



European Union

European Structural
and Investment Funds

**European Structural and Investment Funds
2014 - 2020**

Growth Programme for England

ESI Funds Growth Programme Board

Progress on EAFRD Growth Programme

Purpose:

To provide the Board with an update on the current position on the EAFRD part of the EU Growth Programme.

Recommendation(s):

The Board is invited to note the information set out in this paper.

Summary:

The total amount of EAFRD funding committed under the 2015 Growth Programme calls now stands at £9.57m. Claims for £0.56m have been paid to date.

In January 2017, three new national calls were issued offering £120m of EAFRD funding. The RPA has implemented streamlined application and assessment processes for these calls, including a revised referral process to the local ESIF sub-committees. As at 28 February 2017 expressions of Interest totalling £20.47m had been received in response to these calls and invitations to submit full applications had been issued to projects seeking £3.3m.

EAFRD GROWTH PROGRAMME UPDATE

1. The calls issued in 2015 for EAFRD funding generated 105 full applications requesting funding of £15.12m. All these applications have been assessed by the RPA in consultation with local ESIF sub committees. Contracts have been signed with 90 projects, committing a total of £9.57m. Projects are completing activity and the RPA had paid funding totalling £0.56m to beneficiaries who had submitted claims as at 28 February 2017.
2. On 25 January, three new national calls totalling £120m were issued providing funding in all 37 LEP areas with EAFRD allocations. The allocated budget per call was determined by the LEPs in collaboration with the RPA to reflect both the anticipated level of interest in each LEP area and the local priorities that LEPs detailed in their Strategic Targeting Statements. The calls comprise: £43.3m of funding for food and drink processing; £38.9m for tourism infrastructure; and £37.8m to support the development of small rural businesses and farmers diversifying into non-agricultural activities. The calls have initially been launched for 12 months with regular review points.

3. The RPA has introduced a number of improvements to their documentation and processes to accompany these calls. These changes reflect the experience of the 2015 calls as well as the additional expectations on achieving value for money and supporting domestic priorities imposed by HM Treasury as part of the Chancellor's guarantee to honour funding commitments made before EU Exit. These changes include:
 - a. **New arrangements to accelerate the application process** intended to improve the customer experience and the quality of applications received. Details of each national call are now published in a redesigned handbook which sets out the key principles of the call, including the eligibility criteria and the national priorities of the call. A LEP directory in each handbook identifies participating LEP areas and includes details of budget allocation, qualifying rural locations and the local strategic priorities. The Outline Application form has been replaced with a scaled-down Expression of Interest (Eol) form, designed to be easier and quicker to complete. A new, improved Full Application form has also been introduced following feedback, making it easier to complete and identifying the mandatory information required more clearly.
 - b. **An improved application assessment process** intended to accelerate the passage of applications and reduce the overall time taken to reach decisions. The initial application is now submitted as an Eol with weighting given to projects which strongly demonstrate value for money and meeting domestic priorities. Eols are then taken to the next ESIF sub-committee meeting, and a revision to the reporting process is intended to ensure the applicant receives a response to their Eol within 30 days. Projects with successful Eols are invited to submit full applications, which will be assessed by RPA but not routinely referred to local ESIF sub committees unless significant material differences to strategic fit or outcomes are identified. The RPA aims to inform all applicants of the outcome of their full application within 60 days.
 - c. **An improved reporting procedure** to reduce the burden on local ESIF sub-committees - each committee has agreed with the RPA the details they require to provide comment on Eols submitted. The RPA also provides an update on budget commitment and spend, the number of Eols and full applications received, and progress to date.
4. In addition, to encourage quality applications and improve the customer experience, LEPs have been running workshops for potential applicants with RPA support and some funding from the National Rural Network to promote the new Growth Programme calls. The workshops reflect the local priorities for each LEP, supported by presentations and advice from the RPA to assist in the application process. The RPA and LEPs will review the success of these workshops with the intention of running more in 2017.
5. As at 28 February 2017, the RPA had received 71 Expressions of Interest in response to the January 2017 calls, requesting EAFRD funding of £20.47m. Invitations to submit Full Applications had been issued to projects requesting £3.3m of funding.
6. LEPs have indicated they want to issue further national calls this year. The RPA is holding discussions with the LEPs on their ambitions to develop calls supporting rural broadband activity. Consideration is also being given to opening a Tourism Cooperation call. Any

national calls will have to receive sufficient support, and agreement to allocate spend, from the LEPs concerned. HM Treasury's requirement for calls to show value for money and fit with national priorities will also remain key to future funding activity.

Andrew Robinson, Defra
10 March 2017

EAFRD GROWTH PROGRAMME UPDATE

Annex 1

