Building Blocks Extension Scheme
Information for Early Learning and Childcare providers on new capital funding scheme

1. Introduction

The purpose of the Building Blocks Extension Grant Scheme is to deliver additional capacity in the sector by supporting existing early learning and childcare services to undertake physical extensions to existing premises, or to purchase or construct new premises. The scheme is open to Core Funding partner services only.

The scheme has four strands:

1. Extensions to existing premises for private services
2. Extensions to existing premises for community services
3. Purchase of new premises for community services
4. Construction of new premises for community services

2. Eligibility

2.1 Who can apply?

- Services must currently be a Core Funding Partner Service and must commit to continuing to operate as a Partner Service for the equivalent duration of the charge, as set out in S4.3 below. Specifically in respect of fees, the Building Blocks scheme eligibility rules will determine the maximum fee that can be charged by the service at the point of time of application for the capital funding. Thereafter, Core Funding rules and contractual conditions will determine how any changes to fees can be made
- Services who are going to offer additional full-time places for 1-3 year olds
- Services who commit to opening for a minimum of 42 weeks per year.
- Services who own their premises or have a long-term lease of the property which is capable of registration in the Property Registration Authority and also which is capable of supporting the registration of a charge in favour of the Minister (minimum 22 years from the date of registration of the charge, with 25 years remaining on the Lease) and the Lessor/Landlord/ owner of the property will enter into an Agreement in respect of registration of the legal charge over the property
- Services who confirm that the fees that they charge (on the opening date for applications) for places do not exceed the maximum fee threshold for the relevant care type:
  The maximum fee threshold for full time care is €295 per week
  The maximum fee threshold for part time care is €190 per week

Note - Private providers who have multiple services can submit only one application. Community providers who have multiple services are not limited to one application. Community services may submit applications under each of the three strands. They may also make multiple applications under individual strands.

2.2 Who cannot apply?

- Services based in private residential dwellings

- Childminders
- Drop-in centres
- Services who are in receipt of funding under Building Blocks Expansion Grant

3. Four Project Strands

Extensions to Private services

- Private providers can apply for funding between €50,000 (min) and €250,000 (max)
- Match funding will be required with a maximum contribution by the Department of €250,000 or 50% of total project costs, whichever is lower
- Project values between €100,000 and €650,000 will be eligible
- Any additional project costs exceeding €500,000 to be funded by the service
- Extension to existing premises. This may include the installation of modular buildings
- All proposed projects must adhere to the Childcare Regulations 2016 and should incorporate Universal Design Guidelines for Early Learning and Care (UDG)
- Applicants can use part of the funding for fit out, design team fees and expenses
- Projects will be required to deliver net additional full-time places for 1-3 year olds
- Priority will be given to areas of identified undersupply

Extensions to Community Services

- Community Providers can apply for funding between €100,000 (min) and €500,000 (max)
- Match funding is not a requirement
- Project values between €100,000 and €650,000 will be eligible
- Any additional project costs between €500,000 and €650,000 to be funded by the service
- Extension to existing premises. This may include the installation of modular buildings
- All proposed projects must adhere to the Childcare Regulations 2016 and should incorporate Universal Design Guidelines for Early Learning and Care (UDG)
- Projects will be required to deliver net additional full-time places for 1-3 year olds
- Priority will be given to areas of identified undersupply

Eligibility Criteria for Extensions

In order to apply, the following criteria must be met:

- The service must be the registered owners of the title to the property on which the premises is built. The premises must not be a private residence. The title to the property must be capable of supporting the registration of a legal charge in favour of the Minister
  or
- The service must have a long-term lease of the property which is capable of registration in the Property Registration Authority and also which is capable of supporting the registration of a charge in favour of the Minister (minimum 22 years from the date of registration of the charge, with 25 years remaining on the Lease) and the Lessor/Landlord/ owner of the property will enter into an Agreement in respect of registration of the legal charge over the property.

- A legal charge will be registered on the title to the land on which the purchased building is erected to ensure its utilisation for the purposes of ELC for specified period in line with the value of the State's investment

Purchase of building to supplement existing owned or leased premises or to replace a leased premises (Community only)

- Community providers can apply for funding between €300,000 (min) and €750,000 (max) to purchase an Early Learning Childcare facility or a premises that could be easily adapted for this purpose
- Match funding is not a requirement
- Any adaptations/renovations and fit out costs can also be included
- Applicants must adhere to the Childcare Regulations 2016 and incorporate the Universal Design Guidelines for Early Learning and Care
- Any additional project costs exceeding €750,000 to be funded by services, subject to a maximum project value of €1,500,000
- Projects will be required to deliver net additional full-time places for 1-3 year olds
- Priority will be given to areas of identified undersupply
- Services can purchase a premises to supplement their existing premises or to replace a leased premises.
- Where providers are seeking to replace an existing leased premises, the new premises must have a greater capacity than the existing premises.
- A legal charge will be placed on the purchased building to ensure its utilisation for the purposes of ELC for specified period in line with the value of the State's investment

Construction of a new premises (Community only)

- The applicant must own the site on which the premises is to be constructed
- Community providers can apply for funding between €300,000 (min) and €750,000 (max) towards the cost of building a new premises or installation of a modular building
- Design must adhere to the Childcare Regulations 2016 and also incorporate Universal Design Guidelines (UDG) for Early Learning and Care - applicants can use part of grant for fit out and incorporation of UDG
- Match funding is not a requirement
- Any additional project costs exceeding €750,000 to be funded by services, subject to a maximum project value of €1,500,000
- Projects will be required to deliver additional full time places as outlined in 4.1 below for 1-3 year olds
- Priority will be given to areas of identified undersupply
- Services can construct a premises to supplement their existing premises or to replace a leased premises
- Where providers are seeking to replace an existing premises, the new premises must have a greater capacity than the existing premises.
- A legal charge will be registered on the title to the land on which the newly constructed building is erected to ensure its utilisation for the purposes of ELC for specified period in line with the value of the State's investment

4. Key requirements and considerations for services making an application

4.1 Minimum number of full-time places to be delivered

Applicants must also deliver at least the minimum number of additional full-time places for 1-3 year olds in line with the value of the grant they are applying for, as follows:

Grant value (not project value) (€)	Minimum number of places
€100,000-€199,999	10 places
€200,000-€299,999	15 places
€300,000-€399,999	20 places
€400,000-€499,999	25 places
€500,000-€599,999	30 places
€600,000-€699,999	35 places
€700,000 +	40 places

4.2 Design Team

Applicants for all Strands must submit a Project Execution Plan with their application. This Plan must be prepared by your Design Team which should include relevant professionals who have a full understanding of the project. This may include professionals such as architects, surveyors, project managers, engineers etc. The Project Execution Plan should be a comprehensive document that outlines in detail all elements and stages of the project and must relate directly to the entire project which is the subject of the application. The appointment of a Design Team should be in compliance with procurement requirements.

Design Team Fees and Expenses will only be reimbursed to successful applicants.

4.3 Charges

In alignment with similar capital funding programmes, the Minister may require a first legal charge to be registered over the property benefiting from the funding allocation. A Deed of Covenant and charge will be executed by the owners of the title to the property and sealed on behalf of the Minister. The Deed of Covenant and Charge will ensure that the funding is used for the purposes for which it was allocated. The Deed of Covenant and Charge will be registered over the property for a specified period of time.

- Under Strands 1 and 2, charges must be registered on the title of the property on which an extension of the premises is funded.
- Under Strands 3 and 4 charges must be registered on the title of the property on which the newly constructed or purchased premises is built.

The Chief State Solicitor's Office will act on behalf of the Minister in respect of the legal formalities required to register a charge over the property.

Successful applicants will be required to instruct their own Solicitor to act on their behalf and will be responsible for their own legal costs incurred.

4.4 Procurement

In the case of Extensions to Private Services, the procurement requirements are as follows:

- For projects of less than €200,000 (ex VAT), 5 tenders are required to be sought from competent and adequately resourced contractors
- For projects of over €200,000 (ex VAT), a contract notice must be published on eTenders, the national tendering portal.

In the case of Community Services extending or constructing a new premises, the procurement requirements are as follows:

All projects under these strands will receive more than 50% of their funding from this grant so will therefore be subject to the Capital Works Management Framework (CWMF). This means that:

- For projects of less than €200,000 (ex VAT), 5 tenders are required to be sought from competent and adequately resourced contractors
- For projects of over €200,000 (ex VAT), a contract notice must be published on eTenders[1], the national tendering portal.

In the case of community services purchasing a building, the purchase of the building is not subject to the above procurement procedures. However, any works required to be undertaken to renovate or operationalise the building will be subject to the above procurement procedures.

Capital Works Management Framework

Community services will be required to use the Capital Works Management Framework. For the majority of projects the form of contract that will be most appropriate is the Short Public Works Contract (PW-CF6). Your project team can familiarise themselves with this form of contract and the tendering procedures that go along with it by undertaking an online, self-directed training programme which is split into two parts. The first part deals with the appointment of a design team. If a design team has already been appointed then Part 2, which works through the appointment of a contractor, may be more appropriate.

The training programme may be accessed via the Commercial Skills Academy portal – https://csa.gov.ie/login/index.php

Whilst the site is intended for Government Departments, grant applicants may register for an account once they provide details of this grant scheme, when they apply for an account. For more information on the requirements of the CWMF, please click on the link below: https://constructionprocurement.gov.ie/capital-works-management-framework/

5. Application process

5.1 Time-frame

Anticipated timelines are as follows (and may be subject to slight change):

Applications will open on the Hive in November

The closing date for applications will be 20th **January 2025 at 12 noon**

[1] https://www.etenders.gov.ie/epps/home.do

5.2 Appraisal process

Pobal will coordinate the application process on behalf of the Department.

Pobal will undertake an initial assessment of the services' eligibility to be considered for appraisal. Subject to services being successful in relation to eligibility, there will be three substantive criteria used to appraise applications:

- Readiness and Achievability
- Quality and Governance of the project
- Need for additional full time places

Readiness/Achievability will be appraised using information provided by applicants in their Project Execution Plan (PEP). It will consider the key project milestones, the design team, planning process, tendering, timelines and drawings. Higher scoring will be awarded to projects that are well advanced and can clearly demonstrate their deliverability in 2025.

Quality/Governance will also be appraised by information provided in the PEP. This appraisal will consider the project description, project organisation, project management, budget and cost management, procurement, quality management, procurement, administration, risk management and health and safety.

Need will be appraised using a combination of an Estimated Demand Model developed by Pobal and DCEDIY and an appraisal of a narrative response in the application about the need for the investment. Each of the three criteria will have equal weight.

The Estimated Demand Model has been developed by Pobal and DCEDIY using the census data and information on existing provision and enrolments to generate insights into the extent to which existing levels of supply meet local demand across the country. The model used balances both absolute levels of need (number of children in excess of places) as well as relative need (places as a proportion of children) to determine priority areas for investment in expansion of places. In a scenario where the fund is oversubscribed, this analysis will enable the funding to be prioritised for projects where there is the greatest evidence of need, ranking the eligible applicants relative to each other.

6 What can I do in advance of applying?

6.1 All four Strands

The Building Blocks Extension Grant Scheme application process is a competitive one and the Department expects a significant volume of applications. In addition, strict eligibility criteria will apply.

Applicants should:

- Engage with professional(s) to draft a Project Execution Plan. This is a mandatory requirement of your application and can be completed by individual(s) who have a full understanding of the project, which may include architects, project managers, surveyors, engineers, etc.
- Ensure that the Project Execution Plan includes detailed costings and timeframes
- Commence planning application process
- Commence procurement process

- Private providers must provide evidence of match funding and, where necessary, own funding, where the project value exceeds the allowable grant (this includes bank statements / evidence of credit facility)
- Community providers must provide evidence of own funding, where the project value exceeds the allowable grant (this includes bank statements / evidence of credit facility)
- Where your premises is leased, engage with the premises' owner regarding the required lease and the imposition of charge
- Engage with your solicitor regarding the proposed charge

6.2 In addition, for Purchasing:

You will need:

- Two independent valuations of premises by independent party are required
- Written agreement from vendor that they have agreed to sell the building to the applicant for a stated amount
- Project Execution Plan must include detailed costings, building specification with floorplans, details of planning permissions granted (with any conditions)

6.3 In addition, for Strand 4, Construction:

- You should engage with your design teams to ensure that the Project Execution Plan includes all relevant details, including drawings, budgets, timeframes, planning and a description of how UDG has been incorporated into the design of the premises
- Confirmation on the ownership of the site

7. Further Information

Further information including the applicant guidelines and application forms will be available in the very near future. In the meantime, please contact EYPC in Pobal or your local City and County Childcare Committee with any queries.