

Appendix 1

Free Two Year Old Early Education Capital Grant 2013/15

GUIDANCE NOTES

Background

Halton Children and Enterprise Directorate is committed to making best use of funding resources to prepare early years providers for the expansion of the Free Entitlement for Two Year Olds from low income households. From 1 September 2013 this will become a statutory entitlement for eligible two year olds with the Local Authority having a duty to secure sufficient provision.

It is stressed that this capital grant funding is available to settings that require changes or purchases to be made in order to increase their capacity and in making these changes/purchases creates additional places for the eligible 2 year olds.

Purpose of Early Years Capital Funding

Capital funding is available to increase capacity for expansion of the two year old free entitlement on creating additional high quality places to ensure Halton provide the statutory places as defined by the Government.

Examples of eligible spend:

1. Creating easier access to additional rooms within your building that will increase your capacity.
2. Creating or redefining of space/areas to increase additional spaces.
3. Purchasing of appropriate equipment and/or resources to increase places for funded 2 year olds.

CAPITAL GRANT CRITERIA

. All providers requesting capital funding must:

1. Offer 570 hours of early education in 1 year commencing the term after a child's 2nd birthday in a flexible way.
2. Provide a service within a minimum of 3 hours and a maximum of 5 hours of quality early education in any one day in a flexible manner.
3. Provide a maximum of 15 hours early education in any one week from September 2013.
4. Have at least a Good or above Ofsted grading or ITERS score of 4.00 or more at time of application.

5. **Priority will be given to settings located in the areas of the borough where the local authority has identified excess demand for 2 year old places.**

Additional explanatory notes

The expectation by DFE is that the 2 Year Old Capital Funding is used to increase capacity within the borough for the expansion of the two year old free early education to ensure Halton secure free early education for all eligible two year olds from 1st September 2013 thus supporting delivery of the two year old entitlement.

- Capital for purposes of 2 year old capital grant means bulk purchases of capital assets whose collective worth exceeds £2,500 (including VAT) (£2,127 net)
- Capital assets means assets which will give continuous service beyond the financial year in which they were purchased, such as buildings, land, vehicles and computer servers.
- Note that any major items of capital spend may have additional criteria which should be explored before making any commitment.
- All Capital expenditure has to be completed by the 31st August 2014. Any capital applications requiring a building programme will need to demonstrate ability to complete within the required time frame, and this will need to be considered where applications are made for such initiatives.
- Applications are encouraged for part of costs where providers have sufficient reserves or may wish to match fund with other funding initiatives

Disposal of Capital items:

Where the market value exceeds £2,500 consultation with DFE is necessary if it is proposed to dispose of, change the use of or transfer ownership of a tangible asset (e.g. land, building and equipment) or intangible assets (e.g. copyrights) which has been financed by 2 Year Old Capital grant.

The proceeds of any disposal can be reinvested in other 2 Year Old projects with DFE permission. Alternatively, the proceeds will be returned to DFE. If a disposal becomes apparent or is being considered, consult with the financial team at the earliest opportunity for guidance.

Building Works:

It is important that all settings address the following matters when progressing any project involving land & buildings:

Security of tenure – if you are applying for capital grant for a project involving land & buildings you must have security of tenure of the land & buildings where the project is to take place for at least 3 years post funding.

Landlord's approval – depending on the type of setting it will be necessary to seek landlord's consent to the proposed works from the owner of the building – Local Authority, Diocese etc.

CDM Regulations (Construction, Design & Management Regulations) – these are health & safety regulations relating to building contracts to ensure the safety of the public, the occupants & the workmen. They require the preparation of a Health & Safety Plan for the works & notification to the Health & Safety Executive.

Building Regulations – confirmation from the Local Authority Building Control Service that the project proposals & plans comply with the building regulations. You should ensure that the appointed technical agent is fulfilling these requirements.

Planning Approval – if you are applying for a capital grant for a project involving land or buildings you will be expected to apply for planning permission & any other necessary statutory consents.

Asbestos – the Local Authority arranged surveys of all school buildings in order to provide an accurate & up to date register. These were Type 2 surveys, which are non-intrusive but provide a good indication of probability & potential risk from asbestos – these surveys were issued to all schools. If there are plans to undertake works in an area of your building where asbestos is present or assumed to be present, then you must inform any contractor appointed to perform the works, of the risk. Before any works are allowed to proceed you must arrange a full Type 3 survey of the area by an authorised inspector & ensure the results are made known in full to the contractor.

Procurement/Best Value – in order to demonstrate value for money it is recommended that three competitive quotes are obtained for the building works/equipment required.