

## **LEVNT Guidelines for School Capital Developments**

The purpose of these guidelines is to enable a consistent approach to be undertaken by schools of the Region with regard to major capital works programs where LEVNT is the Approved Authority for Capital Grants and the Districts are guarantor for loans.

It applies to:

- a. Developments that are subject to a Block Grant Authority (BGA) application, and/or
- b. Developments that will require financing via a commercial loan.

It does not apply to developments, upgrades or refurbishments that are fully funded from the schools own internal resources.

These guidelines will enable both CLE (through LEVNT) and the respective District Church Councils:

- a. to be aware of and endorse the proposed projects in a timely manner and;
- b. before a project commences and;
- c. before a BGA commitment is given or a loan application is made.

### **1. LEVNT Reporting**

- a. In Term 3 of each year, schools will be asked to provide LEVNT with a three (3) year rolling forecast of anticipated major capital works that will require BGA grants and/or loan borrowings. This will include:
  - i. a brief outline of each project
  - ii. the mission objectives
  - iii. the educational need
  - iv. cost estimates for each project
  - v. anticipated BGA Capital Grant and loan borrowing requirements
  - vi. how the projects are to be managed by the school/college
- b. Every three years a long term forecast of capital works, borrowing needs and anticipated debt repayments projected out 15 years is to be provided to LEVNT. This will enable LEVNT, CLE, LEA and District Church Councils to have a long term understanding of the capital works needed across our region, the extent of loan borrowings required to fund these works and the extent of debt exposure that needs to be guaranteed by the Church.

## **2. Capital Works Feasibility**

- a. Schools are encouraged to engage the LEVNT Executive for their support with
  - i. Strategic planning
  - ii. Site master planning
  - iii. Business plan developmentto ensure LEVNT has a clear understanding of and is able to support the growth and development strategies of each school in the region.
- b. The proposals submitted in 1a above will be assessed by the LEVNT Executive who will consider the projects in light of Region wide perspectives. Schools may be consulted to gain further insight with each project planned and be provided with relevant feedback, guidance and direction.

## **3. BGA Grant Applications**

- a. Schools intending to lodge a BGA application will develop the application in consultation with the LEVNT Director Business Services who will review it and sign the BGA Declaration as the Approved Authority before the application is lodged.
- b. A full copy of the BGA application is to be provided to LEVNT for assessment and approval of the project by relevant stakeholders (CLE / DCC / LMC) at the time of lodgment with the BGA and prior to approval of a notional grant being made by the BGA.
- c. In the event that the project needs to be modified or strategically withdrawn, there will be an opportunity for open discussions with the BGA at the time the application is assessed and before a commitment of support is given by the BGA.
- d. BGA Grant Agreements will be signed by LEVNT as the Approved Authority upon approval of the Grant by the Government and LEVNT will have overall responsibility for the administration of each grant.

## **4. BGA Grant Project management**

- a. Schools will manage the BGA Grant programs at a local level with their appointed Principal Consultants. The LEVNT Director Business Services is to be informed where:
  - i. there are material variations to the scope of the project
  - ii. cost overruns with the project are incurred beyond what the school can fund from its own reserves
  - iii. contractor disputes arise
  - iv. there are any legal or compliance matters which will have a material impact on the project

- b. Schools are to ensure compliance with BGA Grants program requirements and provide the following information to LEVNT:
  - i. Principal Consultant appointment details
  - ii. BGA on-site visitation dates
  - iii. Project budgets
  - iv. Building contractor appointment details
  - v. Project commencement dates
  - vi. Project completion dates
  - vii. Project opening dates
  
- c. Schools are to provide LEVNT with a copy of the final BGA acquittal to confirm the project has been satisfactorily completed and the final project cost.

## **5. Loan Applications**

- a. Loan requirements are to be discussed with the LEVNT Director Business Services at the time of initial project assessment by the LEVNT Executive. This will enable the school to be briefed on the forthcoming loan application requirements.
  
- b. Loan applications, together with a Business Plan and supporting documentation, are to be submitted to LEVNT for assessment and approval at least 3 months prior a project going to tender and/or building contracts being signed. This is to ensure there is sufficient time for all stakeholders to fully assess the loan request prior to the project commencing and for the school to have assurance of its finance before committing to proceed with the project.

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