

Project Reference



**SCOTTISH EXECUTIVE DEVELOPMENT DEPARTMENT  
STRATHCLYDE EUROPEAN PARTNERSHIP  
EUROPEAN REGIONAL DEVELOPMENT FUND  
GRANT APPLICATION FORM**



APPLICANTS MUST REFER TO THE GUIDANCE NOTES BEFORE COMPLETING THIS FORM

Applicants should be aware that, if and when this, or any subsequently modified application, is approved the approved application form will become the first financial control document and will form the basis of any future monitoring or financial control inspection. For that reason, it is important that each section of the form is completed as accurately and clearly as possible and signed by your organisation's nominated, authorised signatory for ERDF purposes.

<b>1. PROGRAMME</b>	Western Scotland Objective 2 2000-2006 Programme
<b>2. PRIORITY</b>	Priority 3: Increase the economic and social cohesion of the region
<b>3. MEASURE</b>	3.1: Community based regeneration
<b>4. PROJECT TITLE</b>	Ayrshire ICT Social Enterprise
<b>5. APPLICATION TYPE</b>	<input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Revenue

<b>6. PROJECT SPONSOR</b>	East Ayrshire Council
Organisation Name	London Road
Address	KILMARNOCK
Postcode	KA3 7BU

<b>7. PROJECT LOCATION</b>	East Ayrshire Coalfield Area and North Ayrshire
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*Please refer to and complete Annex A to this application form as follows:*

- \* For revenue projects select ALL wards that the project and its services are expected to benefit
- \* For capital projects select the ward(s) in which the physical asset is located

*For capital projects please also indicate the following:*

Postcode	
Site owned by	

**8. ESTIMATED TIMESCALE**

Estimated date for main contract to be let	01-Jan-2002
Estimated physical start date	01-Jan-2002
Estimated date of physical completion	31-Dec-2004
Estimated date of financial completion	31-Dec-2004
Agency letting main contract(s)	East Ayrshire Council

**9. PROJECT EXPENDITURE PROFILE (all figures should be entered to the nearest pound)**

	2000	2001	2002	2003	2004	2005	2006	2007	2008	TOTAL
<b>a. Total cost of project (£)</b>			616,937	660,432	660,282					<b>1,937,651</b>
<b>b. Total eligible expenditure</b>			606,326	649,211	649,063					<b>1,904,600</b>
<b>c. % rate of grant requested</b>										<b>50.00%</b>
<b>d. Grant requested (£)</b>			303,163	324,606	324,531					<b>952,300</b>

**10. EXECUTIVE SUMMARY**

Please provide a description in about 150 words on what ERDF will be paying for. Full details of the project should be provided in section 11. (1000 characters)

The grant will contribute to:

- 1 The creation of a sustainable vehicle for SIP area e-community development, ICT capacity support and the uptake of ICT by local SMEs.
2. Continuation and extension of the AEC project during its transition towards a new social enterprise model.
3. Establishing a regional management and delivery focus for Digital Inclusion and its linkage into the needs of a future Digital Economy
4. The development and delivery of new and innovative initiatives in support of Digital Inclusion and ICT job generation

The project will establish: employment for 12 fulltime staff and 11 Apprentices; an ICT support capacity for 120 centres, 300 individual access points and 300 SME companies. It will also provide access to ICT job opportunities with an estimated 93 new jobs being generated .

FOR OFFICAL USE ONLY						
Date Received	Date Checked	Entered on System	PMC Date	Decision Letter	Grant Accepted	Sent to SE

## 11. PROJECT DESCRIPTION

Sections a. to f. give you the opportunity to describe fully the project for which grant is being sought, while addressing the specific points necessary for the project to be appraised.

a. Describe in more detail the background and context of this project. (1625 characters)

The AEC project was set up in December 1999 and is due to end in December 2001. There is currently significant bottom up demand to not only sustain the capacity and services it has provided but extend them to encompass additional facilities and initiatives established under other programmes. AEC has been a key component in the facilitation, development and support of community ICT initiatives and is highly regarded at both the strategic and "on the ground" level.

This project represents a proactive approach to developing sustainable long-term capacity. It will maintain the capacity and benefits established under AEC and ensure that the knowledge gained through it are incorporated in to future initiatives. It will build upon and extend the AEC partnership approach to integrated e-Community capacity development. It will also consolidate and extend the level of local community engagement and participation AEC has managed to stimulate.

The project will provide a focus for the application of ICT in community and business development and facilitate awareness raising and community adoption. It will promote local and national ICT related initiatives, support community funding applications and "champion" the adoption of digital inclusion. It presents the opportunity to create added value by establishing a management and delivery vehicle for digital inclusion that links to the needs of a digital economy i.e. ICT jobs, SME support, e-commerce etc. In this respect it will develop and pilot innovative approaches to the

b. Provide a full description of the works. (1625 characters)

Funding will be used to continue the AEC project until it can be transitioned in to a new social enterprise model. Projected cost levels are consistent with current AEC operation and incorporate specific provision for the AEC network infrastructure ( it is planned to find alternative funding to offset this particular cost in years two and three). The project will incorporate the AEC resources and facilities at Cumnock and therefore incur no additional set up or capital costs. Provision has been made to establish a second office in North Ayrshire in year two.

To ensure continuity of service provision, the project will adopt the 8 staff funded under the AEC project and the Web Developer currently funded by SE Ayrshire. To support the extended activity of the social enterprise 3 additional staff will be added during the first year. This gives a staff of:

Management and Administration – 3 existing AEC staff + new Services Development Manager  
e-Community development and support – 3 existing AEC staff  
ICT Capacity Support - 3 existing AEC staff + new Web Services Developer  
Programmes Support - new Development Officer

When available, "appentices" from a new ICT training and jobs initiative will be used to augment the staff and extend the scope of the project.

The project will directly employ 12 full time staff with provision for 11 "appentices". This will establish the capacity to provide ICT support and central services for 120 locations; 40 community ICT initiatives per annum; develop 90 community websites and support 300 SMEs. It will also help generate an anticipated 93 new jobs.

c. Describe the mechanism for implementing the project including details of other funding partners and any in-kind contributions (1625 characters)

Matched funding to continue current AEC activity will come from the existing AEC partners – EAC, SE Ayrshire, North Ayrshire and East Ayrshire SIPs, Ayrshire & Arran Primary Care Trust and Ayr College. Additional funding will be provided in years two and three to cover extension of the project in to new SIP areas and target groups. The project will seek to leverage private sector in-kind contributions to activities related to SME support and ICT job Generation. In kind contributions from the Community and Voluntary Sector and other partner organisations are anticipated but have not been quantified at this time.

Working with the Ayrshire ICT ILM's, a complementary ESF application will be developed to support the new apprenticeship and ILM transition programmes. Funding will also be sought through the DTI UK Broadband Initiative to support the consolidation and extension of the AEC community network.

During the first year a Limited by Guarantee, not for profit Company will be established to manage the project. It will be controlled by a Board of Directors made up of the funding partners and representation from the private sector. Overall direction will be set by extending and realigning the existing AEC Steering Group to incorporate the economic regeneration partnership set up under the Ayrshire Information Society project.

d. What are the anticipated outcomes? (1625 characters)

The prime outcome of this project will be the ability to sustain and build upon the £2m investment in AEC . It will continue to build upon the e-community development outcomes of the current project and pursue a more proactive approach to SME support and ICT job generation.

In terms of projected outcomes:

Community related activity is based upon current AEC performance and staffing levels extrapolated to indicate greater uptake due to the enhanced focus on e-community development. Hence 230 community events/networks/initiatives based on 3 e-community development staff supporting on average of 2 events per month and 30-40 ICT initiatives per year. ICT staff will support installation and connection to the AEC network – estimated at 20-30 per year, and help third sector companies and community organisations with their use of ICT – estimated as 225 using ICT.

SME support activity is based upon the availability of 2 management staff and 4 ICT staff on a percentage time allocation. A number of the SMEs will require “hands-on” assistance in setting up their ICT capability – estimated 3-4 days of work, whereas a lot of effort will be put in to supporting other SME ICT programmes with advice and base level consultancy. Projections of SMEs supported are based on 90 receiving more than 3 days support, 60 – 1 day support/consultancy and 150 - direct advice.

AEC stimulated the creation of 55 new jobs related to its activity, it is estimated that this trend will continue and when combined with the project's activity with SME companies will generate an

e. How does the project fit with Priorities/Measures of the Single Programming Document and selection criteria? (1625 characters)

This project is specifically designed to provide a dedicated ICT capacity in support of economic and social regeneration within the SIP areas of Ayrshire. It fits Priority 3 in that:

- The social enterprise will act as an expert intermediary in the development of digital inclusion, in line with the approach projected by the Scottish Executive.

This project will provide a dedicated ICT capacity in support of economic and social regeneration within the SIP areas. It fits Priority 3 in that:

- It will act as an expert intermediary in the development of digital inclusion, in line with the approach projected by the Scottish Executive.
- It is a key strategic component in the sustainability of ICT capacity and in the maintenance of community ICT facilities.
- It will assist local initiatives in the development and use of ICT and develop greater levels of community ownership and self-reliance.
- It will stimulate and support the uptake of ICT amongst SME companies.
- It will facilitate greater access to the ICT related job market, extend the scope of current ILM activity and provide a route to higher level employment and learning.
- It will build on the partnership approach and the positive actions established under previous programmes and provide a point of cohesion for future developments.
- It will champion the use of ICT as a major contributor to the development of community capacity and its importance in the economic regeneration of the region.

f. Demonstrate consideration of horizontal themes - equal opportunities and sustainable development, including environmental sustainability. (1625 characters)

The project supports the inclusion concept of equal access to opportunities for all individuals/communities. It will be built around this principle - recruitment and training of staff, promotion of ICT facilities, development of new initiatives. It will target SIP areas and specific excluded groups - loan parents, women returners to work, ethnic minorities, disabled. It will develop specific "online communities" that facilitate communication between excluded groups and help promote and support their activities.

The project will help communities become less reliant on short term project funding. It will provide the training and resource to sustain their ICT capacity and enable them to develop longer-term initiatives. e-Community development will help establish a higher level of social cohesion and community identity through the creation of local content and online facilities.

The project will actively promote the development of local economies through the use of ICT and the opportunities associated with it. It will manage a complementary ESF Apprenticeship Programme that will develop an ICT labour pool by creating a mechanism for real job generation and upskilling the level of locally available ICT resource. This is designed to enable and sustain a future ICT based economy.

In recognition of the issues associated with the disposal of ICT equipment this project will work with Cyscic ILM Project in North Ayr and with communities and companies to actively promote a policy of re-cycling and establish a focus for ICT related environmental issues.