and ambitions are being refined and that further steps will be taken during 2017 to implement the agreed mission statement and ambitions for the future city. In addition interim funding is being sought for a programme of smart city initiatives in 2017 to enable the City Corporation to increase its experience of new technology applications and its appreciation of how they could benefit the future City in the longer term. The interim funding is to help build momentum while we establish the nature and extent of longer term funding required.

Background Papers - nil

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