



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 1 June, under Rounds 1 and 2 of the RDPE Growth Programme, a total of £112m had been awarded in grants to 643 projects.

Of this £112m, £90m had been paid out, contracting 3,882 FTE jobs of which 1,597 have already been created.

The 3rd round of the Growth Programme has received 792 Full Applications for projects totalling £105m. To date, 324 projects have been contracted worth £45m.

It is expected that all project contracts will be issued by the end of June.

In addition, 18 contracts for funding totalling £70m have been awarded under the Rural Broadband Infrastructure offer. These projects are now in varying stages of delivery.

EAFRD GROWTH PROGRAMME UPDATE

Delivery Update

1. As at 1 June, £112m of grant funding had been awarded to 643 projects under the first two rounds of the RDPE Growth Programme. Of this, £90m had been paid to projects. To date, 3,882 FTE jobs have been contracted and 1,597 created.
2. From Round 1, which ran in 2015, 82 projects were contracted, worth £8.7m. 78 projects have now completed all activity, confirming the creation of 276 FTE jobs so far from an EAFRD investment of £7.9m. Under the second round of calls, opened in 2017 561 projects worth £103 were contracted. To date, 373 projects have completed from an investment of £82m. Also 3,472 jobs have been contracted, and 1,322 created.

Rural Broadband Infrastructure Fund

3. There are currently 18 live contracts, totalling £70m. 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 now in the delivery stage: three claims worth £2.8m have been paid. While all projects have experienced delays, principally due to the current COVID-19 crisis, all are forecast to be completed and claims made by 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. Grants from £20,000 to £180,000 were available for rural Tourism Infrastructure and rural Business Development projects. Food processing projects could 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. At the Full Application window closure on 31st October 2020, RPA had received 792 applications totalling £105m.
8. The RPA is continuing to assess Full Applications and, as of 18 May, had made a decision on 613 applications. They are appraising all remaining applications as quickly as possible and are keeping all applicants informed of progress. The RPA aim to have all appraisals completed and decisions communicated before the end of June.
9. To date, 324 projects have been awarded funding of £45m and, of this £45m, claims totalling £1.9m have been paid out.
10. The table below shows the breakdown of Full Applications (FA) received, grant request and projects contracted by theme, the average amount of grant award and the amount spent.

Theme	Number of FA's received	FA grant amount requested (£)	Number of projects contracted	Value of Contracted Projects (£)	Average value of grant award (£)	Amount spent (£)
Food Processing	180	44,632,038	102	25,283,802	247,880	930,764
SME Support	552	53,772,724	210	18,451,633	87,864	989,042
Tourism	60	6,273,036	12	1,113,490	92,790	-
Grand Total	792	£104,677,799	324	£44,848,924	£ 142,844	£1,919,806

11. Each project will agree with the RPA a realistic completion date, with all projects expected to be completed and have submitted their claims by 31 December 2022. Given that we expect to have committed all of our remaining funding by end June this year, that gives all of our Growth projects, which are generally relatively modest capital purchases, conversions or new builds, a minimum of 18 months to complete and claim. We are, of course, keeping in close contact with sectoral stakeholders and beneficiaries and will seek to be as flexible as possible should significant delivery issues arise.

Tony Williamson

08 June 2021

Table 1. Growth Programme rounds 1, 2 and 3 number of projects, funding committed and spend by theme as of 1st June 2021.

Theme/Measure	No. of Projects	Funding Committed £m	Spend to Date £m
Food Processing (M4.2)	238	67,311,612	37,970,070
Business Development (M6.4)	596	61,648,291	36,496,592
Tourism Infrastructure (M7.5)	121	26,959,194	17,034,879
Tourism Cooperation (M16.2)*	12	601,362	704,756
Total	967	£156,520,459	£92,206,297

*Theme offered in Round 1 only.

Table 2. Rural Broadband infrastructure offer.

As at 1 June	Rural Broadband
Total Budget	79.5
Full Applications received	23
Value of Grant Sought (£m)	86
Number withdrawn/rejected	5
Number Contracted	18
Value of contract (£m)	69.8
Value of grant paid to date (£m)	2.8
Number Projects closed	-

Table 3. Project outputs to date by theme.

Rounds 1-3	RDPE Growth Programme	Food Processing	Business Development	Tourism Infrastructure and Cooperation
FTE Jobs Forecast	5,493	2,679	1,806	1,008
FTE Jobs Created	1,600	846	469	285

Figure 1. Growth Programme Rural Broadband Infrastructure Scheme, Round 1 & 2 allocation, contracted and spend actual figures 1st June 2021.

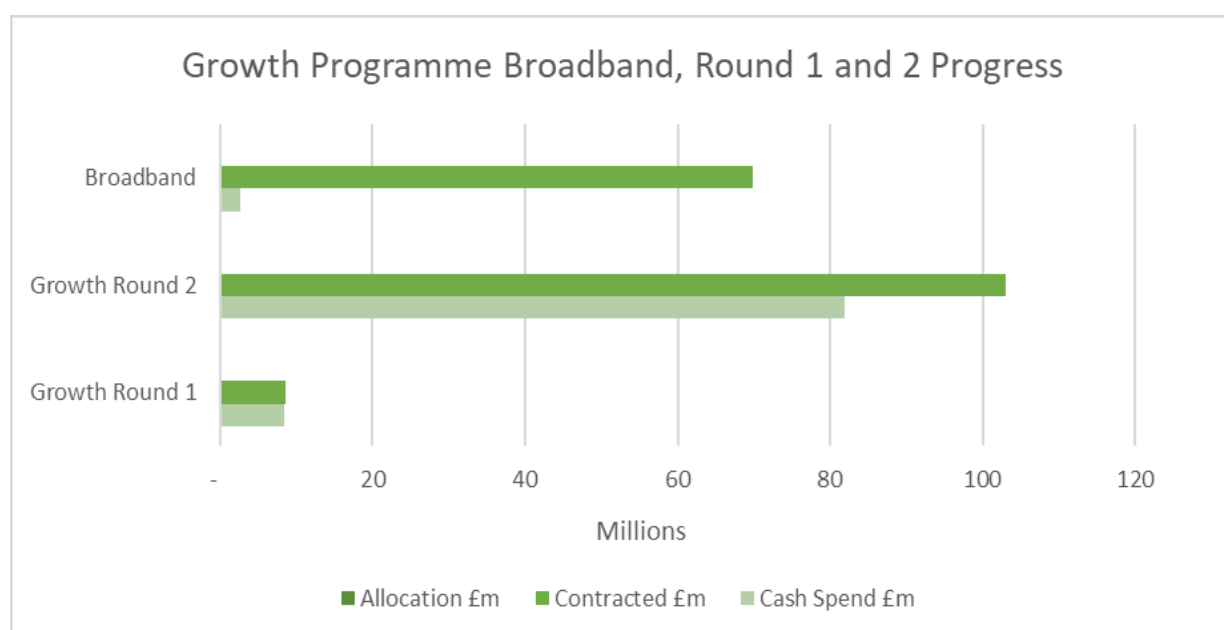


Figure 2. Growth Programme Round 3 allocation, value of Eols received, value of applications invited to submit a Full Application and value of Full Applications received as at 1st June 2021.

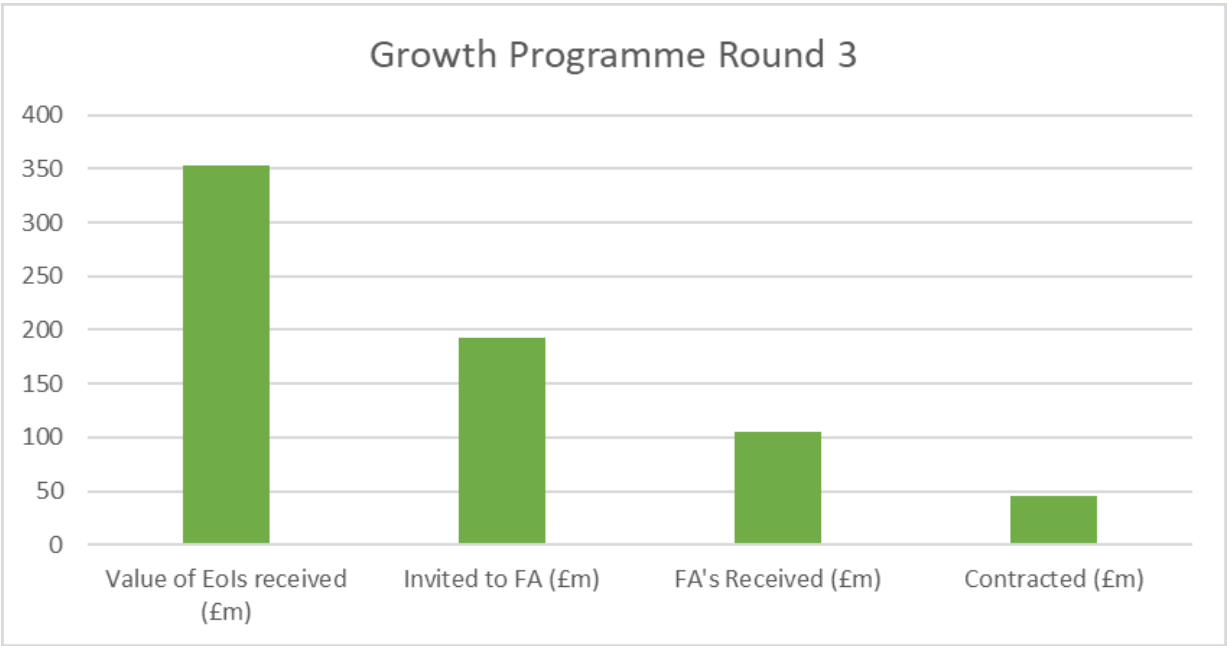


Figure 3. Growth Programme Round 3 value of Full Applications received and projects contracted by Measure as at 1st June 2021.

