Capital Project Grant Support:

New and Updated Arrangements from 2003-04 onwards and Consultation on the Rate of Grant Support

Summary

This circular gives guidance to further education (FE) providers on new and revised capital project grant support arrangements for 2003/04 onwards. It also consults providers on aspects of those arrangements. It addresses the following topics: the Learning and Skills Council’s (LSC’s) capital programme framework; capital allocations 2003/04 to 2005/06; FE and 16–19 capital rationalisation funds; the timetable for receiving and determining capital applications; the percentage of capital grant support payable (consultation); eligibility of other FE providers (consultation); capital criteria (consultation); compliance with the requirements of Part 4 of the Disability Discrimination Act (DDA) 1995 and the Special Education Needs and Disabilities Act 2001 (SENDA); calculation of eligible project costs (consultation); post-project review; and FE/higher education (HE) capital issues.
Contents

Executive Summary
Introduction 1
Background 2
Capital Project Grant Support Arrangements 2003/04 Onwards 5
   Capital programme framework 5
   Capital allocations 2003/04 to 2005/06 7
FE and 16–19 Capital Rationalisation Funds 9
   Programme aims and timetable 9
   Percentage of grant support payable – FE projects 16
   Consultation 20
   Other FE providers 23
   16–19 capital rationalisation funds 26
   Capital grants criteria 27
   Calculation of eligible project costs 29
   Centres of Vocational Excellence (CoVE) Programme 31
FE and SENDA/DDA Requirements 33
   HE institutions providing FE 43
   Post-project review 44
   Adult and community learning 45
Other Matters 46
   Further Education Estates Management Statistics Study 46
   Investment appraisals 47
   General capital arrangements 49
   Acknowledgement of LSC capital funding 50
   Application and claims forms 51
   FE colleges providing or proposing to provide HE 52

Annexes:
Annex A: Consultation on Capital Issues
Annex B: LSC Capital Projects Criteria
Annex C: Guidance on Access Audits and Surveys
Further information

For further information, please contact the appropriate local Learning and Skills Council.
Executive Summary

Date: March 2003

Subject: This circular gives guidance to FE providers on new and revised capital project grant support arrangements for 2003-04 onwards. The LSC will make the following principal changes. It will:

- consider most capital applications on a quarterly cycle;
- extend the categories of providers eligible to apply for capital grant support;
- consolidate arrangements whereby providers may apply at the same time for FE capital and 16–19 capital rationalisation funds;
- introduce arrangements allowing the level of grant support for a project to reflect what the provider can afford; and
- give priority to capital projects identified as being needed through strategic area reviews and area inspections.

The LSC will also develop high-level criteria for assessing applications for capital grants against the LSC’s national targets and performance measures, and those of local LSCs. This will help the LSC decide which applications should be successful, if available funds are limited.

The main changes, principally making more categories of providers eligible for support and linking the level of grant available to what the provider can afford, are the subject of consultation in this circular (Consultation questions appear at Annex A).

Recipients are asked to note the 15 May 2003 deadline, in Paragraph 42, for receipt of applications for capital grant support towards DDA/SENDA works to be carried out this summer 2003.

Intended recipients: Principals of FE colleges, former external institutions, specialist institutions and HE institutions delivering FE provision funded by the LSC; chief education officers; LSC executive directors.
Capital Project Grant Support: New and Updated Arrangements from 2003-04 onwards and Consultation on the Rate of Grant Support

Introduction

1 This circular confirms new and updated arrangements for the administration, assessment and determination of applications for consent and capital grant support as they will apply from 2003-04 until further notice. It also consults FE providers on the rate of capital grant support, extending eligibility to groups of FE providers other than FE colleges and others covered in previous circulars, and on the likely rate of take-up of FE DDA/SEND A compliance capital funds.

Background

2 During 2001-02 and 2002-03 the LSC has operated similar capital grant support arrangements to those operated by its predecessor the Further Education Funding Council (FEFC). However, some changes have been introduced to help ensure that the capital programme will address new priorities set by the Secretary of State for Education and Skills (the Secretary of State) such as those identified in the Success for All programme announced in June 2002, and formally launched in November 2002.

3 Various changes to the earlier arrangements were announced in Circular 01/06 Capital Project Grant Support and Transitional Arrangements 2001-02 and in Circular 02/20 Capital Project Grant Support: Updated Arrangements for 2002-03. They included the introduction of additional categories of providers and projects that could qualify for capital grant support, including 16–19 capital rationalisation and adult and community learning (ACL), and expenditure necessary to meet the DDA/SEND A requirements. Additionally, and in particular, Circular 02/20 defined the exceptional circumstances when additional grant support above the ‘usual’ 35% of eligible project expenditure might be offered to FE colleges.

4 The Grant Letter from the Secretary of State for Education and Skills to the LSC dated 5 December 2002 reinforced the increased priority being given by the Government to the LSC’s capital programme, saying:

I have provided significant new and flexible resources for capital funding by 2005-06 – an increase of over 60% in real terms compared to 2002-03. I expect you to use the outcomes of Strategic Area Reviews and area inspection conclusions to develop a strategic capital investment approach for each local Council and for England as a whole, attaching special emphasis to the development of Centres of Vocational Excellence, and meeting the requirements of the Disability Discrimination Act.
Capital Project Grant Support Arrangements 2003-04 Onwards

Capital programme framework

5 The LSC has agreed to introduce a new capital programme framework from 2003-04. Whilst the arrangements by which providers will apply for capital project grant support will remain largely unchanged, the LSC will:

• consider most capital applications on a quarterly cycle;
• extend the categories of providers eligible to apply for capital grant support;
• give priority to capital projects identified as being needed by strategic area reviews and area inspections;
• give priority to capital projects needed for the achievement of other LSC policy aims; and
• consolidate the arrangements whereby providers may apply for FE capital and 16–19 capital rationalisation funds.

6 The LSC will introduce arrangements allowing the level of grant support for a project to reflect more closely what the provider can afford without unduly disadvantaging successful colleges or rewarding unsuccessful ones. It will develop high-level criteria for assessing applications for capital grants, against both the LSC’s national targets and performance measures and those of individual local LSCs. This will help the LSC to decide which applications should succeed if limited funds are available and it will, in due course, enable the LSC to evaluate its capital policies through relevant post-investment review. The main changes to providers will relate to extending the categories of providers eligible to apply for capital grant support and to allowing the amount of grant support for a project to reflect affordability. These changes are the subject of consultation through this circular (see Annex A).

Capital allocations 2003-04 to 2005-06

7 The grant letter indicates the capital funds available to the LSC for the period 2003-04 to 2005-06. These sums include capital allocations for information and communications technology (ICT) and neighbourhood learning in deprived communities (NLDC), the arrangements for which are covered in separate LSC guidance. The letter also gives the LSC more freedom to vire (transfer) funds between its planning budgets for most categories of capital expenditure. For 2003-04 the LSC is intending to follow its previous practice, and that of its predecessor, the FEFC, by reserving £30 million of its revenue allocation to top up the allocation to FE institutions. However, further increases in capital funds to the LSC in 2004-05 and 2005-06 may remove the necessity for such virements (transfers) in the future.

8 The funds that the LSC is planning to allocate in 2003-04 for each category of expenditure are indicated in the relevant parts of this circular.

FE and 16–19 Capital Rationalisation Funds

Programme aims and timetable

9 For 2003-04, the LSC is proposing to allocate about £109 million for general FE capital purposes, £40 million for FE DDA/SENDA purposes and £25 million for capital for 16–19 rationalisation projects resulting from area inspections or strategic area reviews in 2003-04.

10 As forecast in Circular 02/20, the LSC has decided to set up a rolling capital development programme from 2003-04. Providers applying for FE capital and 16–19 rationalisation capital funds will submit project proposals and the LSC will regularly consider additions to (and deletions from) the programme. The LSC will contribute grant aid towards the costs of projects on the programme.
Separate arrangements will apply for FE DDA/SENDa and ACL funds.

11 Applications for FE and 16–19 rationalisation capital funds received after 1 April 2003 will, therefore, be assessed against capital projects criteria that will include, as now, the educational justification, what the provider can afford, project viability (the ‘Green Book tests’), and value for money. In addition to the technical project-ranking criteria currently used (capital costs/value for money and floor space utilisation as a proxy for running-cost efficiencies), projects will also be assessed against new high-level selection criteria relating to national and local LSC targets and priorities, and including the Success for All programme goals. Local LSCs already consider project applications against their own priorities and targets at the project assessment and endorsement stage. As the demand for capital funds grows, the LSC may have to consider judging applications in the light of national as well as local circumstances, using a system similar to that used for the Centres of Vocational Excellence (CoVE) programme, assuming that the demand for grant funding will outstrip supply in the medium to long term. The LSC believes that comparing project outcomes with programme aims is a crucial part of the post-project evaluation process.

12 Depending on the demand for funding and the number of projects to be considered, applications will be rolled forward and the capital programme updated quarterly, if funds permit. Larger projects (with estimated capital costs of £10 million plus) will join the programme, as now, initially as the subject of an application ‘in principle’ so that appropriate budget adjustments can be made for affordability and slippage. Within a 12-month period ‘in principle’ allocations will need to be converted into ‘detailed’ allocations. Otherwise, such allocations will either be cancelled or need to be resubmitted. A shadow programme of potential forward commitments, identified but not yet approved, will also be established to assist planning and budgeting at local and national level.

13 This approach envisages that the Capital Committee will meet (and report to the Council) on a quarterly basis. Given that projects have to be assessed and then endorsed by the relevant local LSC before being considered by the national Capital Committee, and in some cases the full Council, applications will need to be received at least two months before the month in which the Capital Committee (or the chief executive, for projects with an estimated cost of under £5 million) is due to determine the application. In the case of applications for projects with an estimated cost above £20 million, which the Council will determine, applicants will need to allow three months. The LSC is considering accelerated procedures for projects estimated to cost not more than £1 million. All of this should avoid an annual bidding round. However, inclusion of projects in the capital programme should not be considered a foregone conclusion and project applications will still have to be tested against the LSC’s general capital project criteria, which will continue with minor changes (see paragraphs 27 and 28 below). These will be reinforced by the addition of high-level selection criteria, relating to the LSC’s national and local targets and criteria, which will be used essentially as part of the ranking process when scarce resources make it necessary to choose between projects. These criteria are being developed and will be shared with providers in due course.

14 Applications for mainstream FE and 16–19 capital rationalisation funds will, therefore, be considered against the following timetable for 2003-04.

- Applications for projects estimated to cost up to £5 million must be received at least six weeks before the date by which determination of the application is requested.
- Applications for projects estimated to cost between £5 million and £20 million will be considered against the timetable in Table 1.
Table 1 Timetable for application and determination of project proposals

<table>
<thead>
<tr>
<th>Application received by:</th>
<th>Application determined in:</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 April 2003</td>
<td>July 2003</td>
</tr>
<tr>
<td>30 June 2003</td>
<td>September 2003</td>
</tr>
<tr>
<td>30 September 2003</td>
<td>December 2003</td>
</tr>
<tr>
<td>24 December 2003</td>
<td>March 2004</td>
</tr>
</tbody>
</table>

- Applications for projects estimated to cost £20 million or more, which need the approval of Council, may require additional time and providers should agree appropriate programmes with their local LSCs.

15 In all cases these dates are given for guidance only and a timetable for the receipt, assessment and determination of capital applications should be agreed beforehand with the relevant local LSC. These timescales apply to fully detailed applications that have been discussed in detail with the local LSC. They may be extended if incomplete applications are received, and additional information and analysis have to be requested by the local LSC. During the first three months or so of the next financial year there will be transitional meetings of the Capital Committee to deal with projects now in the pipeline that could not have taken these dates into account.

Percentage of grant support payable – FE projects

16 The LSC has decided to modify the arrangements whereby, for FE projects, a capital grant of up to 35% of eligible project costs may be available. Circular 02/20 indicated that 35% should usually be regarded as a maximum and that a lower grant might be offered in appropriate circumstances; it then outlined the very exceptional circumstances when the LSC might make additional grant available, along with the factors it would take into consideration (paragraphs 6–8 of Circular 02/20).

17 The LSC has decided that, in principle, the present ‘assumption’ of 35% grant support for most college projects should be modified, so that grants are assessed more strictly against affordability and, to some extent, negotiated with providers. (Previously, for larger projects involving well-resourced providers, the LSC has already negotiated a lower level than the previous 35% norm.) The percentage of funding the LSC can offer in support of future capital project applications will depend, in part, on the demand for capital funds and the extent to which the LSC can assess project applications against affordability. Affordability will be determined by reference to the likelihood of a provider remaining in, regaining, or achieving within at most three years of project completion, a financial health status as shown in Table 2. This approach will mean that in all cases local LSCs will review the financial position of a college as a whole to determine an appropriate percentage. This will take account of a college’s latest financial health assessment (in accordance with the provisions of Annex C to Circular 02/11 Planning), possible capital receipts from sales, cash reserves and cash flow and the provider’s ability to borrow. However, DDA/SENDA works should be separately identified in general capital applications, and consideration will be given as to whether this element of the project should qualify for a higher proportion of grant funding.
Table 2 Financial health status

<table>
<thead>
<tr>
<th>Current Financial Health:</th>
<th>Forecast Financial Health:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group A</td>
<td>Group A</td>
</tr>
<tr>
<td>Group B</td>
<td>Group A (preferred) or B - in transition to A</td>
</tr>
<tr>
<td>Group C</td>
<td>Group A (preferred) or B - in transition to A</td>
</tr>
</tbody>
</table>

18 Colleges exceeding the minimum Group A criteria by a substantial margin will normally be expected to put any excess reserves towards their capital project. This will be taken into account when determining any capital grant allocation.

19 These financial groups are assessed in accordance with the provisions of Annex C to Circular 02/11 Planning. If such an approach is not adopted then colleges recovering from financial difficulties or with no assets at all to sell could find themselves unable to undertake capital investments. It is not the intention of the LSC to unduly penalise successful providers or overly subsidise poor performers but:

- it does not wish to see an increase in the overall average percent of grant support;
- some colleges benefit from large windfall gains if the existing estate is in a prime development area; or
- some colleges are locked into a poor and costly estate of low value, and which may not encourage participation;

and local LSC project assessment teams will be asked to keep this in mind.

Consultation

20 Before finalising any new arrangements for determining the percentage of grant support payable for particular projects, the LSC wishes to consult providers on how such an approach might work. The questions forming the basis of the consultation are set out in Annex A to this circular. The LSC will publish the outcome of the consultation and any revised arrangements in the early summer. In the meantime, the current arrangements for determining the percentage of grant support payable will continue to apply. Local LSCs will continue to require colleges to demonstrate that the amount of grant requested is required on affordability grounds. The LSC may choose to vary the amount of grant support payable on affordability grounds.

21 A college with a financial health group A rating will usually be able to demonstrate the following characteristics:

- a positive cash flow from operations each year;
- more than 25 cash days in hand;
- a current ratio above 1.5:1;
- a positive balance on its general reserve (income and expenditure account);
- an operating surplus year-on-year; and
- total borrowing less than 50% of their general reserve (income and expenditure account).

22 Providers with a group A rating will also have carried out a rigorous sensitivity analysis and modelled the issues that are most critical to their success. They will have identified contingency plans to deal with the most adverse variances.

Other FE providers

23 As part of the legacy from the FEFC the LSC’s capital funds have previously been principally available to FE colleges, which have been defined, with very few exceptions, as
those institutions that were incorporated from April 1993 under the provisions of the Further and Higher Education Act 1992. In Circular 02/20 the LSC confirmed that HE institutions could also apply to the LSC for capital to support their FE provision. Specialist institutions with LSC-sponsored learners with learning difficulties and/or disabilities have also had limited access to capital funds.

24 The LSC will be extending the availability of FE capital funds to other FE providers receiving FE recurrent funding from the LSC. Some 200 adult education providers (formerly known as External Institutions) in this category deliver FE provision. The further 60 or so external ‘specialist’ institutions that cater for LSC-sponsored learners with learning difficulties and/or disabilities will also be included, and are being separately consulted on the arrangements that might apply to them.

25 The extent to which such providers could receive capital grant support under similar arrangements to those for mainstream FE colleges may depend on how much funding they receive from LSC. Those receiving a similar proportion of income from the LSC to mainstream FE colleges could be included under the general capital programme support arrangements. Other institutions, receiving a minority of their funding from LSC, could receive some proportion of the capital allocation for all FE providers based on LSC-funded learner numbers or activity. The LSC wishes to consult on these matters and so questions relating to these proposed changes are included in the capital consultation questionnaire at Annex A.

16–19 Capital rationalisation funds

26 For 2003-04, the LSC proposes to allocate approximately £25 million for capital expenditure specifically to support local action arising out of area inspections, strategic area reviews, other area review outcomes and other proposals in support of the reorganisation of 16–19 provision. To date, there have been applications for new 16–19 FE colleges and Local Education Authority (LEA) 16–19 centres, although not at the rate originally envisaged. The LSC has not, therefore, instituted a separate bidding round for such projects and applications. The above proposal to assess the rate of grant support by reference to providers’, including LEAs, affordability will enable the arrangements for 16–19 capital rationalisation to be consolidated into, and considered within, the mainstream capital grant support arrangements described earlier in this circular.

Capital grants criteria

27 Colleges are asked to prepare their capital project applications against the capital grant criteria provided in Circular 01/06 ‘Annex: Capital Projects Criteria’. The only material changes proposed for these criteria are those consolidating the requirements at paragraph 34 to Circular 02/20. (Capital applicants are required to demonstrate how their proposals have taken into account the Race Relations Act 1976 and the Race Relations (Amendment) Act 2000, and how new or modernised facilities will meet the reasonable needs of all racial groups.) It is also proposed that the capital projects criteria should be adapted to reflect the assessment of applications from all FE providers, and of LEAs applying for 16–19 capital rationalisation funds.

28 The LSC’s capital criteria, revised to take account of these changes, are provided at Annex B to this circular, with substantial changes printed in italics. FE and LEA providers are invited to comment on these proposed changes through the consultation exercise at Annex A.

Calculation of eligible project costs

29 The LSC’s current capital arrangements require capital grant support to be based on an appropriate percentage (usually 35%) of ‘eligible project costs’. The LSC has, up to now, followed, its predecessor, the FEFC’s practice of deducting grant support from other public
sector bodies from the gross cost of the project, to arrive at the eligible project cost. It has been suggested, however, that contributions from, for example, the Single Regeneration Budget (SRB) or the European Regional Development Fund (ERDF) should no longer be deducted from the eligible project costs as they are directly related to project aims and outcomes. They should therefore be considered as additional grant support, counted within the college’s contribution. However, the LSC will not give grant support that will provide a total of more than 100% of the cost of the project when all other contributions, based on affordability, have been taken into account.

30 FE and LEA providers are invited to comment on this proposal within the capital consultation questionnaire at Annex A to this circular. The LSC’s grant contribution will still be considered to be ‘gap’ funding and, through the assessment of affordability as indicated elsewhere in this circular, the LSC will only contribute those funds, if any, that it considers necessary for a project to proceed that meets all of its other projects criteria.

Centres of Vocational Excellence (CoVE) Programme

31 The LSC proposes to allocate about £66 million on the capital element of the CoVE Programme in 2003-04. CoVE application arrangements and criteria are detailed in Circular 01/14 and Circular 02/15.

32 CoVE capital allocations should be spent for the purposes outlined in qualifying providers’ CoVE development plans, generally for the purchase of CoVE related equipment and minor building works and adaptations to accommodate the CoVE. Qualifying FE CoVE providers, with the prior agreement of their local LSCs, may put any surplus CoVE capital funds towards the related costs of capital applications for approval and grant support towards the costs of capital projects to develop or modernise premises in which the CoVE will be located. For applications made under the arrangements set out in Circular 02/20 Capital Project Grant Support: Updated Arrangements for 2002/03 and Circular 01/06 Capital Project Grant Support Transitional and Interim Arrangements 2001/02 these sums would be treated as part of the providers’ contribution to project costs and would not usually be netted off against the Council’s main capital contribution. If the arrangements set out at paragraphs 16-19 in this circular are adopted surplus CoVE capital funds could still be used for this purpose but would be taken account of in determining project affordability and the Council’s overall grant contribution.

FE and DDA/SEND A Requirements

33 The LSC proposes to allocate approximately £40 million for FE DDA/SEND A purposes in 2003-04, and expects to allocate a higher sum in 2004-05, in order to help colleges comply with their statutory requirements by the full compliance date in 2005. A recent study for the LSC, by the Learning and Skills Development Agency (LSDA) and Amey VECTRA Property Consulting, of a representative sample of colleges indicates that over half of FE colleges have yet to complete a full survey or audit of DDA/SEND A compliance. In 2002-03, the LSC provided a formula-based allocation, to FE providers, pro rata to their guided learning hours (glh), in order to help them to carry out the necessary survey and design works and, where appropriate, to implement DDA/SEND A works. Guidance on the implementation of access surveys and audits is attached at Annex C to this circular.

34 During 2003-04, the LSC again intends to allocate a proportion of its available DDA/SEND A funds on a formula basis to all FE providers. Depending, in part, on the outcome of the consultation questionnaire, it will allocate a greater proportion of these funds to those FE colleges and other FE providers that receive a majority of their revenue funding from the LSC. FE colleges and other FE providers in this category are invited to indicate in their response to the consultation questionnaire at Annex A to this circular the estimated costs of DDA/SEND A works they are
planning. They are also asked whether they intend to undertake any such works this summer or in the next three financial years, ending 31 March in each of 2004, 2005 and 2006 respectively.

35 As a reminder, the new duties under DDA/SENDA are being introduced in three stages.

36 The main sections of the DDA/SENDA came into force on 1 September 2002. From that date it has been unlawful to discriminate against disabled people or learners by treating them less favourably than others. In addition, responsible bodies are required to provide certain types of reasonable adjustments to provision where disabled learners or other disabled people might otherwise be substantially disadvantaged.

37 From 1 September 2003 responsible bodies will also be required to make adjustments that involve the provision of auxiliary aids and services.

38 From 1 September 2005 responsible bodies will be required to have made adjustments to physical features of premises where these put disabled people at a substantial disadvantage.

39 A key element of the new duties is that they are anticipatory, that is, providers must not wait until approached by, for example, a visually impaired learner, to consider what steps are necessary to support learners with visual impairments. Further information is available on the Disability Rights Commission website www.drc-gb.org.uk.

40 To date, the LSC has funded up to 50% of the costs of DDA/SENDA compliance works to a maximum project cost of £250,000. For the purposes of completing the questionnaire, providers may assume that the LSC will provide up to 75% of the costs of relevant DDA/SENDA compliance works, up to a maximum project cost of £1 million. The LSC will determine the actual percentage contribution that it will make to the costs of eligible works for projects approved in 2003-04 once the full results of the consultation, mentioned above, are available, and in the light of the funds likely to be available. Qualifying FE providers may make a case, on affordability grounds, for additional DDA/SENDA grant support.

41 FE colleges and other qualifying FE providers are invited to use Form D in the applications booklet to apply for project-based DDA/SENDA capital funding on the basis indicated above.

42 Institutions intending to carry out DDA/SENDA works this summer should submit applications for grant support as soon as possible, and no later than 15 May 2003. Those preparing capital applications should assume 75% grant support for the elements of their projects directly related to DDA/SENDA requirements, up to a maximum of £1 million expenditure, although it must be noted that this percentage contribution has yet to be agreed by the LSC. The LSC will make the final decision when the results of the consultation questionnaire at Annex A to this circular are to hand. Applications for grant support for DDA/SENDA projects expected to cost more than £1 million will be considered by local LSCs on affordability grounds. DDA/SENDA works should also be separately identified in general capital applications, and consideration will be given as to whether this element of the project should qualify for a higher proportion of grant funding.

HE institutions providing FE

43 As indicated in Circular 02/20, HE institutions providing LSC-funded FE are eligible to apply for capital grant from the LSC in support of their FE provision. As previously, any particular project will be required to comply with the same floor space utilisation standards and other capital criteria and arrangements applicable to FE institutions, as published in this circular and other guidance issued by the LSC from time to time. Where projects envisage mixed FE and HE usage, applications for grant support from the LSC will usually have to demonstrate a minimum of 100 full-time equivalents (FTEs) and one-third or more continued FE usage of the premises to be developed or modernised. The
LSC’s capital-grant support would usually be limited to an appropriate percentage of the qualifying capital costs, pro rata to the FE usage of the premises.

Post-project review
44 Providers are reminded of the requirement to provide a post-project review of their projects to the LSC within 12 months of practical completion of the project. A form of return is provided at Form E in the LSC’s forms booklet (see paragraph 51 overleaf). Local LSCs will be asked to follow up colleges that have received capital grant support from the LSC and its predecessor the FEFC, since revised arrangements were introduced in 1999. Colleges that have not provided a post-project review in a satisfactory form will be required to provide a completed return by no later than 30 September 2003. The LSC will not progress any new applications for capital grant support from colleges that have not provided post-project reviews due for earlier projects.

Adult and community learning
45 For 2003-04, the LSC is allocating £19 million to provide general capital support and £20.4 million for DDA/SENDA purposes to LEAs that secure ACL provision in support of their provision. Following consultation, the LSC has already informed LEAs, through local LSCs, of arrangements for the distribution of these funds for 2003-04. Using a formula based on learner numbers, it will allocate £9 million for minor works, and £20.4 million for DDA/SENDA purposes. It will allocate £10 million through a challenge fund to which LEAs were invited to submit proposals for between £250,000 and £1 million capital grant towards major capital schemes.

Other Matters

Further Education Estates Management Statistics Study
46 Further to the announcement of the Further Education Estates Management Statistics Study (FEEMS) programme in Circular 02/20, property consultants Drivers Jonas, working with sub-contractors KPMG, have been appointed to undertake the FEEMS project on behalf of the LSC and its partners, Education Learning Wales (ELWA) and the Scottish Further Education Funding Council. All FE colleges have been invited to participate in the study and approximately 130 English colleges and 40 Welsh and Scottish colleges have agreed to take part in the first year of the programme and assist with the research that is currently under way. The remaining colleges in the English FE sector will join the programme in 2003-04 and 2004-05. The consultants are due to publish their first report in Summer 2003.

Investment appraisals
47 Providers are reminded of the requirement whereby applications for capital project grant support must be accompanied by an investment appraisal in accordance with the manual published by the treasury called The Green Book - Appraisal and Evaluation in Central Government. The treasury has recently published the latest edition of The Green Book, which introduces changes to the investment-appraisal process and, in particular, recommends the use of a new discount rate whereby projects will be evaluated at a rate of 3.5% over 20 years rather than at 6% at present.
48 The LSC will produce further guidance on its own investment appraisal methodology, based on that demonstrated in The Green Book, and a new investment appraisal programme will be available to providers from April 2003 onwards. Applications received after 1 April 2003 should be appraised on the new basis.

General capital arrangements
49 Unless otherwise stated in this circular and the attached annexes, all other capital project grant support arrangements will remain as set out in Circular 01/06 and Circular 02/20. The LSC is preparing a capital handbook for publication in the early summer that will consolidate all of the LSC’s current and prospective capital arrangements, and will be updated annually thereafter.
Acknowledgement of LSC capital funding

50 All providers receiving project-related capital project grant support will be required to erect a permanent plaque acknowledging the LSC’s contribution, usually to be located in a prominent position on the exterior of the building. The plaque will be constructed according to the material and design specification to be agreed with the LSC and will be erected at the provider’s expense. A similar notice at the main entrance to the construction site will also be required.

Application and claims forms

51 The LSC’s forms booklet for 2002-03 is currently available in both PDF and Word formats in the LSC website (www.lsc.gov.uk). It should be used for all capital applications until the publication of the 2003-04 forms booklet, with amendments in manuscript where necessary. The LSC hopes to publish the 2003-04 forms booklet in May 2003. The booklet will then also be available on the LSC’s website.

FE colleges providing or proposing to provide HE

52 The LSC is unable to provide capital funds towards the costs of facilities primarily benefiting HE learners other than when HE usage is incidental to the main FE usage. Colleges seeking capital investment in their HE facilities should, in the case of franchised HE provision, satisfy themselves that the franchise payments are adequate to support appropriate levels of capital investment. They may wish to review this matter with their existing or prospective HE institution franchise partners. Those directly funded by the Higher Education Funding Council for England (HEFCE) should consult the relevant HEFCE regional consultant as to the sources of capital funds that HEFCE may make available from time to time.

53 HEFCE’s Restructuring and Collaboration Fund (mentioned in paragraph 21c. of Circular 2/20) closed to new bids at the end of December 2002 (HEFCE’s Electronic Publication EP 01-2003 refers). It is to be replaced with a Strategic Development Fund from April 2003. Information about the new fund, its purpose, criteria and procedures will be published by the HEFCE in due course. The HEFCE website is www.hefce.ac.uk.
(Reference Circular 03/05)

Please complete and mail this form (or fax on 0247 682 3219) by no later than 31 May 2003. If you would prefer to complete it online, a Microsoft Word version is available on the LSC website and can be emailed to propertyservices@lsc.gov.uk. A copy of your response will be forwarded to your local LSC for information.

We would very much appreciate it if you could respond as soon as possible.

In accordance with the Code of Practice on Access to Government Information, the Learning and Skills Council may, on public request, make individual consultation responses available. Please ensure that you inform us if you wish your responses to remain confidential.

Please respond below by ticking the appropriate boxes/deleting, as appropriate, and entering your comments in the space provided.

**Consultation on Capital**

Do you wish your responses to remain confidential?  
Yes ☐  No ☐

Which of the following types of organisation do you work in/represent? *(please tick)*

- General Further Education (FE) college ☐
- Sixth form college ☐
- External FE provider ☐
- Local education authority (LEA) ☐
- LEA-maintained school ☐
- Specialist provider ☐
- Other *(please state)* ______________________________

---

Name *(please print)*  
Role/title  
Organisation  
Address  
Postcode
Please give your responses to the following questions. (The references in brackets are to the relevant paragraphs in the main body of Circular 03/05).

1. Do you agree that the LSC should assess the rate of capital grant support payable towards the costs of qualifying capital projects by reference to the affordability of the project to the provider and to the policy objectives of the LSC, rather than, as at present, mainly by reference to a standard percentage? (Paragraphs 16-19)

   Yes ☐  No ☐

   Comments

   __________________________________________________________

2. Do you agree with the proposal that affordability should be determined by the local LSC team in negotiation with individual providers? (Paragraphs 16-19)

   Yes ☐  No ☐

   Comments

   __________________________________________________________
3. Do you support the concept that affordability should be determined by reference to the likelihood of a provider remaining in, regaining, or achieving, within at most three years of project completion, the financial health status group (as set out at Table 2, paragraph 17) as assessed in accordance with the provisions of Annex C to Circular 02/11 Planning? (Paragraphs 16-19)

Comments


4. If the answer to question 3 is no, what alternative approach, if any, do you propose? (Paragraphs 16-19)

Comments


5 If the answer to question 3 is yes, do you agree that the provider should contribute to the financing of the project – from reserves and/or the proceeds of selling assets or through borrowing or arrangements such as Public Private Partnership/Private Finance Initiative (PPP/PFI) – to an extent that is consistent with achieving or remaining in the appropriate financial health category? *(Paragraphs 16-19)*

**Comments**

---

6 Should the LSC continue with the practice, reintroduced in 2002/03, of designating a proportion of its capital budget for formula-based capital allocations to all FE providers? Individual allocations, which may contribute to the costs of capital equipment, SENDA/DDA expenditure, and so on, would be based on a measure of learner volume such as full-time equivalents (FTEs) or guided learning hours (glh). *(Paragraphs 33-34)*

**Comments**

---
7 Should all external FE providers and specialist institutions regularly receiving more than half of their annual income from the LSC be eligible to receive capital project grant support from the LSC on the same basis as colleges? Or should such support be available only to charitable trusts and other not-for-profit organisations? *(Paragraphs 24-25)*

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charitable trusts and not-for-profit only</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Comments**

---

8 Should all external FE providers regularly receiving less than half of their annual income from the LSC receive a formula-based capital allocation, on receipt of evidence that the allocation will be used for the purposes intended? *(Paragraphs 24-25)*

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Comments**

---
<table>
<thead>
<tr>
<th></th>
<th>Do you agree with the changes to the LSC’s capital grants criteria at Annex B? Substantial changes, other than drafting amendments, are printed in italics in Annex B. <em>(Paragraphs 27-28)</em></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes ☐ No ☐</td>
</tr>
<tr>
<td>Comments</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Do you agree with the proposal that the LSC should no longer deduct other project-related public sector grants from eligible project costs for the purposes of determining project affordability and the amount of capital support? <em>(Paragraphs 29-30)</em></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes ☐ No ☐</td>
</tr>
<tr>
<td>Comments</td>
<td></td>
</tr>
</tbody>
</table>
11 Has your institution completed an access audit/survey of all of its premises to determine the capital works necessary to comply with SENDA/DDA legislation? (Paragraphs 33-42)

Comments

________________________________________________________________________

12 If the answer to question 11 is no, please indicate the percentage of the premises by area that had been audited/surveyed by 31 March 2003.

Comments

________________________________________________________________________
13 Does your college intend to carry out SENDA/DDA compliance capital works in the periods shown in Table 1? *(Paragraphs 33-42)*

**Comments**

---

**Table 1**

<table>
<thead>
<tr>
<th>Period:</th>
<th>Yes/No</th>
<th>Estimated cost (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 April 2003 to 30 September 2003</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 October 2003 to 31 March 2004</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 April 2004 to 31 March 2005</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 April 2005 to 31 March 2006</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Comments**

---
Annex B: LSC Capital Projects Criteria

(Where the criteria have changed substantively since the publication of Circular 01/06 the relevant text is printed in italics).

Stage 1: Validation Criteria

1 Before applying to the Learning and Skills Council (LSC) for support, a provider should apply the following validation criteria to its own proposals.

Consistency with delivery plan and accommodation strategy

2 A provider should be able to demonstrate how its proposals assist its overall plan for:

• accommodating its learners and activities;
• curriculum areas requiring specialist provision;
• the provision of work-based learning to employers (if appropriate);
• new provision in both new and existing curriculum areas; and
• otherwise meeting the priorities of the LSCs as indicated in its published plans and area reviews and in the outcome of their strategic area review under the Success for All programme.

Necessary steps in preparing and reviewing further education (FE) providers’ property strategies are set out in the ‘Guidance on Property Strategies’ available on the LSC’s website. Local Education Authorities (LEAs) will be required to demonstrate that their proposals reflect the authority’s published asset plans and other capital and property strategies for educational property.

Confirmation of provider contribution

3 Given the scarcity of capital funds, a provider will be expected to contribute as much as it reasonably can to the costs of its projects.

4 In 2003-04, the LSC’s maximum contribution towards the costs of a project will usually be no more than the sum the LSC considers necessary for the provider to be able to afford to undertake the project. A provider will need to demonstrate the need for a particular level of grant support in confirming the affordability of the project.

5 An appropriate figure should be provisionally confirmed with the finance director of the appropriate local LSC before proposals are finalised. Under the stage 3 criteria (see below), preference may be given to providers applying for less than the maximum available LSC support. Examples of project financing and the calculation of the LSC’s contribution towards project costs are provided in the LSC’s forms booklet and will be published in revised form in the LSC’s capital handbook to be published in May 2003.

Financial viability

6 A provider should be able to demonstrate that it will be financially viable after taking account of its contribution to the project, that it has no major weaknesses in its financial systems and that it has made satisfactory arrangements to manage the project.

Planning requirements

7 A provider should be able to demonstrate that appropriate planning permission for the proposal will be or has been obtained.
Annex B: LSC Capital Projects Criteria

Private Finance Initiative and Public Private Partnership

8 Providers will be required to demonstrate that they have diligently examined whether better value for money might be obtained by private sector investment and participation in the provision and subsequent management of the assets to be created and in the delivery of relevant services (Public Private Partnership (PPP) and Public Finance Initiative (PFI)).

Stage 2: Application to the LSC

9 The kinds of factors that applicants are advised to consider in developing a capital project proposal are listed below. These will not all be equally relevant to every case and, in certain cases, others not mentioned here might be particularly significant. In addition, there may be different outcomes for the same factor in different projects. The LSC will wish to be assured that a particular outcome is appropriate for the project in question and that the project will contribute to the achievement of its national and local aims and targets.

Delivery plan

10 The following factors apply to providers’ delivery and business plans. Providers should consider:

- whether the project is consistent with the provider’s delivery and business plans;
- whether the strategic aims of the project have been set out in a measurable form to enable a satisfactory post-project implementation review;
- how far the project relates to specialist provision;
- whether the provider’s learner number projections are soundly based;
- how the proposed project will affect and be affected by other providers in the locality:
  i whether the project would contribute to securing proper and reasonable provision for the provider’s normal recruitment area;
  ii how far neighbouring colleges and other educational institutions have been consulted about the project;
  iii whether there is under-utilised space in colleges, school sixth forms and other educational institutions serving the same market;
  iv whether the project will engender wasteful competition;
  v whether the project will engender an undue duplication of specialist facilities within a locality or a replication of courses resulting in uneconomic learning groups;
  vi how far the project will jeopardise the financial viability of other providers;
  vii the impact of the development on any merged institution where a merger/potential merger or other form of reorganisation is likely; and
  viii whether appropriate collaborative ventures have been considered.

Providers putting forward projects should seek the endorsement of their local learning partnerships, local education authorities and other relevant parties to reinforce their evidence that the project will not promote wasteful competition.

Quality

11 The following factors apply to quality issues. Providers should consider:

- whether the existing provision has at least a balance of strengths and weaknesses;
• whether it has achieved at least satisfactory inspection grades for leadership and management; and
• how the project will enhance and help to maintain the quality of the provision.

**Property indicators**

12 The following factors apply to providers’ property. Providers should consider whether:

• the project improves the quality of the provider buildings;
• the proposed buildings are of an appropriate type;
• the building design enables access by people with physical and sensory disabilities and will meet the requirements of the Disability Discrimination Act Part 4 as amended by the Special Educational Needs and Disability Act 2001 (DDA/SENDA);
• the building is energy-efficient;
• the gross/net floor area is appropriate;
• listed buildings are involved;
• health and safety issues have been considered and all legal requirements met;
• there will be continuity of provision for learners during construction; and
• opportunities are being taken for site and premises rationalisation and for their more cost-efficient operation.

**Economic appraisal**

13 The following factors apply to the economic appraisal. Providers should consider whether:

• the options considered are economically appropriate;
• all reasonable options have been evaluated;
• the appraisal includes all relevant costs and benefits and only relevant costs and benefits;
• the appraisal includes the cost of land;
• the project could be broken down into several smaller projects including at least one project which has a higher net present value (NPV) than the proposal;
• the project secures a satisfactory return for the UK economy;
• the provider’s contribution to the project is satisfactory, (bearing in mind any windfall gains, for example from sales of property); and
• the planned profile of expenditure has been realistically constructed and has taken account of the provider’s financial forecasts.

**Borrowing appraisal**

14 If a borrowing appraisal is included in the application the following factors will apply. Providers should consider whether:

• the provider’s overall borrowing will exceed the permitted levels set out in the LSC’s financial memorandum with the provider (if appropriate);
• there are onerous conditions attached to the loan; and
• the interest rate is reasonable.

**Financial health**

15 The following factors apply to the provider’s financial health. Providers should consider whether:

• there appears to be any current risk to their financial health;
• the project creates a risk to their financial health; and
• appropriate risk analysis and sensitivity studies have been conducted.

16 Software has been developed by the LSC which assists with the calculations required in the economic appraisal, the borrowing appraisal and the appraisal of financial health.
The software is available to all providers and may be obtained by contacting their local LSC or Area Property Adviser.

**Race Relations**

17 Applicants for capital grant support will be required to demonstrate how their proposals have taken into account the Race Relations Act 1976 and the Race Relations (Amendment) Act 2000, and how new and modernised facilities will meet the needs of all racial groups.
Stage 3: Selection of Proposals by the LSC

18 The LSC will consider all proposals that pass the first two stages of the process against the seven selection criteria described at paragraphs 18–24.

Proper and reasonable facilities

19 The LSC will have available, if appropriate, the view of the relevant local LSC on the contribution a project would make to ensuring that there are proper and reasonable facilities for further education and work-based training in the area in the light of sixth form and other reorganisations proposed or any mergers in progress.

20 In particular the LSC will consider the following:

• how far the project proposal reflects the new priorities for changes in local provision for 14–16 and 16–19 year-old learners and collaboration with other local providers and, where appropriate, the outcomes of area inspections and reviews;

• whether the project proposal will establish or further develop Centres of Vocational Excellence (CoVEs) and specialisation within the college and/or in collaboration with other local providers;

and

• how far the provider has also consulted fully on its proposals with, for example the relevant colleges, other FE providers, local learning partnerships, local education authorities, school sixth forms and with other providers.

Quality assessments

21 The LSC will take into account relevant Further Education Funding Council (FEFC) quality assessments and, as they become available, those from the Office for Standards in Education (Ofsted) and the Adult Learning Inspectorate (ALI). The LSC would not support a proposal where the provision had been classed on inspection as having more weaknesses than strengths unless the provider was able to show either that it had satisfactorily addressed the shortcomings identified, or that the project was necessary to improve the provision. Should there be competing proposals in a locality, the LSC would give preference, all other things being equal, to the provider where the provision had received the highest quality classification, unless there were over-riding reasons not to do so.

Economy

22 The LSC will compare the cost per m\(^2\) of the net added space of a proposal with that of similar constructions in the same area of the country. For FE projects, the LSC will use its own database and will refer to other property industry databases as appropriate. For 16–19 school/LEA-sponsored projects the LSC will also liaise with the Department for Education and Skills (DFES) schools division on appropriate levels of building costs.

Value for money

23 A measure of value for money can be calculated for a proposal thus: divide the NPV to the United Kingdom economy of the proposal, at the treasury test discount rate, by the value of the proposed LSC contribution. This indicator is specifically recommended by the Treasury for situations in which decisions about rationing capital need to be made. It will be weighed against the other selection criteria in reaching a decision on any proposal.

Space utilisation

24 The LSC will require evidence that the institution has fully addressed the efficient use of floor space and facilities in its accommodation strategy. For further advice on FE projects, see the LSC’s booklet Guidance on Property Strategies available on the LSC’s website. For 16–19 school or LEA-sponsored projects the LSC will also liaise with the DFES schools division on appropriate levels of building costs.
Projects required in order to meet legal requirements

25 The LSC will give preference to:

- projects with evidence of a significant amount of remaining urgent health and safety related works on buildings to be retained;

- other legally required works such as those required, for example, under the Disability Discrimination Act Part 4 (as amended by the Special Educational Needs and Disability Act) 2001 (DDA/SENDA); and

- works intended to broaden participation by those attending the institution, in particular, by improving access and facilities for learners with learning difficulties and/or disabilities.

Financing

26 The LSC will give preference firstly to PFI or PPP projects and secondly to loan-financed projects.

Stage 4: Moderation arrangements

27 Local LSCs will determine the priority of competing capital applications according to the extent that they will contribute to meeting the LSC’s local and national targets and objectives. In the event of applications for capital grant exceeding the funds available, the LSC will put in place national moderation arrangements to determine the relative priority to be given to competing applications.
Annex C: Guidance on Access Audits and Surveys

Purpose of Access Audits and Surveys

The information in this guidance has been provided for the Learning and Skills Council (LSC) by Amey VECTRA Property Consulting.

1 Access audits and surveys should reflect the requirements of the Learning and Skills Act 2000 and the Disability Discrimination Act Part 4 (as amended by the Special Education Needs and Disability Act 2001). That is, they should meet the access requirements of all potential users in the longer term; users may include employees, contractors, students, parents and other visitors/members of the public – including those with disabilities and/or learning difficulties.

2 Audit and survey reports should serve a dual purpose:
   • to document the access status of a facility at a given point in time; and
   • to serve as a management tool.

The data in the report may be filtered and rearranged for the co-ordination and implementation of works, either as part of a programme of planned improvements or as a special project.

Reasonable Information to Provide with Audit/Survey Specifications and Tender Invitations

3 The specification of audits/surveys should include the following:
   • a description of the building and its use (for example, teaching, staff offices, workshops);
   • the approximate age of the building;
   • any constraints on adaptation, such as being listed or within a conservation area, or being designated as of special interest;
   • total ground floor area (GFA), preferably with breakdown between learner/public and staff-only areas;
   • number of floors;
   • any surrounding estates to be included in the audit; and
   • drawings where possible.

Information for Tendering Organisations

Legislative drivers

4 The access audit and recommendations should be based on existing primary and secondary legislation affecting access, which currently includes:
   • the Disability Discrimination Act 1995;
   • the Disability Discrimination Act Part 4 as amended by the Special Educational Needs and Disability Act 2001;
   • Building Regulations Parts B, E, K, M and N;
   • BS8300: Code of Practice: Design of buildings and their approaches to meet the needs of disabled people; and
   • BS5588: Part 8 Emergency Egress.
Annex C: Guidance on Access Audits and Surveys

5 Auditors should also bear in mind the implications of future legislation that is already out for consultation, such as the proposed New Part M of the Building Regulations and BS9999 Fire.

6 Where appropriate, advice will also be expected to refer to best practice guidance available from established sources such as the Royal National Institute of the Blind (RNIB), the Royal National Institute for Deaf People (RNID), and the Centre for Accessible Environments (CAE).

Methodology

7 A physical inspection should be made of each facility to include all of the features outlined above, and measurements taken, where appropriate. A range of measuring devices should be used, including tape measure, light-level meter, gradient-level measure and door-pressure gauge.

8 A digital camera is to be used to record and illustrate recommendations and observations.

9 Action items should be quantified wherever possible – for example, with dimensions, lux levels for lighting, gradient levels and door pressures. Thorough explanatory notes should be provided.

Calibre of consultants

10 Audits should be conducted by experienced access consultants registered with the National Register of Access Consultants (NRAC) or equivalent. A list of these is available in the CAE website (www.cae.org.uk). College management staff should not make any engagement before they have considered the qualifications and past experience of all proposed auditors.

Recent similar projects

11 It is recommended that tenderers provide details of three recent, similar projects, making clear the scope of work they did for these projects and giving the clients’ contact details.

Insurance

12 Details and evidence of professional indemnity insurance should be provided for each auditor or consultant to be employed.

Priority ratings

13 Auditors and consultants should rank their recommendations and suggestions in order of urgency. It is also helpful if they identify items that should be picked up as part of a general maintenance regime.

Report presentation

14 Audit reports prepared in widely known and used software are preferred – the ability to sort, search and filter items is particularly helpful in programming works.

Audit format

15 Audits should be available in both hard copy and electronic format, and reports should be supported with illustrations and colour photographs. For ease of reading, all key information should appear on the same page and should inform the reader of the nature of the barrier, who it affects, and how it can be managed or adapted. It is important that good features or finishes are included within the audit report, to ensure that these are replicated in future and not compromised.

Audit content

16 Audits must be pan-disability (that is, covering all disabilities and impairments, including learning difficulties and special needs, physical and sensory impairments). The audit report should cover the subject areas given below.

External
Surfaces, ramps, steps, handrails, lighting, general safety.

Doors
Entry control/security systems, automatic/manual operating systems, safety controls, thresholds, clear widths, closer
Annex C: Guidance on Access Audits and Surveys

strengths, door furniture, vision panels/glazing manifestation, entrance matting, lobby sizes.

**Horizontal circulation**
Corridor widths, circulation areas, hazards.

**Vertical circulation**
Stairs, handrails, nosings, ramps, handrails.

**Facilities**
Reception desks, information, communications, seating, refreshments, vending areas.

**Internal spaces**
Classrooms, laboratories, kitchens, workshops, salons, art rooms.

**Sanitary facilities**
WCs, location, fittings, dispensers, doors, alerting systems.

**Lighting**
General levels, glare, controls and location.

**Sound**
General quality, echo, assistive equipment.

**Finishes**
Walls, ceilings, decor, reflectance, contrast, absorbent floor finishes, slip-resistance, visual/tactile cueing.

**Furniture**
Tables, chairs, science and workshop benches and fixtures.

**Way finding**
Signage, tactile finishes, colour.

**Information/communication**
Telephones and textphones, inductive couplers, sound enhancement systems, general acoustics, syllabus information and other literature in alternative formats.

**Means of escape**
Refuge spaces, accessible escape routes, evacuation procedures, extinguisher accessibility, fire signage, alarm-call points, visual, acoustic and tactile alerting systems.

**Building management**
The significant role of housekeeping and facilities management services in maintaining an accessible environment would also be explained.

**Management practices and procedures**
Evacuation planning, policies.

**Works estimating**
17 Budget indicators are required to facilitate future financial planning. These should be based upon both the auditor’s past experience and established cost guidance for access adaptation works, such as The Building Cost Information Service Ltd (BCIS) Guide. Budget prices should be given for each item, rather than within a cost range.