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AUSTRALIAN GOVERNMENT

FUNDING FOR

CAPITAL GRANTS PROGRAM FOR NON-GOVERNMENT SCHOOLS

PROGRAM PROCEDURES

Australian Government capital grants supplement funds provided by government and non-government authorities. State and territory governments and non-government school authorities have the primary responsibility for providing, maintaining and upgrading school facilities.

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The Capital Grants Program

INTRODUCTION

The *Capital Grants Program Guidelines* outline the scope, objectives and priorities of the Capital Grants Program (CGP). It should particularly be noted that Australian Government capital grants are intended only to supplement funds provided by the owners of the schools. State and territory governments and non-government authorities have the primary responsibility for providing, maintaining and upgrading school facilities.

OBJECTIVES

The specific objectives of the CGP are to:

- Provide and improve school capital infrastructure, particularly for the most educationally disadvantaged students
- Ensure attention to refurbishment and upgrading of capital infrastructure for existing students, while making provision for needs arising from new demographic and enrolment trends
- Pursue the Commonwealth's other priorities and objectives for schooling:
 - Providing better learning environments
 - Responding to new demographic or enrolment trends
 - Supporting quality teaching
 - Supporting parental and community engagement
 - Supporting safety for the school community
 - Supporting the curriculum
 - Supporting educational opportunities for Indigenous students
 - Supporting educational opportunities for students with a disability
 - Addressing another area of particular educational disadvantage

ELIGIBILITY FOR FUNDING

To be eligible to apply for grants for Australian Government capital funding, a non-government school must:

- be a member, or prospective member, of a BGA;
- be in receipt of Recurrent Funding under the *Australian Education Act 2013* (Recurrent Funding);
- demonstrate to the BGA a financial need for the grant (that is, show that it and its supporting community do not have the capacity to meet the total cost of the project);
- demonstrate to the BGA that the project will contribute to the objectives of the CGP;
- demonstrate to the BGA that the school has an appropriate maintenance plan in place and is able to meet the ongoing running costs of its facilities (or, for new schools, a proposed maintenance plan);
- demonstrate to the BGA that adequate insurance is held over its school buildings (only if relevant, for new schools);
- be proposing a project that is consistent with sound educational planning, within both the school and the environment within which it is operating, especially in relation to the cost, size and use of facilities to be funded;
- be proposing a project that will not adversely affect the condition of a place in relation to the Commonwealth, state, territory or local government heritage legislation;
- demonstrate to the BGA that it is financially viable; and
- own the land or have a lease for the land and/or buildings that has a period to run commensurate with the period in which the capital grant may be required to be repaid if the school no longer provides school education.

Funds are not available for:

- facilities which have religious worship as a principal purpose;
- facilities in a co-educational school where those facilities will not, as far as practicable, be equally available to male and female students at the school;
- where retrospective approval is sought (generally after a contractual arrangement to commence the project has been entered into);
- projects proposed to be undertaken solely by parents and friends;
- facilities where the majority of the use will be by full fee paying overseas, or other unfunded students attending a 'for profit' section of the school;
- facilities that are principally for pre-primary education, i.e. for students below the prescribed state/territory school starting age or where the facility is not in a formal school setting (for example, a school's attached Early Learning Centre would not be eligible for CGP funding).

SCHOOL VISITS

Members of the ACTBGA Priorities Assessment Committee will visit applicant schools in order to gain adequate knowledge of the circumstances and needs of the school.

MASTER PLAN

Schools applying for capital grant funding under CGP are required to have an acceptable master plan. It is important that the proposed project be seen in the context of a broader strategy and planning for the school. Therefore, applicants are to include a copy of a master plan that covers at least 3 years beyond the year of construction for the proposed project. The provision of relevant extracts from a strategic plan is also encouraged.

The master plan represents the sound educational planning which is required to ensure that requests for grants are focused on development of educational facilities at the right time, in the right place for a school.

ASSESSMENT OF APPLICATIONS

CGP funds are limited and not all applications will be successful. The ACTBGA is required by the Australian Government to assess the eligibility of all applications received against legislated guidelines.

The CGP Guidelines outline the following factors for consideration in project prioritisation at sections 94-99:

- primarily, the relative educational disadvantage of the student population of the school; and
- secondarily, the appropriateness of the cost, size and use of the facilities to be funded, in relation to sound educational planning; the relative contributions of the projects to the program's objectives; the condition and suitability of existing facilities in relation to the level of facilities needed; where relevant, the extent to which the projects effect economies through the shared provision of services; and the extent to which schools are making adequate and regular provision for the upkeep of their facilities.

Schools should ensure the proposal put forward is the minimum viable project which considers value for money principles; i.e. be proposing a project that meets the educational needs of the school in a way that is cost effective over the life of the facilities, taking appropriate account of the value of good quality materials and building and design practices that:

- (i) maximise the life of the structure
- (ii) maximise the potential for environmental performance
- (iii) avoid design features that make no significant educational contribution, and which may increase construction, maintenance or operating costs.

Considering these factors, eligible projects will be placed in order of priority for funding on the basis of:

- the relative educational disadvantage of the student population of the school;
- projects that increase capacity;
- projects that provide value for money and maximise outcomes from available funding;
- the readiness of the school to commence construction;
- projects that improve the amenity of non-government schools in respect of compliance of facilities with government requirements or supporting advances in school pedagogy.

The above assessment criteria adopted by the ACTBGA will assist the ACTBGA Priorities Assessment Committee to ensure the prioritisation requirements indicated in the CGP Guidelines are met, and allow fair assessment of all project applications in the annual combined program application round.

FINANCIAL NEED AND LOCAL CONTRIBUTION

The ACTBGA Finance Subcommittee will review a school's financial viability and need for the grant. School communities are expected to contribute to the cost of approved projects to their maximum capacity, taking into account their responsibilities to provide recurrent resources of an appropriate standard.

If the school and its supporting community are assessed as being able to meet the total cost of the project (including through borrowings), no grant can be recommended. Should a grant be recommended, then the school must contribute at least 30% under the CGP.

MAXIMUM FUNDING

The maximum grant a school is able to apply for under the CGP program is \$1,500,000 per school. However, for projects that are for the establishment of new schools, for new campuses, or (either wholly or primarily) for new education levels, a grant of up to \$2,000,000 per school will be considered.

New Schools

Under the CGP, a new school in its establishment phase may submit an application for funding that includes up to two additional project stages, noting that funds under this program are limited and multi-stage projects are subject to the same competitive application assessment process.

In the event that a multi-stage project is approved for funding, new schools should be aware of grant conditions for all successful projects under this program, whereby if the final project cost of a later stage is less than the original approved project cost at the time of application, the ACTBG is required to reduce grant accordingly.

COST ESTIMATES

Schools must obtain detailed cost estimates from a registered Quantity Surveyor prior to completing the application forms. Schools must also ensure a registered Quantity Surveyor completes the *ACTBGA Quantity Surveyor Project Cost Template* prior to completing the application forms. This template is available in the [CGP Forms & Procedures](#) section of the ACTBGA website.

To facilitate fair assessment of applications and equitable funding of projects, the ACTBGA draws on construction industry data of average actual costs for particular types of school functional areas for the ACT, as determined by a quantity surveying firm engaged specifically for this purpose. Information on average costs is available from the ACTBGA on request. This information is considered, along with other factors, to help assess whether proposed project costs are reasonable.

Where accurate cost estimates are not provided, the school may be excluded from further consideration in that round of grants.

AREA STANDARDS

The proportion of a project that takes it to more than the former Commonwealth area standards for primary and secondary students may not be considered for funding unless there are special circumstances – specifically, facilities needed for people with disabilities or schools that are able to

demonstrate they have taken over non-purpose-designed facilities, or unless otherwise determined by the ACTBGA Priorities Assessment Committee.

When completing an application form, schools must list all school spaces by their functional use. A list of functional spaces for primary and secondary schools is set out on **page 10** of the **Information to Assist Applicants** document.

Please note that:

- all spaces must be listed including corridors, covered ways, undercrofts, shelters, stairs and toilets;
- measurements should show the floor areas of each space inside the walls;
- the condition of the facility should be indicated; and
- demountable buildings which will continue to be used after the funded facilities are completed must be included in a school's area.

To encourage protection from sunlight for children, the area of unenclosed, external covered areas (including travel areas) may be totally discounted for the purpose of calculating a school's total area. Any proposed discounted areas should be discussed with ACTBGA staff prior to an application being submitted.

The percentage of the former Commonwealth area standards that a school's area will be after the project is completed must be calculated in the following way:

$$\frac{[\text{Total area of school after project completed less discounted area (m}^2\text{)]} \times 100}{\text{Standard area for the school (m}^2\text{)}}$$

The standard area (m²) for a school is calculated from primary enrolments in the appropriate year multiplied by 6.13m², plus secondary enrolments in the appropriate year multiplied by 9.75m². The appropriate year for enrolments is the first full school year after completion (normally 2027 for the 2026 round) in all cases other than that of new, rapidly growing schools, in which case enrolments for the second full school year after completion may be used (normally 2028 for the 2026 round).

Approved Projects

AWARDING OF GRANTS

Successful grant recipients will be notified in writing and will be provided with a Letter of Offer and a Grant Acceptance Form by the ACTBGA.

APPEALS

Where applications are not recommended for approval, the ACTBGA will provide reasons for denial to the applicant schools and these schools have the right to request their application decisions be reviewed. This review process is independent of the original assessment process and a special appeals committee will be set up in each case to consider appeals.

TENDER APPROVAL

Schools must ensure that the procurement method chosen and tender process undertaken has been in accordance with ACTBGA procurement and tender procedures, available [here](#).

Tender documentation for CGP projects is required to be submitted to the ACTBGA for review and final project approval, prior to signing a contract with the school's preferred tenderer.

PAYMENT OF GRANTS

From 2024, CGP grants will be paid on a milestone basis in accordance with the ACTBGA *Procedure for Claiming and Payment of Grant Funds to Schools*, available [here](#).

PROJECT VARIATIONS

When a grant has been approved in accordance with the school's submitted application forms, a school must seek the ACTBGA's approval prior to any changes to the project in respect of:

- Milestone Dates (Commencement, Midpoint, Completion, Final Acquittal)
- Total Project Cost
- Scope of Works

Approval must be sought through the submission of a *Variation Request Form* available [here](#).

REPORTING

Schools will be required to submit quarterly reports in February, May, August and November to the ACTBGA providing an update of the project status and summary of documentation due.

Designated Use reports will also at times be requested by the ACTBGA.

The ACTBGA will email templates required for completion of all reports.

ACCOUNTABILITY

The Australian Government requires that recipients of grant funding be accountable both financially and educationally. For financial accountability, the *Capital Grants Program Guidelines* require that non-government schools must, within a specified period after a project has been completed, submit to the ACTBGA documents prepared by architects and an independent registered auditor confirming the final expenditure of the project, that the project was completed as approved and that the grant monies were spent only on the approved project.

TIMING OF FUNDING

Intended applicants should be mindful that funds for an approved project may be allocated over a two to three-year period. This may necessitate the raising of bridging finance until the final receipt of all grant funds. Consequently, the cost of bridging finance must be considered when estimating total project cost.

RECOGNITION OF AUSTRALIAN GOVERNMENT ASSISTANCE

Schools must adhere to the *Capital Grants Program Guidelines* regarding recognition of Australian Government assistance.

Schools must acknowledge Australian Government funding in all announcements and other publicity of all projects to which the government is contributing funds.

An official project opening ceremony is required under the CGP program and a building plaque must be installed on all completed projects to acknowledge Australian Government funding within seven months of the physical completion of the project. In this regard, the following should be noted:

→ invitations to the Minister by recipient schools should be submitted via the school openings inbox at SchoolOpenings@education.gov.au at least **two months** in advance of the opening.

→ a **minimum of three** possible dates should be included in the invitation in order of preference that do not coincide with Parliamentary of Australia sitting days, refer to the Parliamentary Sitting Calendar: [Parliamentary Sitting Calendar](#).

Jointly Funded Projects

For projects jointly funded by the ACT and Australian governments, it is strongly recommended an invitation be extended to the ACT Government Minister for Education by contacting edudlo@act.gov.au.

AUSTRALIAN GOVERNMENT EQUITY

Grants are offered on the condition that schools will use the facilities only for the approved purpose of providing educational services. Schools must notify the ACTBGA if they cease to use the facilities for this purpose.

The *Capital Grants Program Guidelines* gives details of the Australian Government's right to repayment of capital grants within a specific designated use period that applies from the date the project completes and is ready for use, as set out below:

Capital funding amount	Designated use period
\$75 001 to \$500 000	2 years plus one additional year for each \$50 000 of financial assistance that is over \$100 000
\$500 001 to \$1.5 million	10 years plus one additional year for every \$100 000 of financial assistance that is over \$500 000
Over \$1.5 million	20 years