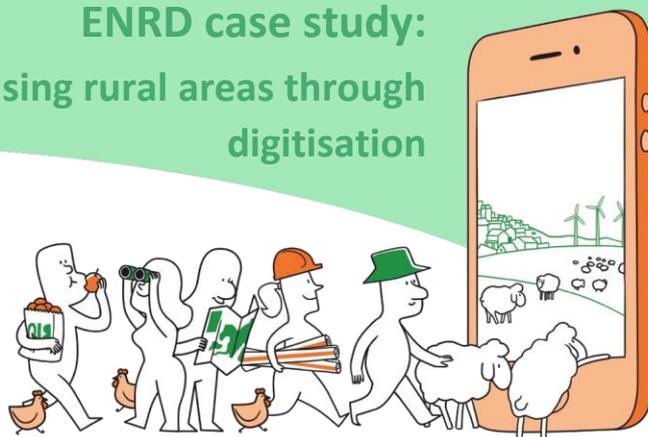# #hellodigital

(United Kingdom, Scotland)
Working Document

> *This case study was prepared in the framework of the ENRD Thematic Work on Smart and Competitive Rural Businesses (https://enrd.ec.europa.eu/thematic-work/smart-and-competitive-rural-areas/rural-businesses_en) that was running between August 2016 and July 2017. A comparative case study was developed entitled 'Revitalising rural areas through digitisation' based on the experience of #hellodigital and other two rural digital hub examples: Cocotte Numérique (France) & Ludgate Hub (Ireland) – see separate case examples.*

FACTS

Location: Inverness, Scotland

Timing of the initiative: From 04/2016 (ongoing)

EAFRD-funding: None

Other public funding: Scottish Government funding through the Digital Scotland Business Excellence Partnership, European Regional Development Fund (ERDF) and funding from Highlands and Islands Enterprise (HIE).

Website: http://hellodigital.scot/

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Funded by the European Commission

Short description of the project

#hellodigital is a **digital demonstration centre**, hosted by Highlands and Islands Enterprise (HIE) in its Inverness Head Office called An Lochran (a building shared with the University of the Highlands and Islands (UHI) and Scotland's Rural College (SRUC)). #hellodigital was launched in 2016 by John Swinney (Member of Scottish Parliament).

#hellodigital connects business and technology, with the goal that every business, across the Highlands and Islands in Scotland, makes the most of the digital technology available in promoting and operating their business. #hellodigital offers an opportunity to demonstrate leading-edge technology locally, it inspires and encourages the use of new technologies across the SME in the region. #hellodigital is **a digital demonstration centre showcasing opportunities and attracts tech leaders** to share knowledge and experience in the highlands through a **diverse range of showcases, master classes and events**.

The programme offered by #hellodigital is **delivered across the region, events are** run at locations across the Highlands and Islands to extend reach and maximise accessibility. #hellodigital connects with the University of the Highlands and Islands infrastructure enabling events to be broadcast across the region, recorded, edited and made available online.

The Highlands and Islands is benefitting from a major rollout of fibre broadband. #hellodigital is a catalyst and enabler for digital businesses across the whole region, aiming to help understanding and taking advantage of the possibilities brought by broadband.

Summary of main results:

- ✓ The #hellodigital organised 60 business events and 2 conferences attended by 2043 delegates.
- ✓ #hellodigital is reaching more customers online.
- ✓ The centre has a capacity of up to 60 people (depending on the room layout).

1. SETTING UP A RURAL DIGITAL HUB

1.1 Specific conditions that make it possible to set up a rural digital hub?

- **Geographical location:** The Highlands and Islands of Scotland, with a land area of over 40,000km2, is characterised by complex geography (mountains and islands), remote and dispersed communities, and a population density of just 11 inhabitants / km2. Inverness is a natural location as the largest settlement in the Highlands & Islands, with a concentration of businesses / organisations in the surrounding area, and good accessibility from other parts of the region. Th opportunity offered by HIE's new office building was also a key factor in location.

- **The rollout of fibre broadband across the Highlands and Islands[1]** is opening opportunities for businesses, communities and individuals to work in new ways, exploit new technology and take new opportunities to grow business, access services and reduce the impacts of remoteness and peripherality.

  #hellodigital is an integral part of HIE's head office in Inverness. The facility has a 1GB line from which a separate **100Mbps sub-network has been made available**. The broadband infrastructure is vital to the centre in enabling demonstrations but also in enabling the live-streaming that takes place. Events taking place in #hellodigital are generally live-streamed and the recordings are made available to watch again online.[2]

- **Appropriate space/building:** The creation of a new head office for HIE, co-locating with UHI and SRUC, created the opportunity to include #hellodigital in the new building design. #hellodigital has access to broadcasting equipment and screens located throughout the building. The centre purchased 360-degree cameras, a Microsoft HoloLens and other equipment for demonstration purposes. The purchase of further equipment has been kept to a minimum as it tends to get outdated quickly.

1.2 Who initiates and is involved?

The project was initiated by **Highlands and Islands Enterprise (HIE)**. HIE has been offering digital engagement support since 2012 comprising of group workshops and one-to-one support. This support focused on the topics relevant to the broadest set of businesses. The digital engagement and support project is now a national programme called DigitalBoost.

#hellodigital **brings together industry experts, academic leaders, and the business community** to explore business use of digital technology, share experiences, understand emerging trends and discovery new business possibilities.

> **Digital Scotland Business Excellence Partnership**
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> The report **Scotland's Digital Future - Supporting the Transition to a World-leading Digital Economy: Emerging Findings April 2013** was published on 7 May 2013. The report explores the public sector's approach to promoting Scotland's digital economy and provides initial outputs from the review of business support programmes.
>
> The Scottish Government released funding to the Digital Scotland Business Excellence Partnership (DSBEP) and Highlands and Islands Enterprise applied for funding to create a Digital Scotland Excellence Centre.

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[1] Almost 250 towns and villages across the Highlands and Islands can now access fibre optic broadband, thanks to the Digital Scotland Superfast Broadband project. To help people get better connected HIE and Digital Scotland are investing £146m to roll out a fibre network across the region. The broadband project has reached its contract target - but additional funds mean roll-out will continue until at least the end of this financial year. Customers can check availability at www.hie.co.uk/fibre and the latest information on digital aspects is available at www.hie.co.uk/digital.

[2] http://hellodigital.scot/watch

1.3 What resources are needed?

a) Financial resources

The HIE Broadband and Digital team were awarded £306,000 from the Digital Scotland Business Excellence Partnership (DSBEP) until March 2016 to establish the Digital Excellence Centre in Inverness (building and technology costs, plus project management and a programme of activity) and HIE Strategic Development Body (SDB) Phase 2 funding of £34,000[3] until June 2015 (for additional business briefings and events) to develop a **Digital Scotland Excellence Centre**. The Project was subsequently awarded £28,000 of Highlands and Islands Enterprise grant-in-aid to extend the project to March 2017, after building delays.

A multi-partner steering group was established to oversee the development of the Centre including: the Scottish Government; Skills Development Scotland; Scottish Enterprise and Scottish Development International.

b) Human resources

The setting-up and initial establishment of the Centre required a Project Manager (full-time project manager since January 2015) with technical background and good knowledge of the industry. It took 12-18 months to set-up the project, carry out recruitment, set-up and move into the new build, and pilot workshops.

Technical training was carried out so that the **2 full-time members of staff working on the project** were able to use all the new equipment belonging to the centre including the live-streaming equipment.

Challenges of setting up #hellodigital

- The initial challenge was to **convince funders** that a Digital Centre was required in rural Scotland.

- **Ensuring equality of access** to #hellodigital business and technology showcase (accessibility for people located outside Inverness and surrounding area): Live-streaming of sessions, wherever possible, is used to make sessions available across the region and these sessions are published online for playback later. Events are planned in advance in the Highland capital Inverness. The Drone Week event, for example, attracted interest from drone operators across the region who were very pleased to come together in Inverness, compared to travelling to events elsewhere in Scotland or the UK.

- **Visibility and awareness raising:** #hellodigital has provided sessions at larger business events taking place across the region, to reach the large audiences; for example, the Scottish Social Enterprise Summit, XpoNorth (Scotland's Leading Creative Industries Festival), Highland Business Week, Argyll Business Week, Shetland Business Week and a Caithness Chamber Event.

- **Cross-sectoral nature of 'Digital'**: Identifying topics and themes that are relevant across all sectors and those where the most impact will be gained.

- **Engagement with business membership organisations**: #hellodigital has worked with established business groups to maximize reach including the Federation of Small Business, local Chamber of Commerce, and the Highland Business Women.

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[3] Funded from the ERDF 2007-2013 programme.

2. RUNNING THE RURAL DIGITAL HUB

2.1 What activities is the hub carrying out?

Offering services for businesses

In the period from March 2016 to February 2017 #hellodigital has run 2 digital conferences and 60 events on a wide range of topics including:

- − Digital Making (including 3D printing)
- − 360 Video
- − Making-movies using a smartphone
- − Virtual Reality and Augmented Reality
- − Drones and unmanned aerial vehicles (UAVs)
- − Data Analytics
- − Cyber Resilience
- − Getting your business found online

#hellodigital is reaching more customers online. The centre has a capacity of up to 60 people (depending on the room layout).

2.2 What resources are needed to run the hub?

a) Financial resources

#hellodigital has benefited from being situated in a new multi-partner building with security, catering and reception services manned from 7 am to 7pm on weekdays and additional hours by arrangement. The space is owned and operated by Highlands and Islands Enterprise with the running costs and ownership costs absorbed as part of their overheads (no fees are charged for the services).

The remaining running costs are associated with:

- 2 FTEs managing, running and reporting on events
- Demonstration equipment and training
- Third-party advice, training and support.

b) Human resources

Two FTE posts were sustained during the initial set-up and running phase of the project.

All events were staffed by experts who were either working in partnership with the centre and offering their services gratis or paid professional services of experts in their technical field.

#hellodigital is hosted and managed by Highlands and Islands Enterprise. Senior Development Manager (1 FTE)[4] oversees the Digital Centre project in addition to Digital Scotland Business Excellence Partnership (BSBEP) and Digital Engagement activity.

A multi-agency Steering Group governed the project with representation from Highlands and Islands Enterprise (HIE), Scottish Enterprise, Skills Development Scotland, and Business Gateway.

The current activities of #hellodigital require **expertise and availability** of the following:

- Expertise in creating, managing and delivering an event plan
- Fostering and leveraging of partnerships across the public, private and academic sectors

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[4] Additional to the 2 FTEs indicated above.

- Digital marketing and online event management
- Live-streaming and video editing skills.

Specific implementation challenges of #hellodigital

#hellodigital has benefited greatly from being hosted within a brand new multi-partner building, called An Lochran. As with all new building projects, the **timetabling of move-in** and the logistics of getting the centre were challenging. These challenges were vastly outweighed by benefits of having the opportunity to influence the design of the centre and take-up residence in a brand-new facility.

Sustainability – considering the future of the centre, building momentum and continuing to nurture collaborations and relationships established in the first few years requires resources. The public sector is challenged in terms of funding; however, it is recognised that the centre adds real value to our Digital Highlands and Islands programme and HIE will continue to support the project whilst other sources of funding are identified.

2.3 What are the outputs, results and long-term sustainability of the hub?

Capacity-building for businesses

60 events and 2 conferences attended by 2043 delegates.

After a very busy initial launch period and a successful first year of operation, the future event plan and centre operations are being evaluated.

Sustainability of the hub

To sustain the hub continued funding, interest and support for the events are required:

- Resources to operate the event plan and the centre
- Budget for limited demonstration equipment and continued maintenance of the installed hardware

At this moment businesses are not charged for attendance at events and there are no plans to do so. To secure HIE funding an approval paper needs to be provided highlighting the economic impact of the project.

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European Commission