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## Report of Smart Cities Lead

### Report to Chief Information Officer

Date: June 2015

**Subject: Report to seek approval to waive CPRs 8.1 and 8.2 and enter into a contract and partnership with ODI Leeds to support and develop Open Data solutions aimed at delivering a Platform for transparency and accountability, efficiency and improved service delivery, innovation and value creation.**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

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## Summary of main issues

1. The Open Data Institute (ODI London) was created in 2012 by Sir Tim Berners-Lee and Professor Nigel Shadbolt as an independent and limited by Guarantee Company to be a world-leading centre to innovate, exploit and research the opportunities for the UK created by the Government's Open Data policy.
2. The ODI is the first of its kind anywhere in the world and as such will become the 'go to' venue for those countries, companies, institutions and other bodies seeking to understand Open Data, overcome the challenges of publishing Open Data, make commercial gain from Open Data and employ the best technologies to ensure Open Data is exploited in the best possible way.
3. The aim of the ODI is to build on the enviable position the UK already holds in the publishing of data and to ensure that over the coming years that position is consolidated and strengthened.

4. In 2014 a node of the ODI (ODI Leeds) was established in Leeds which has a direct link to the London ODI and is able to access training, research and support for Open Data projects. This is also an independent Limited by Guarantee Company.
5. LCC has Smart City ambitions which include the exploitation of Open Data to meet City outcomes and has established an Open Data platform (Leeds Data Mill) to support this.
6. Using City data to gain deeper insight and drive out innovative solutions through co-production and partnership is essential as budgets are reduced and service demands increase.
7. LCC is a member of Leeds ODI in conjunction with other Councils (Calderdale, Kirklees and Bradford) and Private sector organisations (ARUP and KPMG) and at that level uses the services of the ODI for meetings, discussions, some training and events.
8. ODI Leeds through the unique links with ODI London is able to deliver a wide range of services which support the open data ambitions of the City which LCC cannot deliver. It is this unique position that this waiver seeks to exploit.

## **Recommendations**

1. **The Chief Information Officer is recommended to approve the waiver of Contract Procedure Rules 8.1 and 8.2 to enable the Council to enter into a contract and partnership with ODI Leeds to support and develop Open Data solutions aimed at delivering a Platform for transparency and accountability, efficiency and improved service delivery, innovation and value creation.**

## **1. Purpose of this report**

- 1.1 This report seeks approval to waive Contract Procedure Rules (CPR) 8.1 and 8.2 to enable the Council to enter into a contract and partnership with ODI Leeds to support and develop Open Data solutions aimed at delivering a Platform for transparency and accountability, efficiency and improved service delivery, innovation and value creation.**

## **2 Background information**

- 2.1 The world's most successful cities have digital exploitation programmes where public and private sectors co-operate to achieve sustainable city outcomes increasing economic competitiveness and prosperity. The ability to share and exchange information across an entire urban area ecosystem will both contribute to better citizen services and create revenue and efficiency improvement opportunities for all enterprises involved. The combination of improved citizen services, increased operational efficiencies and new revenue streams will determine the success of a Smart City.
- 2.2 Pressures on public finances have seen local authority budgets reduce, on average, by an estimated 40% since 2012, with further significant cuts to come.
- 2.3 The unprecedented cuts in budget could see Leeds City Council become 30% smaller when coupled with the exponential increased demand on services from an ageing population, with long term conditions, requires a rethink around the role of the Council and how it operates.
- 2.4 Based on the work of the Commission for the Future of Local Government we are moving to a new civic enterprise model of delivery where the Council is smaller in size and bigger in influence. A new leadership style is needed where Council's become more enterprising, businesses and other partners become more civic, and citizens become more engaged with the focus on delivering outcomes not services. Part of this is about a new social contract whereby we are doing things with people as opposed to or for them.
- 2.5 The changes in the technology environment with what is called the first digital decade brings with it significant opportunities which enable us to combine information resources, the life blood of the everything, the human endeavour and talent of the City and new digital technologies in new disruptive ways that will enable us to differentiate as a City,
- 2.6 Open Data and in particular Open Government Data (OGD) is able to unlock supply, generate demand, create and disseminate knowledge to address local and global issues.
- 2.7 In response to this the Open Data Institute (ODI London) was created in 2012 to be a world-leading centre to innovate, exploit and research the opportunities for the UK created by the Government's Open Data policy.

2.8 Founded by Sir Tim Berners-Lee and Professor Nigel Shadbolt, the ODI is an independent, non-profit, non-partisan and limited by Guarantee Company.

2.9 The ODI is the first of its kind anywhere in the world and as such will become the 'go to' venue for those countries, companies, institutions and other bodies seeking to understand Open Data, overcome the challenges of publishing Open Data, make commercial gain from Open Data and employ the best technologies to ensure Open Data is exploited in the best possible way.

2.10 The aim of the ODI is to build on the enviable position the UK already holds in the publishing of data and to ensure that over the coming years that position is consolidated and strengthened.

2.11 In 2014 a node of the ODI (ODI Leeds) was established in Leeds which has a direct link to the London ODI and is able to access training, research and support for Open Data projects. This is also an independent Limited by Guarantee Company.

2.12 LCC has Smart City ambitions which include the exploitation of Open Data to meet City outcomes and has established an Open Data platform (Leeds Data Mill) to support this. This is supporting and exploiting City value from Data including deeper insight and citizen engagement.

### **3. The Need for the ODI.**

3.1 As people migrate to live in urban areas city resources will come under increasing pressure e.g. Demand for all services will increase putting severe strain on the ability of the city to keep on delivering. E.g. Demand for health is predicted to overtake supply within 10 years. This is a worldwide problem with no clear solutions.

3.2 The development of new digital skills is an important area and is key to exploiting knowledge and information. New roles (e.g. Data Scientist) need to be developed and embedded in the Smart City concept to develop new knowledge and build value.

3.3 Facilitating data sharing between public, private (where appropriate) and third sector organisations will enable the collection and aggregation of data at a local neighbourhood and city level and develop models to visualise trends, emerging issues and target interventions.

3.4 The ODI has been created to demonstrate the commercial value of Open Government Data (OGD) and the impact of Open Data policies on the realisation of this value. It will also develop the capability of UK businesses to exploit this value, with support from University researchers.

- It will help the public sector use its own data more effectively.
- It will engage with developers, the private and public sector to build supply chains and commercial outlets for public data.
- It will foster and train a generation of Open Data entrepreneurs.
- It will help secure and commission the required research in underpinning Open Data technologies.
- It will serve to benchmark Open Data initiatives not only in the UK but around the world.

- 3.5 The ODI will develop the economic benefits case and business model for Open Data building on commercial and academic evidence and its own analysis. The ODI will be seeking to highlight and demonstrate how Open Data can transform productivity and outcomes in public services, as well as drive enterprise value in the broader economy
- 3.6 The ODI concept is designed around the power of the **Network Effect** – the network components are data, people or organisations. Within these networks the ODI will be a key node - a **Focal Point** that will coordinate, convene, link and integrate other network components. A key principle of the ODI will be **Additionality** – to be able to clearly demonstrate that the sum of the ODI is greater than its constituent parts.
- 3.7 The ODI will promote OGD as a **Platform** for transparency and accountability, efficiency and improved service delivery, innovation and value creation – a data platform to support Government, Business and Research

## 4 Main issues

### Reason for Contracts Procedure Rules Waiver

- 4.1 As budgets reduce and demand for services increases alternative approaches need to be developed.
- 4.2 This will include a new civic enterprise model of delivery working with partners encouraging new business models including co-production and civic enterprise
- 4.3 The need is to use the assets of the city to drive forward solutions and innovation. Key to this is the use of Data specifically Open Data, access to research and training to frame the context for city issues and to provide a focus for solutions.
- 4.4 The range and scale of this activity cannot be undertaken by LCC alone and close connections with the developer and digital community is important.
- 4.5 ODI Leeds Ltd. have the capability to enable Open Data to be used effectively, have a supply chain of developers and digital services, have access to research and training from the ODI London and a physical location for events and meetings.
- 4.6 ODI Leeds is best placed to deliver city value using Open Data and support the key city outcome: Leeds is the Best City for deriving value from Data 'The Data City' exploiting City value from Data including deeper insight and citizen engagement.
- 4.7 **Therefore it is recommended that ODI Leeds Ltd. are engaged to support and develop Open Data solutions aimed at delivering a Platform for transparency and accountability, efficiency and improved service delivery, innovation and value creation.**

## 5. Consequences if the proposed action is not approved

- 5.1 If this action is not approved then budget pressures will increase, civic enterprise solutions will not be explored and the civic value of Open Data will not be realised.

## **6. Advertising**

- 6.1 No advertising has been undertaken. ODI Leeds Ltd do have a unique link with ODI London and are one of only 3 Nodes in the UK authorised to use the ODI brand and logo. ODI Leeds Ltd do have the resources and the capacity to deliver the outcomes.

## **7. Corporate Considerations**

- 7.1 This approach has been developed in consultation with all stakeholders including Smart Cities Board, the Open Data Steering Group and ICT's Service leadership team, all of whom are supportive of the proposed approach.
- 7.2 Executive members with specific responsibilities for Digital and Creative technologies and the council's digital strategy have been consulted and are supportive.

## **8. Equality and Diversity / Cohesion and Integration**

- 8.1 Equality, diversity, cohesion and integration requirements are embedded in all planning processes for the Open Data outcome.
- 8.2 All programme and policy changes are assessed for equality, diversity, cohesion and integration, to ensure that access is fair and equal;

## **9. Council policies and City Priorities**

- 9.1 This report relates to external spend which supports the city and council objectives \ outcomes. Specifically Best City for deriving value from Data 'The Data City'.
- 9.2 The report is consistent with the council procurement policies, seeking to adopt a strategic and proportionate approach to procurements.

## **10. Resources and value for money**

- 10.1 The budget is funded from internal resources which have been allocated to this project and will not exceed £50,000 and will expire 31<sup>st</sup> March 2016
- 10.2 This single waiver approach represents the lowest administrative cost and value for money when acquiring technical and other resources supporting the Best City for deriving value from data outcome.

## **11. Legal Implications, Access to Information and Call In**

- 11.1 The approach is not subject to Public Contract Regulations and is a significant operational decision not subject to call in.

## **12. Risk Management**

- 12.1 The risk with respect to engagements under the Best City for Data agenda is:

Intellectual property rights arising from the work that is generated – to be consistent with the smart cities strategy it is anticipated that most products or services will be developed on open data principles without direct commercial benefit, for those engagements that are anticipated to generate the potential for commercial gain the intellectual property rights will be established prior to the agreement for funding.

### **13. Conclusions**

- 13.1 This waiver sets out an approach to obtaining the required resources supporting the Best City for deriving value from data outcome.

This document seeks approval from the Chief Information Officer and will form the basis for the appointment of ODI Leeds Ltd.

### **14. Recommendations**

- 14.1 The Chief Information Officer is recommended to waive Contract Procedure Rules 8.1 and 8.2 and enter into a contract and partnership with ODI Leeds to support and develop Open Data solutions aimed at delivering a Platform for transparency and accountability, efficiency and improved service delivery, innovation and value creation.**

### **15. Background documents<sup>1</sup>**

- 15.1 None

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.