DEVISE Regional Action Plan

PP8 - Derry City and Strabane District Council

(DCSDC)

CONTENTS

1 EXECUTIVE SUMMARY

The purpose of this document is to provide the following:
- A set of prioritised, co-ordinated actions that are required to foster the growth of digital SME's in DCSDC, providing innovative solutions that allow a range of sectors to become more competitive
- Provide sufficient information to help, DCSDC, agents and policy makers improve the effectiveness of the instruments they are responsible for through more focused actions.

As a result, the Derry Strabane Regional Action Plan enables the following;
- Determine priorities for forthcoming Micro and SME Digital Support initiatives
- Have confidence that there has been a full and detailed consultation process with all relevant stakeholders
- Ensure that the regional action plan creates a very clear sense of focus and momentum for digitalisation in SME's, from the outset.

How the Regional Action Plan was informed?

i.   Questionnaires were sent out to DCSDC SME's involved in the demand and supply side of digital services. The purpose was to seek to understand the challenges that local companies are facing in relation to digitalisation trends and markets, and to understand what type of digital services companies provide and how they add value to their client companies.
ii.   Digital Innovation Workshops involving stakeholders representing a cross-section of organisations including demand-side, supply-side, academia and local authority. The primary focus of workshops was to garner the level of digitalisation within the SME sector in the region and determine future goals.
iii.   Partner good practice reviews and other desk based research provided the opportunity to review the activity being carried out in other regions.

Regional Macro-Analysis

I. Northern Ireland

The Northern Ireland Knowledge Economy is a key contributor to the longer term viability of the country. Although times are uncertain and turbulent, key initiatives such as Belfast's Region City Deal, securing £350m to develop a digital and data driven city, Derry City and Strabane District Council have successfully secured commitment of £210m between the City Deal and Inclusive Future Fund. The City Deal will have the ability to transform the region by bringing about investment in urban regeneration, education and skills, infrastructure and tourism with a core focus on innovation. Ongoing work on Smart city programmes in DCSDC, are critical. Most importantly, these have shown that links between local government, academia and business can work and are essential to the future. Catalyst Inc's 2018 Knowledge Economy Report estimates that the knowledge economy could add £3.2bn GVA

and 80,000 jobs by 2030 in Northern Ireland as a whole. It is also recognised that for every job created in the knowledge economy, a further job is created in the wider economy, making a huge impact on economic inactivity, reducing unemployment and increasing overall regional prosperity.

Furthermore, £150m has been allocated to Project Stratum as a result of the Confidence and Supply Agreement, along with additional funding of £15m secured through the Department of Agriculture, Environment and Rural Affairs (DAERA). Project Stratum aims to improve broadband connectivity by extending Next Generation Access (NGA) broadband infrastructure to approximately 79,000 premises across Northern Ireland that cannot yet access NGA broadband services.

II. Derry City and Strabane District Region

a. Networks and digital technology

A number of important aspects of the existing technology infrastructure in the region include:

- The regional population of 350,000 people and a city population of 100,000 people that is served with high availability of superfast broadband and a 4G network
- There is access to the Hibernia transatlantic cable opening communication links to America, making east coast USA more accessible from the region than from California
- An established LPWAN IoT network
- An existing wireless city network
- High level of partnership working with communities, academia, business and other key stakeholders. Such as the successfully funded (£15m) '*Local Full Fibre Networks Programme* (FFNI), which is capital funding managed by the Department for Digital, Culture, Media and Sport. It is intended to help local public sector bodies harness connectivity and aggregate private demand. DCSDC worked closely with the 10 other local NI councils to create and build the FFNI in order to submit a collective bid to the LFFN Wave 3 challenge fund to address the issues of fibre provision in Northern Ireland. The aim is to deliver the fastest and most reliable digital communications network available.
- Regional participation in a number of international programmes that are currently, or will in the future, further enhance the region's technological credentials; The Intelligent Cities Challenge (ICC) & Stardust Project, Super Connected Cities Programme and All Island SMART Cities Forum.
  - o The Intelligent Cities Challenge (ICC) is a European Commission initiative bringing together 130 cities to achieve intelligent, socially responsible and sustainable growth through advanced technologies. The 2.5-year programme builds on the success of the Digital Cities Challenge, which helped 41 EU cities develop a strategic vision and roadmap for their digital transformations. ICC aims to assist cities to become the engines for the recovery of the economy, create new business opportunities and enhance their cities, industries and SMEs'

sustainability and resilience through the uptake of advanced technologies, re-skilling and upskilling of the workforce. From DCSDC perspective, Youth unemployment and digital skills has been identified as the key theme of focus.

b. Community and Education

There are a number of community and education features that are important to the analysis of the digital future within the DCSDC region.

- 34% of population are aged less than 25 years giving a significant younger generation coming through education with increased digital knowledge
- 31% of school leavers are educated to degree level
- 59% of students have 2 or more A levels
- The University of Ulster (UU) is ranked in the top 2% of top worldwide universities and has a strong presence in the city
- Two of the Top 10 NI schools are in the area
- The area is 1st for Primary Maths in all EU.

c. Facilities

Allied to the technology availability and education opportunities, a range of significant facilities are also available.
- High tech workspace at Catalyst Inc
- Intelligent Systems Research Centre at UU (Magee campus)
- Virtual & Augmented Reality Centre at North Western Regional College
- NW Centre for Advanced Manufacturing
- Advanced centres for robotics, automation, analytics and health innovation all based at UU (Magee Campus)
- Forbes voted Derry City the best small city for business

d. Future plans

There are also ambitious plans to further increase the Smart city credentials:
- World-class data centre campus at Foyle Port innovation park
- Expansion of IoT Network Coverage
- Gigabit Fast Fibre Broadband Network
- Creation of a SMART Hub
- Creation of a City Open Data Repository
- Creation of a 5G ready network

Recognition of the need to continually develop and invest is critical to growing the regional digital innovation and maintaining Smart city credentials. The growth in digital capacity and capability along with increased business revenues, improved efficiency and effectiveness and increased employment levels, are dependent on the effective deployment of a long term strategy that delivers for all stakeholders.

2 GENERAL INFORMATION

- **Project: DEVISE**
- **Partner organisations: Derry City and Strabane District Council**
- **Other partner organisations involved (if relevant):** ……………………………………………………..
- **Country: Northern Ireland**
- **NUTS2 region:**
- **Contact person: Gemma Scarlett / Louise Breslin**
  - **Email:** **gemma.scarlett@derrystrabane.com** / **louise.breslin@derrystrabane.com**
  - **Phone number: +44 2871 253 253**

3 POLICY CONTEXT

The Action Plan aims to impact:

☒ Investment for Growth and Jobs programme

☐ European Territorial Cooperation programme

☐ Other regional development policy instrument

Name and reference of the policy instrument addressed: **2014-20 Northern Ireland ERDF Investment for Growth and Jobs Programme**

More specifically, the DEVISE action plan developed for the Derry Strabane region will address Priority Axis 2: Enhancing the competitiveness of small and medium-sized enterprises and is aligned with the transfer of economic functions that took place as part of the reform of Local Government in NI.

The Local Economic Development (LED) activity has one primary target which is the creation of jobs achieved either through start-up or business growth activity with particular focus on the micro and small business base (i.e. those with under 50 employees).

4 ACTION: ENHANCING DIGITALISATION CAPACITY

4.1 BACKGROUND
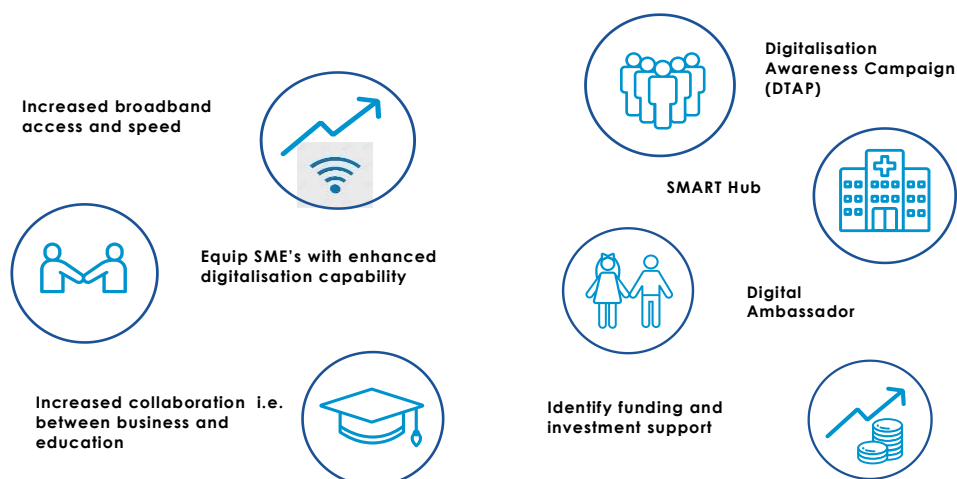
Following research carried out as part of the DEVISE programme, the recommended action for delivery to support growth in digitalisation for SME's in DCSDC was the development and implementation of an Enhanced Digitisation Capacity action.

SUPPY & DEMAND QUESTIONNAIRES → WORKSHOP → REGIONAL ACTION PLAN
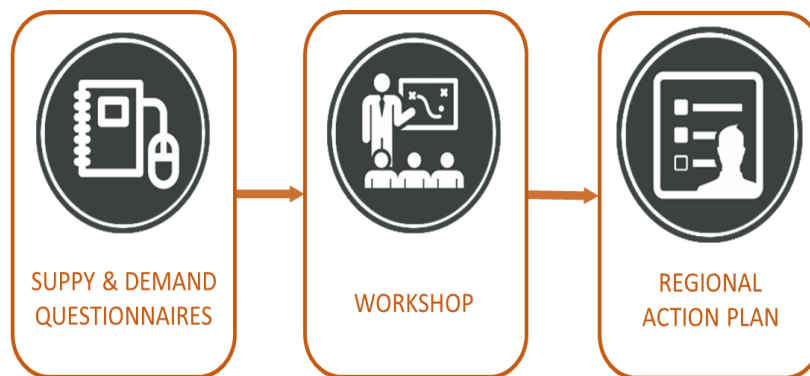
Following desk research, a review of DEVISE partner best practices, questionnaire responses with supply and demand SME's and stakeholder workshops the 'Enhancing Digitalisation Capacity' action was developed as a response which could provide the necessary and relevant support to SME's within the DCSDC region as a way to increase capability and support growth.

The Enhancing Digitalisation Capacity action encompasses the delivery of four key recommended actions from stakeholder workshops

Increased broadband access and speed

Equip SME's with enhanced digitalisation capability

Increased collaboration i.e. between business and education

Digitalisation Awareness Campaign (DTAP)

SMART Hub

Digital Ambassador

Identify funding and investment support

The remaining recommended actions will be lobbied by DCSDC through future strategic operational programmes and contribute to the development of future policy in the SME sector

Essential components of the Enhancing Digitalisation Capacity action are:

- Provide SME's with a 'Digital Transformation Action Plan' (DTAP)
- Equipping SME's with enhanced capacity through one to one mentoring support, training and networking for Digital Transformation Action Plan implementation through increased collaboration
- Identifying and obtaining funding

The selection of this action for inclusion with the DEVISE regional action plan is the result of Derry City and Strabane District Council (DCSDC) ongoing commitment to drive economic growth through innovation and productivity locally. DCSDC's primary Local Economic Development (LED) aim is to assist companies to become more competitive in both indigenous and export markets.

Additionally, through coordination within the DEVISE programme, DCSDC sought to explore new ways to support digital and non-digital SMEs to grow through the implementation of digital solutions to improve their competitiveness.

Set within the context of Derry City and Strabane Districts 'Inclusive Strategic Growth Plan 2017 -2032' the action will provide the framework for the development and implementation of a digital business support programme for SME's within the region.

The policy instrument in which the DEVISE action plan for the Derry Strabane region seeks to address is the ERDF - Investment for Growth and Jobs Programme (EUIGJ) under the priority axis 2. Therefore, the Enhancing Digitalisation Capacity action aims to promote smart, sustainable and inclusive growth, the achievement of economic, social and territorial cohesion and high levels of employment and productivity. It is driven by the European Commission's 2020 Smart Growth Strategy and prioritises growth through knowledge exploitation, innovation, commercialisation, export growth, job creation and increased use of renewable energy.

Additionally, the Enhancing Digitalisation Capacity action is directly linked to the ERDF - Investment for Growth and Jobs Programme 2014-2020 by recognising that the vast majority of businesses in Europe are SME's (accounting for 66.5% of all European jobs). The SME sector as a whole delivered 57.6% of the gross value added generated by the private sector in Europe in 2012. The role of SME's is recognised as crucial for European economic recovery as their number, employment capacity and value added constitute a large share of the European economy. The action recognises that providing the right conditions in which SME's can flourish is paramount for ensuring a sustained recovery and achieving prosperity for all EU citizens.

The Enhancing Digitisation Capacity action aligns to the EUIGJ Programme (Priority Axis 2) in terms of increasing the capacity of micro and small enterprises to improve competitiveness, engage in innovative activities, adopt and create jobs, export and grow in regional, national and international markets.

Furthermore, the Programme aligns to the EUIGJ programme by recognising the important role that micro and small business contribute to the local economy; it promotes job creation, supports businesses growth and encourages increased levels of innovation. The action aims to impart the knowledge and skills necessary for a more sustainable and competitive micro and small business base in the DCSDC area; through provision of a supportive business environment in terms of increasing the capacity of micro and small enterprises to improve competitiveness, create jobs, export and grow in regional, national and international markets.

The Enhancing Digitalisation Capacity programme will strongly align with the local, regional and national policy context

- **Local Context**

    The aims and objectives of the programme have been shaped by DCSDC's **Integrated Economic Strategy (IES) and Inclusive Strategic Growth Plan 2017-2032 (ISGP)** as it recognises the important role that micro and small business contribute to the local economy; it promotes job creation, supports business growth and encourages increased levels of innovation. The programme aims to impart the knowledge and skills necessary for a more sustainable and competitive micro and small business base in the DCSDC area through provision of a supportive business environment.

    The North West Centre for Advanced Manufacturing' Report, November 2015 has indicated that the regions poor economic performance has been exacerbated by the recent economic crisis. While R&I levels are increasing across the region, particularly in the areas of Life Sciences and Renewable Energy this is not realising the desired levels of commercialisation. This can be largely attributed to companies failing to allocate sufficient time to technology and skills development due to resources restrictions, accordingly, there is a competence gap within these companies preventing them from taking a fuller role in research and innovation activities.

    Consultation undertaken by the report showed that 73% of SMEs consulted were innovation inactive at the time of the consultation and 62% had no previous experience of engaging in research and innovation activities, a

number of reasons were sited including (i) lack of available finance; (ii) lack of academic / commercial partners; and (iii) a lack of knowledge about how to initiate and manage a programme of research and innovation. The programme specifically seeks to support local companies in this domain.

- **Northern Ireland Context:**
  The **Draft Programme for Government Framework (2016-2021 (PfG))** contains a series of strategic outcomes that aim to deliver:

  - A strong, competitive, regionally balanced economy;
  - Innovative, creative society where people can fulfill their potential;
  - More people working in better jobs.

  The Enhancing Digitalisation Capacity action seeks to target those companies seeking to innovative and grow, the Draft Programme for Growth (PfG) recognises that innovating companies grow nearly twice as quickly in terms of employment and turnover as non-innovators and that following the financial crisis, economic recovery has been substantially stronger in countries which had previously invested in Innovation and R&D.

  Invest Northern Irelands Business Strategy 2017-2021 focuses on supporting businesses to increase sales, create jobs and invest in innovation and R&D.

  Smart Specialisation Strategic Policy Framework (S3 Framework). The S3 Framework and accompanying Innovation Strategy for Northern Ireland 2014-2025 (InnovateNI) recognises that NI has both the capability and the potential to compete on a global basis. The Framework identifies research and innovation priorities and opportunities that build on areas of regional specialisation and offer the best prospect to re-balance our economy through:

  - Addressing global challenges and exploiting global opportunities in which Northern Ireland businesses can compete
  - Developing expertise and building on existing key research strengths that lead to commercialisation
  - Focusing on enabling technologies that develop competitive advantage for Northern Ireland businesses

  The opportunities identified are high value added, cross sectoral and based on Key Enabling Technologies. These areas have been identified as having significantly high GVA, employment, export potential, high RD&I spend, higher wages and high levels of knowledge spill over.

- **EU Policy Context**
  EU Investment for Growth and Jobs Programme 2014-2020 recognises that the vast majority of businesses in Europe are SME's (accounting for 66.5% of all European jobs). The SME sector as a whole delivered 57.6% of the gross value added generated by the private sector in Europe in 2012. The role of SME's is recognised as crucial for European economic recovery as their number, employment capacity and value added constitute a large share of the European economy. The programme recognises that providing the right conditions in which SME's can flourish is paramount for ensuring a sustained recovery and achieving prosperity for all EU citizens.

- The Europe 2020 strategy is the EU's agenda for growth and jobs for the current decade. It emphasises smart, sustainable and inclusive growth as a way to overcome the structural weaknesses in Europe's economy, improve its competitiveness and productivity and underpin a sustainable social market economy. Targets include:
  - Educational improvements to help employability and reduce poverty
  - R&D/innovation and more efficient energy to improve competitiveness and create jobs
  - Investing in cleaner technologies to create new business and job opportunities.

The Enhancing Digitisation Capacity action will aim to contribute to the economic benefits of the wider NI economy as follows:

- Increase the competitiveness of the economy through external sales, promoting export LED growth
- Promote the creation and retention of higher value jobs in key sectors. These jobs will lead to higher levels of productivity and contribute towards a growing NI economy.
- Provide business support that encourages business growth in local, national and international markets.
- Deliver business growth and innovation support to help businesses to become more competitive in indigenous and export markets through embracing best practice and adopting innovative methods of business development.

The action will complement existing business support as well as provide a continuum of support flowing from the ERDF 'Business Boost Programme' and the 'Northern Ireland Business Start UP Programme'. Similar to Business Boost support and the Northern Ireland Business Start-up programme (NIBSUP), the action will be provided to those enterprises who can demonstrate that they have the ability to create jobs, progress their innovation to grow and become more competitive. Learning from DEVISE has resulted in key elements within the development of the Business and Innovation and Growth Programme; the overarching programme in which the actions will be delivered. Moreover, the action elements differ in that Business Boost and NIBSUP are much broader in focus, whereas the action seeks to provide more

specific support across a number of key themes including Digital and Innovation Growth, Export Competitiveness and Creating Jobs.

More specifically, the Digital Transformation Action Plan element of the action is an entirely new area of support than what has been previously provided to businesses and has been included based on DEVISE best practice learning gained through the Apollo Programme (Laval, France) and Industry 4.0 Audits *(Cantabria, Spain)*.

Additional, one to one support, training, workshops and networking opportunities for Digital Transformation Action Plan implementation action elements and Business Boost are similar however, the action has been structured in such a way that there will be no duplication of effort in similar areas as the programme will not start until the Business Boost programme has finished. The action delivery elements have had been re-focused based on DEVISE best practice learning gained through the DENDATICS *(San Sebastian, Spain) and* Apollo Programme *(Laval, France)*.

The inclusion of funding support is targeted to ensure businesses can increase their digital innovation and growth, export, competitiveness and job creation through the implementation of digital processes and infrastructure. Whilst also ensuring success when fulfilling their Digital Transformation Action plan objectives. A focus has been implemented in the development of the action delivery elements based on DEVISE best practice learning gained through the DENDATICS *(San Sebastian, Spain)*

In delivering the action DCSDC will continue to convene the Stakeholder Engagement Panel to seek input and guidance in shaping programme content. The sole purpose being to ensure that proposed activity is filling niche areas and complementing existing provision.

In addition, DCSDC have benefited from best practice learning through the DEVISE programme and its partners as follows:

Enhancing Digitalisation Capacity Objective	Identified Best Practice Support	Delivery Partner
Provide SME's with a 'Digital Transformation Action Plan' (DTAP) and or Creation of a digital marketing and communication action plan	**Industry 4.0 Audits** *(Cantabria, Spain)* Develop a technology audit for SME's which gives them the opportunity to revise their current strategy and to focus on the next steps in order to implement a more developed strategy. **Apollo Programme** *(Laval, France)*	North West Regional College Ulster University Digital Innovators / Local Digital Businesses Local Council (DCSDC)

	The Programme APOLLO aims to support companies in their innovation process by adapting new methods.	Full Circle Management Solutions and Business support stakeholders
Provide one to one mentoring support, training, workshops and networking opportunities for Digital Transformation Action Plan implementation	**DENDATICS** *(San Sebastian, Spain)* Provides a grants programme which aims to help companies to be more competitive, attract more customers through the global market and grow **Apollo Programme** *(Laval, France)* The Programme APOLLO aims to support companies in their innovation process by adapting new methods.	Digital Innovators / Local Digital Businesses Local Council (DCSDC) Full Circle Management Solutions and Business support stakeholders
Identifying funding and support opportunities at local, regional and EU level	**DENDATICS** *(San Sebastian, Spain)* Provides a grants programme which aims to help companies to be more competitive, attract more customers through the global market and grow	Digital Innovators / Local Digital Businesses Local Council (DCSDC Full Circle Management Solutions and Business support stakeholders

Further best practice applied knowledge is provided in sections 4.2 and 4.3.

4.2 ADDITIONALLY, DCSDC HAS LISTED A DETAILED DESCRIPTION OF ACTIVITIES, BEST PRACTICE VISITS AND MEETINGS INVOLVING LOCAL STAKEHOLDERS TO DEFINE THE ACTIONS AND EXPECTED IMPACT TO BE INCLUDED IN THIS ACTION PLAN *IN* ANNEX 1.KNOWLEDGE APPLIED FROM DEVISE

In the table below, it describes how DCSDC are applying the knowledge acquired and lessons learnt from the exchange activities in DEVISE, in the development of its action plan.

Partner good practice/experience	How this good practice/experience has contributed to the actions developed in DCSDC Action Plan
Apollo Programme (Laval, France) The Programme APOLLO aims to support companies in their innovation process by adapting methods usually used by start-ups.	Best practice will be utilised to: 1. to better support new SME's within the region with a focus on digital innovation 2. to provide new SME's with the tools and knowledge to embrace digital capabilities to support and deliver their business
Industry 4.0 Audits (Cantabria, Spain) The technology audit gives the opportunity to SMEs to revise their current strategy and to focus on the next steps in order to implement a more developed strategy.	Will assist with the sustained and future digital investment within the region through learning obtained when businesses engage in the development of Digital Transformation Action Plans. Will also assist DCSDC when lobbying local, regional and European policy changes, and applying for digital support services.
DENDATICS (San Sebastian, Spain) This grants programme aims to help these companies to be more competitive, attract more customers and have more sales.	This programme will be utilised to support in the design and delivery of support and training delivered to SME's within the region via various local programmes such as Business Boost and Business Innovation and Growth
Laval Virtual (Laval, France) The mission of Laval Virtual is to serve, inform and animate the community of users of VR/AR and immersive techniques in its BtoB uses through meeting and discussion platforms and information services.	Full learning from this best practice will allow DCSDC to explore the use of VR to deliver annual events locally such as Enterprise Week. These events encourage visitors globally and give SME's the opportunity to access the global market. Additionally, DCSDC wish to explore the possibility of utilising VR to attract new businesses and visitors to the region.

4.3 ACTION DESCRIPTION

The Enhancing Digitalisation Capacity action will be similar to the Business Boost programme where it will provide individual assistance to businesses who demonstrate a desire and ability to increase their innovation through the development and or implementation of digital processes. The Enhancing Digitalisation Capacity action will foster a specific range of support across a number of key themes including Digital and Innovation Growth, Export Competiveness and create jobs.

The delivery of Enhanced Digitalisation Capacity action for the region will increase capacity and capability among local SME's. SME's will have access to the following support as part of this action which will ensure they sustain long term digitalisation capability.

Main objectives	Value brought by this action into the region	Players involved and role in the implementation and collaboration between them
Provide SME's with a 'Digital Transformation Action Plan' (DTAP) and or Creation of a digital marketing and communication action plan	Provide innovative solutions that allow a range of sectors to become more competitive Provide digital innovation best practice within the region to support businesses and business start ups Improved collaboration between businesses, business start-ups, academia, funders and digital innovators	**ERDF & Invest NI:** Provide funding support for the delivery of the action objective **Invest NI:** Provides Innovation Voucher Funding to businesses and start-ups to develop prototypes **North West Regional College & Ulster University**: Both provide innovation test centres for business to develop prototypes through implementation of Innovation Vouchers funded by Invest NI. **Digital Innovators / Local Digital Businesses:** Provide support through networking and collaboration to

		assist businesses and start-ups to meet and achieve their digital potential
		Local Council (DCSDC):
		Funding management and overall responsibility of stakeholder and delivery of the action support. Provide match funding
		Full Circle Management Solutions and Business support stakeholders:
		Delivery agents for the development of the Digital Transformation Action Plans and the support programme
Provide one to one mentoring support, training, workshops and networking opportunities for Digital Transformation Action Plan implementation	Development of a set of prioritised, co-ordinated actions that foster the growth of digital SME's, businesses and start-ups	**ERDF & Invest NI:** Provide funding support for the delivery of the action objective
		Digital Innovators / Local Digital Businesses:
	Give businesses and start-ups the opportunity to capitalise on growth	Provide support through networking and collaboration to assist businesses and start-ups to meet and achieve their digital potential
		Local Council (DCSDC):
	Increased capacity and capability and improve efficiency	Funding management and overall responsibility of stakeholder and delivery of the action support. Provide match funding

Identifying funding and support opportunities at local, regional and EU level	Digital SME's, businesses and start-up knowledge of digital capacity / need allows policy makers in DCSDC and other agencies to improve effectiveness of the instruments they are responsible for through more focused actions so they can better identify future funding support	**Full Circle Management Solutions and Business support stakeholders:** Delivery agents of support programme
		ERDF & Invest NI: Possible funding provider **Digital Innovators / Local Digital Businesses:** Provide support through networking and collaboration to assist businesses and start-ups to meet and achieve their digital potential
	Digital SME's, businesses and start-ups can reach their digital potential	**Local Council (DCSDC):** Apply for and manage responsibility of funding support. Provide match funding
	Digital SME's, businesses and start-ups can increase access and grow	**Full Circle Management Solutions and Business support stakeholders:** Advise, signpost and assist with applications for funding

4.4 TIMEFRAME AND FUNDING

Project/Action Investment Line/Funding Source + Amount (please	Submitted For Funding	Funding Decision	Project Start Date / Finish date	Other key milestones

state each source of funding)				
Digital Transformation Action Plan' (DTAP) *Total - €137,500 / £122,400* ERDF – €82,500 / £73,440 INVEST NI - €27,500 / £24,480 DCSDC - €27,500 / £24,480	Yes	Approved	March 2020 to *June 2023*	Project start delayed until September 2020
One to one mentoring support, training, workshops and networking **Total - €580,000 / £516,000** ERDF – €350,000 / £309,600 INVEST NI - €115,000 / £103,200 DCSDC - €115,000 / £103,200	Yes	Approved	March 2020 to *June 2023*	Project start delayed until September 2020
Identifying funding and support **Total - €10,900 / £9,750** ERDF – €6,500 / £5,850	Yes	Approved	March 2020 to *June 2023*	Project start delayed until September 2020

INVEST NI - €2,200 / £1,950 DCSDC - €2,200 / £1,950				

4.5 WORKPLAN

Below is an outline of the Work-plan for each objective within the Enhancing Digitalisation Capacity Action:

WP	Tasks
Work Package 1 Provide SME's with a 'Digital Transformation Action Plan' (DTAP) and or Creation of a digital marketing and communication action plan	Task 1.1 - Recruit businesses to participate in the programme by September 2022
	Task 1.2 - Produce Digital Transformation Action Plans by September 2022
Work Package 2 Provide one to one mentoring support, training, workshops and networking opportunities for Digital Transformation Action Plan implementation	Task 2.1 - Deliver mentoring days re. Digital Tech Enterprise Support to participating businesses by September 2022
	Task 2.2 - Deliver mentoring to participating businesses(average 2.5 days per participant)
	Task 2.3 - Deliver workshops by 30 April 2022
Work Package 3 Identifying funding and support opportunities at local, regional and EU level	Task 3.1 – Lobby local and regional digital support funding for businesses to enhance their digital capacity

4.6 BUDGET BREAKDOWN FOR THE ACTION

Category of funding	Expenditure Amount
Salaries	€0.00
Overheads (*i.e. calculated at x % of staff costs*)	€0.00
Travel & Subsistence	0.00
External expertise	€728,400
Building/renovation / refurbishment	€0.00

Equipment	€0.00
TOTAL	€728,400

4.7 VIABILITY AND SUSTAINABILITY

The Enchancing Digitalsaiton Capacity objectives add direct value to current provision which exisit within the DCSDC region (Business Boost and Northern Ireland Business Start Up Programme). The primary focus of these programmes is to enhance SME competivieness through addressing barries and supporting growth. Set within the context of Derry City and Strabane Districts 'Inclusive Strategic Growth Plan 2017 - 2032' and delivered within the Business Innovation and Growth Programme which is funded through the 2014-20 Northern Ireland ERDF Investment for Growth and Jobs Programme, ensures low risk to sustainability and reduces ongoing overheads such as staff costs.

In the long term DCSDC as a local authority is commited to cordinating support for its SME's, therefore providing sustainability for the delivery of the action through out the lifetime of the programme and beyond.

DCSDC is well postioned to fulfil its management role and develop future opertation programmes through its involvement in the:

- City Deal
- SMART Cities
- Digital Cities Challenge

Ultimately the key element which ensures effective delivery and sustainability, is the relationship with stakeholders within the regions Digital Cluster; which ensures core functions of digital support programmes for SME's within the region adds value.

4.8 IMPACT EXPECTED

The implementation of the DEVISE action plan will bring the following impact to both the policy instrument addresses and specific impact to the region.

Impact on the policy instrument addressed
It is expected an improvement of the policy instrument in 2 different ways:

1- Increasing SME Competitiveness and identification of funding - Funding has been secured to deliver the action within the Business Innovation and Growth

programme, which supports SME's to innovate and become more digitally productivity through a series of interventions making them more competitive in both indigenous and export markets. The programme provides local businesses with the fundamental building blocks to transform customer experience, operational processes and business model ultimately resulting in commercial success and the ability to create new jobs.

2- <u>Addressing barriers through its ability to contribute to future policy</u> - The action plan is the result of a consultation process where relevant stakeholders have been involved in its definition. In doing so, an inter-sectoral approach bringing together companies from the digital sector along with multi-sector businesses have in conjunction defined the objectives of the action within this plan. The regional action plan will be used by DCSDC to lobby on future strategic programmes.

Specific impact on the region

The following table presents the specific impact expected on the region:

Provide SME's with a 'Digital Transformation Action Plan' (DTAP) and or Creation of a digital marketing and communication action plan	Recruit and produce at least 340 no. businesses to participate in the programme by September 2022
Provide one to one mentoring support, training, workshops and networking opportunities for Digital Transformation Action Plan implementation	Deliver a minimum of 1190 mentoring days re. Digital Tech Enterprise Support to at least 340 participating businesses by September 2020
	Deliver a minimum of 500 days mentoring to at least 200 participating businesses(average 2.5 days per participant)
	Deliver 15 no. workshops (to at least 8 businesses on each occasion) by 30 April 2022
Identifying funding and support opportunities at local, regional and EU level	Recruit at least 30 no. businesses to participate and receive funding to support their digital enhancement

4.9 MONITORING ACTIVITIES IN PHASE 2

Activity monitoring, reporting and evaluation requirements will be adhered to in accordance with funder requirements.

DCSDC have procedures in place to ensure indicators are monitored and achieved including business diagnostic questionnaire, mentoring contact reports and business database to collate and record details of all support provided to businesses.

The delivery agent will provide updates of key milestones, continuous assessment against action implementation and produce detailed reports.

A mid-term programme review will be completed along with a final project evaluation.

Additionally, an end of programme online survey will be produced to obtain feedback from programme participants regarding:

- What worked well
- Areas for improvement
- Suggestions for new programme content
- Company progress against targets/ expectations

To Whom it may concern,

Derry City and Strabane District Council agrees to implement the Action Plan for the Derry Strabane Region as detailed above.

I confirm that I have the required authorisation of to do so and that the required authorisation process of the DEVISE Action Plan has been duly carried out.

On behalf of Derry City and Strabane District Council:

Signed:

Name: Kevin O'Connor

Position in Organisation: Head of Business

Date: 29th January 2021

ANNEXES

ANNEX 1 - LIST OF MAIN ACTIVITIES AND MEETINGS WITH THE LOCAL STAKEHOLDERS

Activity/meeting	Date	Stakeholders involved
Regional Stakeholder Meeting Coordinated meeting to communicate the DEVISE progress and future planning with the Digital Cities working group	28th May 2019	Digital Cluster Derry / Strabane
Regional Digital Workshop to communicate Supply and Demand questionnaire findings review partner best practices and propose key actions for the DEVISE Action Plan	28th May 2019	Digital Cluster Derry / Strabane
Regional Digital Workshop to propose key action finding for the DEVISE Action Plan, gain commitment from stakeholders, programme partners and policy makers / agencies and delivery timeline	4th December 2019	Digital Cluster Derry / Strabane
Regional Stakeholder Meeting	2nd March 2020	Digital Cluster Derry / Strabane

Activity/meeting	Date	Stakeholders involved
Promotion of the DEVISE Regional Action Plan recommendations, its delivery potential and best practice policy learning		Wider DSCDC business community Statutory departments and policy makers
Individual Stakeholder meetings (online) Discussion with stakeholders around the vitality of VR/AR within the Action objectives	**26th , 27th , 28th , 29th May and 4th June 2020**	North West Region College Ulster University Learning Cities Programme (DSCDC) – Laval Virtual Tour Inbound – VR Digital Business
Stakeholder Meeting Overview of draft action plan for programme	23rd June 2020	Digital Cluster Derry Strabane
Stakeholder Meeting Final discussion regarding delivery commitments and timeframes	8th July 2020	Digital Cluster Derry Strabane
Stakeholder Meeting	30th July 2020	Full Circle Management Solutions Ltd Digital Cluster Derry Strabane

Activity/meeting	Date	Stakeholders involved
Launch and develop relationship with delivery partner for Enhancing Digitalisation Capacity objectives		
Staff Exchanges Several stakeholders attended the staff exchanges in West Flanders, San Sebastian and Laval (online). They served as inspiration and input to define the actions to be included within the action plan.	October 2019 to September 2020	Digital Cluster Derry Strabane SME's - various sectors
Stakeholder Meeting Update on progress for delivery	20th October 2020	Full Circle Management Solutions Ltd Digital Cluster Derry Strabane

- Digital Cluster Derry Strabane:
    - Ulster University
    - North West Regional College
    - Enterprise North West
    - Strabane Enterprise Agency
    - Local digital businesses / digital innovators

ANNEX 2 – ACTION PLAN SUMMARY

Source of inspiration from the project (initiative/activity or good practice that inspired this action)	Action	Sub-actions (if any)	Relevance (how the action contributes to improve the policy instrument(s) addressed)	Stakeholders involved	Costs	Funding sources	Timeframe
Apollo Programme (Laval, France) The Programme APOLLO best practice learning inspired the action by providing the framework to assist with the development of Digital Transformation Action plans, which aims to support companies in their	Enhancing Digitalisation Capacity	Digital Transformation Action Plans	The action will provide DCSDC with a new way to support SMEs and help them to grow in such a way that they can also provide solutions to improve the competitiveness of other SMEs	North West Regional College Ulster University Digital Innovators / Local Digital Businesses	Total - €137,500 / £122,400 ERDF – €82,500 / £73,440 INVEST NI - €27,500 / £24,480	Funding has been secured to deliver the action within the ERDF Business Innovation and Growth programme	March 2020 to June 2023

innovation process by adapting new methods.			The action will help to identify and address barriers to SME competiveness in Northern Ireland	Local Council (DCSDC) Full Circle Management Solutions Business support stakeholders	DCSDC - €27,500 / £24,480		
Apollo Programme (Laval, France) An element of the Apollo programme is to offer businesses the opportunity to meet real people, potential customers, experts, potential partners through creativity sessions in order to fulfil the Digital Action Plans developed. This action within DCSDC's plan is inspired by the best practice in order to	Enhancing Digitalisation Capacity	One to one mentoring support, training, workshops and networking	The action will contribute to enhancing the focus and priority for SME's to increase competitiveness	North West Regional College Ulster University Digital Innovators / Local Digital Businesses Local Council (DCSDC) Full Circle Management	Total - €580,000 / £516,000 ERDF – €350,000 / £309,600 INVEST NI - €115,000 / £103,200 DCSDC - €115,000 / £103,200	Funding has been secured to deliver the action within the ERDF Business Innovation and Growth programme	March 2020 to June 2023

				Solutions and Business support stakeholders			
provide local businesses with the same opportunity to fulfil their Digital Transformation Action plan objectives				Solutions and Business support stakeholders			
Industry 4.0 Audits (Cantabria, Spain) The best practice learning has assisted the action by providing support with developing a technology audit for SME's which gives them the opportunity to revise their current strategy and to focus on the next steps in order to implement a more developed and innovative strategy.	Enhancing Digitalisation Capacity	Digital Transformation Action Plans	The action will provide DCSDC with a new way to support SMEs and help them to grow in such a way that they can also provide solutions to improve the competitiveness of other SMEs The action will help to identify and address barriers to SME competiveness	North West Regional College Ulster University Digital Innovators / Local Digital Businesses Local Council (DCSDC) Full Circle Management Solutions	Total - €137,500 / £122,400 ERDF – €82,500 / £73,440 INVEST NI - €27,500 / £24,480 DCSDC - €27,500 / £24,480	Funding has been secured to deliver the action within the ERDF Business Innovation and Growth programme	March 2020 to June 2023

			in Northern Ireland	Business support stakeholders			
DENDATICS (San Sebastian, Spain) The DENDATICS Programme assisted with the action development by providing a framework to develop and deliver one to one mentoring support, training, workshops and networking opportunities.	Enhancing Digitalisation Capacity	One to one mentoring support, training, workshops and networking	The action will contribute to enhancing the focus and priority for SME's to increase competitiveness	Digital Innovators / Local Digital Businesses Local Council (DCSDC) Full Circle Management Solutions Business support stakeholders	Total - €580,000 / £516,000 ERDF – €350,000 / £309,600 INVEST NI - €115,000 / £103,200 DCSDC - €115,000 / £103,200	Funding has been secured to deliver the action within the ERDF Business Innovation and Growth programme	March 2020 to June 2023
DENDATICS (San Sebastian, Spain) Best practice learning from this programme has been inspired within the action in order to assist in	Enhancing Digitalisation Capacity	Identifying funding and support	Help to identify and address barriers to SME competiveness in Northern Ireland	Digital Innovators / Local Digital Businesses Local Council (DCSDC	Total - €10,900 / £9,750 ERDF – €6,500 / £5,850	Funding has been secured to deliver the action within the ERDF Business Innovation and Growth programme	March 2020 to June 2023

providing businesses with possible grants and funding support which aims to help them to be more competitive, attract more customers through the global market and grow			Influence regional policy with the potential to identify future funding opportunities going forward	Full Circle Management Solutions and Business support stakeholders	INVEST NI - €2,200 / £1,950 DCSDC - €2,200 / £1,950		
Laval Virtual (Laval, France) Full learning from this best practice will allow DCSDC to explore the use of VR to deliver annual events locally such as Enterprise Week. These events encourage visitors globally and give SME's the opportunity to access the global market.	Enhancing Digitalisation Capacity	(Pilot) Virtual Reality Collaboration Hub	Help to contribute to the development of future policy in the SME sector within the region	DEVISE / Laval Virtual Local Council (DCSDC) Digital Innovators / Local Digital Businesses North West Regional College Ulster University	Awaiting decision DEVISE - €30,750	Application for additional fund sought through the DEVISE programme	Dependant on approval of funding

Additionally, DCSDC wish to explore the possibility of utilising VR to attract new businesses and visitors to the region.						