



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 4 August under the 3 rounds of the RDPE Growth Programme, a total of £171m had been awarded in grants to 1,064 projects across the Tourism Infrastructure, Food Processing, Business Development and Tourism Co-operation themes.

Of this £171m, £97m had been paid out, contracting 6,082 FTE jobs, of which 1,643 have already been created.

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.

All RDPE Growth Programme funding has, therefore, now been committed to projects.

EAFRD GROWTH PROGRAMME UPDATE

Delivery Update

1. As at 4 August, £171m of grant funding had been awarded to 1,064 projects under the three rounds of the RDPE Growth Programme. The Rural Payments Agency completed the contracting stage of the final round of this scheme on schedule in June 2021, awarding £60m to 425 projects. All RDPE Growth Programme funding has, therefore, now been committed to projects.
2. Of the £171m that has now been awarded, £97m has been paid to projects. To date, 6,082 FTE jobs have been contracted and 1,643 created.
3. The main EAFRD Growth Programme has provided funding to projects under four separate Measures within the EU Rural Development Regulations: Measure 4.2 (Food Processing); Measure 6.4 (Rural Business Development); Measure 7.5 (Tourism Infrastructure); and Measure 16.2 (Tourism Cooperation).
4. Under the Tourism Infrastructure Measure, 127 projects have been awarded £28m of grant funding and £18m has so far been paid out. Examples of Tourism Infrastructure projects funded include:

- A glamping site in Lancashire.
- A luxury holiday eco-retreat in Dorset.
- A bed and breakfast facility in a converted grain silo in the South East LEP area.

Under the separate Tourism Cooperation Measure, which was only offered in Round 1, 12 projects worth £601k were contracted and £705k has been spent.

5. Food processing contracts totalling £74m have been awarded to 264 projects. To date spend is £40m. Projects funded have included:
 - Setting up a micro dairy for artisan cheese in the Greater Cambridgeshire and Greater Peterborough LEP area.
 - The purchase of equipment necessary to run a fully functioning winery – South East.
 - Investment in new sausage making machines to increase the production capacity of an established rural business in the South West.
6. There have been 661 Rural Business Development projects contracted under Measure 6.4 worth £69m. Of this, £38m of funding has been paid to date. Projects funded include:
 - The creation of an on-farm wedding and events venue in Hertfordshire.
 - The re-development of village pub to include upgraded kitchen and bedroom facilities in Cumbria.
 - The addition of spa facilities including treatment rooms and thermal relaxing areas to a hotel in Gloucestershire.

7. An RDPE case study booklet has previously been circulated to demonstrate the type and breadth of projects funded under our Programme. A new collection of case studies is currently being developed and will be shared with the Growth Programme Board once finalised.
8. The table below shows total number of RDPE Growth Programme projects, funding committed and spend by theme as of 4 August 2021.

Theme/Measure	No. of Projects	Funding Committed £m	Spend to Date £m
Food Processing (M4.2)	264	74,292,843	40,259,442
Business Development (M6.4)	661	68,535,527	38,090,784
Tourism Infrastructure (M7.5)	127	27,788,272	17,609,120
Tourism Cooperation (M16.2)*	12	601,362	704,756
Total	1,064	£171,218,004	£96,664,102

*Theme offered in Round 1 only.

Rural Broadband Infrastructure Fund

9. In addition to the four Measures being used under the main EAFRD Growth Programme, a fifth Measure (7.3) is the basis for the Rural Broadband Infrastructure Fund, which is supporting Local Authorities to bring superfast broadband to some of the most remote parts of rural England.
10. There are currently 16 live RBIS contracts, totalling £62m. The infrastructure funded is forecast to 'pass' 15,383 business premises and 61,001 other premises, to the benefit of a population of 154,053.
11. Projects are now in the delivery stage: five Local Authorities have made claims and a total of £10.8m has been paid. While all projects have experienced delays, principally due to COVID-19, all are forecast to be completed and claims made by December 2022.

Tony Williamson

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ANNEX 1

Table 1. Rural Broadband infrastructure offer.

As at 4 August	Rural Broadband
Total Budget	79.5
Full Applications received	23
Value of Grant Sought (£m)	86
Number withdrawn/rejected	7
Number Contracted	18
Value of contract (£m)	69.8
Value of grant paid to date (£m)	10.8
Number Projects closed	-

Table 2. Project outputs to date by theme.

Rounds 1-3	RDPE Growth Programme	Food Processing	Business Development	Tourism Infrastructure and Cooperation
FTE Jobs Forecast	6,082	2,967	2,011	1,104
FTE Jobs Created	1,643	857	489	297

Figure 1. Growth Programme Rural Broadband Infrastructure Scheme, Round 1, 2 and 3 contracted and spend actual figures 4th August 2021.

