



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 ESI Funds Growth Programme.

Recommendations

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

Summary:

As at 9 November, under Rounds 1 and 2 of the RDPE Growth Programme, a total of £113m had been awarded in grants to 649 projects. Of this £113m, £79m had been paid out, contracting 4,194 FTE jobs of which 1,391 have already been created.

The 3rd round of the Growth Programme, which is offering around £60m, closed to new Expressions of Interest (Eols) on 16th February 2020. Round 3 received 3,025 Eols requesting £353m of funding. 1,510 applicants seeking funding totalling £193m were invited to submit Full Applications, and when the Full Application window closed at the end of October RPA had received 784 applications totalling £107m.

It is, therefore, expected that the final round of the Growth Programme will deliver sufficient good quality applications to use up the remainder of the scheme budget.

In addition, 20 contracts for funding totalling £77m have been awarded under the Rural Broadband Infrastructure offer.

COVID-19 Response

We fully appreciate the impact that Covid-19 is having on rural businesses and we remain keen to be as constructive and flexible as possible in managing existing projects and running the current Growth Programme offer.

As such, Ministers have agreed that contracts signed before June 2020 for existing RDPE socio-economic projects seriously affected by Covid-19 can be extended by up to six months.

For the 3rd round of Growth Programme, the final deadline for submitting a Full Application was extended from end of August 2020 to end of October 2020.

For projects where applicants were still awaiting planning permission on 31 October, they have been able to submit their Full Application if accompanied by proof that a planning application has been submitted. In all cases, to be considered for funding projects must have planning permission granted by end December 2020. In addition,

we have extended the project completion deadline for the 3rd round of the Growth Programme from end September 2021 to end December 2022.

EAFRD GROWTH PROGRAMME UPDATE

Delivery Update

1. As at 9 November, £113m of grant funding had been awarded to 649 projects under the first two rounds of the RDPE Growth Programme. Of this, £79m had been paid to projects. To date, 4,194 FTE jobs have been contracted and 1,391 created.
2. From Round 1, which ran in 2015, 78 projects have now completed all activity, confirming the creation of 276 FTE jobs so far from an EAFRD investment of £8.4m. Under the second round of calls, opened in 2017, the RPA received 1,864 Expressions of Interest (EOI), requesting funding of £341m. Invitations to submit a Full Application were issued to 796 applicants for funding totalling £151m, with 567 projects securing grant offers worth £104m.

Rural Broadband Infrastructure Fund

3. The budget for the Rural Broadband Infrastructure (RBI) Fund was increased in 2019 from £75m to £79.5m to accommodate all supportable applications. There are currently 20 live contracts, totalling £77m. The infrastructure funded is forecast to 'pass' 14,700 business premises and 63,850 other premises in the most remote parts of rural England, to benefit a population of 172,946.
4. Projects are mostly still in the procurement phase with a handful in the delivery phase. The first project in delivery has submitted, and has been paid, the first claim for £1.1m. The final claim date for all projects is December 2022.

Round 3

5. The third round of calls under the RDPE Growth Programme opened for Expressions of Interest in November 2019 and closed on 16 February 2020.
6. Overall, circa. £60m is available to rural businesses, with the final total amount being confirmed in light of remaining Growth Programme and other socio-economic scheme budgets. Grants from £20,000 to £180,000 are available for rural Tourism Infrastructure and rural Business Development projects. Food processing projects are able to apply for grants from £20,000 to £750,000.
7. The RPA received 3,025 EoIs requesting funding for £353m of projects. Invitations to submit a Full Application were issued to 1,510 applicants for funding totalling £193m. When the Full Application window closed at the end of October, RPA had received 784 applications totalling £107m. The table below shows the breakdown of EoIs and Full Applications (FA) received by theme the total amount of grant requested and the average grant request.

Theme	Number of Expressions of Interest received	EOI grant amount requested (£)	Number of applications	FA grant amount requested (£)	Average FA grant request (£)
Food Processing	493	110,186,960	180	48,308,286	268,379.37
SME Support	1,848	172,513,244	552	53,262,916	96,490.79
Tourism	684	70,246,545	52	5,141,941	98,883.48
Grand Total	3,025	£352,946,749	784	£106,713,143	£154,584.55

8. The RPA is assessing the Full Applications in batches. The RPA has completed the appraisal of two batches of applications received over the summer and is in the process of communicating final decisions to applicants. To date, the total recommended grant funding for projects from batch 1 and 2 is £7.6m.
9. Given the significant level of over-subscription, we have set a high threshold for awarding funding under the first batches. As a result, some projects that reached the minimum requirement to be funded in batch 1 and 2 have been rolled over to be considered in the 3rd batch. Appraisal of the 3rd batch of applications is progressing as planned, and decisions are due to be made by early December. A final batch will be considered in early 2021.
10. While there will be some attrition as a result of the appraisal process, it is anticipated that, with over £100m of Full Applications chasing around £60m in funding, the full RDPE Growth Programme budget will be utilised.

COVID-19 Response

11. We understand that project delivery could be affected by Covid-19 due to its impact on the supply chain, workforce availability or cash flow. As such, Ministers have agreed that contracts signed before June 2020 for existing RDPE socio-economic projects seriously affected by Covid-19, including those under the first two rounds of the Growth Programme, can be extended by up to six months.
12. For the 3rd round of Growth Programme, in recognition of the fact that some projects have struggled to obtain planning permission over recent months, the final deadline for submitting a Full Application had been extended from the end of August 2020 to the end of October 2020. Applicants still awaiting planning permission were able to submit their Full Applications if the application was accompanied by proof that a planning application has been submitted and is expected to be decided by end December. The application will not enter the RPA's appraisal process until final planning permission has been agreed and, unfortunately, if planning permission has not been agreed and submitted to RPA by 31 December, the application will be incomplete and it will not be able to consider the project for funding.
13. Under the third round of the Growth Programme, 662 of the 3,025 Expressions of Interest were withdrawn, with approximately 40% of these citing COVID-19 as the reason.

Tony Williamson

11 November 2020

Table 1. Growth Programme round 1 and 2 number of projects, funding committed and spend by theme as of 9th November 2020.

Theme/Measure	No. of Projects	Funding Committed £m	Spend to Date £m
Food Processing (M4.2)	138	43	34
Business Development (M6.4)	390	44	31
Tourism Infrastructure (M7.5)	109	26	13
Tourism Cooperation (M16.2)*	12	0.60	0.70
Total	649	£112.8	£79

*Theme offered in Round 1 only.

Table 2. Rural broadband infrastructure offer.

As at 9 November	Rural Broadband
Total Budget	79.5
Full Applications received	23
Value of Grant Sought (£m)	86
Number withdrawn/rejected	3
Number Contracted	20
Value of contract (£m)	76.9
Value of grant paid to date (£m)	1.1
Number Projects closed	-

Table 3. Project outputs to date by theme.

2015 & 2017 offers	RDPE Growth Programme	Food Processing	Business Development	Tourism Infrastructure and Cooperation
FTE Jobs Forecast	4,194	1,982	1,358	854
FTE Jobs Created	1,391	703	438	250

Figure 1. Growth Programme Rural Broadband Infrastructure Scheme, Round 1 & 2 allocation, contracted and spend actual figures 9th November 2020.

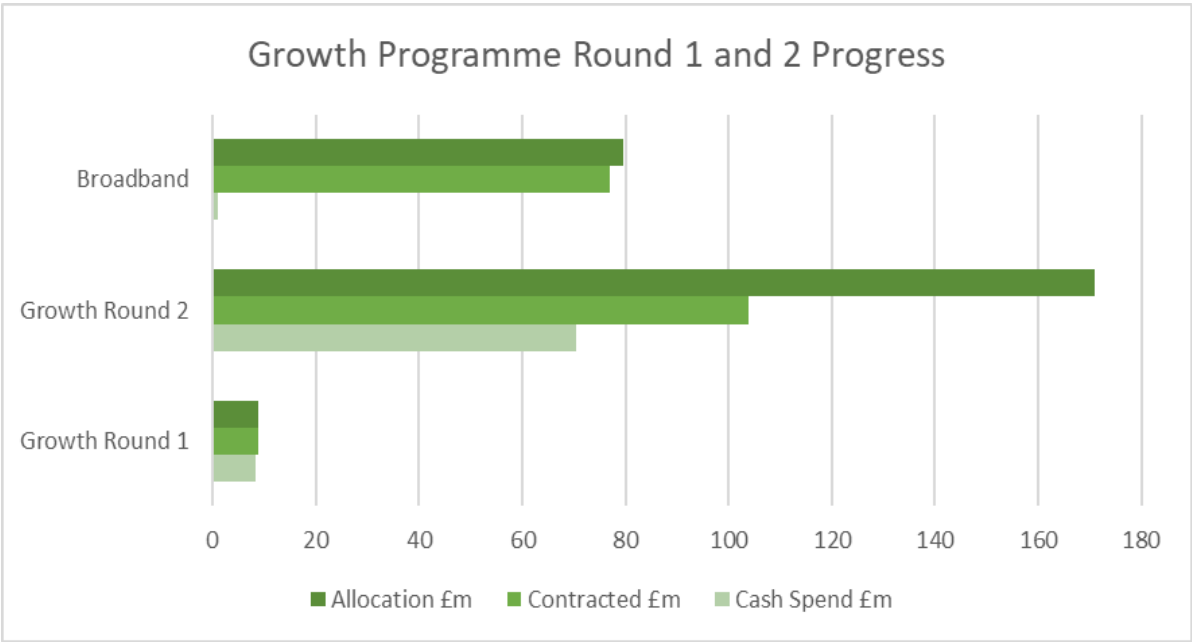


Figure 2. Growth Programme Round 3 allocation, value of Eols received, value of applications invited to submit a Full Application and value of Full Applications received as at 9th November 2020.

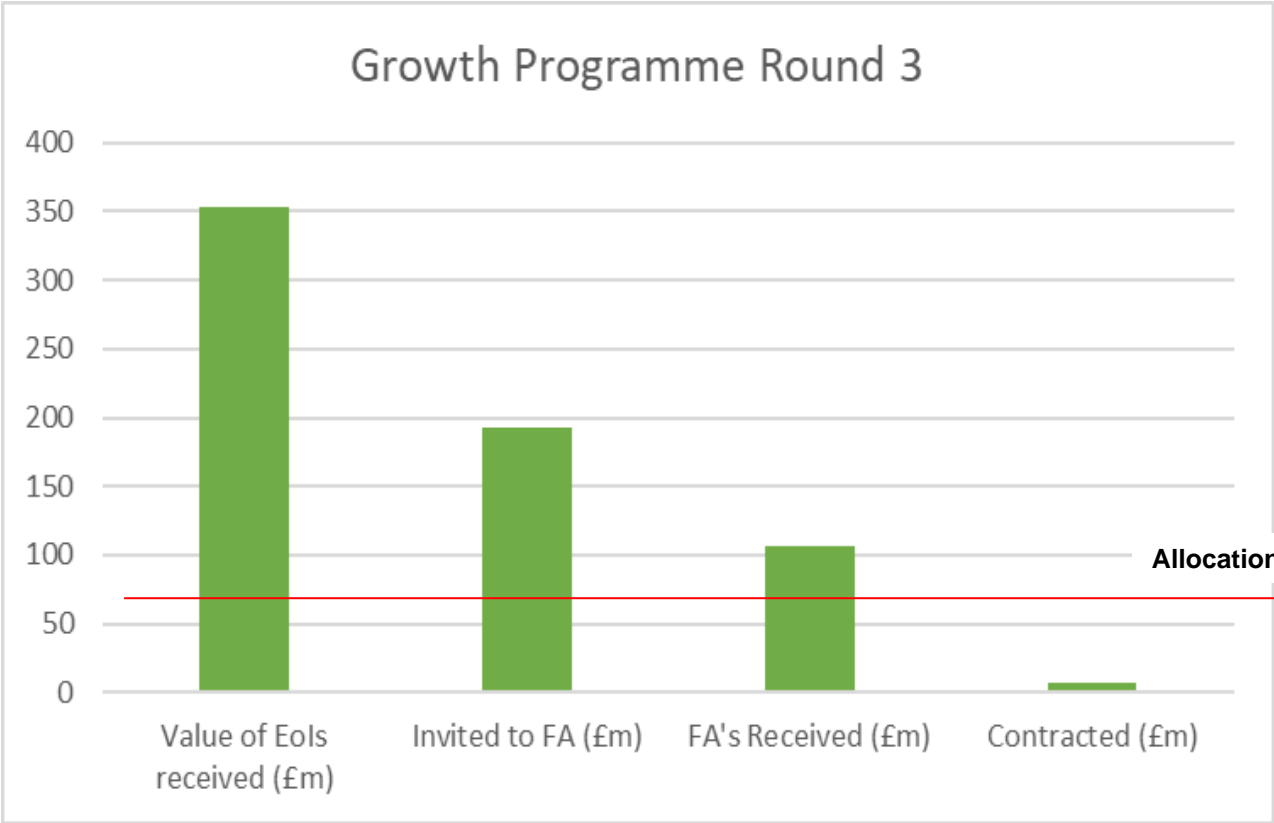


Figure 3. Growth Programme Round 3 value of Full Applications received and projects contracted by Measure as at 9th November 2020.

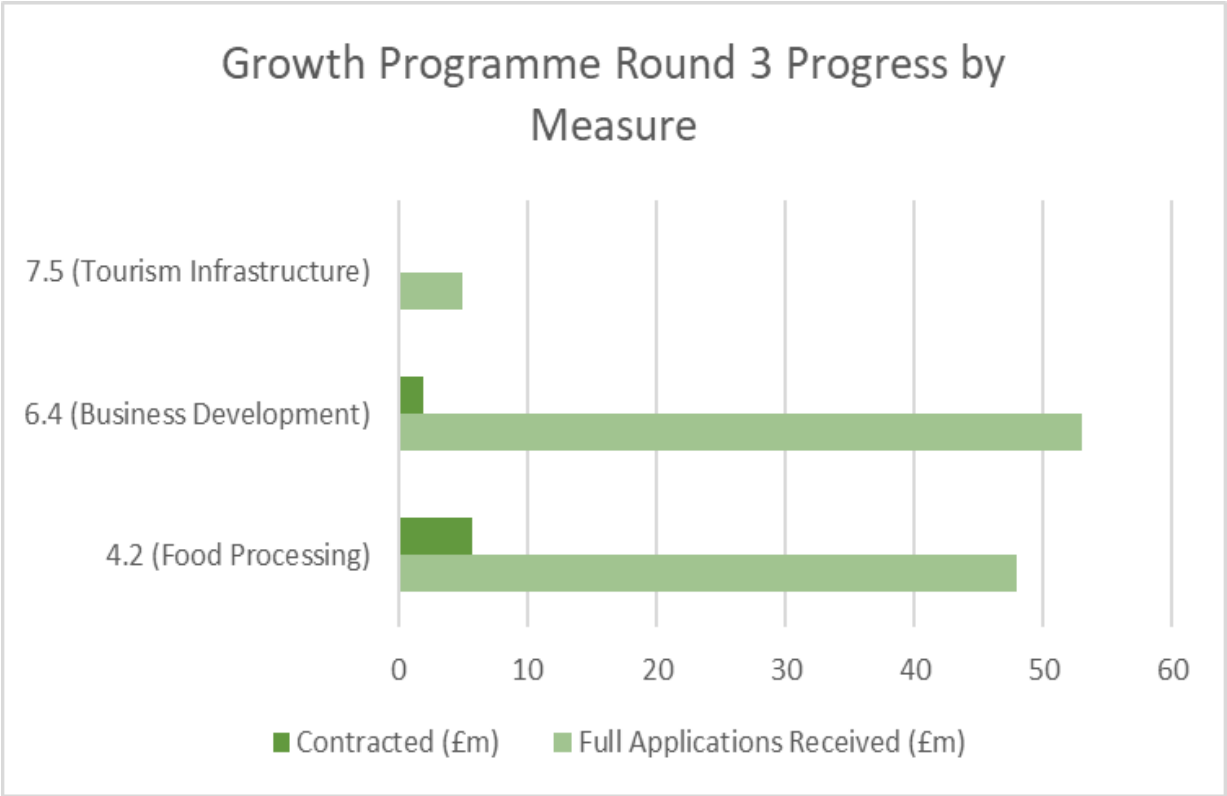


Table 4. Round 3 Growth Programme LEP Expression of Interest, Full Application grant request and total contracts awarded by Measure as at 9th November 2020.

LEP	Number of applications	EOI Grant amount requested	Full Application - Grant Amount Requested	Total RDPE grant award
Buckinghamshire Thames Valley	17	2,048,474	733,147	
Processing and Marketing of Agricultural Products	3	412,490	243,605	
SME Support	10	1,128,360	278,542	
Tourism	4	507,624	211,000	
Cheshire and Warrington	80	8,186,590	1,852,694	35,049
Processing and Marketing of Agricultural Products	10	1,253,700	315,974	
SME Support	36	4,157,962	1,086,072	35,049
Tourism	34	2,774,927	450,648	
Coast to Capital	69	8,744,874	3,292,857	831,389
Processing and Marketing of Agricultural Products	18	3,723,314	1,466,549	657,488
SME Support	23	2,524,772	841,338	173,901
Tourism	28	2,496,788	984,971	
Cornwall and the Isles of Scilly	144	16,522,283	5,671,149	576,339
Processing and Marketing of Agricultural Products	35	6,580,332	2,944,063	443,381
SME Support	67	5,545,579	1,792,315	132,958
Tourism	42	4,396,373	934,770	
Coventry and Warwickshire	35	4,228,313	858,347	
Processing and Marketing of Agricultural Products	7	1,746,972	162,916	
SME Support	14	1,295,000	333,630	
Tourism	14	1,186,341	361,802	
Cumbria	186	18,782,311	2,493,978	117,529
Processing and Marketing of Agricultural Products	11	929,244	294,928	
SME Support	79	5,401,521	1,387,804	117,529
Tourism	96	12,451,547	811,246	
Derby, Derbyshire, Nottingham and Nottinghamshire	138	14,729,043	4,505,531	
Processing and Marketing of Agricultural Products	14	3,070,621	1,249,719	
SME Support	38	3,610,603	895,489	
Tourism	86	8,047,819	2,360,323	
Dorset	69	7,768,081	2,945,673	749,941
Processing and Marketing of Agricultural Products	13	2,990,880	1,928,427	749,941
SME Support	22	1,687,494	345,888	
Tourism	34	3,089,706	671,359	
Enterprise M3	40	4,693,266	1,117,016	
Processing and Marketing of Agricultural Products	6	1,256,310	260,500	
SME Support	15	1,223,049	262,366	
Tourism	19	2,213,907	594,150	
Enterprise M3, Gloucestershire, Greater Birmingham and Solihull	1	50,000		
Processing and Marketing of Agricultural Products	1	50,000		
Gloucestershire	104	10,275,381	3,519,407	409,198
Processing and Marketing of Agricultural Products	18	2,228,000	1,360,603	153,455
SME Support	39	3,473,314	830,802	93,818
Tourism	47	4,574,068	1,328,002	161,925
Greater Birmingham and Solihull	3	825,600	734,672	734,523
Processing and Marketing of Agricultural Products	1	700,000	734,672	734,523
SME Support	1	50,000		
Tourism	1	75,600		
Greater Cambridge & Greater Peterborough	72	11,660,663	3,135,478	27,700
Processing and Marketing of Agricultural Products	21	5,886,897	1,457,015	27,700
SME Support	24	2,878,376	929,511	
Tourism	27	2,895,390	748,953	
Greater Lincolnshire	99	13,926,942	4,375,872	
Processing and Marketing of Agricultural Products	26	6,453,656	1,623,372	
SME Support	35	3,784,059	1,612,102	
Tourism	38	3,689,227	1,140,398	
Greater Manchester	21	4,292,361	813,014	764,348
Processing and Marketing of Agricultural Products	4	1,638,590	739,000	736,426
SME Support	8	1,525,931	27,922	27,922
Tourism	9	1,127,840	46,092	
Heart of the SW	278	26,282,658	9,182,221	469,632
Processing and Marketing of Agricultural Products	48	6,946,784	3,219,210	120,034
SME Support	135	10,169,155	2,810,106	349,598
Tourism	95	9,166,719	3,152,905	
Hertfordshire	30	3,816,412	1,735,738	
Processing and Marketing of Agricultural Products	2	247,000	84,000	
SME Support	20	2,743,363	1,398,679	
Tourism	8	826,050	253,059	
Humber	43	5,529,081	721,431	
Processing and Marketing of Agricultural Products	3	661,228	90,478	
SME Support	18	2,019,934	368,519	
Tourism	22	2,847,919	262,434	
Lancashire	84	9,954,926	4,229,399	606,735
Processing and Marketing of Agricultural Products	18	4,567,009	2,688,438	606,735
SME Support	30	2,350,272	826,804	
Tourism	36	3,037,645	714,156	

Leeds City Region	47	5,842,806	890,511	
Processing and Marketing of Agricultural Products	9	1,680,098	198,099	
SME Support	10	1,442,906	175,000	
Tourism	28	2,719,802	517,412	
Leicester and Leicestershire	72	8,074,718	2,116,248	
Processing and Marketing of Agricultural Products	10	2,882,486	291,040	
SME Support	38	3,061,125	1,062,477	
Tourism	24	2,131,107	762,731	
Liverpool City Region	12	1,593,974		
Processing and Marketing of Agricultural Products	2	776,800		
SME Support	3	248,600		
Tourism	7	568,574		
New Anglia	133	17,443,542	8,636,014	1,065,699
Processing and Marketing of Agricultural Products	25	6,356,000	5,904,483	843,383
SME Support	54	6,161,700	1,510,331	222,316
Tourism	54	4,925,843	1,221,199	
North Eastern	212	22,729,076	6,526,016	67,744
Processing and Marketing of Agricultural Products	15	6,177,478	1,468,305	
SME Support	86	6,887,877	2,638,192	67,744
Tourism	111	9,663,721	2,419,518	
Oxfordshire	41	4,197,158	611,289	
Processing and Marketing of Agricultural Products	7	1,049,390	177,423	
SME Support	19	1,443,775	192,439	
Tourism	15	1,703,994	241,427	
Sheffield City Region	25	4,815,945	1,785,246	162,022
Processing and Marketing of Agricultural Products	9	2,728,896	1,325,620	162,022
SME Support	6	790,392	260,109	
Tourism	10	1,296,656	199,517	
Solent	25	2,878,639	1,472,182	250,675
Processing and Marketing of Agricultural Products	9	1,648,050	1,102,995	250,675
SME Support	9	522,323	167,888	
Tourism	7	708,266	201,299	
South East	190	28,131,847	8,316,202	146,480
Processing and Marketing of Agricultural Products	52	13,754,384	4,405,005	146,480
SME Support	70	7,182,100	1,765,657	
Tourism	68	7,195,363	2,145,540	
South East Midlands	87	8,756,846	2,825,546	
Processing and Marketing of Agricultural Products	12	1,272,263	755,052	
SME Support	46	4,477,618	1,286,680	
Tourism	28	2,913,966	783,814	
Unclassified	1	93,000		
Stoke and Staffordshire	54	5,028,437	555,777	
Processing and Marketing of Agricultural Products	8	998,000	180,072	
SME Support	22	1,655,962	89,451	
Tourism	24	2,374,475	286,254	
Swindon and Wiltshire	70	6,904,704	2,726,803	407,686
Processing and Marketing of Agricultural Products	11	1,240,261	519,608	
SME Support	37	3,697,552	1,327,856	294,355
Tourism	22	1,966,891	879,339	113,331
Tees Valley	17	1,675,640	758,896	21,005
Processing and Marketing of Agricultural Products	1	20,000	21,005	21,005
SME Support	7	650,400	329,798	
Tourism	9	1,005,240	408,093	
Thames Valley Berkshire	25	3,340,651	1,210,153	
Processing and Marketing of Agricultural Products	6	1,343,012	463,129	
SME Support	14	1,365,839	687,359	
Tourism	5	631,800	59,666	
The Marches Enterprise Partnership	226	24,023,241	5,546,040	79,143
Processing and Marketing of Agricultural Products	28	5,962,811	2,648,582	47,920
SME Support	66	5,734,529	1,448,420	31,223
Tourism	132	12,325,901	1,449,037	
West of England	25	3,315,261	1,075,881	
Processing and Marketing of Agricultural Products	7	1,565,960	627,907	
SME Support	8	990,757	168,519	
Tourism	10	758,544	279,455	
Worcestershire	65	6,846,935	1,075,104	
Processing and Marketing of Agricultural Products	10	1,764,108	457,798	
SME Support	28	2,540,967	340,468	
Tourism	27	2,541,860	276,838	
York and North Yorkshire	186	25,030,072	8,667,614	27,479
Processing and Marketing of Agricultural Products	30	10,745,617	6,219,783	
SME Support	81	6,795,512	2,095,816	27,479
Tourism	75	7,488,943	352,014	
Grand Total	3,025	352,946,749	106,713,143	7,550,315

Table 5: Growth Programme contracted and closed projects by LEP as at 10th November 2020.

LEP	Number of applications flag	Total RDPE grant award	Total amount paid (project)	Indicative Allocation
Buckinghamshire Thames Valley	6	837,998	582,879	1,584,177
Cheshire and Warrington	20	2,685,979	2,177,355	2,492,600
Coast to Capital	22	4,579,701	2,486,242	3,835,682
Cornwall and the Isles of Scilly	36	5,928,211	3,831,518	9,396,623
Coventry and Warwickshire	21	2,495,114	1,952,075	2,730,498
Cumbria	37	4,705,033	2,542,744	7,755,077
Derby, Derbyshire, Nottingham and Nottinghamshire	19	2,262,275	1,298,917	5,523,249
Dorset	14	2,207,956	995,828	3,020,337
Enterprise M3	8	1,225,000	654,728	4,466,791
Gloucestershire	25	2,718,373	1,722,503	2,893,392
Greater Birmingham and Solihull	3	1,656,334	849,149	1,141,193
Greater Cambridge & Greater Peterborough	14	1,844,495	1,611,098	7,395,748
Greater Lincolnshire	26	5,406,567	3,764,658	8,782,191
Greater Manchester	3	1,182,238	228,373	419,593
Heart of the SW	61	13,311,870	7,367,792	15,540,333
Hertfordshire	3	371,169	290,567	1,520,761
Humber	14	1,757,129	1,439,953	2,141,264
Lancashire	17	3,331,528	2,116,178	4,290,283
Leeds City Region	6	871,876	433,860	5,232,974
Leicester and Leicestershire	16	1,826,341	1,355,729	3,059,220
Liverpool City Region	1	206,393	96,593	339,995
New Anglia	34	8,544,791	5,782,360	13,015,876
North Eastern	53	5,822,321	4,190,156	10,489,904
Oxfordshire	10	947,600	524,865	2,793,225
Sheffield City Region	11	1,417,854	552,485	3,018,769
Solent	7	924,777	458,564	1,412,647
South East	45	11,903,702	9,989,978	14,467,947
South East Midlands	21	3,466,297	2,436,707	6,506,432
Stoke and Staffordshire	9	2,698,149	660,233	3,126,716
Swindon and Wiltshire	10	1,428,708	747,320	3,900,654
Tees Valley	9	1,067,379	754,614	1,100,854
Thames Valley Berkshire	2	251,032	221,337	1,125,081
The Marches Enterprise Partnership	53	6,396,692	5,273,997	7,457,814
West of England	11	2,251,736	722,647	1,431,451
Worcestershire	16	1,769,015	1,462,452	2,242,595
York and North Yorkshire	30	10,011,605	6,640,710	9,848,056
Grand Total	693	120,313,235	78,217,162	175,500,002