

Early Years

VCS Grants

2017-18

Frequently Asked Questions

Date: 12 October 2016

Version 2

# Introduction

1. This Frequently Asked Questions (FAQ) document should be read in conjunction with the Early Years VCS grants specifications and the accompanying application form.
2. If you have further questions which relate to clarification of the process which are not covered here, please email:

EnquiriesEarlyYears.VCSGRANTS@education.gsi.gov.uk

1. Please take the time to read the FAQ and the Early Years VCS grants specifications and accompanying application form to see if your question is covered before submitting a query.
2. Responses to common questions and requests for clarification will be published as a list of revised Frequently Asked Questions (FAQs) on <https://www.gov.uk/contracts-finder>
3. We are not able to respond to individual enquiries. We are not able to respond to queries by phone. Please note that we are unable to respond to specific enquiries about the nature of your proposal/s as this is a competitive bidding process.
4. The enquiry email box will close on **noon Friday 7th October 2016** and all responses will be posted on <https://www.gov.uk/contracts-finder>

by **5pm on Thursday 13 October 2016.**

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# Eligibility

# Q1: What type of organisations can apply?

We welcome bids from individual organisations and from partnerships and consortia.

There must be a lead and accountable body for the partnership or consortium. This must be clear in the application form. This body will be responsible and accountable to the Department for the management of grant monies.

Given the focus and nature of the Early Years VCS Grants 2017-18, we require the sole bidding organisation or lead body (as applicable) to be a voluntary, community or social enterprise (VCSE) organisation. The Cabinet Office defines these as:

“Non-governmental organisations that are value-driven and which principally reinvest their surpluses to further social, environmental or cultural objectives.”

Organisations which are not VCSE may be included within the membership of a partnership or consortium. However, they may not be the sole bidder or the lead bidder.

**Q2: Can an organisation be part of a consortium bid as well as leading on another consortium bid?**

Yes.

**Q3: How do I apply?**

A full specification, application form and further guidance can be found on

<https://www.gov.uk/contracts-finder>.

**Q4: How do I know if I meet the criteria set out in the specification?**

In order to maintain the fairness and integrity of the process we are not able to offer additional tips or meetings to discuss the specification or any other aspects of the VCS Early Years grants procurement activity. We recommend reviewing the invitation to bid letter specification and declaration form to check that you meet the relevant criteria.

**Q5:** **How much grant funding is available under this grant process and what are the minimum and maximum amounts?**

There is no minimum or maximum level of grant funding. We expect the majority of awards for grant funding to be between £150,000 and up to a maximum of £450,000 for each financial year, apportioned accordingly. We are not seeking to fund small scale projects aimed at meeting local delivery needs.

Q6: Does the indicative grant amount of £150,000- 450,000 cover organisations who bid for more than one grant i.e. two grants in different areas?

No. The indicative grant amount relates to individual grants – not organisations and it is only an indicative amount.

Q7: Can my organisation make more than one bid for funding?

Yes. We will accept more than one bid from the same organisation. Each bid must be for funding under one or more of the four early years priorities:

### Supporting Disadvantaged Children

### Early Years Special Educational Needs and Disabilities (EYSEND)

* Workforce Development – Quality
* Implementation Support

If you are submitting bids under one or more early years priorities, you must complete a separate application form for each priority area.

Q8: I have a local project, can I apply?

We are not seeking to fund local activity unless it is of national significance. By national significance we mean projects that are replicable and scalable and address an issue or meet a need that is likely to be encountered in more than one locality and where national action is needed, or action is needed to ensure equality of opportunity or access for particular groups.

**Q9:** **Do all the partners have to be from the voluntary and community sector?**

No. **The lead body or a sole organisation** does have to be from the voluntary, community or social enterprise sector. Partner organisations can be other organisations including private organisations. Applications must be made on a ‘not for profit’ basis.

**Q10: Is a university eligible to apply for this funding as a lead or sole applicant?**

Yes. We consider universities to be non-governmental organisations and so they can bid as sole or lead bidder as well as part of a partnership or consortium.

**Q11: Are local authorities and councils eligible to apply for this funding? Are local government departments eligible to apply for the funding?**

Local authorities and councils are local governmental organisations and so they cannot bid as sole or lead bidder, this also applies to individual or groups of departments within a local authority or a council. Local Authorities, councils, local government departments or local authority controlled entities can form part of a partnership or consortium bid led by another organisation which is eligible to bid.

**Q12: Is this funding open to NHS Trusts?**

No. NHS Trusts are governmental organisations and so they cannot bid as sole or lead bidder. They can form part of a partnership or consortium bid led by another organisation which is eligible to bid.

**Q13: Can an eligible lead body sub-contract private sector providers to deliver some services?**

The whole application needs to be on a not-for-profit basis. For the purposes of the DfE VCS grant, subcontracting is permissible and does not in itself have to be on a not for profit basis. Within this context, it is for the applicant to determine the most effective and efficient means to meet its grant objectives, achieving value for money. It must enter into a formal agreement, subcontract, with any subcontractor. The contract must include the obligations included in the Grant Agreement. The applicant remains responsible for the appropriate delivery of the grant regardless of any subcontracting arrangements.

Activities

Q14: What can be funded from a grant?

This grant can only be used for revenue funding (i.e. paying for staff costs, overhead and administrative costs,and project costs). We will not fund any capital purchases. There are also some restrictions associated with expenditure on advertising, marketing and communications – guidance on what is permissible to fund is set out in the application notes.

Q15: Could you advise whether [X] type of project or proposal may be eligible for this funding?

We are not able to advise on specific projects or proposals due to the competitive nature of the application process. All applications will be assessed according to the criteria outlined in the application form and accompanying documents.

# Finance

**Q16: Can my organisation reclaim irrecoverable VAT?**
Grant related activities are generally classified as outside the scope of VAT by HMRC, so organisations cannot generally either charge VAT on the services for which they are grant funded, or recover from HMRC the cost of any VAT they incur in the process of providing these services. Any such VAT costs are thus ‘irrecoverable’ from HMRC – however, you will be able to recover these costs from DfE as part of your overall grant claim. You must clearly identify any irrecoverable VAT in your application form.

As a funding recipient, please be aware that it is your responsibility to ensure you are not inadvertently making a ‘VATable’ business supply of goods or services. HMRC can rule that an organisation is providing a business supply, even when this supply is grant funded – it will depend on factors such as the kinds of goods or services being provided, the terms of the funding agreement, and the benefit received by the body making the grant funding payments. If you are unsure whether you might be making a VATable business supply under the terms of the grant funding agreement, you will need to seek advice directly from HMRC.

**Q17:** **I don’t know if my organisation has received State Aid. Funding of what sort of activities counts as State Aid?**

State Aid refers to forms of financial support from a public body (or a publicly funded body) given to organisations engaged in economic activity on a selective basis, which has the potential to distort competition and affect trade between member states. More information on State Aid is available from the [GOV.UK website](https://www.gov.uk/state-aid).

**Q18: How will rules on State Aid affect my application?**

We consider it unlikely that the funding to be provided under this grant scheme would be considered State Aid. However, applicants should form their own view, taking advice if necessary, as to whether any funding they have received is State Aid. Furthermore, if your organisation has received State Aid from any public body in the previous three financial years you must let us know on the application form.

**Q19: What do Efficiency Controls mean for my application?**

Bidders should be aware that there are government restrictions on what grant funding can be used for in relation to all paid-for communications, marketing and consultancy activities. This means that controls apply to most communications activity including (but not limited to):

* Printing and publications;
* Events;
* Public relations activities;
* The creation and/ or use of digital services; and
* Engagement of consultants.

This means that funding for these areas may need to be cleared by the Department or in some cases by the Cabinet Office. The application form provides further information on these funding restrictions and further guidance can also be accessed at the GOV.UK [Website](https://www.gov.uk/government/publications/cabinet-office-controls)

**Q20: Is it possible for a consortium partner who is not the lead to hold the grant?**

No, we expect the lead consortium member to hold the grant and to be responsible to the DfE and to the other consortium members. The financial information requested at (Section Six question 6c) of the application form must be supplied in relation to the lead consortium member.

# Completing the Application Form

**Q21: How can I obtain a copy of the application form?**

The application form can be downloaded from the Contracts Finder website <https://www.gov.uk/contracts-finder>

If you have any problems with downloading the materials then please email:

EnquiriesEarlyYears.VCSGRANTS@education.gsi.gov.uk

**Q22: Given the limited characters allowed (approximate word limits) can you please confirm whether it is permitted to cross reference between sections to save repetition?**

Yes. You may cross reference between questions.

**Q23: Where there is a restrictive limit to the number of characters (approximate word limits) for parts of the application form, can I use acronyms and write it out in full at the end?**

Acronyms are fine so long as you explain what the acronym is the first time you use it.

**Q24: Can we include diagrams and charts in the application form?**

No. Apart from your additional financial information process, we will not accept additional diagrams or charts, at this stage of the bidding process. If your application is successful, there will be an opportunity for you to provide additional information (including diagrams or charts) during the grant negotiation phase. [Note- that we cannot accept emails larger than 24MB. If you have large attachments, please zip or compress your files before sending].

**Q25: Would you consider a cross-early years priority/ies bid?**

You need to submit your application under one of the four early years priorities. But you are asked to indicate in the narrative of your application form if your proposal also contributes to any of the other priority areas.

**Q26: Do proposals have to meet all the areas you describe in the assessment and scoring section in the application form? For example, can the proposal focus on just one of the areas described in the assessment and scoring section under the questions?**

Yes. In order to maximise your overall score, you should try to cover the areas listed in the ‘assessment and scoring’ sections.

**Q27: Are we able to apply for funding for more than one project under the same early years priority? For example, we have a number of projects that fit very well with the early years priority: implementation support so would we therefore be able to make a number of separate applications under that area?**
Yes, you are able to apply for funding for more than one project under the same early years priority. Each project would require a separate application form.

**Q28: Do I have to send paper copies?**

No. We will not accept paper hard copies of your completed application form. This is an electronic application process. All documents are available on line at the Contracts Finder website <https://www.gov.uk/contracts-finder> and you can download from there.

Your proposal must be sent to the relevant application DfE mailbox
EarlyYears.VCSGRANTS@education.gsi.gov.uk by **noon on Wednesday 19October 2016.**

**Q29: How do I email my completed application form?**

Send your application form by opening a new email message; insert your organisations name clearly specifying the early years priority theme you are bidding under in the subject heading, and attach your final application form and additional financial information and send it to EarlyYears.VCSGRANTS@education.gsi.gov.uk. You will know when your email has reached the DfE because you will receive an automatic email from the relevant DfE application mailbox.

**Q30. What if I don’t receive an automatic email when I submit my application? Do I need to resubmit?**

Please do not send in duplicate copies of your application as this delays the assessment process. If you don’t receive an automatic email from the relevant DfE application mailbox confirming we have received your application please email your query to EnquiriesEarlyYears.VCSGRANTS@education.gsi.gov.uk stating the time you submitted your application and someone from our team will get in touch with you.

**Q31: What happens if my attachments are over 24MB?**

You will need to ensure that all attachments do not exceed the maximum limit of 24MB as we cannot accept emails that are larger than that. If the total size is larger than 24MB please zip (compress) the files. Alternatively divide the attachments between a number of emails, clearly specifying your organisation name in the subject line and body of each email.

**Q32: How do I submit my financial documents?**

You will need to attach all your documents to the email (along with your completed application form).

**Q33: How do we signify areas within our bid that are commercially sensitive?**

Bidders should note that the department is committed to open government and to meeting their responsibilities under the Freedom of Information Act 2000. Accordingly, all information submitted to the Department may need to be disclosed in response to a request under the Act.

However, if you consider that any of the information included in your proposal is commercially sensitive and this information is pertinent to your application, please send a separate email to the relevant application mailbox with the subject line ‘commercially sensitive’ **by noon Wednesday 19 October** setting out (in broad terms) what harm may result from disclosure if a request is received, and the time period applicable to that sensitivity. You should be aware that, even where you have indicated that information is commercially sensitive, we may still be required to disclose it under the Act if a request is received. Please also note that the receipt of any material marked ‘confidential’ or equivalent by the department should not be taken to mean that we accept any duty of confidence by virtue of that marking. If a request is received, we may also be required to disclose details of unsuccessful proposals.

# Assessment Process

**Q34: Who will assess the applications?**

Applications will be assessed by DfE officials from the relevant policy and programme with support from finance and commercial areas across the Department. Officials from across childrens services and other government departments may also be involved where we consider this relevant and appropriate.

**Q35: What are the assessors looking for?**

The application form sets out the criteria and the corresponding weightings that the DfE will be using when they assess bids. The early years VCS Grants 2017-18 invitation to bid includes the specification of requirements which describes the three safeguarding priorities and desired projects.

**Q36: When will announcements about grant awards be made?**

We aim to announce the grant awards at the end of November 2016. Please note that this is provisional and may be subject to change, but will be adhered to by the Department as far as reasonably possible. The successful bidders must be prepared to start delivering activities in January 2017.

**Q37: Feedback**

**Following the evaluation of all bids will unsuccessful applicants receive feedback on their proposals?**

Applicants will be able to request feedback once notified of the outcome of their application.

**Further questions**

If you have any further queries about the application process please

**email:** EnquiriesEarlyYears.VCSGRANTS@education.gsi.gov.uk

Final application forms must be sent to:

EarlyYears.VCSGRANTS@education.gsi.gov.uk

**Annex A: Additional questions**

**Note for Bidders:**

We are unable to comment on specific proposals or aspects of potential delivery. We can only answer questions about the bidding procedure.

**Eligibility and criteria**

**Q1: Are the priority areas to be looked at on a local or national level?**

We are not seeking to fund local activity unless it is of national significance. By national significance we mean projects that are replicable and scalable and address an issue or meet a need that is likely to be encountered in more than one locality and where national action is needed, or action is needed to ensure equality of opportunity or access for particular groups.

**Q2: Is there a requirement that work at this level has been carried out before?**

The lead body must have prior experience of delivering national projects. The Department expects bidders to demonstrate they have capacity to operate a national programme and deliver the activity in the funding period within the funding provided.

**Q3: Would a project falling below £150,000 be eligible?**

We are not seeking to fund small scale projects aimed at meeting local delivery needs. There is no minimum or maximum level of grant funding. We expect the majority of awards for grant funding to be between £150,000 and up to a maximum of £450,000 for each financial year, apportioned accordingly. These are indicative amounts.

**Q4: Is a Community Interest Company eligible to apply?**

We consider Community Interest Companies to be a social enterprise and so eligible to apply as a sole bidder or lead bidder as well as part of a partnership or consortium. If your organisation is ‘not for profit’ and comes under the definition of VCSE you may apply. The Cabinet Office defines these as:

“Non-governmental organisations that are value-driven and which principally reinvest their surpluses to further social, environmental or cultural objectives.”

**Q5: We would like to apply for funding to construct a building, would this be eligible?**

No. Grant funding is not available for capital expenditure, it can only be used for revenue expenditure.

**Q6: In the eligibility checklist it states the lead body must have prior experience of delivering national projects. Does the work need to have been in the field of early years?**

No, prior experience of delivering national projects does not need to be specifically in the field of early years.

**Q7: Would our proposal for a local project aimed at a particular disadvantaged group be eligible?**

We are not seeking to fund local activity unless it is of national significance. You may submit a proposal if its meets the definition of national significance.

By national significance we mean projects that are replicable and scalable and address an issue or meet a need that is likely to be encountered in more than one locality and where national action is needed, or action is needed to ensure equality of opportunity or access for particular groups.

**Q8: Would you welcome bids including elements of charging (to professionals or other provider organisations) in order to support cost recovery and offer value for money?**

We cannot comment on individual elements of your proposal. As set out in the section 8 of the grant funding agreement:

8.1 You must consult with us if you wish to charge a fee to a third party for any grant-funded activity. Any charges you do make must be in accordance with HM Treasury guidelines on fees and charges.

8.2 You must notify us of any income or contributions generated by the grant funded activities so that we can decide whether any or all of the grant, or income generated, should be retained by you or refunded to us.

**Q9: If we are a lead bidder is it permissible to be included as a partner in another bidder’s application under the same priority area.**

Yes.

**Q10: Would I be able to claim the grant for organising training at our preschool?**

We are unable to comment on specific proposals. Please check the eligibility of your proposal against grant criteria.

**Q11: We are seeking funds to replace a building, would we be eligible for funding?**

No. Grant funding is not available for capital expenditure, it can only be used for revenue expenditure.

**Q12: Does the bid need to address all sub-priorities within a priority area or is it possible to apply for part of a priority area?**

Bids can be submitted addressing one, all or a combination of sub-priorities within a priority area.

**Q13: Can you clarify whether in Priority 1: Supporting Disadvantaged Children, you would consider disability or special educational needs of the child as an element of disadvantage?**

Yes we would consider special educational needs and disability (SEND) of the child as a disadvantaged group under priority theme 1.

**Q14: Please could you provide us with further information regarding goals, targets and aims for the priority areas.**

Bid specification for each of the priority areas are set out in the Invitation to Bid document. Please refer to the information set out in Section 2.1 of that document, detailing the type of proposals we are seeking.

**Q15: Would you welcome training resources developed under the programme be used for paid-for training once the grant is finished, in order to offer sustainability in the project?**

We cannot comment on individual elements of your proposal. For more detail on copyright, intellectual property and sharing good practice, please refer to Section 18 of the grant terms and conditions.

**Finance**

**Q16: Is £450k an indicative maximum to cover the whole period from January 2017 to March 2018, or is the indicative maximum a full year amount and then apportioned for the additional 5 months.**

The £150,000 to £450,000 is indicative for a full financial year and is apportioned accordingly for part of a financial year.

**Q17: The provided tender documentation and application form indicates that VAT should be included in the submitted budgets and that it will form part of the grant award. This appears to conflict with clause 6.1 in the Grant Funding Agreement Terms and Conditions which states that VAT may not be claimed. Please can you clarify whether VAT should indeed be included in the submitted budget and if VAT may be included in quarterly claims?**

All expenditure must be claimed **net of any VAT that is recoverable** from HM Revenue and Customs. If your organisation is VAT registered you will be able to reclaim VAT on certain goods and services from HMRC. Any **irrecoverable** VAT incurred should be included in your grant claim and you will need to include this in your application form.

We have asked organisations to include VAT in their bids if applicable. If they do not include it, it will not be included in their grant and we will not provide additional funding to cover it should they find themselves liable to VAT at a later date. We will make allocations to organisations based upon what they include in their bid. What VAT they actually pay or can recover is a matter for them and the VAT teams at HMRC and that will often depend upon their status for VAT – it will not be the same for all organisations.

**Q18: We have various publications and events that are delivered as part of the project to the benefit of beneficiaries including beneficiary conferences etc. Do we need to include these under Section B in the budget, even though they are not marketing or advertising, or do we include them in project activity costs?**

Any costs relating to events, printing and publications should be included in Section B.

**Efficiency controls**

**Q19: Is there a minimum acceptable amount of spending on marketing activity, digital activity or consulting?**

There is no minimum level of spending on these activities. The spending for these activities in your budget should reflect the level of need identified. We do not envisage that projects will bid for expenditure over £100k on communications and marketing related activities.

Bidders should be aware that there are restrictions on what grant funding can be used for in relation to all paid-for communications, marketing and consultancy activities (See sections 14, 15 and 16 of the Invitation to Bid documents). This means that controls apply to most communications activity including (but not limited to):

* Printing and publications;
* Events;
* Public relations activities;
* The creation and/ or use of Digital services; and
* Engagement of consultants.

This means that funding for these areas may need to be cleared by the Department or in some cases by the Cabinet Office. The application form provides further information on these funding restrictions and further guidance can also be accessed at the GOV.UK [Website](https://www.gov.uk/government/publications/cabinet-office-controls)

**Q20: In section 2, question 3 of the application form re: Efficiency Controls, should ‘yes’ be ticked if there are any marketing/digital/consulting costs or only if the value of such costs exceed the stated limits (£100k for marketing/digital activity, £20k for consulting)?**

Yes should be ticked if there is any spending on marketing, digital or consulting activity. This does **not** preclude this activity being considered for funding, but proposals where a significant part of the grant being applied for will be used for these areas can only be considered if there is an **overwhelming** case for the proposed product or service. Further guidance on efficiency controls can also be accessed at the GOV.UK [Website](https://www.gov.uk/government/publications/cabinet-office-controls).

See also answer to Q22.

**Q21: Is there any ceiling to day rates for consultants which are included in the submitted budget?**

Whilst we haven’t set a ceiling rate for consultants, we would expect you to demonstrate your value for money case within the proposed costs. Due to government spending controls there are restrictions on certain types of activity that can be financed with public funds. This includes use of consultancy. Bids should therefore limit such activity for which funding is requested. Further guidance can also be accessed at the GOV.UK [Website](https://www.gov.uk/government/publications/cabinet-office-controls)

**Q22: Does the figure of £20k in relation to consultants relate to individual consultants or to consultancy as a whole?**

Due to government spending controls there are restrictions on certain types of activity that can be financed with public funds. This includes use of consultancy.

Consulting
If your proposal requests funding for consultancy which falls under the Efficiency Controls, an exemption would have to be sought before the funding could be granted. Exemption will need to be pre-agreed by DfE, and if the proposal includes engaging consultants at a cost of over £20k and lasting on excess of 9 months, this will require additional Cabinet Office (CO) clearance and you may need to provide further information which might result in a delay in clearing funding .

Bids should therefore limit such activity for which funding is requested. This does not preclude this activity being considered for funding, but proposals where a significant part of the grant being applied for will be used these areas, can only be considered if there is an overwhelming case for the proposed product or service. The application form provides further information on these funding restrictions and further guidance can also be accessed at the GOV.UK [Website](https://www.gov.uk/government/publications/cabinet-office-controls)

**Q23: Is there a clear definition of the kind of work consultants carry out to which this restriction applies or is it any engagement of consultants for whatever purpose?**

Consultancy is defined by the Cabinet Office as the provision of objective advice relating to strategy, structure, management or operations of an organisation, in pursuit of its purposes and objectives. Such advice will be provided outside the ‘business-as-usual’ environment when in-house skills are not available and will be time-limited. Further guidance can also be accessed at the GOV.UK [Website](https://www.gov.uk/government/publications/cabinet-office-controls)

**Q24: Our proposal is to develop a digital platform. We will not exceed government efficiency controls on digital and consultancy spending. Is this proposal permissible within the funding restrictions?**

We cannot comment on individual proposal ideas. Due to government spending controls there are restrictions on certain types of activity that can be financed with public funds. This includes marketing, the development of digital services and consultancy.

Digital activity
If your proposal requests funding for digital activity which falls under the Efficiency Controls, an exemption would have to be sought before the funding could be granted. Exemptions under a certain limit (£100k) can be approved within DfE. However, if you proposal includes funding in excess of this limit an exemption would have to be cleared by Cabinet Office (CO) and you may need to provide further information which might result in a delay in clearing funding .

Consulting
The same process also has to be followed in relation to consultancy where any exemption will need to be pre-agreed by DfE, and if the proposal includes engaging consultants at a cost of over £20k and lasting on excess of 9 months, this will require additional Cabinet Office (CO) clearance.

Bids should therefore limit such activity for which funding is requested. This does not preclude this activity being considered for funding, but proposals where a significant part of the grant being applied for will be used these areas, can only be considered if there is an overwhelming case for the proposed product or service.

**Completing the Application form**

**Q25: How should the signature appear on the grant application form? Is a scanned signature acceptable?**

Yes, include a scanned signature on the submitted form.

**Q26: The budget template does not have a suitable cost heading for costs that need to be entered for our proposal. How should such costs be entered in the template?**

You may add lines to the budget template but please ensure costs are recorded under the correct main subheadings A, B and C, which should not be changed.

**Q27: If we are submitting an application as a lead bidder, do we need to put in Section 4 Q.2 that we are also included as a partner in a separate bid that another organisation is leading?**

Yes.

**Q28: Under Q1 in Section 5, under assessment criteria, it says 'support available to target the specific safeguarding issue’ - can you explain what this means?**

Apologies, this is an error in the application forms and should read “early years”. This has now been corrected and uploaded onto Contract Finder.