

# ***Digitalisation Voucher***

## ***Dearbhán Digiteach***

*Cáipéis Tagartha* – Reference Document

Revision 28-04-2022

## 1. Introduction

### Purpose

Covid-19 has accelerated the adaption of digital across all aspects of business, this move will be a requisite for recovery from the impact on Covid-19 and vital to preserve the continuity of economic activity.

The Digitalisation Voucher will provide strategic intervention for companies to work with third party consultants to assist companies identify where they are on their digital business journey and develop a digital adaption plan based on their identified need.

### Document Revision History

<b>April 2022</b>	- Added support for Housing for All plan
<b>February 2022</b>	- Clarification regarding timescale of projects – to ideally 6-12 weeks - Changes to dates and other updates
<b>August 2021</b>	- Initial version

## 2. Overview

The voucher may be used to obtain digital strategy, technical and/or advisory service from approved providers.

Eligible projects must complete the [digital ready scorecard](#) from Enterprise Ireland, and **one or more activities** from the table below.

Activity	Project Scope
<b>Mandatory</b> “As is” assessment.	Digital Score card, review of “As is” process.
<b>Option 1</b> Internal Process Optimisation (Lean-Digital-Automation)	<p>Review of <u>current operational processes</u> and systems to identify improvement opportunities. The focus should be on eliminating waste by introducing easier, faster processes backed up by automation and/or cloud based digital systems where appropriate.</p> <p>Processes covered can include any or all business functions from sales, finance, marketing, production, logistics and product development.</p> <p>Ideally the review will be based on a Lean approach in combination with the adoption of digital technologies.</p> <p>Part of the analysis should include a review of cyber security risks and recommendations to reduce risk, including working towards international security standards that are becoming a requirement to operate internationally.</p> <p>The output is expected to include a plan for the company to improve business processes using a combination of people skills development, process development and technology investment (including robotics, sensors &amp; software).</p>
<b>Option 2</b> Enhancing Customer Digital Experience (Product, Service, Route to Market, Channels)	<p>Review of <u>current products &amp; services &amp; channels</u> and potential to create a high-quality digital experience for customers.</p> <p>This should include a digital review of the customer journey(s) including all customer touchpoints from sales, marketing, customer service, delivery, channels, life cycle, competitor analysis.</p>

	<p>Part of the analysis should include a review of cyber security risks and recommendations to reduce risk, including working towards international security standards that are becoming a requirement to operate internationally.</p> <p>The output is expected to include a plan for the company to improve the customer experience by implementing enhanced services, products, and/or channels including identification of required skills development needs.</p>
<b>Option 3</b> Becoming a Data-Driven Business	<p>Review of <u>current key performance data</u> that is used to drive the business and identify gaps and improvement opportunities. Enhancing customer experience by aggregating data in all of its forms across the business.</p> <p>This should include:</p> <ul style="list-style-type: none"> <li>- Identification of data sources and potential untapped business value of data.</li> <li>- Identification of gaps in business or production data and suggestions on ways to improve.</li> <li>- Identification of security risks and mitigation strategies.</li> <li>- Identification of potential new tools e.g., CRM, Business Intelligence, ERP, Robotics.</li> </ul> <p>The output is expected to include a plan for the company to improve data definition, collection, visualisation and analysis using a combination of people skills development, process development and technology investment (including robotics, sensors &amp; software).</p>

The project scope will be developed further between the company and the service provider.

More than one service provider can be used with the voucher.

## Eligible Costs

Eligible Cost Elements	Eligible Costs	Eligible Grant
External Advisory Costs	Maximum of €9,000 where the eligible costs are capped at €900 per day.	Maximum of €9,000. Based on a grant rate of 100% of eligible costs.

## Eligible Companies

Eligible companies include client companies of Enterprise Ireland or Údarás na Gaeltachta who employ 10 or more full time staff at the time of application. Client companies of Local Enterprise Offices or IDA Ireland are not eligible.

Eligible companies also include companies who are not clients of any of the above agencies but have 10 or more full time employees and are engaged in manufacturing or are trading internationally<sup>1</sup> in an eligible services industry<sup>2</sup>.

As of March 2022, domestically traded services companies that operate in the residential sector may be eligible under '**Built to Innovate**', an Enterprise Ireland action under the Housing for All plan. See Appendix 1 for further details.

<sup>1</sup> [It is Enterprise Ireland policy that exporting to Northern Ireland is not sufficient in this case](#) as the focus is on developing capability to export to wider markets internationally.

<sup>2</sup> As defined in 'S.I. No. 81 of 2010 - INDUSTRIAL DEVELOPMENT (SERVICE INDUSTRIES) ORDER 2010' - <https://www.irishstatutebook.ie/eli/2010/si/81/made/en/print>

## Eligible Criteria

Eligible companies as outlined above, will be approved under Temporary Aid Framework or De Minimis Aid based on the following.

- Companies who employ less than 50 and have been impacted by Covid will default to Temporary Aid Framework as they are exempt from Undertaking in Difficulty (UID).
- Companies who employ more than 50, have been impacted by Covid and not UID will be approved under Temporary Aid Framework.
- All other eligible companies (see above) may be approved under De Minimis.

Impacted by Covid is defined as; have suffered, or be projected to suffer, a 15 per cent or more reduction in actual or projected turnover or profit as a result of COVID-19 outbreak; and / or have had a significant increase in operational costs as a result of the COVID-19 outbreak.

**Note:** The Temporary Aid Framework is due to expire at the end of June 2022, after which all approvals for this offer will be under de minimis regulations.

## Ineligible Companies

- Are operating in the coal or steel sector.
- Are active in the primary agricultural, fishery or aquaculture sectors.
- Are covered by specific rules for Financial Services.<sup>3</sup>
- Are involved in activities that Enterprise Ireland considers as ineligible or as involving an unacceptable reputational risk. Ineligible activities include activities relating to:
  - The gambling sector, including 'gaming' (as defined in the Gaming and Lotteries Act 1956).
  - Adult entertainment.
  - Tobacco and tobacco related products.
  - Cannabis-based products which are not authorised as medicines.

## Ineligible Activities

- Project implementation costs
- Cyber Security Pen Test
- Marketing campaign
- Web development and/or build (e.g. hosting, maintenance fees)
- Online Advertising implementation (e.g. payments to Google, LinkedIn, Facebook, etc.)
- The purchase of off the shelf software packages, licenses or subscriptions (e.g. CRM systems, Shopify, Hubspot, Salesforce etc.)
- The purchase of hardware (e.g. studio equipment, cameras, laptops)
- Photography, banner ads, and graphic developments

## Irish Legal Basis

- This Scheme shall be administered in accordance with Section 7(1)(i) of the Industrial Development (Enterprise Ireland) Act 1998 and Section 8(c) of the Industrial Development Act, 1993 (amended by Section 37 of the Industrial Development (Forfás Dissolution) Act 2014).]
- This Fund shall be administered by Enterprise Ireland, using funds made available for that purpose by the Department of Enterprise, Trade and with the consent of both the Minister for Enterprise, Trade and Employment and the Minister for Public Expenditure and Reform.

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<sup>3</sup> Financial institutions are those included in the Communication from the Commission on the application, from 1 August 2013, of the State aid rules to support measures in favour of banks in the context of the financial crisis ('Banking Communication') (OJ C 216, 30.7.2013, p. 1).

## EU State Aid Basis

- This Fund is operated in accordance with European Commission Approval [SA.58043] (July, 2020/N) – Ireland, following amendments of the schemes SA.57036 Sustaining Enterprise Fund Scheme, supporting undertakings affected by the economic repercussions of the Covid-19 outbreak under the *Temporary Framework for State Aid Measure to Support the Economy in the Current COVID-19 Outbreak*.
- As an alternative, specific approvals under this Fund can also be operated under *De Minimis* aid, COMMISSION REGULATION (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union.

## Eligible Activities

- The voucher covers digital strategy, technical and advisory supports to help a company on their digitalisation journey, up to a value of €9,000 ex VAT. A maximum daily rate of €900 ex VAT per day shall apply.
- It is expected that the support would be provided over a relatively short period, ideally between 6 and 12 weeks from once work commences with the provider. However, a company does have 6 months from date voucher is signed to complete and submit claim.

## Application, Assessment and Approval process

Applications may be submitted at any time to Enterprise Ireland (subject to budget availability under temporary framework up to end of June 2022). However, applications **should, where possible** be discussed with the assigned Development Advisor prior to submission. Enterprise Ireland clients should use [this link](#) to find their Development Advisor in order to discuss their proposed project. With the agreement of the assigned Development Advisor, applications can be made through the Enterprise Ireland website.

## Assessment Criteria

This will be based on.

- The needs of the company (as defined by the Development Advisor)
- The project not having started before the application was approved and service provider assigned
- The proposal being in keeping with the goals and terms of the offer
- The Service Provider being approved as part of the Digitalisation Service Provider directory or by the Client Digitalisation Programme Manager.
- The eligible costs in line with the terms of the offer

## Application Process

1. The Client company makes an application online through the Enterprise Ireland website.

## Assessment Process

1. The Application is processed by the **Operational Excellent and Digital Department** for Enterprise Ireland and non-agency clients (valid client, services ok, project in line with scheme, etc.).
2. The **Operational Excellent and Digital Department** contact the assigned Agency Advisor for input (support or otherwise).
3. The **Operational Excellent and Digital Department** will forward all cleared applications for recommendation.

## Approval Process

1. Recommendation will be by the **Operational Excellent and Digital Department** Programme Manager and Approval will be by the Department Manager of the **Operational Excellent and Digital Department** through an auditable system<sup>4</sup>.
2. If approved, the company will be issued a voucher by email and will accept the voucher using DocuSign.

## Claim Process

1. After project is completed, the service provider will invoice the company (including VAT where appropriate).
2. The company can make a claim through the normal EI claim process, which will include.
  - a. Completed digital ready scorecard
  - b. Completed digitalisation voucher report template and output report from consultant
  - c. Completed digitalisation claim directors statement.
  - d. A copy of the service provider(s) invoice
  - e. Proof of payment
3. Once the claim has been reviewed by the Enterprise Ireland Grant Administration department and the final report cleared by the Client Digitalisation Unit it can proceed to payment.
4. The company will pay any VAT due to the service provider and reclaim if appropriate in the normal way.

## Key points

- One voucher per company.
- One claim allowed.
- Company is entitled to claim based on time spent once the project is completed.

### Appendix 1: Housing for All –Digitalisation Voucher Eligibility Criteria

#### 1. Background and purpose of this Appendix:

On September 2<sup>nd</sup>, 2021, the housing for All plan was announced by Government. Under Pathway five of the plan Enterprise Ireland has been tasked with providing productivity, innovation and research supports to the domestic residential construction industry.

Action 23.4 reads “Expand the role of enterprise agencies to include funding and supports for innovation and productivity related projects in the domestic residential construction sector, with funding for research, innovation and productivity to be provided, commensurate with the scale of construction in the domestic economy and in compliance with State Aid rules.”

Several existing Enterprise Ireland offers are being utilised to deliver on these actions. This Appendix sets out the specific eligibility and other criteria required to make the Digitalisation Voucher compatible with Housing for All.

#### 2. Product Details

##### 2.1 Funding, Including Eligible Expenditure and Ineligible Expenditure

Applicants for the Housing for All Offer must meet the specific eligibility and other requirements for the Digitalisation Voucher in accordance with the Reference Document for that offer, subject to the additional specific criteria outlined in this Appendix. This includes all funding being awarded in accordance with the Legal and State Aid Frameworks that govern the Digitalisation Voucher

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<sup>4</sup> Operational Excellent and Digital Department, or where not available an equivalent department manager.

## 2.2 Eligible Applicants and Ineligible Applicants

In addition to the established eligibility criteria for the Digitalisation Voucher, the offer is also available to companies who qualify for Enterprise Ireland's *Housing for All Offer*.

Enterprise Ireland's *Housing for All Offer* is open to Irish companies who employ 10 or more full time people equivalents working in homebuilding and can demonstrate an ability to deliver on the objectives of this fund. This includes, but is not limited to:

- Contractors,
- Builder developers,
- Sub-contractors,
- Modern Methods of Construction manufacturing companies.

### Ineligible Companies

Enterprise Ireland's *Housing for All Offer* is not open to companies that meet any one (or more than one) of the below criteria:

- Property developers who do not self-perform any construction work.
- Companies employing less than 10 full time people.
- Companies that currently derive less than 20% of annual revenue from the homebuilding sector and do not have a validated plan to achieve this objective, this plan being satisfactory to Enterprise Ireland. Large companies that may have less than 20% revenue derived from homebuilding but are considered to be capable of delivering substantial numbers of units will also be considered.
- Do not meet the eligibility criteria as outlined in this Appendix
- Are operating in the coal or steel sector.
- Are active in the primary agricultural, fishery or aquaculture sectors.
- Are covered by specific rules for Financial Services.<sup>5</sup>
- Include or relate to activities that Enterprise Ireland considers as ineligible or as involving an unacceptable reputational risk. Ineligible activities include activities relating to:
  - The gambling sector, including 'gaming' (as defined in the Gaming and Lotteries Act 1956).
  - Adult entertainment.
  - Tobacco products.
  - Cannabis-based products which are not authorised as medicines.

**Note:** In 2022, under this fund, eligible companies can apply for multiple projects up to a maximum of €500k per undertaking. Funding above this level will be approved in exceptional cases and will be subject to review.

In addition, it is expected that a company will not be availing of more than one offer under Housing for All at one time.

## 3. Application, Evaluation and Approval Process

### 3.1 Eligible Application

The application documentation required is the same as required for the Digitalisation Voucher with one additional document requested to facilitate an eligibility and package sizing assessment. This document is a simple excel table which detail the company's total revenue, the percentage derived from homebuilding, number of employees and the

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<sup>5</sup> Financial institutions are those included in the Communication from the Commission on the application, from 1 August 2013, of the State aid rules to support measures in favour of banks in the context of the financial crisis ('Banking Communication') (OJ C 216, 30.7.2013, p. 1).

number of housing units delivered over a seven-year period and a brief housing impact statement. This is two previous years, current year and four future years.



### 3.2 Application Process

<b>Inquiries</b>	<ul style="list-style-type: none"><li>– In bound inquiries to the Enterprise Ireland webpage on these supports will direct people to contact an email address for further information. The Enterprise Ireland Housing team will engage with the potential applicant to initiate the assessment of eligibility.</li></ul>
<b>Assessment of Eligibility:</b>	<ul style="list-style-type: none"><li>– <b>Step 1:</b> Applicants will complete a Housing Impacts Statement, setting out the following:<ul style="list-style-type: none"><li>– table of current and projected residential and other activities,</li><li>– statement of housing impacts arising from the proposed project.</li></ul></li><li>– <b>Step 2:</b> The Housing Impacts Statement will be assessed to determine project eligibility and maximum grant per job.</li></ul>
<b>Client Registration:</b>	<ul style="list-style-type: none"><li>– Non-EI clients will be registered as temporary clients on the CES.</li></ul>
<b>Application Process:</b>	<ul style="list-style-type: none"><li>– Following assessment of a Housing Impacts Statement, a formal application will be submitted using existing application documents. The current process for the management of these applications will be used.</li><li>– The current commercial and technical due diligence process will be conducted. This will include the project team analysing the nature of the project for the purpose of determining package size.</li></ul>
<b>Approval Process:</b>	<ul style="list-style-type: none"><li>– The only change to existing approval processes will be the inclusion of a Housing Impacts Statement in the online or Committee proposal document.</li></ul>
<b>Post Approval</b>	<ul style="list-style-type: none"><li>– Projects will be tagged on the CES as Housing for All related by the Housing team</li></ul>

Enquiries from ineligible companies or companies with ineligible projects will be adjudicated on by the Department Manager responsible for Housing and recorded by the Housing team. Appeals to these decisions will be directed to the Secretary of the Enterprise Ireland Board.

### 3.3 Evaluation and Approval Process

Applications received will be processed within the current Enterprise Ireland approvals structures for the Digitalisation Voucher with the same grant aid limits being applied.

#### Assessment Process

The Value for Money measures of cost per job and Cost Benefit ratio will continue to be relevant. There is no requirement for projects to show exports or export growth and as such an alternate assessment is required to ensure that the objectives of the initiative are being achieved, namely: A project must have a demonstrable impact on homebuilding by accelerating the delivery of new homes and/or reducing the cost of home building.

In addition to the assessment process established for the Digitalisation Voucher, the application will also be subject to the assessment process that has been established for Introductory Projects under the *Housing for All Offer*. This is detailed below:

#### *Introductory Projects*

- Introductory Projects (of €10k grant aid or less) must satisfy the eligibility criteria of number of employees, having 20% of revenue derived from Homebuilding and that the intention of the project will support productivity or efficiency improvements.

### **3.4 Closing Date for Applicants**

This offer will be open to the domestic residential industry from March 2022 until the end of 2024 or until advised by Government.

### **3.5 Post Approval Claims Process**

The existing claims process will be used to draw down funding. The Development Advisors in the Housing team will provide claims clearance for the new temporary clients.