

Project Overview

Project Title	Digital Enterprise
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Main Funding Programme	UK Shared Prosperity Fund (UKSPF)
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Current Forecast Project cost	£8,686,772
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Funding Applied for from the Combined Authority now	£4,676,147
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Private sector funding amounts and sources	£4,010,625
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Scheme Description

The scheme is seeking UK Shared Prosperity Funding to enable the continuation of the Digital Enterprise Programme. The scheme is seeking delivery of a 1.75 year programme, commencing July 2023 (when the current Digital Enterprise Programme closes), to help SMEs achieve economic growth, improved productivity and resilience, and to create skills jobs, by investing in digital technology.

The scheme will deliver Level 1 grant funding of up to 50% or maximum £10k for circa 450 digital transformation projects, available to all sectors (including Business to Consumer organisation), and will support a limited number (circa 30) complex, high value and high impact projects worth between £25k-£100k, with intensive Advisor support in scoping projects and assessing solutions.

Business Case Summary

Strategic Case

Digital Enterprise is uniquely placed to provide a digital support programme for the region. Its contribution to the continued growth of West Yorkshire's digital economy was recognised in the Leeds City Region Digital Framework, where Digital for all business was outlined as a key outcome and specific recommended actions included exploring lessons learnt and opportunities to expand the Digital Enterprise programme.

Improving access to digital infrastructure, improving access and take up of digital facilities and online services, and promotion of digital security are outlined in the West Yorkshire Investment Strategy as priority areas for investment to support SME businesses and importantly the UKSPF West Yorkshire Local Investment Plan – Pillar 2 Supporting Local Business. The Digital Enterprise programme contributes towards these priorities through the Digital Growth and Connectivity Voucher schemes, allowing businesses to upgrade the speed and reliability of their broadband connection, invest in IT and increase Cybersecurity. Increased uptake of connectivity solutions will in turn improve the range of options made available by suppliers, particularly in less well served districts.

Economic Case

The current Digital Enterprise programme supports West Yorkshire, of which over 80% of funding has been provided to businesses in West Yorkshire. This equates to almost 1,400 SMEs receiving support from the programme since 2019, allowing them to grow and scale up through investing in digital technologies.

The programme will focus on established businesses with the capacity to support large scale digital transformation projects as well as increasing the capacity to process smaller projects more quickly and at lower cost. It will continue to act as a champion for digital transformation as the means of achieving productivity improvements and business growth. Given the reduction in funding available,

the scheme must deliver excellent value for money with the cost per intensive business assist being kept at comparable levels to the current programme.

Commercial Case

The 2021 Leeds City Region Business Survey highlighted that 32% of businesses stated that Digital Skills/ advanced IT represented a skills gap that needed to be addressed, whilst Sales and Marketing was cited by a further 36%.

The Digital Enterprise programme will be delivered by an in-house team employed by Leeds City Council.

Financial Case

The total cost of the scheme is £8,686,772. Combined Authority funding of £4,676,147 is requested from UKSPF. The remainder of funding will be contributed by private sector match funding.

Management Case

The scheme will be managed and delivered by Leeds City Council. The existing programme team is highly experienced and supported by the Head of Funding Programmes and Business Support within Leeds City Council. The team will report to a Project Board of representatives from West Yorkshire Local Authorities and the West Yorkshire Combined Authority. Quarterly progress reporting will also go to the UKSPF West Yorkshire Partnership Group to monitor progress and performance.