

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 16 November under the 3 rounds of the RDPE Growth Programme, a total of £170m had been awarded in grants to 1,054 projects across the Tourism Infrastructure, Food Processing, Business Development and Tourism Co-operation themes.

Of this £170m, £105m had been paid out, contracting 6,078 FTE jobs, of which 1,812 have already been created.

In addition, there are 17 contracts for funding totalling £69m under the Rural Broadband Infrastructure offer. These projects are now underway and at varying stages of delivery.

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

EAFRD GROWTH PROGRAMME UPDATE

Delivery Update

1. As at 16 November, £170m of grant funding had been awarded to 1,054 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 £59m to 417 projects. All allocated RDPE Growth Programme funding has, therefore, now been committed to projects.
2. Of the £170m that has now been awarded, £105m has been paid to projects. To date, 6,078 FTE jobs have been contracted and 1,812 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, 125 projects have been awarded £27m of grant funding and £20m has so far been paid out to projects ranging from glamping sites to luxury eco retreats.
5. Under the separate Tourism Cooperation Measure, which was only offered in Round 1, 12 projects were contracted which have now completed and £552k has been spent.
6. Food processing contracts totalling £74m have been awarded to 259 projects. To date spend is £42m. Projects funded have included wineries, artisan cheese makers, breweries, and sausage manufacturers.
7. There have been 658 Rural Business Development projects contracted under Measure 6.4, worth £68m. Of this, £42m of funding has been paid to date. Projects funded include on-farm wedding venues, thermal spa facilities and the redevelopment of village pubs.
8. 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.
9. The table below shows total number of RDPE Growth Programme projects, funding committed and spend by theme as of 16 November 2021.

Theme/Measure	No. of Projects	Funding Committed £m	Spend to Date £m
Food Processing (M4.2)	259	73,533,567	42,375,315
Business Development (M6.4)	658	68,197,362	42,074,987
Tourism Infrastructure (M7.5)	125	27,474,368	19,816,773
Tourism Cooperation (M16.2)*	12	601,362	552,431
Total	1,054	£169,806,659	£104,819,506

*Theme offered in Round 1 only.

Rural Broadband Infrastructure Fund

10. 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.
11. There are currently 17 live RBIS contracts, totalling £69m. 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.
12. Projects are now in the delivery stage: eight Local Authorities have made claims and a total of £13.9m has been paid. Some broadband projects have indicated delays to project delivery due to shortage of workers with the necessary skills and of some components. However, all are working to a final claim date of 31 December 2022.

Tony Williamson

23 November 2021

ANNEX 1

Table 1. Rural Broadband infrastructure offer.

As at 16 November	Rural Broadband
Total Budget	79.5
Full Applications received	23
Value of Grant Sought (£m)	86
Number withdrawn/rejected	6
Number Contracted	17
Value of contract (£m)	68.9
Value of grant paid to date (£m)	13.9
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	6,078	2,966	2,004	1,108
FTE Jobs Created	1,812	877	526	408

Figure 1. Growth Programme Rural Broadband Infrastructure Scheme, Round 1, 2 and 3 contracted and spend actual figures 16th November 2021.

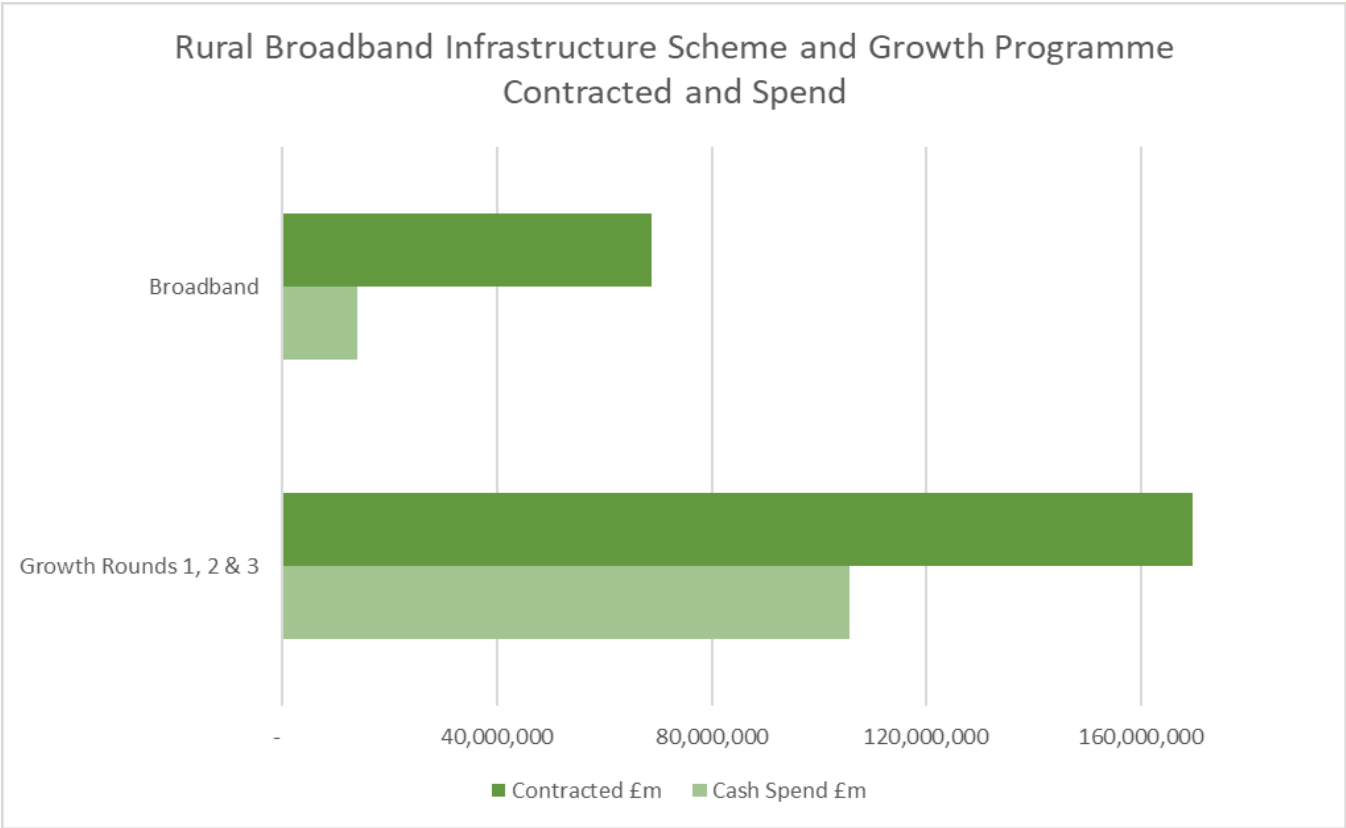


Figure 2: Percentage Growth Programme Spend per Theme as at 16th November 2021.

