

Camberley 5G Retail Test-bed OBC

Summary

To seek approval for the deployment of a 5G network, in Camberley Town Centre, to create the UK's first 5G enabled Shopping Centre.

Portfolio: Business & Transformation

Date Consulted: 5 March 2020

Wards Affected: Town

Recommendation

The Executive is advised to RESOLVE that

- (i) a council-owned, UK first, 5G network in Camberley town centre in order to aim to attract businesses and technologists from all over the world to help provides a USP for the town and to open opportunity for revenue streams be agreed; and
- (ii) the procurement of a commercial partner who can to generate revenue from the network once live be undertaken.

1. Background

- 1.1 The Council's Economic Development team have produced the following business case which has been developed through a public/private sector cohort.
- 1.2 Utilising the team's relationships with the 5G Innovation Centre at the University of Surrey, opportunities were explored to work together to capitalise on their national and international prominence in the region as a way to promote Surrey Heath as a business location.
- 1.3 Work was undertaken to explore using the Council's shopping centre asset as a possible 5G test-bed location helping to transform the way bricks and mortar retail operates and increase the attractiveness of the Square as a prominent retail location.
- 1.4 As discussions advanced the project began to attract high profile global businesses and partners it was clear that the idea had the potential for real success, a business case was commissioned through Stuart Fenton Consultancy

(attached as Annex 1) to help give clarity in a highly technical and specialised field.

- 1.5 Once complete the business case was used to form a LEP bid for match-funding but was rejected due to lack of budget. The LEP instead forwarded a letter of support for the project (Annex 3) from their Assistant Director, Rachel Barker and suggested the Council re-submit the application once the LEP had a better understanding of future funding post-Brexit.
- 1.6 In the wake of Nokia's announcement of the first EU 5G mall in October 2019, a decision was taken to seek industry investment in the project through a commercial partner to speed up the process and secure a claim on being the first in the UK.

2. Current Position

- 2.1 At the time of initial idea curation, the project would have been a world first, however, during the necessary time spent to build up the feasibility we have seen Shenzhen, China launched the world's first 5G mall and Nokia launched Europe's first in Helsinki in October. As time passes, we risk losing the title of UK's first and the prestige that goes alongside to challenger location.
- 2.2 A substantial amount of work has been undertaken with partners including;
- 2.3 The University of Surrey 5G Innovation Centre has given written confirmation to support the project through access to the 5G core (Annex 4).
- 2.4 Royal Holloway University's Story Futures team have committed to help develop augmented and virtual reality technologies within the retail customer experience.
- 2.5 The Council has a standing offer from Huawei to match fund a contribution of £6m in technology as well as joint branding and promotion rights.
- 2.6 Alibaba has verbally confirmed a willingness to contribute £3m of funds to join the project as a lead partner, wanting to trial a platform which lists all in-stock products across all town centre shops and adds a delivery service within 30 minutes.
- 2.7 The remaining £3m has recently been offered by a network operator, completing the required funding, however, discussions are still taking place with all remaining national operators.
- 2.8 Ofcom has assured the project of 5G spectrum and suggested that the project is likely to be a 'standout project for the UK' if successful.

- 2.9 The Department of International Trade is supporting the project because of its international appeal and have stated that if the project is fully funded it can present the project at Mobile World Congress in Barcelona, as part of the DIT stand, highlighting opportunities to be involved for end-users.
- 2.1. The Economic Development team is aware of an upcoming DCMS match-funding call for 5G projects, of up to £5m in value, which will be published in April 2020. Giving the project an opportunity to bolster its existing project or indeed, add to the coverage area, adding to the overall success potential.
- 2.10 An MoU has been signed with all partners (Annex 2).

3. Options

- 3.1 To authorise the project to deliver the installation, maintenance and ongoing ownership of its own town centre 5G infrastructure.
- 3.2 To authorise the project manager control over the procurement of services within the agreed budget.
- 3.3 Not to support the proposals.
- 3.4 To amend the proposals as it sees fit.

4. Proposal

- 4.1 To authorise a council-owned, UK first, 5G network in Camberley town centre. The 5G network will aim to attract businesses and technologists from all over the world to help provide a USP for the town and the opening opportunity for revenue streams.
- 4.2 To advertise the procurement of a commercial partner who can generate revenue from the network once live

5. Resource Implications

- 5.1 The project will be overseen by the Council's Economic Development team, the business case allocates salary for a new temporary post to help with project delivery. Specialist input will be requested from consultants, colleagues in legal, procurement and marketing communications.

6. Recommendation

- 6.1 It is recommended that the Executive agrees to the options set out in 3.1.

Annexes	Annex 1 - Commissioned 5G Business Case Annex 2 - Memorandum of Understanding Annex 3 - Letter of Support - Enterprise M3 LEP Annex 4 - Letter of Support - 5G Innovation Centre, The University of Surrey
Background Papers	
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