

Oxford Smart City – Interim Report to the Oxford Economic Growth Steering Group – Dec 2014

Executive Summary

Background and Purpose:

In September 2014 the OEGSG created a task and finish group to develop a Smart City vision and outline strategy for Oxford. The attached Interim Report details the findings, opportunities and vision for Oxford as a Smart City: **Oxford – The Learning City**

Recommendation:

The Economic Growth Steering Group and OSP to agree the principles of this proposal and to put in place a small, but dedicated team to ensure the next steps outlined below are efficiently implemented. This team needs to be in place by the end of January 2015 and should approximate to 3 full-time posts - a project director, a communications officer and a funding executive.

Summary findings:

- Estimates for the size of the ‘smart’ city market vary widely - about \$8 billion was spent on ‘smart’ programs around the world, with this figure rising to over \$2 trillion in 2020. By undertaking a demonstrator project of the type outlined in this report Oxford will position itself as a world-leader in this market with all the associated benefits to its economy, such as inward investment by global companies that such leadership would bring.
- **Conservative estimates based on potential market share analysis points to GVA uplift of around £500m for the county over the next 5 to 10 years and greater if we are successfully at the forefront of smart city research and development initiatives. This will enable Oxfordshire to re-align and rapidly make up the value lost to Cambridge outlined in the Oxfordshire Innovation Engine Report.**
- Discussions with key companies in the Smart City arena indicate that there is a strong interest in working with cities where all partners and stakeholders are collectively committed to reducing obstacles; and willing to be experimental and to providing a platform that will enable those companies to create global brands relevant to this emerging market
- The report details a plethora of projects and initiatives in development in and around Oxford that shows how we are already adopting smart thinking and technologies; that the city can already claim to be a smart city; and that the city will not be starting from scratch if it were to launch a smart city project
- There is an opportunity for Oxford to be a leader in this arena. The city and Oxfordshire more broadly, can establish itself as a place where global companies can invest to create and demonstrate their products and services within a neutral and robust validation framework. The city can nurture a unique entrepreneurial ecosystem; an ecosystem that will create new companies and jobs for the city and the county.

Recommendations and next steps:

The report provides a summary of the case for Oxford implementing a coherent and integrated programme of activities that would accelerate achievement against the Oxford Strategic Partnership’s key priorities:

- Economic, development, growth and regeneration;
- Low Carbon city;
- Safer communities;
- Stronger communities.

Implicitly, to achieve these objectives, it is clear that Oxford, along with all other communities in the UK and around the world, will need to think and act more cleverly - not only to get more from less, but also to address increasingly severe challenges - rising temperatures, population growth, ageing, relatively smaller workforces etc. - every community is stuck in a looking-glass world where standing still is not an option. To meet the needs of its citizens and ideally to improve their quality of life, Oxford must find the resources to keep moving. The idea underpinning the proposal outlined in this

paper is that to win the significant investment needed, Oxford must out-compete other cities. The consequences of not doing so would be economic stagnation and social decline.

In an ideal world there would be plenty of resources from government, but at a time of increasing austerity such investment is unlikely to be available. The only other source of funding is the private sector, however, this funding is not easy to come by - not only is Oxford competing globally for such investment, but there is more work to do to convince industry that they can make money out of the 'smart city' market.

The proposal is that Oxford has a portfolio of assets that puts it into a powerful position to be ahead 'of the curve' and therefore to win early-stage investment; investment that will enable it to accelerate meeting its key goals. Winning this investment requires the city to create a compelling and globally competitive brand - '**Oxford - the Learning City**'; a brand that will support the following key messages:

- Oxford - its people, its politicians, and its major employers wants to work with you to create a vibrant and growing business related to sustainable, equitable and high-quality cities;
- Oxford - has the intellectual 'power' to help you to create a compelling business case; to create a global market for your products and services;
- Oxford - has put in place arrangements that will enable you to easily and in a timely way:
 - undertake critical research and development;
 - demonstrate at scale, your technologies, your products and services; and
 - create the partnerships, consortia and collaborations that will drive innovation in your company and in the market-place.

Given the above, the next steps are:

The first step must be for the Oxford Strategic Partnership to agree the principles of this proposal and to put in place a small, but dedicated team to ensure the following steps are efficiently implemented. This team needs to be in place by the end of January 2015 and should approximate to three full-time posts - a project director, a communications officer and a funding executive. Next steps:

- i. within the next three months to create and launch the '**Oxford - the Learning City**' brand. As described in the report this brand would initially be built upon all the investments that have already taken place in Oxford that relate to the city thinking more cleverly about itself and how it does things. This brand and the messaging associated with it will create a 'buzz' and will start to attract partners;
- ii. in parallel a detailed strategy and business plan will be needed. This will need to identify key 'lighthouse' projects, that will build the brand, deliver value to the people of Oxford and attract additional investment;
- iii. the rest of the world is not going to wait for Oxford, consequently, even before (ii) is completed the city (in this context any of the organizations that are members or affiliated with the OSP) must be opportunistic and make sure that it submits bids relevant to this ambition;
- iv. ideally as part of (ii) consideration will be given to the governance structure for the programme. One attractive model would be for a joint venture, the work and the structure of which would have a major potential to provide efficiency savings to delivering services for the city, also the potential to expand to consultative services to other cities and thus realize income;
- v. a key element of the programme must be consultation with the city's stakeholders. This is not a trivial exercise as, not only must this provide the programme with 'a license to operate', but will also be an on-going source of innovative ideas. The development of this activity should be part of both (i) and (ii). It is envisaged that the brand and consultation exercise will be launched at the same time and indeed as an integrated activity. Ideally this will take place in the early summer of 2015.
- vi. the launch of the programme should take place before December 2015 and should be timed to coincide with, for example, the launching of the first major projects or the formal launch of the joint venture.