



The European Agricultural  
Fund for Rural Development:  
Europe investing in rural areas

# RDPE Growth Programme

**Business Development and Food Processing  
Grants: Open call information event  
14 February 2017**



Rural Payments Agency

PROTECT

one agency

# Welcome and introductions

**Dinah Jackson**

Programme Manager, North East LEP



# Setting the scene: What we will cover today

**Purpose is to provide a good level of detail about the funds available and help you to decide if these funds are for you**

**Plus for you to be informed on eligibility and the process of application**

- EAFRD Overview and Q&A
- Other rural development funds
- Local priorities for rural business development and food processing

## *Refreshments*

- Eligibility and applying for funds
- LEADER funding
- Q&A
- Summary and next steps





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# Rural Development Programme for England (RDPE)

**Andy Tordoff Head of Northern Region  
Rural Payments Agency**

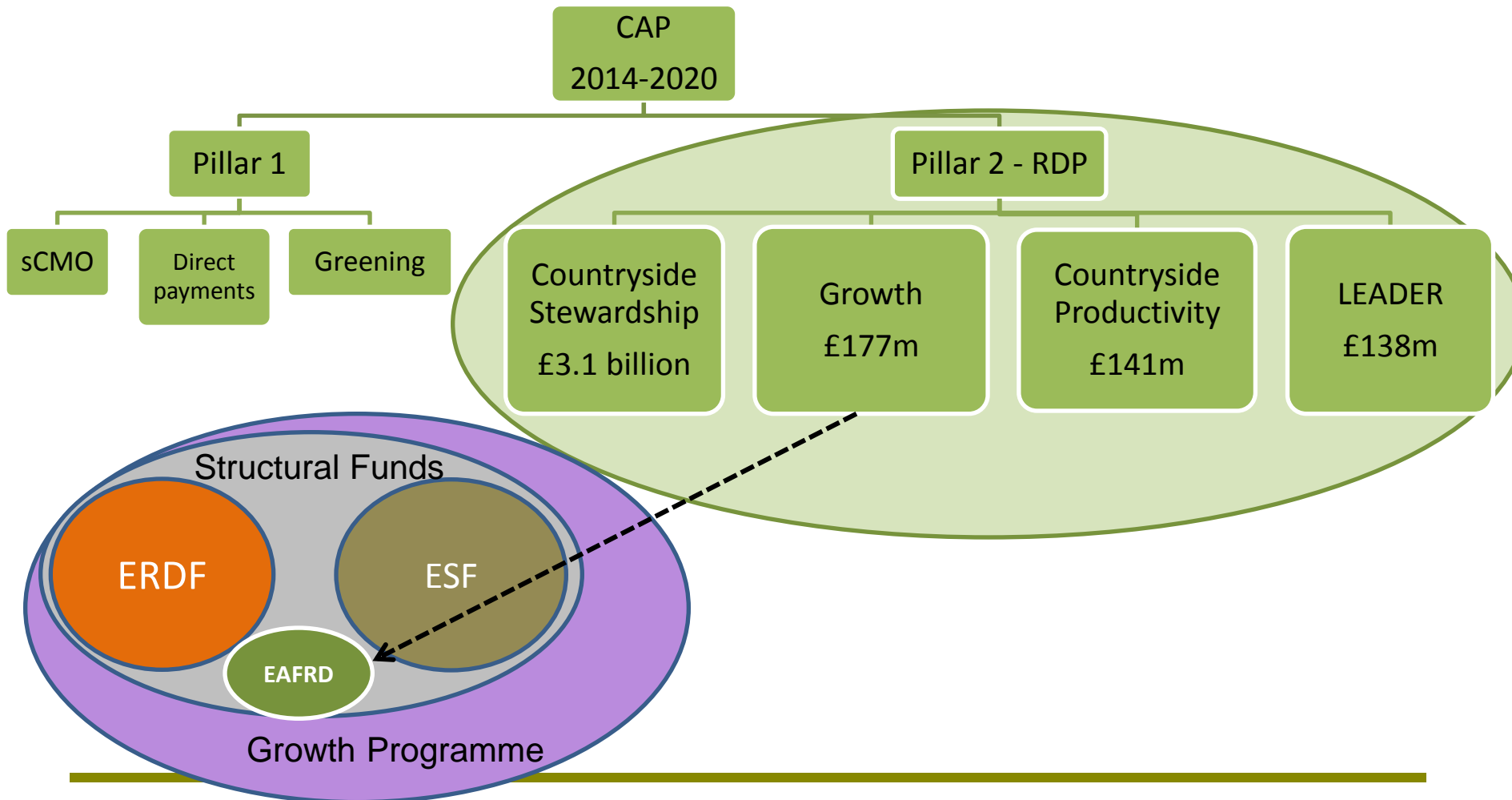
# Purpose

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- Introduction to the Rural Development Programme for England (RDPE)
- Growth Programme Calls
  - Eligibility criteria
  - Application process and timescales



# Rural Development Programme for England



# LEADER Funding

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- Another avenue for securing RDPE funding support is through LEADER.
- LEADER funding is delivered through 79 Local Action Groups across England, supported by an accountable body, providing grants to enable jobs and Growth.
- LEADER funding is available for similar types of activity, but often offer support at a lower threshold – grants can be available from £2,500 upwards.
- You can **not** apply to LEADER and Growth funding for the same project.
- In developing your project, it may be worth considering which fund is more appropriate for you (depending on the scale and type of activity).
- <https://www.gov.uk/guidance/rural-development-programme-for-england-leader-funding>



# Countryside Productivity

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- **Countryside Productivity grant scheme** (closed for applications at the moment).
  - Animal productivity health and welfare
  - Arable and horticultural productivity
  - Resource management
  - Forestry productivity
- **Countryside Productivity: European Innovation Partnership for Agricultural Productivity and Sustainability (EIP-Agri)** (open for applications until 8th September 2017)







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# Growth Programme Calls

# Background

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- Defra launched national RDPE Growth calls in January 2017 for:
  - **Food Processing**
  - **Business Development**
  - **Tourism Infrastructure**
- Handbook for each Call
  - Eligibility criteria
  - National priorities
  - Local LEP priorities



# How are the funds managed?

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- The Rural Payments Agency (RPA) delivers the grants, working with European Structural and Investment Fund (ESIF) Sub-Committees in Local Enterprise Partnerships (LEP) areas.
- Local Enterprise Partnership's (LEPs) role is to decide local priorities for the grants – where money should be directed to give the most benefit locally.
- RPA's role is to assess applications for grants, with advice from the ESIF sub-committees.
- **You won't automatically get a grant.** When you apply for a grant, you're competing with other applicants in your LEP area. RPA assesses all applications to see how well they fit the priorities for funding and which projects provide best value for taxpayers' money.





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# Business Development and Food Processing Calls

# Business Development

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- To help small rural businesses grow and create more jobs.
- Grant funding can help pay for :
  - constructing or improving buildings
  - buying new equipment and machinery
- Grants can cover up to 40% of the eligible costs of a project.
- Grants are for a minimum of £35,000, though this will vary in some LEP areas.
- State aid rules limit funding to €200,000, around £170,000



# National priorities - Business Development

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Your project is more likely to get a grant if it achieves at least 2 of these;

## **Create jobs**

Creates new, higher-skilled or higher-paid jobs. Creates at least 1 FTE job for every £30,000 of grant funding

## **Grow your business**

Increases the turnover and profitability of a business

## **Improve productivity through innovation**

Introduces new techniques, equipment or processes to a business to make it more productive

## **Open new product markets**

Helps your business sell goods or services to new customers or markets.

## **Export**

Helps your business access export markets



## **Business Development:**

### **North East Region Business Development**

**Call reference number 25RD17BS0001**

**Minimum grant      £35,000**

**Maximum grant €200,00, approx. £170,000**

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Priority will be given to projects that are located in the eligible areas of County Durham, Northumberland and Gateshead or within the North East Rural Growth Network boundary (see RGN Map) and that:

- Create new or expand existing micro and small businesses in rural areas leading to growth of the applicant business in the following priority sectors:
  - Manufacturing and engineering;
  - Pharmaceuticals
  - Food and drink
  - Knowledge Intensive Business Services
  - Creative
- Create skilled jobs in the applicant business.
- Increase productivity in the applicant business.
- Allow farming businesses to diversify into non-agricultural activities.



# Food Processing

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## Who can apply?

- Food and drink businesses that process agricultural and horticultural products.

## Who can't apply?

The following are not eligible for the grants:

- non-departmental public bodies or Crown bodies
- members of Producer Organisations under the Fresh Fruit and Vegetables Aid Scheme who have (or can get) a grant for the same project through their operational programme document
- projects that are carried out only to meet a legal requirement

## What are the grants for?

- To help businesses grow and create new jobs.
- Grant funding can help pay for (full list of eligible costs will be available in the handbook):
  - constructing or improving buildings
  - buying new equipment and machinery

## How much money can you apply for?

- A minimum of £35,000, though this will vary in some LEP areas. Maximum is set as part of the local priorities





# National priorities - Food Processing

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Your project is more likely to get a grant if it achieves at least 2 of these;

## **Create jobs**

Create at least 1 FTE job for every £30,000 of grant funding.

## **Grow your business**

Increases the turnover and profitability of a business

## **Benefit the supply chain**

Provides direct benefits to the farmers and growers who supply the raw materials, particularly local farmers and growers.

## **Access new markets**

Helps you sell more products locally, nationally and through exports.

## **Improve productivity through innovation**

Introduces new techniques, equipment or processes to a business to make it more productive

## **Create joint ventures and partnerships**

Creates new and useful links between businesses – for example between growers and processors.

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## Food Processing: North East Region Food Processing

Call reference number 25RD17BS0002

Minimum grant £35,000

Maximum grant £250,000

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Priority will be given to projects that:

- are located in the eligible rural areas of County Durham, Northumberland and Gateshead or within the North East Rural Growth Network boundary. Where the applicant business is located outside the rural area, priority will be given to projects concerned with processing food and drink inputs produced in the rural area.
- process high value bioactive and functional foods.
- process speciality foods especially those produced from local sources within our areas of protected landscapes and which contribute to the unique heritage offer of North East local food and drink.
- invest in equipment, technologies or processes to develop new or higher quality products
- enable the applicant business to start exporting products, or increase the volume and/or value of products exported by the applicant business.
- improve the resilience and/or sustainability of the applicant business, for example, through new or more effective processing technologies including equipment or processes to reduce waste or obtain added value from waste (waste valorisation) as part of a larger project
- improve the digitalisation of the applicant business, for example through ICT adoption or wider use of ICT in the processing and business or logistics operations as part of a larger project





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# Application Process

## How Growth Programme grants work

### 1 Got an idea? Make a plan

Every successful application starts with a good idea and a clear plan for how to make that idea a reality.



### 2 Read this handbook

Read the rest of this handbook to check you are eligible and that there is funding available in your local area.



### 3 Express an interest

Fill in an expression of interest (EOI) form and email it to RPA. Tell us about your project and how a grant will make it bigger and better.



### 4 Apply in full

If your EOI is endorsed, you can make a full application. If this is successful, you'll get a funding agreement to sign.



### 5 Get to work

With your funding agreement signed, you can start work on your project.



### 6 Claim your money

After you've paid for the work, you can claim your money.



# Timescales

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Expression of Interest (Eoi)	Open until <b>31 January 2018</b>
RD response to EOI (including local ESIF Sub-Committee input)	30 working days (6 weeks)
Full Application preparation	2-3 months
Decision on Full Application	60 working days (12 weeks)
Projects completed and claim submitted	31 March 2019
Final date to submit complete grant claims	<b>31 December 2019</b>

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# What we look for at Expression of Interest stage?

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- Eol stage intended to give you a relatively quick view on whether your proposed project;
  - is eligible for RDPE funding
  - if it 'fits' with local priorities for grant support.
- RPA will aim to provide an outcome 30 working days (circa 6 weeks) after submission, including seeking a view on 'strategic fit' from your local European Structural and Investment Fund (ESIF) Sub-Committee.
- Eol application forms and handbook guidance are available from the following website: <https://www.gov.uk/government/publications/rdpe-growth-programme>
- Completed Eols should be e-mailed to: [growthapps@rpa.gsi.gov.uk](mailto:growthapps@rpa.gsi.gov.uk)



# What we look for at Full Application stage?

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- If invited to the next stage, a full business case is required for the RPA to make a funding decision on your project.
- Full application stage remains competitive – just because your EoI was successful is no guarantee your full application will be funded. national priorities.
- We will agree a submission date with you, but given the limited time available to commit the funds, you should aim to submit your application as soon as possible.
- It can take a number of months (average of 3 months) to pull together your application. You will be given a specific RPA point of contact to support you.
- At this point, it is expected that a project would have received;
  - All required approvals (such as planning permission),
  - Secured match funding,
  - Can evidence the case for need/ demand, and
  - Demonstrate value for money against costs (such as providing three like for like quotes for each area of expenditure).



# What we look for at Full Application stage?

<b>Strategic Fit</b>	<p>How well the project meets the <u>national</u> as well as the local priorities for funding.</p> <p>How the project will impact on the environment.</p> <p>That the project does not disadvantage anybody in terms of ethnicity, disability, age or gender.</p>
<b>Value for Money</b>	<p>How the project Costs represent value for money.</p> <p>The amount of grant required to deliver the outcomes and outputs (E.g. Cost per Job).</p> <p>What difference grant funding will make compared to what would happen without grant funding.</p>
<b>Need and Demand</b>	<p>Why grant funding is required for the project.</p> <p>A clearly identified market need for the project.</p> <p>The impact the project has on other businesses.</p>
<b>Financial Viability</b>	<p>How the project impacts on your existing business operations</p> <p>How you will fund the project until the grant can be claimed.</p> <p>How the business will benefit from the project financially.</p>
<b>Deliverability and sustainability</b>	<p>Whether the project will be delivered within budget and on time.</p> <p>That the right skills and resources are in place to deliver the project successfully.</p> <p>How the project outputs and other benefits will be monitored and recorded.</p> <p>That risks to project delivery have been identified and how they will be mitigated.</p>



# Ineligible costs (see also list in handbook)

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## Some examples:

- Costs of refurbishment and simple like-for-like replacement of buildings, machinery or equipment
- Leasing contract costs – like lessor's margin, interest refinancing costs, overheads and insurance charges
- Costs of computers, software or printers used in general running the business (e.g. accounts or processing orders)
- Salaries or running costs
- Developing or setting up agricultural businesses
- Costs of marketing and promotion
- Contributions in kind



# Projects that will not be supported :

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- Projects which displace existing activity in the rural area
- Where the project is to relocate a business with no net increase in economic activity or jobs;
- Where there is no demonstrable plan to increase productivity as a result of the investment
- Where the project only creates a small number of low productivity jobs and such jobs are not needed in the area



# Top Tips

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## **Jobs + Growth + Rural**

- The main aim of the RDPE Growth Programme is to create jobs and growth in the rural economy.
- Tell us how your project will help do this.

## **Sell us your idea**

- Explain really clearly what your project does and how it will benefit the economy.
- It's hard for us to justify giving you a grant if we don't understand your project.

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# Top Tips

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## **Don't ask for full amount if you don't need it**

- Just because you can get (say) 40% of your costs covered, don't ask for that amount if you don't need it. As long as you stay below the maximum, you can tell us what grant rate you want. (It's better value for taxpayers' money.).

## **Show us what the grant funding means to the success of your project**

- We're obliged to invest public money carefully. We're looking for viable, growing businesses. If you can show us that your project is good value for money, and that you're planning to use the grant money to improve your project, you're more likely to get the grant.

## **Do the market research**

- You have to show that there is real demand for what you want to do, or you're unlikely to get a grant.



# Further info

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- All information (including the handbook for each call and EoI application form) will be available on the .gov.uk website <https://www.gov.uk/topic/farming-food-grants-payments/rural-grants-payments>
- Please also contact the RPA if you would like to discuss your project/ would like any further advice

Rural Payments helpline : 03000 200 301

Email: [GPEnquiries@rpa.gsi.gov.uk](mailto:GPEnquiries@rpa.gsi.gov.uk)

Completed EoIs should be e-mailed to: [growthapps@rpa.gsi.gov.uk](mailto:growthapps@rpa.gsi.gov.uk)



# Refreshment break



# LEADER Programme

**Gillian Cowell, LEADER Co-Ordinator  
Northumberland Uplands LEADER**

**Ivan Hewitt, LEADER Co-Ordinator, Northumberland  
Coast & Lowlands Programme Officer**



# Final Q&A





# Summing Up

Dinah Jackson, North East LEP



The European Agricultural Fund for Rural  
Development:  
Europe investing in rural areas