

# EXTERNAL INFRASTRUCTURE SUBSIDY SCHEME GUIDELINE

## *Education (Capital Assistance) Act 1993*

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# EXTERNAL INFRASTRUCTURE SUBSIDY SCHEME GUIDELINE

## 1. Short title

This guideline may be cited as the *External Infrastructure Subsidy Scheme Guideline*.

## 2. Commencement

This guideline commences on 30 August 2019.

## 3. Relevant entity

- (1) Relevant entity means –
  - (a) a Minister; or
  - (b) a government entity under s.24 of the *Public Service Act 2008*; or
  - (c) the local government for the area in which the school is located.

## 4. Objects of the scheme

- (1) The objective of the State Government's External Infrastructure Subsidy Scheme (the scheme) is to assist non-state schools that are eligible for State Government funding to meet external infrastructure costs associated with capital works projects.
- (2) The basis for the scheme is contained in the *Education (Capital Assistance) Act 1993* and the *Education (Capital Assistance) Regulation 2015*. If there is any inconsistency between this guideline and the legislation, then the operations of the scheme as provided for in the legislation shall apply.
- (3) This guideline applies to non-state school sites where any capital works projects on a site result in the relevant entity requiring new or improved external infrastructure or headworks contributions.
- (4) Non-state schools are required to fund the investigation, design and construction of relevant infrastructure external to their site, in accordance with the conditions and requirements of any formal approval process of the relevant entity. Non-state schools are also required to pay headworks contributions as levied by the relevant entity as part of any application or request for development.

## 5. State Government policy

- (1) In November 1996, the State Government adopted a policy, effective from that date, in relation to funding requirements for external infrastructure to non-state schools. The policy applies to capital projects approved for funding by the then Minister for Education after 30 June 1997.
- (2) The current parameters of the policy are as follows:
  - (a) To provide up to a 50% subsidy in relation to:
    - (i) the cost of construction of infrastructure external to non-state schools; and
    - (ii) non-state school's headworks contribution costs where these costs are a result of the requirements of the relevant entity .
  - (b) A non-state school may apply for the subsidisation of passenger pick-up and set-down areas under the Department of Main Roads SafeST program if the school has not received funding for the pick-up and set-

down areas under this scheme. The subsidy applies to pick-up and set-down areas for developing non-state schools only (see section 23).

## **6. Funds available**

- (1) Funds are paid to each CAA to enable the CAA to make payment of approved applications for external infrastructure subsidy. Each CAA will be paid 50% of its allocation in July, 25% in October and 25% in January.
- (2) Funds allocated to CAAs will be based on each sector's share of overall enrolment growth averaged over the last two consecutive years. Distance education enrolments are accorded a weight of 0.15 for the purpose of the calculation. The enrolment data are those collected each year by the Non-State Schools Accreditation Board.
- (3) A CAA must make recommendations to the Minister for Education (the Minister) for projects to be funded in a financial year up to the amount of funds available for commitment by the CAA in that financial year, after the ongoing commitment for projects approved in previous years are taken into account. The amount of funds available will be equal to the budget allocation plus uncommitted funds including interest earned on these funds.
- (4) A CAA may also make recommendations for commitment of funds to projects in the next financial year. The amount of forward commitment may be up to 80% of funds available in the present financial year after taking account of ongoing funding required for projects previously approved.

## **7. Administration of the scheme**

- (1) The scheme is administered on behalf of the State Government by Capital Assistance Authorities (CAAs), one nominated by the Queensland Catholic Education Commission and one nominated by Independent Schools Queensland.
- (2) To assist CAAs in meeting costs associated with administering the scheme on behalf of the Queensland Government, each CAA may utilise for administrative purposes up to 1% of the total annual budget of the scheme.
- (3) Interest earned by a CAA on funds provided for administration may only be used by a CAA:
  - (a) to pay its administrative costs; or
  - (b) to provide capital assistance for approved projects at affiliated schools.

## **8. Eligibility and affiliation**

- (1) To be eligible for capital assistance under the scheme, a non-state school must be accredited and eligible for Government funding under the *Education (Accreditation of Non-State Schools) Act 2017* and be affiliated with a CAA.

## **9. Applications**

- (1) An application from a governing body for assistance for a proposed capital project must be given to the CAA with which a school is affiliated by a due date determined by the CAA. The due date must occur at least once in every calendar year and a CAA must notify every school affiliated with it by 30 September of the year before the date is to apply of when the due date will occur.

## **10. Assessment of applications**

- (1) In considering an application for capital assistance, a CAA must have regard to the following criteria:
  - (a) whether the assistance is for work or a payment required by the relevant entity for a school as part of the relevant entity's approval of a capital project at the school; and

- (b) whether the work or payment meets the requirements contained in this guideline.

### **11. Submission to Minister**

- (1) By 30 September, each CAA will provide to the Minister a list of all applications received, a brief description of the project associated with each application, the level of recommended assistance for each application and the date each project is expected to commence.

### **12. Agreement between school and CAA**

- (1) To be eligible to receive approved assistance, the approved authority of an eligible non-state school must enter into an agreement with the CAA with which it is affiliated. The agreement must include the following conditions:
  - (a) in respect of grants greater than \$75 000, the approved authority of the non-state school must undertake to use the approved project for educational purposes for a period of 20 years. Failure to use the project for educational purposes could result in a liability of assistance repayment equal to 5% of assistance for each year of the 20 year period during which the building is not used for educational purposes; and
  - (b) the approved authority must agree to return monies to the CAA under the conditions outlined in sections 12 and 13.

### **13. Payment process**

- (1) Payment will be made to the approved authority of an eligible non-state school for approved projects on the following basis:
  - (a) an approved authority of a non-state school that has signed an assistance agreement as described in section 12 applies to a CAA for payment in respect of the approved project. A CAA must determine that at least one quarter of the work (in terms of value) has been completed. In determining whether one quarter of the work has been completed, a CAA may request a statutory declaration signed by a representative of the approved authority, and counter-signed by the project supervisor;
  - (b) if the CAA is satisfied with the application, the CAA may proceed with payment. Upon request by the Minister, CAAs must provide details of all payments made in any specified period;
  - (c) if project expenditure on the approved works is less than the assistance provided, the difference must be returned to the CAA. Any funds so returned may be available to increase the amount of funds available for future applications for capital assistance; and
  - (d) an application for payment must be received by the relevant CAA within two years of the date of approval, or approval for the project will lapse, unless an extension is approved by the Minister.

### **14. Minor variation**

- (1) A CAA may make a minor variation to the amount paid to the approved authority of an eligible non-state school for an approved project where:
  - (a) the variation to be paid is less than 10% of the grant; and
  - (b) the variation is required because of a change in the costs of the approved project that was not foreseeable at the time of the approval of the project.
- (2) A minor variation can only be paid using uncommitted funds, including interest earned, held by a CAA.

## **15. Uncommitted funds**

- (1) Funds not applied to an approved external infrastructure project for which they were allocated within 5 years of the Minister's approval, or that have not been reallocated to another approved external infrastructure project, must be returned to the Department of Education.

## **16. Pick-up and set-down areas**

- (1) The provision of passenger pick-up and set-down areas for developing non-state schools may be an approval condition or requirement set by the relevant entity. Non-state schools will organise and fund the design and construction of the facility to the relevant entity's normal design requirements. Construction will be to the relevant entity's satisfaction. In this situation, the 50% subsidy is paid to the non-state school and not the relevant entity for the cost of construction of the passenger pick-up and set-down areas at new schools.
- (2) In some instances, circumstances may dictate that passenger pick-up and set down areas should be located within new non-state school grounds. This will need to be negotiated with the relevant entity, as will responsibility for the ongoing maintenance, liability and insurance of the passenger pick-up and set-down facilities.

## **17. Maintenance**

- (1) For external infrastructure and headworks other than passenger pick-up and set-down areas, the relevant entity will be responsible for the operation and maintenance of the constructed external infrastructure and headworks.

## **18. External infrastructure**

- (1) External infrastructure are those external services and facilities that are generated as part of:
  - (a) a development on a new site of a non-state school; or
  - (b) a redevelopment of an existing non-state school,and is generally managed and maintained by the relevant entity.
- (2) External infrastructure, further detailed in Appendix A, generally falls into one of the following categories:
  - (a) services;
  - (b) transport; and
  - (c) streetscaping.

## **19. Services**

- (1) A range of services are required to support the development and operation of non-state schools relating to:
  - (a) water supply;
  - (b) sewerage;
  - (c) stormwater;
  - (d) drainage; and
  - (e) fire service mains.
- (2) Inclusive in the cost of providing such services should be the fees associated with connecting new services infrastructure to the existing adjacent service network.

## **20. Transport**

- (1) A range of transport-related infrastructure will be required to:
  - (a) satisfy the demands of the facility itself;

- (b) maintain operational efficiency on the surrounding transport system; and
  - (c) maintain appropriate levels of safety.
- (2) The following items may fall within this category and may include but not be limited to:
- (a) car parking external to the site;
  - (b) passenger pick-up and set-down areas (including private vehicles, buses and taxis);
  - (c) bicycle storage areas (more likely to be internal);
  - (d) acceleration/deceleration lanes;
  - (e) road widening;
  - (f) bus stops, bus lay-bys and bus shelters;
  - (g) busway stations (for major facilities located on the Regional Busway network);
  - (h) footpaths and footpath widenings;
  - (i) pedestrian crossing facilities;
  - (j) bicycle paths;
  - (k) intersection channelisation;
  - (l) roundabouts;
  - (m) traffic signals;
  - (n) signing;
  - (o) noise attenuation structures (e.g. timber fences) external to the site;
  - (p) line marking; and
  - (q) lighting.

## **21. Streetscaping**

- (1) Typically, a range of streetscaping elements are negotiated for the external street treatment related to the development. The streetscaping elements include both hard and soft landscape treatment, such as:
- (a) footpath treatments (e.g. walkways/cycleway and turf);
  - (b) trees and other planting;
  - (c) moulding and planting beds;
  - (d) irrigation systems;
  - (e) street furniture (e.g. seats and shelters);
  - (f) disability access;
  - (g) features enhancing personal safety;
  - (h) signage; and
  - (i) lighting.

## **22. Headworks**

- (1) The term 'headworks' refers to water supply, sewerage headworks and stormwater drainage.
- (2) In deriving the water supply and sewerage headworks charges, the relevant entity will include different items of infrastructure. However, these generally include the following:
- (a) water supply
    - (i) source of supply (dams etc.);
    - (ii) mains from source of supply to treatment plants and reservoirs;
    - (iii) treatment works;

- (iv) reservoirs; and
    - (v) major trunk distribution mains.
  - (b) sewerage
    - (i) major trunk sewers, rising mains and pumping stations;
    - (ii) treatment works; and
    - (iii) disposal after treatment.
  - (c) stormwater drainage.
- (3) Levies, such as environmental and park levies, may also be eligible under the scheme.

### **23. Developing school**

- (1) A developing school is a school which has been operating for a period of less than 10 years.
- (2) Each new type of education, as defined in s.12 of the *Education (Accreditation of Non-State Schools) Act 2017*, results in that part of the school being classified as a developing school for this period.

### **24. Review of application**

- (1) If an external infrastructure subsidy has been granted to a school, the approved authority of the school may apply to the Minister, through the CAA, for the amount of assistance to be increased. The application must specify the amount of the increase sought and give reasons for seeking the increase.
- (2) The CAA must assess the application for review on the same criteria on which it assesses applications for assistance. After assessment of the application, the CAA must make a recommendation to the Minister.
- (3) The Minister will inform the school and the CAA of the amount of any increased assistance granted.

### **25. Accountability**

- (1) Each CAA must establish an External Infrastructure Subsidy Fund (the fund) into which it pays:
- (a) all amounts paid by the State Government under the scheme;
  - (b) interest on administrative funds which it intends to use for capital assistance;
  - (c) amounts of capital assistance returned by schools; and
  - (d) interest earned on amounts in the fund.
- (2) A CAA must keep funds standing to the credit of the fund with a bank or another institution approved by the Treasurer and keep those funds separate from any other funds.
- (3) The CAA must make all records of approved projects available for inspection to a person approved by the Minister for the purpose. The person may make a copy of, or take extracts from such records for the purpose and may retain it in the person's possession for a reasonable period.
- (4) A CAA must, by 30 June each year, give to the Minister a written return for the previous calendar year. The return must:
- (a) contain an audited statement of the amounts received by it for administration in the previous year, interest received on the amounts and the expenditure of the amounts;
  - (b) contain an audited statement of the fund showing details of the amounts paid to and from the fund in the previous year and the financial position of

- the fund at the beginning and end of the previous year;
- (c) give the following details, in a format agreed to between the CAAs and the Department of Education, for all capital projects for which an approved authority received or retained capital assistance in the previous calendar year:
    - (i) a description of the project;
    - (ii) whether or not the project was completed in the previous year;
    - (iii) the amount spent on the project as at the end of the previous year;
    - (iv) the amount, if any, held on account of the project at the end of the previous year; and
    - (v) the amounts, and sources of the amounts, used to fund the project; and
  - (d) contain an assessment of the scheme including the effectiveness of the assessment criteria.
- (5) The audit specified in section 25 (4) (a) and (b) must be carried out by a person registered as an auditor under Part 9.2 of the *Corporations Act 2001* (C'wealth) and approved by the Minister.

## **26. Recognition of assistance**

- (1) For projects assisted with State Government funds, appropriate recognition of the source of the funding is to be provided in any publicity associated with the project.
- (2) If there is to be an official opening ceremony, the Minister or a representative must be invited to attend the ceremony.



## Appendix A – Examples of external infrastructure

TYPE	DEFINITIONS
Water Supply Connection	<p>Connecting a property to the relevant entity's water supply reticulation main.</p> <p>This applies where:</p> <ul style="list-style-type: none"> <li>• no water service passes the site; or</li> <li>• only where there is a clear need for the existing service to be upgraded.</li> </ul> <p>In the case of a non-state school a 50% subsidy is provided for water connection, pipe, isolating valve, water meter and fittings.</p>
Sewerage Connection	<p>Conveys sewage from the property to the relevant entity's sewerage system.</p> <p>This applies where:</p> <ul style="list-style-type: none"> <li>• no sewerage system passes the site; or</li> <li>• only where there is a clear need for the existing service to be upgraded.</li> </ul> <p>If the relevant entity is unable to provide a reticulated sewer to a non-state school site, the rising mains and pump well can be considered eligible for subsidy if they are a requirement of the relevant entity and external to the school site.</p>
Stormwater Drainage	<p>The relevant entity may require stormwater to be discharged to its stormwater drainage.</p> <p>The relevant entity may require a connection of a stormwater installation from a parcel of land to the stormwater drainage in a stated reasonable way and under stated reasonable conditions.</p> <p>The Policy applies to that part of the service external to the site where:</p> <ul style="list-style-type: none"> <li>• no stormwater drainage passes the site; or</li> <li>• only where there is a clear need for the existing services to be upgraded.</li> </ul> <p>The following work relating to a non-state school site are eligible for subsidy if external to the site:</p> <ul style="list-style-type: none"> <li>• silt traps</li> <li>• erosion controls</li> <li>• environmental control traps</li> <li>• creek re-diversion</li> <li>• flood mitigation controls</li> <li>• retention facilities.</li> </ul>
Upgrade of Fire Service Mains	<p>Upgrade of fire service mains external to the site is the augmentation of the existing relevant entity's water system that is required to provide an enhanced fire fighting service to existing sites. It does not include booster pumps or storage reservoirs for fire fighting purposes.</p>
Pick-Up/Set-Down Areas	<p>Areas of public roadway providing short-term parking for bus and motor vehicles for the purpose of conveying students to and from new or existing schools. Standards for the design and construction will be those used by the relevant entity for bus and vehicle parking.</p>

TYPE	DEFINITIONS
Traffic signals	<p>Generally, traffic signals at an intersection would incorporate controls for both vehicular and pedestrian movements, whereas, signals at mid-block locations would usually cater for pedestrian movements only (pedestrian activated traffic signals).</p> <p>Guidelines (warrants) for the installation of traffic signals are prescribed in the Manual of Uniform Traffic Control Devices.</p>
Road Safety Audits	<p>Road Safety Audits are formal examinations of an existing or future road or traffic project, or any project which interacts with road users, in which an independent, qualified examiner looks at the project's accident potential and safety performance. (AUSTROADS Road Safety Audit – SAA HB43- 1994).</p>
Roadworks	<p>This refers only to roads that are under the control of the State or Local Government.</p> <p>Standards for the design and construction will be those used by the State or Local Government.</p> <p>Any extension to an existing road required to service a new site. If necessary a traffic report may be required.</p>
Road Widening	<p>Any widening of the carriageway in the immediate vicinity of the site required to service the site.</p>
Traffic Island Breaks	<p>Any breaks in existing traffic islands or median strips required to facilitate access to a site, including new storage lanes for turning traffic.</p>
Acceleration and Deceleration Lane	<p>Additional traffic lanes at the entrance to a site required by vehicles accessing a site to accelerate to or decelerate from highway speed.</p>
Footpaths and Footpath Widening	<p>Additional paving in the footpath in the immediate vicinity of a site.</p>
External parking	<p>Additional public parking required to service a site that is located in land dedicated as road reserve or private property as agreed with the relevant entity.</p>
Signing	<p>Additional statutory and advisory road signs required as a result of the construction of a site.</p>
Landscaping	<p>New landscaping in a median strip and on the footpath in the immediate vicinity of a site.</p>