



## Eligible Expenditure

Below sets out what the fund can and can't pay for.

If your application includes ineligible expenditure in the funding request, the application or that part of it will be rejected.

## Eligible Equipment Expenditure

**Equipment** = Items that have **no permanent connection** to the structure of the building, the ground (in the case of land) or the vehicle (in the case of mobile units) **and can be removed** will be considered **equipment**. Examples would be pool tables, sofas, computer equipment in a bus, swings or playground equipment not fixed to the ground, fridges or cookers that are not integrated.

- One off purchase of equipment needed to improve a facility's youth offer.
- Equipment to improve health and wellbeing, such as outdoor gym equipment.
- IT improvements including websites, portals, platforms and new IT equipment.
- Purchase of vehicles or mobile units, which could be used for detached youth work or as mobile youth centres.
- Furnishings which enhance/materially benefit the facility's provision.
- Equipment that will allow greater access to young people with disabilities.
- Equipment that will expand and enrich youth activities offered by existing providers.
- Equipment to improve safeguarding and security for young people e.g. CCTV installations, motion detecting lighting, improved building security.

## Equipment item value threshold:

- All individual items of equipment must be £2,000 or greater in value. Note: multiples of identical (i.e. the exact same) items with a cumulative value of £2,000 or greater purchased in a single transaction are eligible.
- Eligible costs of equipment and the £2,000 per item threshold can include:
  - The equipment purchase cost, and
  - Where applicable, all costs necessary to bring the equipment to working condition for its intended use which can include delivery and handling, site preparation, installation, related professional fees for architects and engineers.

- Equipment assets can be considered as one grouped item and the combined value of them as meeting the £2,000 threshold if they meet both of the following:  
a) The individual assets are interdependent and used together to deliver a single purpose or function. Interdependent meaning one item on its own would not be useful or would not achieve the intended purpose without the others) AND  
b) The grouped assets are purchased from a single supplier and listed on a single invoice from that supplier.

**Eligible Example 1: Purpose IT set up:** A CPU, monitor, keyboard, mouse, cables may each cost less than £2000, but combined together cost £2,000, they would be eligible as the assets are interdependent and used together to deliver a single purpose or function.

**Eligible Example 2: Purpose Kitchen setup:** An application for the refurbishment of a kitchen is submitted along with equipment in the form of a freezer, oven, cooking pots, and cutlery (with these equipment items totalling £2k+ together but not individually) to enable the youth facility to provide cooking classes. The equipment items can be grouped together to meet the £2k threshold as they are interdependent (one item on its own would not be useful or would not achieve the intended purpose without the others).

**Ineligible example:** A list of items that includes a computer, and some goals nets. The computer and goal nets are not interdependent and used together to deliver a single purpose or function so cannot be grouped together. E.g. if computer was £1,000 and goal nets were £1000, they would each be treated as separate items for the £2,000k threshold and would not be eligible.

### **Ineligible Equipment Expenditure**

- Routine maintenance and repair costs of equipment.
- Like-for-like replacement of existing equipment\*.
- IT subscriptions.
- Individual equipment items of less than £2,000 in value, including multiples of identical (i.e. the exact same) items with a cumulative value of less than £2,000 purchased in a single transaction.
- Input VAT reclaimable by You from HMRC;

### **Note:**

*\* In determining whether a refurbishment project or an equipment/vehicle request is Like for Like we will apply two criteria:*

*- Criteria 1: It is not identical AND*

*- Criteria 2: Meets one of the fund objectives (Improves the reach of activities provided.,*

*Improves the safety of existing youth facilities, Improves the youth sector's capacity and quality to deliver a range of enrichment activities, Improves the financial sustainability of youth facilities)*

*If it meets both of the above criteria it will be deemed as not "like for like" replacement. The above criteria are compared against the current equipment / land /building as if it is currently in well maintained and fully repaired condition (even if it is not) as general maintenance and repairs to existing buildings, land or equipment is ineligible*

## **Eligible Refurbishment Expenditure**

**Refurbishment** = Items that **have a permanent connection** to the structure of the building, the ground (in the case of land) or the vehicle (in the case of mobile units) **and cannot be removed** will be considered part of **refurbishment works**.

Examples would include integrated cookers, built in storage cupboards, sensory garden items bolted to ground, playground items bolted to ground, accessible ramp attached to the bus etc.

- Changes to existing spaces, e.g. provision of music rooms, arts C crafts, I.T. rooms. This can include structural changes such as walls to be built/removed, flooring to be altered, additions to be made to the room.
- Expansion or extension of existing facilities used for youth services/activities.
- Renovation work where it will expand the capacity or inclusivity of services being offered to young people.
- A project should not have the sole purpose of energy efficiency improvements however energy-efficient improvements (e.g.: insulation, LED lighting, new heating radiators) would be eligible in these cases as they would be a part of the refurbishment.
- Improvements that will allow greater access to service users with disabilities.
- Landscaping of outdoor space, including providing sensory gardens and visually improving the appearance of outdoor areas.
- The above purposes of refurbishment work can include:
  - All electrical works. For example: electrical/data installation, fitting new plugs/moving plugs, electrical system testing and upgrading where necessary.
  - Storage Unit improvements - build new or extend existing.
  - Third party fees for Refurbishment Project Management\*\*, Architects, Legal, Structural engineer surveys, Quantity surveyors, contractor overheads and profit - – but only if they are directly attributable to bringing the asset to the condition necessary for it to operate as intended by management.
  - Soundproofing.
  - Refit Bathroom - Replacement and works involved with such. **Only if enhancing and not like for like\*\*\* replacements.**

- Refit Kitchen - Replacement and works involved with such. **Only if enhancing and not like for like replacements.**
- Refit other spaces Office - Replacement and works involved with such. **Only if enhancing and not like for like replacements.**
- Capital items that may be intrinsic to the refurbishment. For example: Lighting, Drainage, Fencing/Gates, Stud walls and partitions, Utilities connections, Cladding, Signage, Air ducting and ventilation, complying with Health and Safety and Fire Regulations and Security.

#### **Notes:**

\*\*The applicant organisations costs of managing the project are not eligible. Third party costs of managing the project are eligible – but only if they are directly attributable to bringing the asset to the condition necessary for it to operate as intended by management.

#### **Ineligible Refurbishment Expenditure**

- Refurbishment projects that exceed £50k - the total refurbishment project must cost £50k or less on a stand-alone basis and not have dependencies within a larger C higher costs refurbishment or building project.
- Input VAT reclaimable by You from HMRC.
- General maintenance and repairs to buildings or land. Unless the following are part of a broader project that meets the fund objectives and are intrinsic to that project, they are Ineligible.
  - **Building or internal repairs** - for example flooring repairs, roof repairs, window repairs, Lintel repair, Ceiling repairs, rewiring, Damp Works.
  - **Immaterial building replacements** - for example replacement of access doors, the roof, CCTV, internal doors, ceiling tiles, windows, fascias, flooring, guttering.
  - **Painting and Decorating** – for example: wall finishes.
  - **Servicing and decommissioning** - for example, electrical servicing or annual maintenance on items such as heating systems or decommission of units such as air conditioning.
- Like for like replacement.\*\*\*

#### **Note:**

\*\*\* *In determining whether a refurbishment project or an equipment/vehicle request is Like for Like we will apply two criteria:*

- *Criteria 1: It is not identical AND*

- *Criteria 2: Meets one of the fund objectives (Improves the reach of activities provided., Improves the safety of existing youth facilities, Improves the youth sector's capacity and quality to deliver a range of enrichment activities, Improves the financial sustainability of youth facilities)*

*If it meets both of the above criteria it will be deemed as not “like for like” replacement. The above criteria are compared against the current equipment / land /building as if it is currently in well maintained and fully repaired condition (even if it is not) as general maintenance and repairs to existing buildings, land or equipment is ineligible*

### **General Ineligible Expenditure**

- Operating expenses.
- Payment that supports lobbying or activity intended to influence or attempt to influence Parliament, Government or political parties, or attempting to influence the awarding or renewal of contracts and grants or attempting to influence legislative or regulatory action.
- Using grant funding to petition for additional funding.
- Input VAT reclaimable by you from HMRC.
- Payments for activities of a political or exclusively religious nature.
- Goods or services that you have a statutory duty to provide.
- Payments reimbursed or to be reimbursed by other public or private sector grants.
- Contributions in kind (i.e. a contribution in goods or services, as opposed to money).
- Depreciation, amortisation or impairment of fixed assets owned by you.
- Interest payments (including service charge payments for finance leases).
- Gifts to individuals other than promotional items with a value of no more than £25 a year to any one individual.
- Entertaining (entertaining for this purpose means anything that would be a taxable benefit to the person being entertained, according to current UK tax regulations).
- Statutory fines, criminal fines or penalties.
- Liabilities incurred before the issue of this funding agreement unless agreed in writing by us.
- Use in respect of costs reimbursed or to be reimbursed by funding from any other source.
- Use to purchase buildings or land.