

DIGITAL ECONOMY

"Delivering the demand stimulation and business opportunities to make the most of the city's strong digital connectivity"

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HEADLINE SUMMARY

Plymouth's well above average connectivity and excellent quality of life combined with expertise and (soon to be added to) assets in creative, digital and ICT provide the city with an opportunity to create nationally recognised, high value digital clusters in the city.

In order to achieve this the Digital Economy Flagship (Digital Plymouth) will continue to focus its work on:

- promoting its digital assets,
- raising awareness of and increasing the level of digital/ICT exploitation
- and will work with the Learning and Talent Development Flagship to increase the demand for digital skills.

"The world is being transformed by a series of profound technological changes dominated by digital—a 'second machine age'. This is already having a significant impact on the UK; over the next two decades some economists have estimated that 35% of current jobs in the UK could become automated. Digital technology is changing all our lives, work, society and politics. It brings with it huge opportunities for the UK, but also significant risks" (House of Lords 2015) Digital Plymouth is working to ensure that Plymouth derives maximum benefit from this revolutionary change.

The LES Review 2013/14 sets out seven priority areas to deliver our digital objectives:

- Unlock Barriers to Digital Connectivity among Businesses and Residents

(i.e. infrastructure).

- 1.1 Ensure all of our business parks are connected to Superfast broadband - page 6
- 1.2 Deliver free Wi-Fi connectivity in public areas across the city - page 8
- Support development and retention of digital skills and entrepreneurs (i.e. exploitation).
 - 2.1 Facilitate access to the web for all citizens - page 12
 - 2.2 Increase retention of digital skills and entrepreneurs through a digital skills academy - page 14
 - 2.3 Deliver multi-level ICT training provision including basic ICT skills - page 18
 - 2.4 Increase levels of web-fuelled business exports for SMEs - page 22
- Exploit new digital technologies and innovations (i.e. big data/future city technologies/internet of everything)
- 3 Ensure the city remains responsive to new digital innovations to drive resource efficiencies and economic growth - page 23

Significant progress has been made against these objectives:

Infrastructure

- 1.1. Since April 2015, **Connection Vouchers, available to SMEs in Plymouth**, offer £3,000 to cover up-front costs of connection to superfast broadband, business broadband or wireless solutions. Resource has been committed from Plymouth City Council and Plymouth Chamber for an extensive marketing campaign.
- 1.2 **Free public Wi-Fi to the city centre and waterfront** areas. This is the largest public network in the UK to be delivered without public subsidy and equates to an investment of around £1,000,000 over eight years.

Exploitation

- 2.1 Plymouth City Council initiated and now Chair a digital inclusion partnership project **“Get IT Together Plymouth”**. The project is the largest digital inclusion project of its kind in the UK putting **2,250 people through training** in its first two years.

- 2.2 Plymouth City Council has secured £2.5m from the Homes and Communities Agency for the **Devonport Market Hall** to be developed. The project is being led by the Real Ideas Organisation (RIO) with a range of partners including Plymouth University's i-DAT. The space will be redeveloped as a world class digital arts visitor centre and research hub. Work on the £4m Devonport Market Hall is due to start on site in June 2015 with first phase completion for September 2016.
- 2.3 Digital Plymouth influenced the creation of the HotSW LEP Strategic Economic Plan (SEP) and will influence delivery of £12.5M.
- 2.4 Plymouth successfully lobbied to have the **Web Fuelled business support programme** funded through the City Deal.

Big data/future city technologies/internet of everything

- 3 Plymouth City Council partnered with Northern, Eastern and Western Devon CCG to form DELT, a shared service ICT provider **cutting costs by £8.9 million** over 10 years.
- 3 Following Plymouth City Council's bid into Innovate UK under the Future Cities Catapult the Council are working with partners i-DAT at Plymouth University to create a bid whereby the Council's mapping data can be enriched and made available for public and commercial exploitation.

How the LES Objectives are being delivered

The Local Economic Strategy Review acknowledges the importance and cross cutting nature of what it describes as the 'digital economy', which is a number of sectors in itself and also an underpinning, pervasive and revolutionary force across society and business more generally. The Digital Plymouth group takes active responsibility to ensure cross fertilisation across LES flagship groups, with appointed leads to provide liaison with each flagship group, (see appendix for list of leads).

The overlap and alignment between flagship objectives is most critical between the Digital Economy Flagship and the Learning and Talent Development Flagship.

To clarify the distinction:

Digital Economy Flagship – focus on the awareness raising and training required to exploit digital opportunities (with particular funding sources e.g. Dept for Culture Media and Sport, ERDF, Nesta, BT, Big Lottery DWP etc).

Learning and Talent Development Flagship - focus on ICT/digital mainstream skills provision (with its links to skills funding and training provision e.g. ESF, LSC etc), with the sector expert input from the Digital Economy Flagship group.

The Digital Flagship group also takes an increasingly active role in promoting the digital agenda, i.e. awareness of its work, digital opportunities, and Plymouth as a digital hub.

How does Plymouth compare nationally?

From a supply /infrastructure perspective Plymouth performs well:

- 10th best location in the UK for spread of Superfast Broadband¹ (at 97% of addresses covered), better than most of the core cities and London.
- Top 8% for average speed achieved at 22.5 Mbps (see appendix for link to leaflet, “Superfast Broadband has arrived in Plymouth” for speed definitions).
- Top 18% for the lowest percentage of homes which achieve under 2Mbps (at 6.6% of homes).

However, in terms of exploitation Plymouth (consistent with the HotSW area) does less well, but is still well above average:

- Top 32% for take up of broadband at 74.6%.
- Top 6% for take up of Superfast broadband at 33.5%.

Therefore, in light of the above, the Digital Economy flagship has focused much of its work on creating increased demand for connectivity, and in raising awareness of the available opportunities.

In addition, Plymouth (consistent with the HotSW area) does less well in terms of ICT skills, and this is also an area of focus for the Digital Economy flagship. According to e-skills UK analysis of LFS data, training among ICT staff was lowest in the South West, where only 21% received education / training in the second quarter of 2010, lower than in any other region.

Funding Opportunities

The UK Government’s target is to create the “best superfast broadband network in Europe by 2015”. The European target is to achieve “100% coverage of 30 Mbps, half subscribing to 100 Mbps or above by 2020”. In order to achieve this the coalition Government have invested approximately:

- £530 million in rural communities.
- £150 million in ‘super-connected cities’ across the UK.
- £100 million for Connectivity Vouchers (now available in Plymouth).

Further public investment is required to meet these targets. One avenue is through the Heart of the South West Local Enterprise Partnership, and the Digital Economy flagship

¹ Superfast Broadband – using the European definition which is 20Mbps and over received.

inputted into the HotSW LEP's Strategic Economic Plan (SEP) and EU Structural and Investment Fund Strategy (ESIF). The ESIF recognises the need for digital exploitation and sets aside around £12.25m of EU funding to deliver:

- Improvements in digital infrastructure.
- Support for small businesses to take-up digital technologies and implement transformational change in their operations.
- Skills support for:
 - digital inclusion,
 - the ICT sector; and
 - the effective application of ICT across all industry sectors,
 - driving innovation and improvements in productivity.

'Calls' for the ESIF funding will start during 2015, working with the Skills Funding Agency, DWP, and The Big Lottery. The first meeting of the LEP Digital Skills and Inclusion Group which will steer the direction of the calls was held in February 2015 and was attended by the lead for Digital Plymouth and the Learning and Talent Development Flagship.

Plymouth is well positioned to capitalise on this funding with comparatively strong existing partnerships and existing delivery record. However, recent funding has focussed on underserved rural areas in preference to investment in enhanced digital exploitation in cities, where it could be argued there is more potential for return on investment.

STRATEGIC OBJECTIVE:**“Unlock Barriers to Digital Connectivity among Businesses and Residents”****KEY ACTION 1.1: Ensure all of our business parks are connected to Superfast broadband.****BACKGROUND**

97% of Plymouth addresses now have access to Superfast Broadband. This places Plymouth at 10th best in the UK for spread of Superfast Broadband but despite this the message on the ground from businesses has often seemed at odds with this enviable position. There are two reasons for this discrepancy: firstly a lack of understanding of what is available and secondly because the 3% of addresses that do not currently receive 2Mbps or over are disproportionately business addresses.

As already mentioned, between the private sector (BT mainly) and the Department for Culture Media and Sport (DCMS) a solution for underserved residential areas will be delivered in the near future. However, across the UK commercial areas are in danger of being overlooked. The lower density of potential customers make it harder to make a viable commercial case for connecting business parks and shopping centres. This is complicated further by the potential for suppliers to sell expensive leased lines to individual businesses within a business park which then diminishes the business case to connect the cabinet that supplies the whole business park with superfast broadband.

This LES objective therefore sought to alleviate this particular challenge which was of clear economic relevance. This decision was taken before the announcement in January 2015 that ‘Connectivity Vouchers’ will be made available in Plymouth. The vouchers now form part of the solution to this issue.

ACHEIVEMENTS

In October 2014 consultants were engaged to provide detailed business-address level mapping of connectivity against business demand in Plymouth with view to providing a bespoke range of viable connectivity solutions for poorly served business parks and individual businesses that wanted to upgrade from their current poor connectivity (generally of 2-10Mbps).

The project focussed its initial work on eight underserved business parks which according to Ofcom approved public information source www.broadband.co.uk and <http://www.rightmove.co.uk/broadband-speed-in-my-area.html> were significantly underserved. This work demonstrated that the Virgin Media Network in the city is being significantly under-reported via such websites. This means that businesses may be unaware that they can receive Superfast Broadband due to poor information. Digital Plymouth will ensure that this is rectified through direct marketing over the next 12 months.

Timescale of activity:

In April 2015 vouchers will be available in Plymouth. Connection Vouchers will offer SMEs up to £3,000 to purchase solutions to cover the up-front costs of connection to either:

1. Superfast Broadband (20Mbps and above)
2. Business broadband (better service agreements, upload and download both good and no slowdown in busy periods)
3. Wireless solutions (as a means of last resort).

The multi partner marketing activity planned to promote the vouchers will also provide the opportunity to advise businesses, as previously planned, on other viable solutions and to provide signposting to advice and guidance on web exploitation. If resourced correctly this activity has the opportunity in itself to provide significant uplift.

Options will include:

4. Informing businesses that were previously unaware that they can access Superfast broadband (evidence suggests there are many such businesses).
5. As a last resort signposting to 3G/4G or satellite broadband.
6. Where necessary to advise on the possibility of forming consortia to gap fund the connection of entire areas or buildings.

MILESTONES

- a) May 2015. Direct mail campaign backed by phone and company visits started
- b) June 2016
 - 6 speaking opportunities at partner events
 - 50 businesses with significantly enhanced connectivity
 - £100,000 of vouchers at £2,000
 - 4 demand stimulation events for business
 - All underserved businesses in Plymouth business parks contacted re opportunity to upgrade through vouchers or other means.

RISKS (AND MITIGATION)

Vouchers

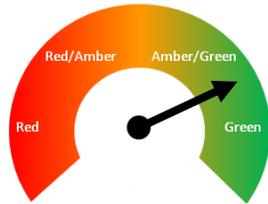
Plymouth cannot attract telecoms suppliers to deliver vouchers locally.

Digital Plymouth already has a list of potential suppliers and has planned a local supplier awareness day using the local demand data and its marketing plan to create interest in the local telecoms market.

Insufficient resource to market the scheme, in particular staff time for face to face time with businesses.

A £15,000 marketing budget has been requested from Plymouth City Council. An extensive multi-channel marketing campaign has been planned, leveraging value from local partners and suppliers.

RAG



KEY ACTION 1.2: Deliver free Wi-Fi connectivity in public areas across the city.

BACKGROUND

The benefits of free public Wi-Fi are numerous and link across several of the Local Economic Strategy flagships. Wi-Fi is a popular public amenity with clear benefits if levered correctly for the visitor economy, business and inward investment, infrastructure, and social inclusion.

Free public Wi-Fi is now increasingly expected in high dwell time businesses, such as cafés, trains, hotels and public buildings. Free outdoor, public space City Wi-Fi has however had a chequered history with numerous large city schemes failing to create sustainable financial models over the last decade. Because of the expectation for free Wi-Fi, “pay per use” networks are increasingly difficult to sustain for all but the most captive and wealthy of audiences. At the same time demand for data continues to grow, 3G services improve and 4G becomes more and more widespread and wireless providers struggle to keep up with demand in a volatile market.

In 2012, against this rapidly changing backdrop Plymouth City Council started to research the potential to deliver Wi-Fi for central areas of Plymouth. Initial costings demonstrated that a network to cover the City Centre Business Improvement District area alone could cost in the region of £400,000 up front with considerable ongoing revenue costs. In addition to the barrier of funding the project, the Council would also need to find a suitable delivery partner, try to commercialise the network and also create a governance structure to deliver the network in accordance with public need.

As part of this work Plymouth City Council researched an innovative concession approach that had been piloted in Brighton and London. The benefits of this approach are:

- Zero cost to Council.
- Private sector competition creates incentives for best the possible delivery solution.
- Passes risk associated with operation, upgrading and maintenance to an industry leader – in this case BT.
- Creates a revenue to reinvest in connectivity – in this case a £118k upfront payment plus ad revenue which is being deployed to connect the upper Hoe.

Work on this innovative approach was guided by the Digital Plymouth Steering Group and approved by Plymouth City Council Cabinet on 3rd September 2013.

In summary the network will deliver:

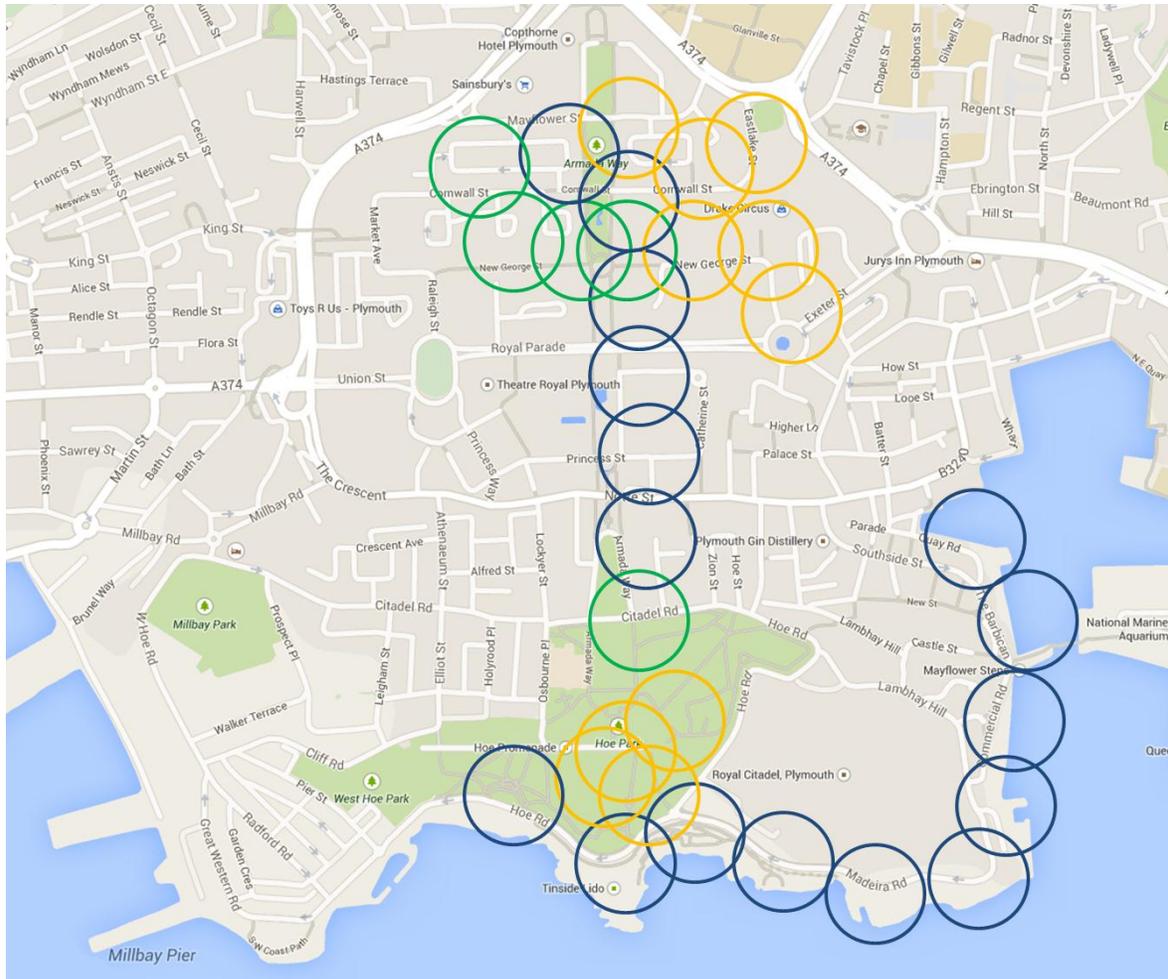
- 36 transmitters, each of which can transmit for between 20-40 meters and support around 80 people online at any one time.
- In practice the active transmitters have been delivering 14 Mbps – better than many wired home broadband connections!
- Unless abused/overused by individuals the network is 100% free 24-7.
- The signal in most cases will not penetrate buildings and become an alternative to paid broadband for businesses.

Map of proposed and live network (approximate transmitter sites shown)
“Plymouthwifi” is how it appears on your device

Green – Phase 1. Live/transmitting since Nov 2014

Blue – Phase 2. Phased launch April - May 2015

Yellow – Phase 3. Target date May 2016



ACHIEVEMENTS

- a) May 2013. Digital Plymouth Steering Group approve proposal.
- b) June 2013. Plymouth City Council appoint consultants.
- c) August 2013. Plymouth City Council market information day attracts interest in the Wi-Fi concession resulting in three competitive bids, comparing well with the interest obtained in much larger cities.

- d) -September 2013. Cabinet paper gives authority to the Council Leader to issue a license to the concession process winner to deliver Wi-Fi in the City Centre and to reinvest the concession licence fee and other profits back into connectivity.
- e) May 2014. Following contract negotiations BT accept the contract to deliver Wi-Fi for 8 years plus an optional 2 year extension.
- f) November 2014. Pilot network launched. Using six transmitters with Plymouth Ocean City Landing Page.
- g) April/May 2014. Phased launch of network.

FUTURE MILESTONES

- a) May 2015. Phase 1&2 complete (blue and green on map).
- b) May 2015. Design work for phase 3 (yellow) to begin to include: the remaining part of the Hoe (match funded by Plymouth City Council), infill around the North of the City Centre and work to combine existing coverage in the City Market.
- c) June 2015. Signposting complete – “you are in a Wi-Fi zone”
- d) June 2015. Post go live partner meeting with BT.
Agree plan for commercialisation; retail, tourism, inclusion and review data exploitation.
- e) July 2015. Agree Hoe deployment with English Heritage and Plymouth City Council planning.
- f) May 2016. Phase 3 complete.

RISKS (AND MITIGATION)

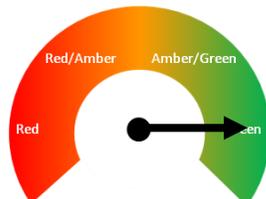
Plymouth City Council are unsatisfied with BT delivery of Wi-Fi

Contract allows Plymouth City Council to break contract on poor performance. One of the factors which made BT stand out was their strong experience in delivering Wi-Fi for the Olympic Stadium.

Hoe dig costs uncertainty leads to cost overrun, English Heritage block proposals

Work is being coordinated with existing infrastructure work on Hoe, Plymouth City Council invested additional budget to cover potential overrun. Unobtrusive design.

RAG



STRATEGIC OBJECTIVE:
“Support development and retention of digital skills and entrepreneurs”

The four key actions under this heading can all be summarised as **encouraging digital exploitation** in order to create social and economic uplift.

It is here that the Digital Economy Flagship objectives cross over with those of the Learning and Talent Development Flagship.

It is important to make the distinction that:

The awareness raising and training required to exploit digital opportunities is the primary focus of the Digital Economy Flagship.

ICT/digital skills provision is led by the Learning and Talent Development Flagship (with its links to skills funding and training provision) with input from the Digital Economy Flagship group as sector specific experts.

KEY ACTION 2.1: Facilitate access to the web for all citizens

BACKGROUND

Digital Inclusion is both a cause and symptom of deprivation and is now a major hurdle to service delivery to citizens and to their economic and social welfare. Improving digital literacy and engagement could create huge uplift for the city.

According to Ofcom there are still approximately 25.4% of addresses in Plymouth without a fixed broadband connection. While this rate of exclusion puts Plymouth in the best 40% nationally it nonetheless constitutes a significant challenge which is inextricably linked with low productivity and deprivation.

Although new methods of connection such as tablets and TV drive wider engagement and utilisation of the web the challenge is to get people online quicker than in other cities and to create future generations that are both inspired and prepared to drive forward a digital cluster in Plymouth.

Get IT Together (working through a national charity, Citizens Online) started in June 2013. Since its inception it has worked with multiple partners across the city to deliver basic ICT and online training to those who are digitally excluded or who lack the core skills. Working with a variety of partners such as City College, North Prospect Community Learning, Plymouth Community Homes, Oasis Foodbank, Affinity Sutton, Salvation Army and Library Services has

enabled the project to reach a diverse range of people across the city, especially in working in key venues such as libraries and community centres. The sessions have included training on basic IT skills but also more specialised sessions such as job searching, family history, consumer awareness and social media.

The project has also enabled citizens to access the internet through a variety of devices increasing the opportunity for people to use online services.

Get It Together Plymouth and its partners are continually developing their approach to digital inclusion and as such are working towards a systemic approach whereby assessing and promoting digital skills is embedded in the structure of key organisations especially those who have close contact with people who are likely to be at risk of digital exclusion. Plymouth is taking a lead therefore in running two aligned digital inclusion strands side by side: coaching and training, and the innovative and potentially more impactful “Systemic Digital Approach”.

ACHIEVEMENTS

- a) 2012 Digital Plymouth researched options and created an evidence base to sell the need for a digital inclusion project to partners.
- b) 2013 ‘Get IT Together Plymouth’ project launched, the biggest project of its kind in the UK. Partners: Plymouth City Council, BT, Plymouth Community Homes, Jobcentre Plus, NHS and Education providers. £390,000 over 3 years.
- c) Plymouth Get IT Together developed the ‘Systemic Digital Approach’ as part of a bid into Big Lottery.
- d) ‘Triage’ process implemented by Plymouth Community homes and Plymouth City Council with signposting to a specific courses.
- e) Produced a live audit of training, access and coaching facilities to be used by front line staff at Plymouth Community Homes and Plymouth City Council.
- f) The Training arm of the project has put 2262 people through a four sessions of digital training with a target of 5,000 by July 2015.

FUTURE MILESTONES

- a) Sept 2015. Coordinate existing review of training provision in city with data being collated by Plymouth City Council head of Skills with a view to influencing future basic training provision.
- b) Sept 2015. A bid with the Big Lottery is in place to fund a Senior Project Manager to help embed the Systemic Approach across partners in the city.
- c) July 2016. 5000 people through four sessions of digital training.
- d) July 2016. Work as part of the LEP Digital Inclusion and Skills group to draw down significant future funding working with DWP, Big Lottery and Skills Funding Agency

RISKS (AND MITIGATION)

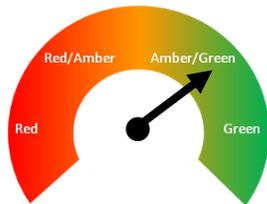
Senior Project Manager Bid unsuccessful

Systemic approach will happen but slower and less coordinated – LEP also an option for funding.

LEP only fund basic training – not a system wide approach

Plymouth is well ahead on inclusion - other areas have little or no inclusion training and it is likely that the LEP will go with more basic option of just providing training. Digital Plymouth will lobby through LEP group for more.

RAG



KEY ACTION 2.2: Increase retention of digital skills and entrepreneurs through a digital skills academy²

BACKGROUND

Since setting this objective three separate and yet complimentary digital academies have been created. These are significant wins for Plymouth's combined digital offering.

The three investments provide Plymouth with more opportunity to promote its combined offering as a nationally significant digital cluster such as those in Bristol and Bournemouth. It is important also to ensure that this opportunity connects with and inspires local people to create a suitably skilled workforce.

The Digital Flagship partners will continue to focus efforts to achieve recognition for the city with events such as the Maggie Philbin Digital Skills South West summit, Media City (May 2015) and the GAIN's Internet of Everything event adding profile to the city's offer.

This effort is also coordinated with the work of the Plymouth City Council Inward Investment team and will be a factor in how Plymouth influences the deployment of EU funds around digital awareness and skills.

² Digital Skills Academy – defined as centres with a focus on creating/assisting digital skills or businesses.

Key to this also will be the ongoing work (which is described on page 18) with the Learning and Talent Development Flagship to increase ICT/digital education in schools and through workplace apprenticeships.

Devonport Market Hall

The Devonport Market Hall development including expo and conference facilities for up to 700 people; a visitor centre offer and learning programme and; lab, teaching and office space for three digital organisations and seven tech companies will create space for research and development, learning and leisure, as well as a tangible presence to drive aspiration and recognition within and beyond the city, creating an academy pipeline 'from primary to industry'.

Situated between City College Plymouth's planned STEM centre at King Road and the City Deal in the South Yard these projects represent a significant new tech cluster for the city and peninsular.

With effective support from Plymouth City Council Planning, the scheme benefited from an additional £2.5m of new HCA funding from outside the city and is due to start on site in June 2015. Likewise with partners, markets and products in place, 'academy' learning activities are also due to begin in June from a number of locations.

City College Plymouth STEM Centre

A major new state-of-the-art STEM centre, which will inspire and train learners in key priority growth sectors for the City. The project, which fits well with the Plymouth Local Economic Strategy and Plymouth's Plan for Employment and Skills, will continue to embed enterprise and entrepreneurship through the College's portfolio, allowing more tailored business support and creating a talent pipeline for small and medium enterprises (SMEs) and the marine and creative sectors.

The Centre will help to drive the City's productivity and economy by stimulating interest in STEM subjects amongst potential students, young and old, those who are just entering the labour market and those wanting to upskill or retrain. It will also provide support for higher-paid STEM jobs in the area, thus retaining and maximising Plymouth's talented workforce and helping to ensure that Britain's Ocean City is recognised as a world leader in STEM development.

The modern, purpose-built facility will enable greater cross-curriculum learning, with a student-centred approach, that reinforces the critical role experience plays in learning, from pre-employment, vocational or technical education and apprenticeships to higher education. The College will work closely with employers to develop the curriculum for the Centre, helping to tackle youth unemployment through new pre-employment and apprenticeship initiatives. As a result, students will graduate work-ready with the key employability skills required to meet the future needs of Plymouth's employers.

Plymouth Science Park

The vision for Plymouth to become a world-class centre for high-tech business is extended further by the recent announcement to build Plymouth Science Park's new IT hub. Construction is due to start on the £7 million 27,000 square foot project in autumn 2015, with opening planned for early 2017.

The hub will offer the best ICT infrastructure in the city. With a focus on digital innovation, development and capability, it will deliver sector-leading superfast broadband connectivity, network resilience and access to Plymouth Science Park's Level 3 Data Centre and will generate opportunities for Plymouth University's growing number of IT graduates.

The Devonport Market Hall Building, City College Plymouth STEM centre IT Hub are strategically complimentary and will raise the profile and development of STEM and Digital skills, business and innovation within the City and nationally. Representing more than £23m of investment this a unique set of investments within the South West. The projects are game-changers for Plymouth and could provide the catalyst for the City's ambition to be a 'Smart City'.

ACHIEVEMENTS

Devonport Market Hall

- a) A £2.9m funding pot has been secured to allow for a phased development to begin on site in June 2015
- b) Tenant partners include: i-DAT (PU), City College Plymouth, Devonport High School for Boys, Mutant Labs, Elixil, Total Monkey, The Media Workshop, Highly Interactive, Strike Games, Cosmic UK. The South West Plymouth Education Trust (SWPET) (partnership of Devonport primary schools) are also partners.
- c) Design team has been commissioned to develop RIBA stage two plans.

City College Plymouth STEM Centre

- a) A £12m funding pot made up of £5.43m from HotSW Growth Deal, £2.7m from BIS and in principle funding of £4m from Plymouth City Council.
- b) On-going support from employers across a range of STEM sectors
- c) Concept and consultation processes underway

FUTURE MILESTONES

Devonport Market Hall

- a) Start on Site due for June 2015
- b) First market hall 'open day' booked 19th 20th June 2015
- c) Phase 1 completion Sept 2016
- d) Phase 2 completion Nov 2016

City College Plymouth STEM Centre

- a) Project completion due for Sept 2017
- b) Key employers and partners to be engaged within the consultation phase by July 2015

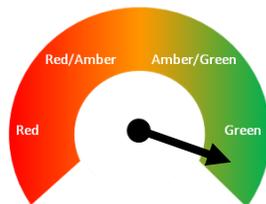
RISKS (AND MITIGATION)

Devonport Market Hall

Complexity and timing of second phase funding

Relevance of digital development and skills are recognised in LEP strategy and EU SIF as major priorities, with significant opps unfolding via combination of Regional Growth Fund, Growing Places and EU funding. Furthermore the project has been designed as a two phase process to allow progress at this stage.

RAG



Key Action 2.3: Deliver multi-level ICT training provision including basic ICT skills

BACKGROUND

For the Digital Flagship group this key action is about actively increasing awareness of digital opportunities for businesses in addition to training - in order to increase the exploitation of connectivity, working closely with the Learning and Talent Development Flagship on the wider digital skills agenda that will deliver traditional qualification based education and training.

Academics at LSE have estimated that half of Europe's recent productivity gains can be attributed to IT investments. However, the majority of recent government funding in this

area has focussed on capital investment to deliver Superfast Broadband to previously underserved, mainly rural areas. The key point, emphasised in the evaluation of the above Superfast pilots, is that ‘critical to realising the economic benefits (of superfast broadband) is the need to build the capacity and understanding of the benefits of broadband among local businesses’.

The rate of change in the technology available for businesses has outstripped the ability and awareness of business managers to understand where investment in ICT will lead to productivity gains. Investment is therefore required to address this barrier to growth. The following are priority areas of interventions that Digital Plymouth will lobby and work to achieve:

- Digital upskilling of businesses within target or smart specialisation sectors – providing a mix of advice, guidance and workshops that enable these businesses to increase their international trade and/or depth of customer base. (see web fuelled business page 21)
- Digital supply chain development - developing a local and regional supply chain that can support the smart specialisation businesses.
- Programmes that develops leadership and capacity within growth businesses – focussing on digital growth and collaborative activity.
- Digital collaboration – programme that provides digital mechanism to create and support collaboration projects for local businesses and builds the support network.

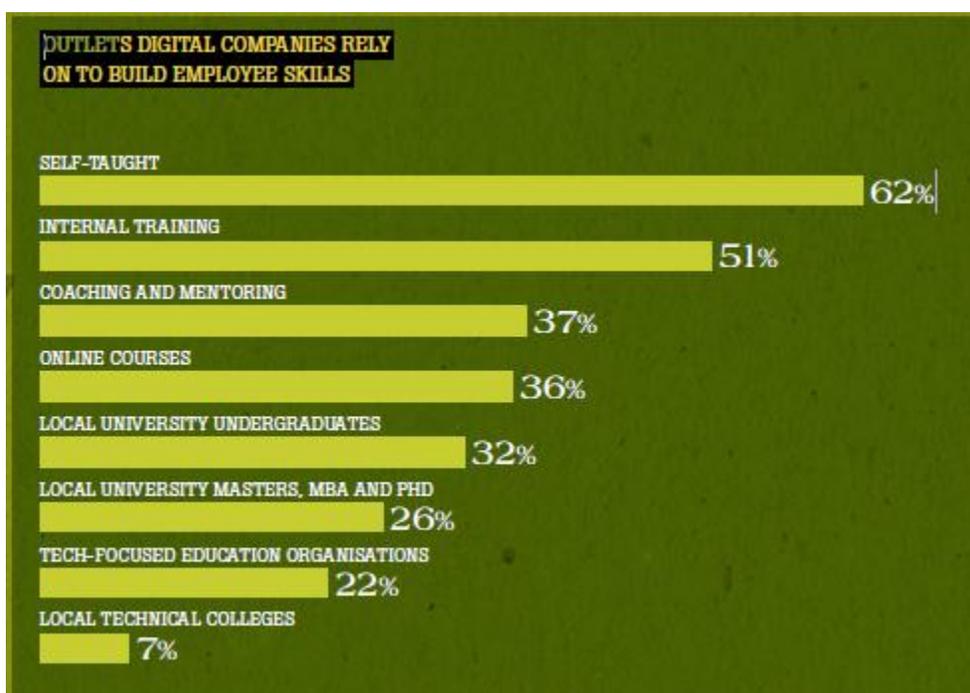
Linked to the Digital Flagship’s work with business is the underpinning work of the Learning and Talent Development Flagship who are working (with the advice and guidance of the Digital Group) to turn around take up of digital/ICT courses as highlighted in the report produced for the HotSW LEP, [Digital Skills in the Heart of the South West, University of Exeter 2014](#). The first steps of this activity are to obtain a full understanding of the Plymouth specific educational data.

Update from the Plymouth City Council Head of Skills: The most recent available data (Skills FA data cube 2013/4) on delivery of ICT Apprenticeship starts from apprentices with Plymouth postcodes, are in IT Application Specialist, IT User, IT Software, Web and Telecoms Professional at level 2 and 3. Collectively this is a total of 78 starts (51 at Level 3 and 27 at Level 2). There were no level 4 starts. Within the same Digital and Creative media, 2 starts were recorded at level 3.

Clearly there are aspects of digital skills within many different frameworks, however, this cohort is considered occupationally representational of the sector. Whilst this provides a platform for future delivery, more needs to be undertaken to ensure that the provision responds to the needs of the sector going forward, particularly with the advent of Digital Trailblazers, and flagship degree Apprenticeships, that would make an offer to employers and future digital candidates.

In order to compliment the skills agenda Digital Flagship partners will work to promote demand for digital education/destinations through: digital inclusion activity, curriculum support activity, information advice and guidance, silicon ambassadors and other employer-led measures to inspire young people in this area of work. In particular this activity is being championed by the approach (described above) at the City College and Devonport Market Hall digital academies.

It is worth noting that traditional skills provision has been disrupted by the web: in particular for ICT/digital skills where the web now provides significant opportunity for self education for those inspired to do so.



Tech City UK Cluster Alliance 2015 – Tech Nation

ACHIEVEMENTS

2012. Digital Flagship worked with Connecting Devon and Somerset to procure £150,000 web business awareness events across Devon and Somerset.
2012. Plymouth City Council produce advice leaflet "[Superfast Broadband has arrived in Plymouth](#)".
2013. Plymouth City Council funded two events for Tourism industry to understand e-marketing for 80 businesses.
- 2013-15 Plymouth City Council carry out pilot for ICT training for manual employees, Plymouth Get IT Together extend pilot in 2015 with view to informing further LEP funding.

- e) 2014. Plymouth City Council successfully lobby for the Web Fuelled Programme as part of City Deal.
- f) 2014. Digital Plymouth partners host and sponsor the Maggie Philbin, Digital Skills South West summit, the subsequent report was endorsed by the Labour Party.

FUTURE MILESTONES

- a) April 2015-16. Plymouth City Council funded marketing campaign (see page 7) linking businesses to available advice and guidance and a series of ICT/web awareness events.
- b) June 2015 – Skills Analysis completed, published and reference to supply/demand for ICT/Digital Skills across the sector for Plymouth.
- c) November 2016 – First EU funded calls for digital skills and inclusion.

RISKS (AND MITIGATION)

Funding for workplace skills and inclusion – led by Digital Flagship

| LEP continue to focus on rural issues

Digital and Learning and Talent Development represented on LEP group, data will also provide evidence of need.

Education specific risks – Led by Learning and Talent Development

Current supply is not relevant to demand both local and regionally for access to employment opportunities created by new opportunities such as Big Data/Met Office etc. at both mid and high range skills

Greater communication/connectivity is required to ensure that knowledge of employer/digital demand is planned for and new provision is introduced as of part of that offer (Digital Apprenticeships, Apprenticeship degrees, for example that also encompasses increasing access to the sector by women in a predominantly male dominated sector particularly at “digital maker” level”.

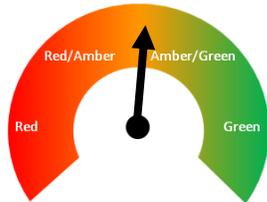
Capacity and capability of staff to deliver digital skills agenda in schools and skills based providers to higher and more relevant levels not appropriate

Workforce development funding via LEP can help to assist this dependent on rounds of funding emerging.

Failure of educators and skills providers to know what should be delivered and plan curriculum based on future need,

Skills analysis and sector information will assist this as well as provide influence for skills providers to develop revised or new offer with Government funding bodies (SFA, EFA), and LEP applications .

RAG



KEY ACTION 2.4: Increase levels of web-fuelled business exports for SMEs.

BACKGROUND

As part of the City Deal Negotiations Digital Plymouth successfully lobbied for the web fuelled programme described below.

As a result a programme was funded and Peninsula Enterprise (PE) were awarded two contracts through City Deal with the aim to raise the online skills of businesses in Cornwall, Devon and Somerset in the area of selling online both nationally and internationally and to make referrals to the UK Trade and Investment (UKTI) service, to help companies increase exports. PE delivered both contracts under the branding of The Digital Marketplace.

This activity is now drawing to a close and has broadly hit its delivery targets. While the problem the project was trying to address still persists, it is proposed that this LES objective is wrapped into the wider Key Action of “Deliver multi-level ICT training provision including basic ICT skills” to allow scope for future EU funded delivery to reflect the learning from this scheme and address the objectives listed (on page 18) including web fuelled exporting.

City Deal Web Fuelled Programmes delivered by Peninsula Enterprise

Events Programme:

36 events attracting more than 720 attendees and to make 400 referrals to the UKTI service. All targets are on track to be met by end March 2015.

Two levels of workshops were delivered – ‘Essential Tips and Tools of Selling Online’ and ‘International Selling Online’.

There were also 5 successful A to Z of Selling Online full day events across the three counties and The Digital Marketplace played a huge part in two large scale ‘digital’ conferences – MegaTrends 2015 held in Barnstaple and Exeter.

Plymouth outputs: 5 events, 111 businesses engaged, 5 receiving intensive support.

International Digital Marketing for Digital Supply Partners

The Digital Marketplace partnered with the Chartered Institute of Marketing (CIM) to deliver a formal training and certification programme which upskilled digital providers in Cornwall, Devon and Somerset in order to deliver 'international' web solutions. The goal was to establish a number of recognised organisations within the supply chain able to deliver robust international solutions to ecommerce businesses in the region.

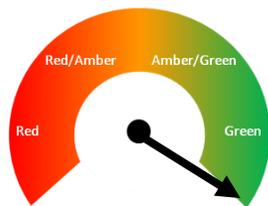
The Digital Marketplace also aided online businesses to plan and develop new websites to help them perform in international markets; as well as introduce those businesses to wider business support services such as UKTI.

The contract target was to achieve 40 Business Assists, 20 jobs created or safeguarded and 40 individuals gaining a new qualification. All targets were met with at least 38 jobs created or safeguarded and 84 individuals representing 27 digital suppliers/web developers gaining a new qualification. 15 businesses were also supported with their online presence and 28 referrals were made to the UKTI service.

FUTURE MILESTONES

See "Deliver multi-level ICT training provision including basic ICT skills" page 19

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STRATEGIC OBJECTIVE:
“Exploit new digital technologies and innovations”

KEY ACTION 3: Ensure the city remains responsive to new digital innovations to drive resource efficiencies and economic growth

BACKGROUND

This action relates to three related and relatively imature technologies which have become buzz words in themselves and are often used interchangeably.

1. **Smart cities** “use digital technologies to enhance performance and wellbeing, to reduce costs and resource consumption, and to engage more effectively and actively with its citizens. Key 'smart' sectors include transport, energy, health care, water and waste.”
2. **Big Data** – “extremely large data sets that may be analysed computationally to reveal patterns, trends, and associations, especially relating to human behaviour and interactions”.
3. The **Internet of Things (IoT)** - “a scenario in which objects, animals or people are provided with unique identifiers and the ability to transfer data over a network without requiring human-to-human or human-to-computer interaction”.

Only Bristol, Glasgow and Milton Keynes are making significant progress in this area in the UK. Companies such as IBM, Cisco and Microsoft are keen to offer consultancy to cities in this area but to date much of what has been on offer appears to be a high potential set of technologies looking for a useful/tangible application. The Digital Flagship continues to scan this horizon nonetheless, linking partners with potential opportunities.

What seems clear from cities that can lay claim to having developed Smart City technologies is that in order to make any progress in this area the following factors are required:

1. Shared vision across key partners
2. Willingness to collaborate and share data

The Digital Plymouth group are working to pull together pockets of existing best practice, spread awareness, and to hold a meeting of appropriately senior city managers to discuss the opportunity and if required a road map of activity.

ACHIEVEMENTS

- a) The Digital Flagship first became involved in this area in 2012 driven by the requirement to share services and cut costs which became the shared ICT service programme called DELT.
- b) 2011 - Plymouth City Council bid into the Technology Strategy Board Future City Catapult scheme, obtaining £25,000 to produce a feasibility study to inform a wider bid to become the national Future City Demonstrator. Plymouth were unsuccessful in their bid but have since kept track of projects from the two winning cities.
- c) 2014 - Plymouth City Council and Plymouth University have both joined and attend an All Party Parliamentary Group on Smart Cities.
- d) 2015 - Plymouth City Council bid into Innovate UK under the Future Cities Catapult working with partners, i-DAT at Plymouth University to create a bid whereby Plymouth City Council mapping data can be enriched and made available for public and commercial exploitation. The initial bid was unsuccessful but alternative funding is still being sought.

FUTURE MILESTONES

- a) 2015 - GAIN plan to hold an event on the Internet of Things.
- b) May 2015 Plymouth University to host Media City: Reflecting on Social Smart Cities
- c) Nov 2015 - Organise a meeting with appropriate city leaders invited to scope opportunity.
- d) CONFIDENTIAL May 2016 - Smart Sound bid to Innovate UK – Plymouth City Council is working in partnership to connect the Sound with smart sensors to create a marine data asset for open innovation.

RISKS (AND MITIGATION)

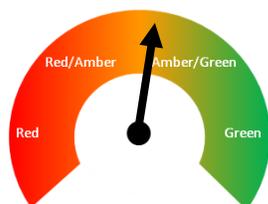
Lack of:

Shared vision across key partners

Willingness to collaborate and share data

Organise a meeting with appropriate city leaders invited to scope opportunity.

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APPENDIX

I. Digital Economy leads for the other LES flagships

<i>Peter Hartland & Dave Young</i>	<i>Growth Board</i>
Sheldon Ryan/Simon Wainwright	Learning and talent development,
Sheldon Ryan	Ocean city infrastructure
Sheldon Ryan	Business growth and investment
Phil Reynolds and Graham Sykes	People, communities and institutions
Ed Whitelaw	Visitor Economy and Culture

2. Link to Superfast Broadband has arrived in Plymouth leaflet
Distributed across Plymouth and through intermediaries
<http://www.plymouth.gov.uk/superfastbroadband280115.pdf>
3. House of Lords Report - Make or Break: The UK's Digital Future
<http://www.publications.parliament.uk/pa/ld201415/ldselect/lddigital/111/111.pdf>