Manchester City Council
Report for Resolution

Report to: Economy Scrutiny Committee – 17 July 2013

Subject: Digital Strategy Update

Report of: Sara Tomkins, Assistant Chief Executive Communications and ICT

Summary

This report responds to the request for an update on the progress being made on the Digital City Strategy for Manchester and outlines revised proposals for the Urban Broadband Fund (UBF) in light of state aid implications.

Recommendations

1.   To note the report and progress made to date.

Wards affected:

All

Contact officers:

Sara Tomkins
Assistant Chief Executive –
Communications and ICT
0161 234 3706
s.tomkins@manchester.gov.uk

Jennifer Green
Head of Digital City Strategy
0161 234 4420
j.green1@manchester.gov.uk

John Edwards
Deputy Director Children's Services
0161 234 3804
j.edwards@manchester.gov.uk

Angela Harrington
Head of Regeneration
0161 234 3171
a.harrington@manchester.gov.uk

Geoff Little
Deputy Chief Executive
0161 234 3280
g.little@manchester.gov.uk

Howard Bernstein
Chief Executive
0161 234 3006
h.bernstein@manchester.gov.uk

Background documents (available for public inspection):
- Manchester's Digital Strategy
  (http://www.manchester.gov.uk/meetings/meeting/1517/executive)
- Manchester's Digital Strategy Update
  (http://www.manchester.gov.uk/egov_downloads/DigitalManchester_1_.pdf)
- Government Digital Strategy
  (http://publications.cabinetoffice.gov.uk/digital/strategy/)
- New Economy's Business Register and Employment Survey, 2012
- Economy Scrutiny March 2013
  (http://www.manchester.gov.uk/meetings/meeting/1838/economy_scrutiny_committee)

1.   Introduction

1.1   The purpose of this paper is to update the Economy Scrutiny Committee on progress for the Digital City Strategy for Manchester and outline revised proposals for the Urban Broadband Fund (UBF) in light of state aid implications.

1.2   Since the last update to the Executive in October 2012 there have been significant delivery achievements for the city's Digital Strategy; there has also been a considerable challenge for desired progress as a result of the state aid[1] implications for Manchester's UBF bid.

2.   Background

2.1   Manchester's ambition is to become one of the world's leading digital cities by 2020. The aim is to maintain and continue to grow the competitive advantage this will bring residents and businesses to promote economic growth.

2.2   The ambition was brought together in the Manchester Digital City Strategy, agreed by the Executive in March 2012, and includes a ten-point plan (Appendix 1) to help drive both Council priorities and the key themes vital for the successful delivery of a truly digital city. This includes access and connectivity, engagement, industry and growth, collective leadership and governance and an update on actions and progress are summarised in Appendix 2.

3.   Progress on the Digital City Strategy

Super Connected City

UBF update

3.1   Manchester Urban Broadband Fund's initial bid was awarded £12million, subject to delivery assurances, from the Department of Culture, Media and Sport (DCMS) to deliver a solution for the whole of Manchester to ensure that the provision of superfast (>30Mb/s) and ultrafast (>80Mb/s) broadband goes wider, deeper and faster than would otherwise be provided by the market without intervention.

3.2   Manchester's aim for the Urban Broadband Fund was to deliver economic and social outcomes for businesses and residents by providing public funding for broadband infrastructure, enabling close to 100% coverage, dependent on a successful procurement process, of ultrafast broadband across the whole of Manchester. The main purpose of the funding was to provide ultrafast broadband infrastructure for areas of Manchester where commercial providers had no intention to introduce such a service.

---

[1] State Aid refers to forms of assistance from a public body, or publicly-funded body, given to selected undertakings (any entity which puts goods or services on the given market), which has the potential to distort competition and affect trade between member states of the European Union. For a detailed explanation visit: https://www.gov.uk/state-aid

3.3   For state aid purposes, the strategy determined by the Broadband Delivery UK [BDUK] a team within DCMS) for the Broadband Programme has been divided into two categories: urban and rural. Manchester and Salford are categorised as falling under the urban classification (funded by UBF), whereas the remaining eight GM authorities fall under the rural umbrella (funded by European Regional Development Fund [ERDF].

3.4   Umbrella state aid notification for the rural programme was secured by BDUK in late 2012. This effectively means that the infrastructure infill can progress as planned for the rural programme and procurement activities are progressing in order to appoint a preferred supplier by October 2013.

3.5   However, the urban programme has been delayed, as broadband guidelines changed in December 2012. The European Commission (EC) would not accept that access conditions previously agreed for the rural programme should be applied to the urban programme without opening a lengthy investigation. Therefore, BDUK decided not to challenge the EC as they believed that any state aid notification and certainly any challenge will make delivery before the end of the Parliament impossible. BDUK formally notified Manchester and the other 22 cities that are categorised as Urban Super-Connected cities to rescope their bid accordingly with options that would avoid or be exempt from state aid issues, e.g. remove infrastructure elements to ensure delivery prior to March 2015.

3.6   The team delivered a re-scope within the three-week timescale and submitted new proposals on 21 May. The final offer for the rescope will also be subject to delivery assurances.

3.7   The overall objective for Manchester is unchanged from the original UBF application. However, the removal of the infrastructure intervention elements of the programme to the revised approach will see an impact on the outcome. The redesign of the bid, resulting in demand-led connection vouchers; the deployment of wireless connectivity; and several research and development programmes will not provide the aim of the near 100% coverage across the city however Manchester will still take a step closer to becoming a leading digital city.

The redesigned Urban Programme

3.8   The programme was re-scoped accordingly and outline business cases were submitted to BDUK under the following six themes:

1) Business connectivity (a voucher scheme would subsidise the cost of businesses installing >30Mb/s broadband connections. The offer would be limited to companies with fewer than 250 employees and turnover of no more than £37m)
2) Wireless in public buildings
3) Wi-Fi on public transport (with wider benefits to commuters across GM)
4) Ducting (Airport City Enterprise Zone) – only element of original bid
5) Research and development (eg. Future Cities projects)

6) Residential connections (voucher scheme via RSLs/ALMOs)

3.9 The above sits alongside the wireless work already achieved in Manchester (and is detailed in section 7 of this report).

3.10 The Council received a response from BDUK on 3 July and have had a conditional offer letter for the following elements of the re-scoped bid that are agreed and the areas that were rejected. As with all projects, the final award is subject to assurance of the items agreed in the conditional offer letter. It is not a fixed grant.

Agreed (subject to BDUK assurances)

1) Business Connectivity – voucher scheme (up to £3.65)
2) Wireless in 130 public buildings across the city (up to £2.7m)
3) Wi-Fi on public transport (up to £440k)
4) Ducting (Airport City Enterprise Zone) – only element of original bid but need to clarify state aid risk (up to £500k)
5) Research and development (e.g. Future Cities projects)
   - Manchester Science Park (up to £2.95m)
6) Residential connections - if linked to Business voucher scheme (up to £500k)

Not agreed

5) Remaining Research & Development projects e.g. digital test bed platform (digital wayfinding and lights, smart traffic management, open energy management, digital exchange demonstrator and Manchester-i open data hub)

3.12 BDUK need further assurances that these projects pose no risk and BDUK are also wanting to discuss some elements of the 'non-agreed' Research and Development options to be progressed within the Manchester Science Park as a test bed e.g. the Manchester-I (up to £2m)

3.13 Manchester has not yet modelled the impact of the above for providers and overall connectivity improvement but the following highlights the basic residential and business connectivity differences between the first bid and the revised bid.

	Bid 1 – including infrastructure 'infill'	**Revised bid – demand-led scheme**
Aim	Aimed to achieve 100% coverage. Ultrafast broadband aimed to be made available to 228,000 premises, reaching at least 27,700 residential dwellings and 6,200 businesses that currently	

	don't have superfast access.	
Residential	Aimed to reach 27,700 residential properties in white areas. • 16% of residential properties that currently have no broadband aimed to gain ultrafast broadband access • 84% of residential properties that only have access to superfast aimed to have the option to receive 'ultrafast broadband' (only 46% of dwellings in the city are ultrafast' now).	No resident improvement directly. Need to explore if any of the voucher/public building Wi-Fi or RSL activity (if accepted) improves cabinets and therefore increases residents' speeds/coverage.
Business	Aimed to reach 6,200 businesses in white areas.	Modelling expects 2,050 businesses to benefit from the revised voucher scheme.
Value of Investment	£12m	Agreed (subject to BDUK assurances) Up to £10.74m Possible a further £2m for Manchester–i (R&D project)

4.   Metrolink ducting

4.1   Options are being explored to make Metrolink ducting available for use by telecommunications providers, enabling them to install fibre along Metrolink duct – a proposition likely to be much more commercially attractive than other self-build options.

4.2   Excess duct capacity has been designed and installed along Metrolink phase 3 lines, primarily to accommodate future growth of Metrolink.

4.3   Duct that is not required for Metrolink operations could be made available for use by third parties, and Transport for Greater Manchester (TfGM) is working to enable this.

4.4   Work previously had indicated there was no substantial commercial opportunity from third-party use of spare Metrolink duct, based on an analysis

of potential revenues compared to ongoing operational implications, however recent meetings with a potential user has identified some commercial value.

4.5   There will be costs and contractual issues to be resolved associated with utilising ducts. From the perspective of communications providers, however, the ability to install fibre along Metrolink duct is a highly competitive option compared with self-build options in cases where routes are suitable to fulfil business requirements.

4.6   State aid considerations would mean that TfGM would need to make ducts available on an open-access and non-discriminatory basis to allcomers at market rates.

4.7   Use of the duct would be subject to appropriate commercial agreements to ensure that at least a cost-neutral position is achieved, that potential risks and liabilities are mitigated, and that there are appropriate operational agreements around access arrangements and design issues to ensure the operational integrity of the Metrolink system.

4.8   Informal discussions are underway with one telecoms operator active in the Manchester area that has expressed an interest in gaining access to certain ducts. These discussions will be used to develop a fuller understanding of the commercial, legal and operational issues in making Metrolink duct available to third parties through the development of a pilot installation.

5.   Business Demand Stimulation

5.1   Alongside both rural and urban broadband improvement schemes is the Greater Manchester Business Demand Stimulation work being led by the Business Growth Hub, which secured £1.5million from ERDF and Regional Growth Fund (RGF) to support economic growth.

5.2   If Manchester is to fully exploit the economic growth benefits of faster connectivity, then all businesses across Greater Manchester need to be encouraged to take up faster connectivity as well as the new digital services this enables, such as cloud remote back-up, supply chain management, design collaboration, and videostreaming of products etc that can reduce costs and open up new market opportunities. Business take-up of high-speed broadband services has been low compared to the domestic market, which has been driven by consumer demand for entertainment services, such as video-on-demand and catch-up TV (eg. BBC iPlayer) etc.

5.3   The challenge for Manchester is to accelerate the process of business take-up by reaching beyond the early adopters (principally digital and creative businesses and other high-demand users) to penetrate all other sectors of the economy. The demand stimulation programme is intended to do this while underpinning both the rural and potential urban schemes.

5.4   The programme will include a co-ordinated programme of education, information and demand-building, involving general awareness-raising activity

using traditional and digital media, and promotion of the benefits of new digital technology.

5.5 The Business Growth Hub will implement a series of bespoke business support events with Hub partners to help SMEs adapt their business models to maximise the benefits from the take-up and exploitation of broadband and digital technologies. In addition to this, a specialist Digital Growth team will provide tailored one-to-one support for SMEs.

5.6 The Business Growth Hub is currently in the process of appointing the specialist digital business advisers to scope, manage and implement the programme.

5.7 The demand stimulation work will closely link to the Go-On Manchester campaign further discussed in the following section.

6. Manchester Go-On campaign

6.1 Manchester is delivering a Go-ON Manchester campaign (a local version of the national Go-On initiative), which aims to complement the Urban Broadband Fund investment by supporting digital inclusion and encouraging residents and businesses to exploit this investment.

6.2 There are currently over 800 Go-ON Manchester Digital Champions across the city, and it is hoped there will be 3,500 by the end of 2013/14). They are a volunteer network supporting and sharing online skills and encouraging people to utilise the social and economic benefits of being online. There are also business partners, which include GM Chamber of Commerce, 3 Sheep and UnionLearn, supporting other businesses as well as residents. New learning resources have been developed, starting with a basic 'How to be a Digital Champ' course, a more in-depth skills and resources session, working up to an accredited digital mentoring course – all delivered by MAES. The Go-ON Manchester bus visited Harpurhey, Longsight and Wythenshawe to advise residents about the benefits of life online and training courses available. Over 160 residents were engaged and 35 new Digital Champions signed up. Plans are now in place for the buses to visit Openshaw and Gorton.
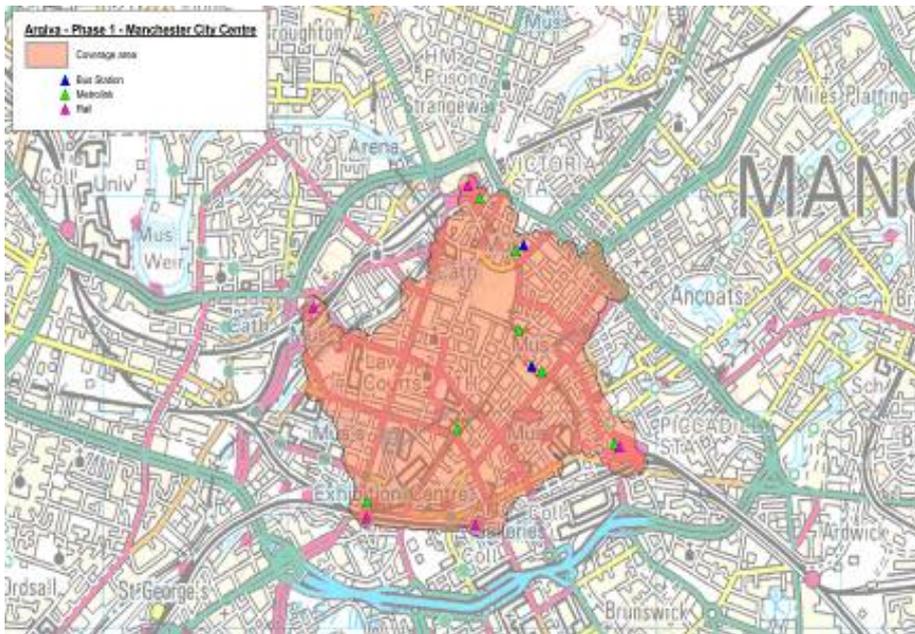
7. Free Wi-Fi

7.1 Social connectivity in the city has been considerably strengthened with the city's free public Wi-Fi network, _FreebeeMCR, launched before Christmas 2012. A partnership between the Council, TfGM, and the communications and infrastructure company Arqiva offers 30 minutes' free Wi-Fi per day with unlimited access to a number of websites, including the Council's site, TfGM and Visit Manchester. The concessionary contract means the public Wi-Fi improvement has not cost the city, but Manchester gets the benefit of the investment, generates a share of the income for the use of its

freebee
Free Wi-Fi across Manchester

assets, and residents, commuters and visitors get an enhanced digital experience.

7.2   Phase two: coverage for 121 locations, including public transport hubs and key stops on the transport network across Greater Manchester, was launched at the official contract signing on 5 June. To date (30 May 2013), more than 16,100 customers have accessed the network of 14 sites, averaging 324 clients per day.

7.3   Future phases will extend the service to high footfall areas across the city, such as district shopping centres. TfGM is also testing free Wi-Fi in trams and the UBF funding will mean the whole Metrolink network will have a free Wi-Fi solution in the future. Investigation will also take place with TfGM to understand if the Wi-Fi network can be extended to trains and/or buses not currently offering a Wi-Fi service. The contract provides a mechanism for other GM councils to enter into their own agreements with Arqiva, should they wish to pursue it.

8.   Corridor

8.1   The Corridor Digitisation project involves installing an open-access Next Generation Access (NGA) digital infrastructure using state-of-the-art fibre to the premises (FTTP) and advanced wireless. This will enable the network to operate as an innovation test bed as part of the Manchester Living Lab initiative for both commercial and non-commercial purposes.

8.2   Geo, the contractor appointed to build the network, completed the construction of the network core in 2012 and, following some delays for legal reasons relating to issues such as wayleaves, the Council is now in discussion with Geo and a range of potential service providers to finalise a business plan to enable the network to be fully operational by September 2013.

9.   The Sharp Project

9.1 In September 2013 we reported to the Council's Executive on the progress of and future plans for The Sharp Project. This report:

- Noted the success of The Sharp Project to date
- Sought approval for capital investment in a new green screen facility and further shipping containers
- Sought approval to proceed with the acquisition of One Central Park
- Noted the proposals to establish Eon Reality's European headquarters along with the creation of a school of coding at One Central Park
- Noted proposals for the former Fujitsu site at West Gorton.

9.2 At September's Executive we reported: "At the end of its first year of full operation The Sharp Project had created 287 full-time equivalent jobs within the tenancies of the building." These impacts have subsequently been reviewed and revised calculations discovered the actual number of full-time equivalent jobs in our first full year of operation is 375 providing a GVA impact of £21.4million.

The Sharp Project – jobs and FTEs 2012/13			
	Jobs	**FTE**	**GVA**
Tenants	184	205	**£11.7m**
Production	778	170	**£9.7m**
Total	**962**	**375**	**£21.4m**
Source: ERDF Annual Monitoring Returns, New East Manchester 2013			

9.3 Lettings are healthy with a current occupancy of 79.5%; interest in space is high, particularly for shipping containers and drama stages.

9.4 A key objective of The Sharp Project is the delivery of an education and training programme in order to develop talent, skills and capacity for the Creative Digital sector. Skills development to date at The Sharp Project has been led by SharpFutures, an asset-locked, independent, community-interest company, which has been commissioned to supply this service to The Sharp Project. SharpFutures has worked with schools and young people to raise awareness of the career opportunities available within the sector and is also commissioned to develop the ecology at The Sharp Project through a series of events and networking opportunities.

9.5 SharpFutures is currently nurturing a talent pool of young people by employing five apprentices and twenty regular volunteers – all from Manchester – who are gaining work experience in a wide range of areas across the creative and digital sectors. The roles include Apprentice Communicator (focusing on social media, marketing and PR), Digital Runner and Organiser (focusing on customer service), front and back end web developers.

9.6 The apprentices are positive about their experience, recognise the skills they are developing, and feel that the work experience will be invaluable when

seeking employment. The talent pool is made available to the tenant based to help increase engage with Creative Digital SMEs and entry points for young people as well as growing capacity for small business.

9.7   Largely through the work of SharpFutures, The Sharp Project has developed links and worked with a number of local partners, including local schools, Manchester and Oldham College, Skills Solutions, Churchgate, Manchester Chamber, Skillset, The Shaws Trust and the National Apprenticeship Service. These relationships have helped to raise awareness of the facility and opportunities available in the sector. They are also helping to encourage participation, supporting people within east Manchester and across the city to gain the knowledge and skills they need to take advantage of the opportunities being created.

9.8   Such activities and associated benefits will continue to grow in the future as the second and third phases of Sharp are delivered.

9.9   **Capital investment in The Sharp Project:** The investment in four purpose-built Green Screen Stages is complete, with the stages due to open officially on 12 June 2013. As a direct result of this investment, the company Applearn have taken another office, doubled their business and leased two stages for seven years, with an option on the third. Their company expansion is expected to create 150 new jobs over the next three years.

9.10   In addition, six new shipping containers have been acquired and installed and these were fully let within their first week.

9.11   **One Central Park, Eon Reality:** The acquisition of the One Central Park building from the current owners is ongoing and expected to be completed imminently. Eon Reality have now established their European headquarters in the building and are training their first intake of coders. Manchester College are working with The Sharp Project to further develop coding skills and help deliver Manchester's ambition to equip our young people with the skills required to progress in the sector and deliver a workforce capable of supporting growth in Creative and Digital industries.

9.12   **Former Fujitsu Building, West Gorton:** At meetings of the Executive in September and December 2012 we highlighted our proposals for the former Fujitsu building in West Gorton. These proposals for a Drama Hub consisting of drama production stages, production offices, offices for companies relating to drama production, and flexible workspace have been subject to a successful bid for £4.1million of ERDF funding. This is matched with £4.1million of Council funding. The facility is expected to open for business in early 2014. Once fully operational, the new facility will have the potential to support 475 full-time equivalent jobs and will create a new focus for drama production in Manchester.

10.   Digital Partnerships and Narrative

10.1   Partnerships across the public and private sector have strengthened, notably with a shared vision and programme for growth. This includes the New Economy and support in the development of a GM digital skills strategy, Regeneration teams and their support to develop and support local digital businesses alongside private colleagues such as Manchester Digital (MD) the region's creative digital trade association. MD is working with the city to develop the digital skills offer; recent work includes its Apprentice Matching service for digital businesses wishing to recruit 450 apprentices over the next two years, with 40 placements already on offer, and Peer Club, which brings together people with similar roles in the sector to enable career development. Techelerate is a tech ecosystem that supports shared learning and events, and the Northern Tech Awards celebrated in April recognise local talent and entrepreneurship.

10.2   The Council is continuing to work with its creative digital community partners to strengthen the city's digital narrative; however, like online content itself the digital activity generating from the Digital Strategy is going viral. Since our last update on 12 October, there has been a significant increase in the digital stories the media is reporting about the city; this has offered the city an advertising value equivalent (AVE) of over £251,000.

10.2   A key and growing element of the city's digital narrative is the FutureEverything innovation festival. This year's festival was a resounding success, with all live events selling out, and over 600 delegates attending the conference programme. An audience evaluation survey conducted by BOP Consulting reported that the event does have an impact on the local economy; the average daily spend per conference attendee was £75, with international visitors spending on average £514 per day. 25% of the audience was from outside the UK and 93% of the audience believes FutureEverything helps them find new ideas and ways of thinking. The Guardian has hailed FutureEverything one of the top ten international ideas festivals alongside TEDx and South By South West. Plans are now in development for 2014's festival, which will be supported by the Council.
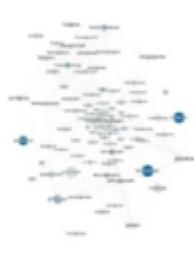
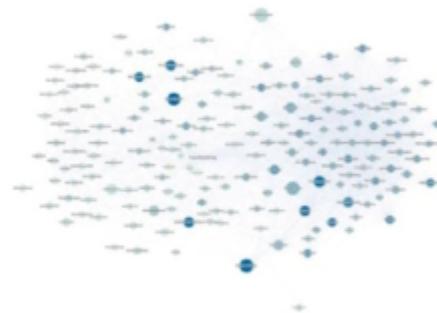FutureEverything's reach maps:

Follower Networks compared

All included profiles have at least 12k followers
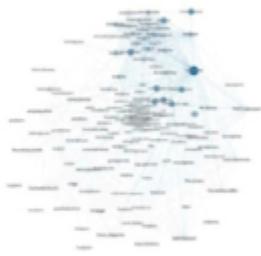
MIFestival
followers 159
connections 1.341

PICNICfestival
followers 91
connections 431

FuturEverything
followers 187
connections 3.463

The global response to FutureEverything on Twitter.
Its global reach on Twitter is 2,325,813.

11.   Digital skills

11.1   Economy Scrutiny requested an update on digital skills in March[2] and it is firmly recognised that we need to ensure we have an appropriate supply of labour so there is no impact on the potential growth of the creative digital sector. A number of key research papers have outlined the challenge. Manchester Digital's Skills Survey[3] summarises the key issues as follows:

- Employers report large numbers of hard-to-fill vacancies, particularly in technical development.
- There is a mismatch of applicants' abilities to job needs, especially for entry level.
- The lack of resources in development/developers' capabilities is the most pressing issue for many, with 56% saying development is important for their future growth.
- There is the perception that the education system is not adequately preparing young people for a career in the sector.

11.2   To address these issues a strategic framework for the development of digital skills in the city is being developed. It outlines three educational and experience pathways that post-16s, 18-year-olds and graduates can follow, including the skills, knowledge, attributes and experience they require to gain employment within the sector. These pathways lead to the fulfilment of 11 aspirational outcomes to improve our digital skills economy, enlarging the talent pool for our creative digital sector.

These pathways lead to the fulfilment of 11 aspirational outcomes to better our digital skills economy, enlarging the talent pool for our creative digital sector.
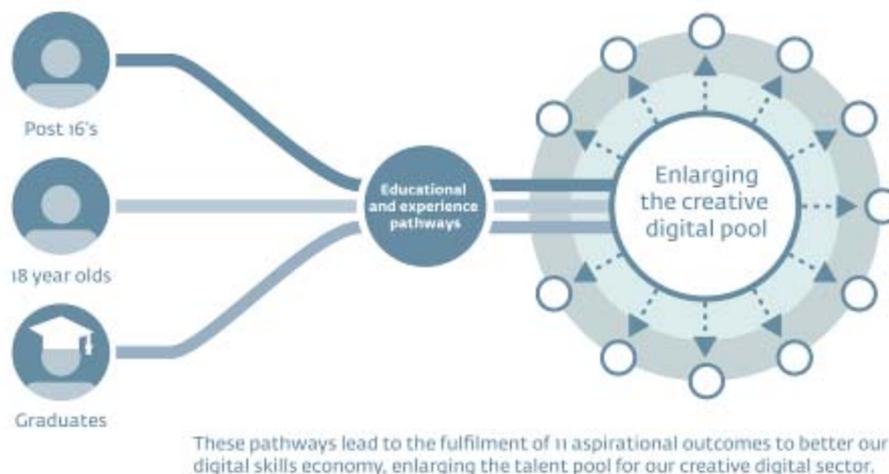
The outcomes can be split into four distinct learning groups:

- *Young people, yet to enter the labour market* – increasing the number of young people involved formally or informally in digital learning with excellent STEM foundations

---

[2] Economy Scrutiny March 2013
http://www.manchester.gov.uk/meetings/meeting/1838/economy_scrutiny_committee
[3] Manchester Digital – Skills Survey 2013.

- *Reskilling working age residents in work* – increasing the number of adult learners to ensure the ongoing development of relevant skills
- *Employers investing and shaping provision* – ensuring that professional development opportunities keep pace with this fast-moving environment
- *Life skills and employment for working-age residents not in work* – inspiring them to develop the relevant skills to apply for jobs, enjoy the benefits of life online, and potentially progress a career in the creative digital sector.

11.3   In June the Manchester School Alliance (MSA) and the Council co-hosted a Digital Futures summit with the Education Foundation. This was the starting point of the Alliance's approach to the digital skills challenge. The summit brought together leaders and practitioners from the education and business sectors and the local informal learning environments to share and develop the local ambition for the skills required, showcasing best practice in digital learning and education in the city. Over 150 delegates attended and committed to the development of a Manchester Innovation Zone. The Zone is being set up to encourage the sharing and scaling up of ideas that work to help power employment and growth across the city, and will create a forum for business and educators to meet and collaborate for mutual benefit. This has started with a competition for five schools, with prizes of £1,000 each to work with local businesses to deliver digital projects.

11.4   Digital apprenticeships are developing apace, the Employer Skills Group dedicated to the Creative Digital and ICT as part of the Employer Ownership of Skills are in the process of developing a new level 4 digital apprenticeship with Hyper Island. This will focus specifically on the business-identified skills shortages. ANS, the cloud computing and technology solutions company, has committed to offering 35 level 3 apprenticeships through EOS with a further 15 supported within their supply chain. The Juice Academy, developed by Tangerine PR – a Manchester-based PR agency – is offering 20 advanced level Social Media apprenticeships this quarter and a further 60 before the end of the year. SharpFutures has its first five digital apprentices and ten volunteer jobseekers, with an ambition to grow significantly. The Council has supported this pilot with a grant specifically aimed at engaging micro businesses in this sector, working with apprentices and supporting valuable work experience.

11.5   In March 2013, the Economy Scrutiny Committee committed to supporting the Code Club target of increasing the number of primary schools in the city with a club by 25% by the end of 2014. The city currently has eight primary schools registered, including Crumpsall Lane and Rolls Crescent, and an increasing number looking for volunteers to run clubs. The Council is currently identifying administrative and promotional support for the volunteer Code Club co-ordinator Steven Flower. Young Rewired State, a code festival for under-18s, is also being supported to grow with 100 young people this year. The festival will be hosted at Madlabs in the Northern Quarter, with the BBC at MediaCityUK, and in Oldham College.

11.6   The social media surgery (free drop-in events where anyone from the local community, or a charity or voluntary organisation, can ask questions about

social media) recently won a national award for 'learning through technology' during Adult Learners' Week. This simply summarises some of the most well known and developed informal learning opportunities. Working with these networks, the Council is identifying ways to support development, both for young people and adults.

11.7 Work will continue with MAES' to support digital skills progression for the city's adult learners ensuring there are appropriate pathways from Level 2 upwards.

12.0 Reform

12.1 The Council's website was already rated by The Society of Information Technology Management (SOCITM[4]) as 4 stars – one of the best websites in the UK. The redesigned site is simpler and quicker for residents to use and is fully mobile. Its development is based on research into what people want to do when they visit the site, ensuring they can find what they're looking for in a few clicks. The site is fully responsive and recognises the device visitors are using, adapting the screen accordingly. It includes richer content with cleansed pages and offers, personalised e-bulletins, and integrated fast forms to automate the top customer transactions. A very small selection of tweets are reproduced below.

12.2 The place-based communications social media pilot launched in December 2012 started with localised twitter accounts for Harpurhey and Crumpsall. The accounts now have over 320 followers between them. Following the success of these accounts, a further four feeds have been launched for the North Strategic Regeneration Framework (SRF), and while they are still very much in their infancy, they already have more than 210 followers. The next steps are to launch more accounts across the city starting with the Wythenshawe and Central SRFs (Moss Side and Rusholme). Over 60 officers have been trained in neighbourhood delivery and regeneration teams to utilise and support local twitter.

---

[4] SOCITM was founded in 1986 as the professional association for information technology managers working in and for the public sector in the UK.

12.3   The city's Open Data approach is that only by exception will data not be openly available. The target for March 2013 was to open 80 data sets; this was achieved and the aim is to reach 200 open data sets by the end of the year. Manchester's first hackathon took place in November 2012. The overall winner – Data Crossfader – is a visualisation tool that plots information on a map of Manchester to allow people to compare important sets of data. The team behind Data Crossfader are working with Corporate PRI to identify how the app can support the development of the Intelligence Hub. A second hackathon took place during the FutureEverything festival. This was an intensive two-day competition to build new, useful applications from TfGM's data that will improve the public transport experience. Further work now needs to be done to ensure the Council can both meet the legislative requirements, such as the INSPIRE directive, and keep up with the pace expected from the developer community. With this in mind, the city is starting conversations with Salford City Council and the developer community to submit a joint bid to the Open Data Breakthrough Fund to help accelerate the Open Data ambitions.

12.4   The new Online Customer Account, 'MyAccount' went live via a soft launch in August 2012. Customers registering with a MyAccount are able to submit Fast Forms for a number of the highest volume enquiry types. This means the customer doesn't need to enter their details each time they submit a request for service, as the request bypasses the Contact Centre and is uploaded directly into CRM. The customer can then keep track of the progress of their enquiry through the receipt of automated status update emails.

12.5   To date we have had in excess of 10,000 successful online account registrations, and currently on average 60 Fast Forms are submitted per day; overall Neighbourhoods Services-related calls have dropped by 6.5%. Contact Manchester manages the technical support for the registration process, and has received only a handful of customer support calls relating to the online account, which demonstrates the registration process has proven to be both robust and user-friendly.

12.6   The Green Digital Charter is a Eurocities initiative, started by Manchester City Council and a local business partner, Clicks and Links Ltd, as part of Green Shift Europe. The Charter is a declaration committing cities to work together to deliver on the EU climate-change objectives through the use of ICT. It promotes progress in tackling climate change through the innovative use of digital technologies in cities and complements Manchester: A Certain Future.

12.7   The Charter has given Manchester a high profile as one of the leading European cities, taking a more innovative approach to tackling climate change through ICT. It also fits well with Manchester's current role as Vice-Chair of the Eurocities Knowledge Society Forum and with the city's hosting of this year's Autumn Forum Conference on 17/18 October.

12.8   In November 2012 Manchester submitted a bid to TSB for 24m to become the UK Future City Demonstrator. This bid sought to integrate key city systems; energy, transport, buildings and health within the confines of the Corridor. At the heart of the bid was the development of an open data hub, the Manchester-i.

12.9   Manchester was unsuccessful in its bid, the winner being Glasgow. However, it was recognised that the council and its partners would work together to take forward the work developed recognising the environmental, economic and social benefits it sought to deliver. A programme of work is currently being developed with partners consisting at this stage of 22 projects underpinned by the Manchester-i. A number of funding bids have been or are being developed to support the delivery of the programme, which has strong synergies with objectives of the Digital City Strategy.

13.   Digital Place

13.1   Building on the Microsoft Surfaces in the award-winning Tourism Centre, the Council plans to deliver a world-leading digital touchscreen network for Manchester. The 30 interactive and intelligent screens in 10 locations across the city centre's streets by the autumn, enhancing the digital experience for people by providing useful real-time information. Visitors will be able to find their way around using touch-screen maps, and communications about events in the city will be tailored and updated based on who's around and what's happening. Visitors will even be able to check the latest news and weather forecasts.

13.2   The network will be cost-neutral to the Council by utilising its partnership with MediaCo, with advertising income paying off the investment needed for the totems. It will combine the latest advertising technology: facial recognition is built into the screens so advertisers will be able to target ads based on age and gender of users.

13.3   Guidance for developers is in production to explain the importance of open access ducting in all new developments in the city. The guidance, whilst not statutory, provides developers with an outline framework to ensure that no new 'white areas' (areas without connectivity) are created.

14.   Economic Growth

14.1   As previously reported, growth forecasts for the Creative Digital industries in GM are drawn from the Greater Manchester Forecasting Model (GMFM) produced by Oxford Economics on behalf of GM. It provides an overview of the sector's overall growth potential over the coming decade, illustrated below, and is overwhelmingly positive in GVA terms, with a forecast to grow by over 70% by 2025 (the basis of our original forecasts in 2012, were 44%).

Employment and GVA forecast in Creative and Digital industries, 2011–25
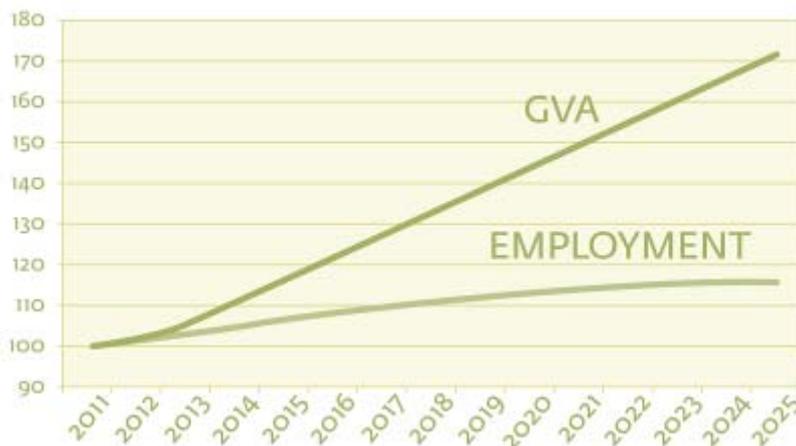
14.2   While employment is estimated to grow more modestly (though still at a healthy 16%) during the same period, this implies a strong increase in productivity.

15.0   Conclusion & Recommendations

15.1   The UBF revision is a set back for Manchester however officers are satisfied that the re-scoped proposals will deliver the maximum outcomes possible. Other elements of the ten point plan are almost completed or are in progress ensuring the Council are working towards it's ambitious vision of being a global top 20 digital city by 2020.

15.2   In September the strategy will need a refresh to accommodate completion or changes and future ambitions over the next two to five years.

Appendix 1 - Manchester's Digital Strategy – 10 point plan

Access and Connectivity
1. CONNECTED CITIZENS – 100% Broadband Coverage: • Wi-Fi in all public spaces and high speed wireless across Manchester • Superfast and where available Ultrafast Broadband
2. CONNECTED BUSINESSES - All businesses have access to fast broadband services and are supported with advice to best exploit it and/or financial assistance in accessing even better/faster services.
3. CONNECTED MANCHESTER – public and private sector better connected. Lead and deliver a more coordinated partnership to drive improvements and market the city as a successful digital place to attract new business.
Engagement
4. DIGITAL SKILLS – from officers and members; primary school children; Academies and Universities; to adult education we need excellence at all ages to provide the best digital education and further education to support people today to get the skills needed for future jobs. Digital Championing of knowledge transfer about the benefits of 'Going Digital'. This includes use of digital technology but more importantly design, research and development.
5. SOCIAL CITY – an open and transparent, digital embracing City Council and Marketing Board. Accelerate social media and engagement, advance our website and web advertising focus, enrich content, maximise offline digital advertising, fully utilise e-opportunities (e.g. e-zines/e-bulletins), Embrace growth in mobile by increasing mobile content, mobile advertising and mobile apps. The development of a Manchester super app (Mapp) is one opportunity, the delivery of many consolidated into a New York-style hub is another. Work with the private sector to support fast progress and crowd sourcing with a hackathon, fully exploit GIS mapping utilisation etc.
6. DIGITAL REFORM – encourage and enable more people to become self-service customers, use CRM integration to deliver reform and efficiencies.   By providing continued focus on key digital platform excellence, openness, tools, fast accessible connectivity and skills to citizens and business we will allow people to become self-sufficient and help them achieve their full potential.
Industry
7. ECONOMIC GROWTH -stimulate and grow the creative and digital sector. As one of our three most important areas of job creation we have to support, encourage and instigate growth from skill development from an early age, inward investment, procurement to maximising global opportunities of our home-grown talent.
Place

8. DIGITAL PLACE – the City's digital landscape supports the vision of Digital Manchester – from advertising options to wayfinding, real time tram information to digital tourism – Microsoft surface maps, interactive tours etc. Digital Master planning should be considered at the same time as physical infrastructure and should fundamentally be led by the needs of the digital resident. Providing a joined up voice to drive coordinated development is vital.
Leadership
9. DIGITAL INVESTMENT / RESOURCES – exploit new investment opportunities, public and private, that can help accelerate the delivery of our ambitions.
10. DIGITAL LEADERSHIP – digital at the heart of Manchester strategies to promote a truly digital city in all we do from transport to health, education to public services. Consolidate and coordinate approaches to development based on need – not multiple people trying to achieve the same end via different methods. Think digital first and lead the way.

Appendix 2 – Digital Strategy Actions and progress update (see attached)

Actions & Progress Report

SUPER CONNECTED CITY

CONNECTED CITIZEN	achieved	in progress	in development
Ultrafast broadband connections to all homes		✓	
'Free' public Wi-Fi	✓		
Next Generation 4G mobile launching in Manchester before Christmas	✓		
Track connectivity and work with supply base to continually improve and align with Europe and other leading global cities to ensure we continue to progress our digital connectivity	✓		

CONNECTED BUSINESSES	achieved	in progress	in development
Ultrafast broadband connections to all businesses - 'last mile' connections and subsides to support sme's to have world class connectivity at affordable prices		✓	
Corridor Network – Next Generation access		✓	
Digital, creative and technology business innovation hubs and ecosystems: - The Sharp Project Ecosystem Expansion – The Sharp Project (200k sq ft) is now full expansion into 'Sharp 2' - TechHub – coming to Manchester - InnoSpace – MMU established with growth plans along the Corridor - Manchester Science Park houses digital companies and the Graphene Institute expansion agreed - Project Tomorrow	✓		
Business Community Networks - Digital Board - Manchester Digital (est trade body – 450 members) working with the city on the Digital Strategy - The Campus – social hub of The Sharp Project - Support for business to be globally connected, promoted, and exporting internationally	✓	✓	
Digital Industry Awards - The Big Chip Awards celebrates and promotes best practice on an annual basis	✓		

CONNECTED MANCHESTER	achieved	in progress	in development
Only significant internet exchange outside of London – need to maintain and enhance, including support for planned expansion through IX Manchester	✓	✓	
A 'Go On Mcr' Digital Inclusion Campaign to encourages off-liners online, people/business to upgrade to faster connections, businesses to have presence, trade and grow using the web		✓	
Digital narrative and promotion Narrative, casestudies and evidence base required Internationalisation of messages		✓	
Develop international partnerships - Manchester to be part of NY Digital Connect Cities Index	✓	✓	
EU Networks/SMART cities – Manchester is building on its links with Eurocities and the Connected Smart Cities Network to exchange knowledge and experience with cities facing similar challenges and to develop new and innovative forms of cooperation that support the Digital Strategy. Manchester is already working closely with Amsterdam, Barcelona, Bologna, Cologne, Ghent, Helsinki, Riga, Stockholm and Vienna,	✓		
Digital Festival - Future Everything	✓		
Innovation Centres – Manchester Living Lab, Mad Lab and Fab Lab looking at digital technologies supporting products and services for the community. Combining Living Lab capacities with Mad Lab will strengthen the space where geeks, developers and artists create.	✓	✓	
Creative Times – online magazine for the creative community – started in Manchester but has national subscribers	✓		

SKILLS

DIGITAL SKILLS	achieved	in progress	in development
Digital Skills Summit – network of public and private sector that promotes apprenticeships and graduates and links talent from schools, colleges and universities to the sector			
Further work with schools – partnerships with primary and secondary to influence basic coding to be taught in primary and improved teaching and uptake of Computer Science in secondary and colleges. Ensure latest codes are taught and appropriate skills are available for the sector Review Bursaries to attract students and allow access to further digital education			
Universities - Audit and map of digital training courses/ skills in further education and rating globally - Attract and retain graduates with digital skills Ensure courses, capacity and quality match industry needs and growth			
Review online learning solutions and best practice for 'top up' curricula for future coders			
Attract private sector skills initiatives - Hyper Island in Manchester with expansion plans for the 2nd year intake - Eon Reality's Entrepreneurial/Coding School – training in digital skills			
Evaluate and ensure the best teachers and lecturers stay/come to Manchester and are supported by the ecosystem			
Support public and voluntary sector initiatives that support digital skills, eg. - Code Club (www.codeclub.org.uk) and encourage an after school code club to inspire children across the city - Manchester Geek Girls www.mcrgirlgeeks who inspire girls to embrace code and get into Computer Science with more than 60 groups in over 20 countries - A UK version of www.girlswhocode.com needed to inspire and equip 13-17 year olds to get skills and tech careers - Look at Youth and Play offers in the city to ensure they reflect skills like www.kidscodecamp.com			

DIGITAL SKILLS	achieved	in progress	in development
Adult education – review landscape provided by MAES, Libraries, Union Learn etc			
Digital apprenticeships - One employed by Manchester City council communications team - Sharp Futures supporting apprenticeship model			
Work with partners to promote free software such as Kodu to be used in primary schools to help teach basic coding			
3D learning – utilise 3D learning in schools to improve attendance and attainment			
Skills to support businesses e.g. 'how to create a web space' and 'selling on the web' courses as part of Go On Mcr.			

SKILLS

SOCIAL CITY	achieved	in progress	in development
Open data - Open Data GM – 180 published data sets for organisation across Greater Manchester including all 10 Local Authorities, health, police, fire and transport - Open Data Manchester – further data releases planned this year – aim to open 80 data sets by March 2013			
Apps (key output from the hackathons) Current Apps - Timeout visitors app for Manchester - Libraries app - Condom finder app - Partner apps- Airport App and TfGM App, Creative tourist app - Endorsement of Walk it, Fix My Street, My Council Services, Trip Advisor City Guide and Looking Local apps where appropriate Developing Manchester App (real time travel app, council services app etc) pick & mix solution to create your own Manchester App e.g. Manchester travel info (combines air, tram, bus apps), Manc what's on combines creative tourist app with other data feeds, where to eat, latest news, weather etc personalised to suit the individual and neighbourhood. Partner with private sector to support future app development			
Continuing to expand social media and web transactions to support digital switch			
'Going Really Local' – local social media plan, neighbourhood and community hubs, online social sharing spaces enabling co-production, and crowd sourcing opportunities			
Citizen engagement – - 4* SOCITM website – one of the best websites in the UK and largest number of followers on twitter for a LA - My Area and My Account and aggressive social media strategy, mobile website, CMS upgrade, responsive design, richer content, cleansed pages, personalised e-bulletins, fast forms automated customer transactions, GIS auto mapping, live chat customer services, customer service real time display & live community interaction, Do it online campaign, more use of SMS			

REFORM	achieved	in progress	in development
Green Digital agenda being developed in collaboration with the Green City Team and with Eurocities Green Digital Charter			
The Manchester Living Lab, established as result of the Intelligent Cities project in which Manchester worked with 20 European cities, including Helsinki and Barcelona, is developing new test-bed environments for scientific and technological innovation to support Green Digital Agenda			
Current Living Lab projects include: - Low Carbon Open Data Network (LODANET): developing easy to use and low cost sensors to link up with the public wireless network in the Corridor area to test out new Internet of Things services enabling people to get real time data on environmental conditions and to be able to develop new apps and services based on open data generated by these; - mHealth ecosystem development: working with the University of Manchester and a wide range of business partners to develop new mobile apps and services to support health promotions and telecare services; - developing energy efficient buildings: by using smart meters, sensors and wireless networks to enable people working in and using public buildings to support greater energy efficiency through using open data and more intelligent and accessible energy management systems.			
Do it Online Campaign (Channel Shift) to promote online ways of interacting, reporting as opposed to other forms of transaction			
Technology Strategy Board (TSB) – currently bidding for 'Future Cities Demonstrator' to drive digital reform and deliver technology innovation and for Manchester to be a Future Cities Catapult Exemplar.			

PLACE AND ECONOMIC GROWTH

	achieved	in progress	in development
ECONOMIC GROWTH			
Data on businesses, jobs and GVA as well as export value needed for benchmark to assess growth in Manchester/ GM	▨		
Aim to exceed growth targets - Employment (17% from 2011-21) - GVA (target £3.7bn)		▨	
Urban Broadband – - 262 start ups expected to be created, 220 jobs & £125m gross added value to GVA		▨	
The Sharp Project Expansion and Eon Reality - EON Reality - 243 jobs & GVA impact tbc - ANS Data centre - 100 jobs & GVA tbc	▨		
Project Digital/Tomorrow – job numbers and GVA tbc		▨	
TechHub – tbc		▨	
Midas (jobs) – inward investment in digital sector - Soap Media (30), Carbon Digital (20), Yippee Entertainment (20), App Crowd (30), Bright Future Software (300) - In the pipeline 101 projects totalling over 1000 jobs	▨		
DIGITAL PLACE			
Digital Master Planning - Infrastructure –Internet Hub map of fibre and wireless - Planning framework to influence no more 'white areas' are created by new builds (housing and office)		▨	
New digital landscapes - Digital advertising, highways and way finding opportunities		▨	
New Central Library digital enhancement – Archive Plus		▨	
Digital tourism - Microsoft surfaces in award winning tourist info centre - Digital enhanced wayfinding - Interactive tours	▨	▨	▨
Promote and maintain tax breaks for high-end TV and gaming			

LEADERSHIP

	achieved	in progress	in development
DIGITAL INVESTMENT / RESOURCES			
Investment - Private sector commitment - Infrastructure – BT & Virgin investment totalling tbc - 4G – worth £1.5bn investment in upgrades and 4G in the UK - Wi-Fi - tbc Public sector commitment - Urban Broadband Fund £12m - Other - TSB future cities bid £24m – for one city Manchester awarded £50k to support feasibility and bid	▨		
NW Fund – £25m for digital sector	▨		
Funding map and review of what is available, gaps, access to and promotion of and possible solutions: - Educate funding gatekeepers and generate new fund for digital innovation - Support access to and applications - Crowd source fund option for start ups and small business - Support start up business planning, mentoring and training - Map of public and private sector support - Guidance on VC, EC and EU funds - Sharp workshops - Provide networking opportunities for funders to meet start ups			▨
DIGITAL LEADERSHIP			
Digital board to co-ordinate private and public sector to support digital strategy		▨	
European digital knowledge and exchange resource via MDDA	▨		
Industry leadership via trade body 'Manchester Digital' – 450 members and over 2000 linked in to a Manchester digital networking group	▨		
The Sharp Project – Sue Woodward's role as Creative and Media Champion	▨		
Midas support at driving further inward investment in this sector		▨	
Partnership with Government to influence digital investment and focus beyond TechCity and support for Manchester - Minister and civil servant visits to the city and The Sharp Project - Conversations with governments, private sector, Europe and other opportunities for better funding, connectivity etc.			▨

MANCHESTER
CITY COUNCIL

Economy Scrutiny Committee
Digital Strategy Update

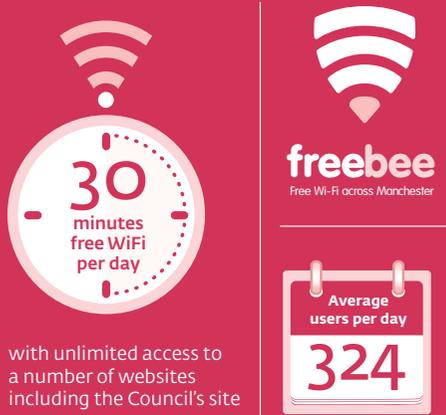## 2013

Super connected city

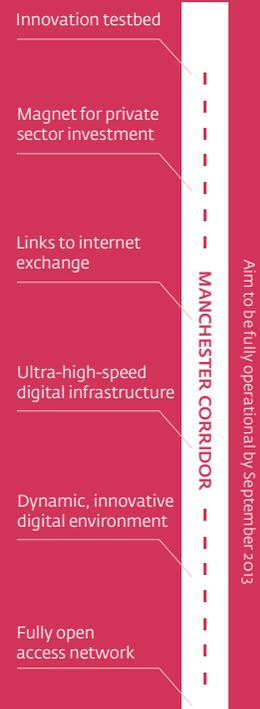**Access and connectivity for connected citizens, connected businesses, connected Manchester**

Free WiFi

30 minutes free WiFi per day

with unlimited access to a number of websites including the Council's site

freebee
Free Wi-Fi across Manchester

Average users per day
324

16,100 have accessed the network of 14 locations

Phase two; coverage for **121** locations

including public transport hubs and key stops on the transport network across Greater Manchester

Corridor

Innovation testbed

Magnet for private sector investment

Links to internet exchange

Ultra-high-speed digital infrastructure

Dynamic, innovative digital environment

Fully open access network

MANCHESTER CORRIDOR

Aim to be fully operational by September 2013

Connecting...

SME's

Public Sector

Private Sector

Universities

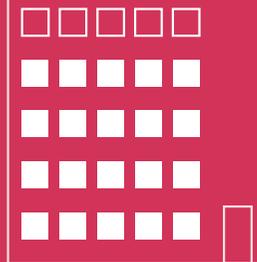## Sharp Project
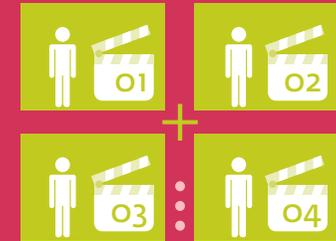
375 full-time equivalent jobs

GVA impact
£21.4m

79.5%
current lettings occupancy

The investment in four purpose-built Green Screen Stages is complete, with the stages due to open officially on 12 June 2013

01 + 02
03 : 04

150 new jobs

As a direct result of this investment, the company Applearn have taken another office, doubled their business and leased two stages for seven years, with an option on the third. Their company expansion is expected to create 150 new jobs over the next three years.

Manchester 'GO-ON' Campaign

900
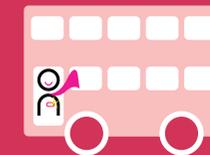Go ON Manchester Digital Champions across the city

3,500
by the end of 2013/14

Business partners include:

{ GM Chamber of Commerce
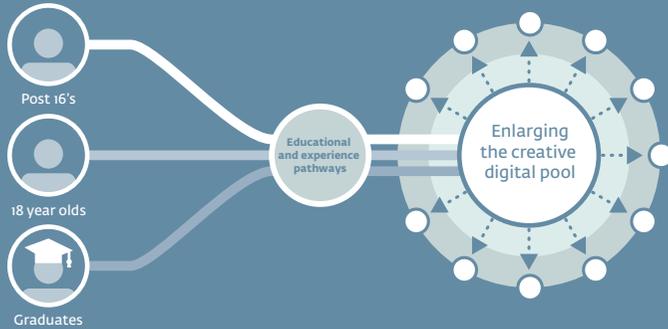3 Sheep
UnionLearn }

'GO-ON' bus

35 new Champs signed up

160 residents engaged

Digital Skills

Social city and digital reform

Pathways for young people

Post 16's

18 year olds

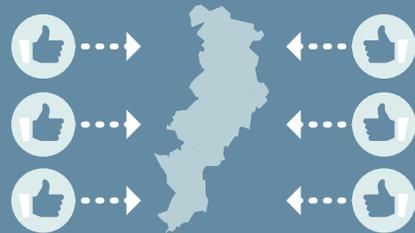Graduates

Educational and experience pathways

Enlarging the creative digital pool

These pathways lead to the fulfilment of 11 aspirational outcomes to better our digital skills economy, enlarging the talent pool for our creative digital sector.

Innovation zone

150+ delegates

committed to the development of a **Manchester Innovation Zone**

Apprenticeships

A **NEW** level 4 digital apprenticeship with **Hyper Island**

Cloud computing **35** level 3 apprenticeships with **ANS**

+

a further supported within their supply chain **15**

20 Advanced level Social Media apprenticeships this quarter with **The Juice Academy**

...and a **further 60** before the end of the year.

5 The first 5 digital apprentices and 10 volunteer jobseekers with **SharpFutures**

Code Club

In March 2013, Economy Scrutiny Committee committed to supporting the Code Club target of 25% of the city's primary schools with a Club by the end of 2014.

{CODE CLUB}

25% of primary schools by 2014

Online CSO transactions

Handled **238,347** financial and non-financial online transactions

Getting really local

Harpurhey and **Crumpsall** **320** followers

...next steps

The target for March 2013 was to open 80 data sets which was achieved...

to roll out accounts across the city starting with the **Wythenshawe** and **Central** SRFs

New target **200** open data sets by the end of the year.

Council's website

SOCITM rating:
★ ★ ★ ★

The Council's website was already rated by SOCITM as 4 stars

Digital Place & Economic Growth

GVA growth

Was

44%
GVA growth
by 2025

NOW

70%

GVA growth
by 2025

GVA growth

16%
Employment growth
by 2025 wil make

40,000
JOBS

GVA and employment forecast

Employment and GVA forecast in Creative and Digital industries, 2011–25

GVA

EMPLOYMENT

180
170
160
150
140
130
120
110
100
90

2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025

Areas with low connectivity

North

East

Wythenshawe

Wayfinding

World-leading digital touchscreen network for Manchester. The thirty interactive and intelligent screens will be located on the streets in the city centre by Autumn

30
touchscreens
in 10 locations

Informed travellers

Real-time travel data will allow people to make the best transport choices whilst on the move

NEXT TRAM DUE
IN 3 MINUTES

Metrolink

4,800
TFGM
Twitter
Followers

200,000
Visitors to
www.tgfm.com
every month

36 Digital Advertising Opportunities...
More being developed

Digital Ecosystems

PRESTWICH

CRUMPSALL

MOSTON

SWINTON

CHEETHAM HILL

SHARP

NEWTON HEATH

SALFORD

MAD LAB

TECH HUB

MANCHESTER

INNOSPACE

TRAFORD PARK

HULME

GORTON

RUSHOLME

STRETFORD

DIDSBURY

Leadership and investment

Manchester's Digital Heritage

1912–1952
Alan Turing: mathematician and computer pioneer, one of the Bletchley Park WWII code-breakers. Moved to the University of Manchester and worked on the software for one of the first stored-program computers

1948
First successful run of a program on the 'Baby'
(21 June 1948)

1991
Manchester Host: one of the earliest municipal networking projects with email and database service accessible locally via dial-up. Seen as an important example of the use of technology in economic development

1998
Manchester has the first International Internet Exchange outside of London in 1996 with the world renowned Telecity setting up in 1998 developing direct global connectivity through trans-Atlantic cables, including Hibernia Atlantic

2001
Manchester Digital set up: the independent trade association for the digital sector in north-west England
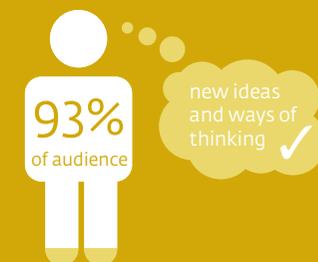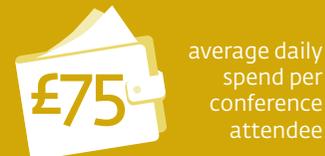
2009
Manchester signs Eurocities Green Digital Charter on Climate Change

2013
Manchester's Tomorrow Project due to be launched… watch this space

Future Everything

Future Everything

CLICK TO VIEW

600 delegates

£75 average daily spend per conference attendee

£514 average daily spend of international visitors

25% of attendees from outside UK

93% of audience — new ideas and ways of thinking ✓

Manchester Digital Development Agency

Supporting city regeneration through technology-focused projects. Develop and implement a Digital Strategy for Manchester

Manchester Digital

Providing leadership and support for the key issues affecting Greater Manchester's SME's.

("Manchester")+ ("Digital")>

As the north west's digital trade association Manchester Digital is supporting this booming sector

— Talent and skills development
— Business support
— Events and conferences
— Local and national voice

40 apprentice placements for digital businesses

Advertising Value Equivalent

£251,000 advertising value equivalent

450 digital apprentices created with the National Apprentice Service over 2 years.