

NYC Childcare Expansion Grant Guidance

Grant Funding Application Guidance

1. Introduction

The Government has previously provided national capital funding to support the expansion of Early Years provision. At the end of the capital Programme, North Yorkshire Council (NYC) had unspent capital funding which the DfE agreed could be used to support further Early Years capital expansion projects.

North Yorkshire Council has developed a new **NYC Childcare Expansion Grant Programme**, to support existing PVI Early Years provision in North Yorkshire Council to expand to offer additional Early Years places for children aged 0-3 years. The funding will be used to address local priorities within North Yorkshire and will be allocated to existing PVI Early Years providers, including childminders, to help ensure sufficient places for children aged from 9 months old, up to the term in which they turn 3 years old.

2. What type of Early Years provision are eligible to apply?

PVI providers offering government funded Early Years places can apply for the NYC Childcare Expansion Grant Funding. Ofsted registered childminders and childminders registered with a CMA may also apply.

Providers **not eligible** to apply for capital grant funding include;

- Local authority maintained primary, infant, and junior schools (including special schools) offering early years entitlements.
- Primary, infant, or junior academies or free schools (including special schools) offering early years entitlements.
- Maintained nursery schools.

3. How much capital funding can be applied for?

Capital funding applications to support expansion of Early Years places can be applied for as below:

- PVI group providers can apply for up to a maximum of £20,000.
- Childminders can apply for up to a maximum of £2,000.

Please see section 4 for eligible expenditure.

Applicants are responsible for ensuring they have obtained appropriate guidance on the VAT treatment of their purchases.

- If VAT is **recoverable**, applicants must exclude it from their costings.
- If VAT is **not recoverable**, it may be included and funded by the grant, provided this is clearly detailed in the application.

4. What type of project can the capital grant funding be used for?

The funding is expected to be used on projects that best match the needs of local communities. Eligibility criteria will be assessed on;

- Local need for additional childcare places
- Access to provision for children with SEND
- Access to provision for children in receipt of Early Learning funding for two-year olds (EL2)
- Value including age range and number of places to be created (cost per place being created)
- Ofsted standards required:
 - Safeguarding – “Met” and Leadership & Governance – “Expected Standard”
 - or
 - Have received a “Good” or “Outstanding” Ofsted outcome.
- Confirmation of staffing in place to meet expanded places.

Examples of appropriate early years projects are as follows:

4a. PVI Group Providers can apply for up to £20,000 in capital funding to expand or remodel existing provision. Projects must enable and/or increase access to childcare places for eligible children.

- The projects could be achieved through:
 - Expansion of existing childcare provision, including expanding existing provision to a different or additional site.
 - Remodelling of existing provision to create additional capacity.

The capital grant funding is not intended for:

- Routine maintenance or refurbishment of premises.
- Childcare providers not providing Early Years government funded entitlements.

The funding is provided for capital purposes only and cannot be used for revenue expenditure of any kind, such as training or staff costs or resources/assets that do not meet the definition of capital expenditure given above (such as toys, books, clothing), etc..

4b. Childminders taking on a new assistant, in order to increase the number of Early Years offered places, can apply for up to £2000 in capital grant funding.

Examples of eligible spend include:

- Car seats, highchairs, pushchairs, beds and bedding
- Indoor or Outdoor equipment

The following **cannot** be funded:

- Ofsted or CMA registration fees
- Training or qualification costs, including paediatric first aid
- Insurance costs
- Building modifications or improvements, including garden rooms
- Any revenue or ongoing operational costs
- Resources/assets that do not meet the definition of capital expenditure given above (such as toys, books, clothing), etc.

The Local Authority reserves the right to determine whether items are eligible. All items must be appropriate for use with children aged 0–5 years.

5. How to apply for a NYC Childcare Expansion Grant

Applications for NYC Childcare Expansion Grant funding need to be made using the application form: [Childcare Expansion Capital Grant Funding Application Form – Fill in form](#)

Submit a quotes form via the word document template to EYexpansion@northyorks.gov.uk

Please note that any grant awarded in principle will be based on the costs quoted which must be supported by at least two quotes for works or equipment under £1,000 and three quotes for amounts over £1,000 and below £20,000. Projects cannot be funded in retrospect.

Any project requiring planning permission or professional drawings should provide build estimates at time of submission and include these professional fees. If an award is given in principle, it will be based on gaining the appropriate planning permission and approval of a detailed breakdown of costings before any grant payment is made.

Capital projects are expected to be completed by 31st March 2026, with the newly created / expanded early years entitlement places being operational from 1st April 2027.

Grant applications open on 26th August 2026.

The deadline to apply is 8am, Monday 5th October 2026.

There are no further anticipated rounds of capital grant funding, and NYC expect to allocate all funding in a single round of applications.

8. How will applications be evaluated?

Each grant funding application will be evaluated on a competitive basis by a grant funding panel and a decision made based on the extent that:

- The grant supports the grant criteria and eligible spend as detailed in section 4.
- The funding will support creation or expansion of early years childcare provision in areas of the county where the need for Early Years places have been identified through sufficiency data analysis.
- The panel is confident of delivery within the timescales set out within this grant guidance (section 5).
- The number of places planned to be created or expanded delivers an efficient and effective use of the capital grant funding amount requested.
- Childcare providers and childminders applying for grant funding for the delivery of early years childcare entitlements must be registered with Ofsted, or in the case of childminders, Ofsted, or a childminder agency.
- Relevant quotes have been provided.
- All questions on the application form have been completed.

9. When will I know the outcome?

The panel will aim to notify applicants of the outcome of their application within **28 working days** of the closing date for applications.

10. Reporting and monitoring requirements

Successful applicants must provide complete monitoring reports as part of the grant agreement they will be required to sign. Failure to provide this information may result in claw back of funding.

A monitoring return template will be provided for completion which is expected to contain but not limited to the following:

- Project progress and cost updates
- Place sufficiency information in respect of places offered, places filled and available places.
- Details of funded early years entitlement provision offered.
- Demand for funded entitlement places including number of children on waiting lists.
- Comments / compliments / complaints received.

Any grants awarded will be subject to a Grant Agreement which sets out the Council's expectations and requirements of recipients in accepting grant funding. On completion of the project, grant recipients will be asked to confirm that they have used the funding, as set out in the grant application. Any unspent grant funding must be returned to North Yorkshire Council.

Successful applicants must continue to offer the Early Years provision as outlined in their application form, for a minimum of 5 years from the date of their active registration. Failure to do so may result in clawback of funding.

Grant recipients must maintain reliable, accessible and up to date accounting records with an adequate audit trail in the event of North Yorkshire Council, the Secretary of State or an appointed auditor requiring access to or copies of the accounting records.

If North Yorkshire Council has any grounds for suspecting financial irregularity in the use of any grant paid an investigation will take place. For these purposes 'financial irregularity' includes fraud or other impropriety, mismanagement, and the use of grant for purposes other than those for which it was provided.

11. Need advice or have questions?

Contact: EYexpansion@northyorks.gov.uk