

## **Note of Clarification on Funding Requirements for Renewal Grant and Enhanced Renewal Grant**

### **1.0 Renewal Grant**

1.1 Eligible colleges are to receive an allocation of £225,000. To utilise this funding, colleges must be able to provide funding from their own resources (eg cash reserves, borrowing, other grants) that equates to at least double this allocation. On this basis, colleges will need to confirm that they can use the allocated funding for projects valued at £675,000 or more – the £225,000 allocation will represent up to one third of the project costs. Any colleges that are unable to provide the necessary funding must contact their respective Heads of Provider Financial Management, Skills Funding Agency.

### **2.0 Enhanced Renewal Grant**

2.1 Eligible colleges can apply for a further grant for a larger project up to a maximum grant level of £1,000,000. This limit is inclusive of the Renewal Grant allocation – the maximum additional grant available is £775,000. As with the Renewal Grant, colleges must be able to provide funding from their own resources that equate to at least double the grant requested. For example, to receive a grant of £775,000, a project would cost £2,325,000 or more and a college would be required to provide funding of at least £1,550,000.

2.2 Subject to the requirements for college funding above (paragraphs 1.2 and 2.1), the two grants can be used for one project – ie grant of up to £1,000,000 for a project of at least £3,000,000.

**If colleges intend to apply the allocated funding to a larger project that also requires funding from the Enhanced Renewal Grant, they must confirm how the allocation will be used in the event that an application to the Enhanced Renewal Grant is unsuccessful.**

If you have any queries relating to use of the Renewal Grant and Enhanced Renewal Grant, then please contact your Senior Property Manager, Skills Funding Agency.