

# CTF Capital Grant Guidelines

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# General Information

## Introduction

1. These Capital Grants Program Guidelines set out the Building and Construction Industry Training Board's (the Board) administrative requirements applying to the administration of the Capital Grants Program for private Registered Training Organisations (RTOs).
2. The Guidelines took effect from 01 January 2024
3. The Construction Training Fund (CTF) can initiate amendments to the operational issues covered by the Guidelines. The Guidelines will be updated from time to time as required. The CTF will ensure a current copy of the Guidelines is available on the CTF's website.
4. These Guidelines do not create or give rise to any legal or equitable rights, or legitimate expectations, on the part of any RTO which applies for or receives funding.

## Overview

### Legislative Authority

5. Funding for capital expenditure for RTOs is provided under section 18 of Part 3 of the *Building and Construction Industry Training Fund and Levy Collection Act 1990* (the Act).
6. RTOs must use the funding provided to them under section 18 of the Act per these Guidelines, grant agreement and any written directions from the Board. The funding should be used for capital expenditure related to the RTO for which the grant was approved.

### Objectives

7. The capital grant provides funding to assist private RTOs to improve capital infrastructure where they otherwise may need access to sufficient capital resources.
8. The objectives of the capital grant program are to:
  - provide and improve RTO capital infrastructure to increase training capacity for targeted skills as determined by the Board.
  - ensure upgrade of capital infrastructure while making provision for needs arising from new demographic and student enrolment trends.
  - pursue the Board's other priorities and objectives for training.

# Funding allocation

## Funding available

9. The Board determines an amount of financial assistance (capital grant funding) for a year payable to an RTO for capital expenditure. The financial assistance is paid through the CTF.
10. Capital funding for RTOs under the capital grant program is allocated to RTOs based on need.
11. Capital grant allocations to RTOs do not include the Goods and Services Tax (GST), although all payments to RTOs will include a component for GST.

## Limit on the total amount available for capital funding

12. The Board determines the total amount available for the capital grant program for each funding round.

## Forward commitment

13. In certain circumstances, the CTF may find it practical to fund projects over several years. The CTF may identify funding from subsequent years to be allocated to a project in determining the optimum funding profile for a project (forward commitment). The CTF should evaluate the extent to which they forward commit future years' funds in a way that optimises the achievement of the Board's objectives. This funding will be subject to the availability of funding in future years. In general, forward commitments should not be used to supplement the current year's allocation.
14. Forward commitment of funding may be made over two future years beyond 2024 (that is, for 2025 and 2026) and should be considered based on the following principles:
  - a) forward planning: – funding for a future year where the capital funding will not be required until a future year (the project will commence within 12 months of approval, but the RTO can use the funding for any initial payments)
  - b) staging of payments in projects constructed over more than one year
15. The CTF will notify the RTO of its future funding allocation amounts.

## Withholding payment and repayment

16. The CTF may determine to suspend, withhold or require the repayment of funds if the RTO is not meeting its obligations under the grant agreement. This may include repayment of a portion of the grant if there is evidence that funding has yet to be used for the purpose it was provided for.
17. The RTO is required to repay any overpayments made to the RTO by the CTF. Where this occurs, the CTF will make a determination under the agreement requiring the repayment of the overpaid amount, which the RTO must repay as a debt due to the State Government. Under the agreement the RTO enters into with the CTF, the RTO must agree that any

amount determined by the Board is a debt due to the State and may be recovered by the State in court.

## Eligibility for funding

### Registered Training Organisations

18. The CTF will issue eligibility criteria each Capital Grant funding round. The current eligibility criteria is published as attachment 7 and on the CTF's website <https://ctf.wa.gov.au/capital-grant>

## Application process

### Providing information about the capital grant program to RTOs

19. Each year, the CTF should advise eligible RTOs of capital grant funding and should invite funding applications.
20. The Board requires the CTF to make the following information about the capital grant program available to the public each year:
  - a) The amount of financial assistance provided to the RTO in a program year for capital expenditure.
  - b) How the financial assistance is applied.
21. To satisfy these requirements, the CTF should make information publicly available on the application process, including eligibility criteria, required documentation, closing date of funding application, procedures for assessment of funding applications, how decisions are made, and contact details of the CTF.
22. Making the information available to the public may include publishing it on the CTF website, through newsletters, application booklets, and other forms of communication. In addition, the CTF should provide the information on request if an applicant cannot access the website.

### Meeting the objectives of the Capital Grants Program

23. When assessing applications, the CTF should ensure the recommended projects contribute to the objectives of the capital grant program as defined by the Board (refer to Section 7). RTOs must state in their applications which of the program objectives their project addresses.

## Criteria for Capital Expenditure

24. The CTF must ensure that each project meets the criteria for capital expenditure set by the Board, which includes expenditure relating to the following categories:
- a) erecting, altering, extending, or refurbishing a building or other facility (or part of a building or other facility)
  - b) providing equipment, including information technology (as part of a broader capital project unless exceptional circumstances exist)
  - c) providing furniture (as part of a broader capital project unless exceptional circumstances exist)
  - d) any other building and construction industry training-related expenditure prescribed by the Board.
25. Capital grant funding is not available for:
- a) projects where construction and/or installation of infrastructure has commenced before signing a funding agreement with the CTF.
  - b) projects focused on opportunity identification, concept screening, product development research, marketing concept development and feasibility studies.
  - c) advertising, signage, and related communications activities.
  - d) land acquisition.
  - e) staff, resourcing, salaries.
  - f) preconstruction (site preparation) activities such as clearing, earthworks or site accessibility works.
  - g) security and/or surveillance equipment.
  - h) project management costs.
  - i) certification, permit, licence, or related fees.
  - j) compliance monitoring and management costs.
  - k) vehicle and transport costs outside of training requirements.
  - l) contingency costs.
  - m) in-kind contributions.
  - n) costs to establish and ongoing operational costs such as, but not limited to, salaries, electricity, water, rates, other utilities, overheads, engineering, design, or insurance costs.

## Assessment and ranking of projects for funding

26. Once the CTF has established that a project for consideration is eligible for funding, it should rank the projects primarily based on the evaluation criteria and make them publicly available. All eligible projects should be included in the ranking.
27. The CTF should use a sufficiently discriminating assessment methodology to assess the full range of applications. The CTF should ensure that these are applied consistently and equitably, which can be supported by evidence.
28. The CTF may depart from this procedure for ranking in an individual circumstance where it believes strict adherence would seriously compromise achieving the objectives of the capital grant program. In such cases, the CTF will advise the Board of the specific reasons for the departure in its funding recommendation.

## Settlement of RTO contribution and grant sizes

29. The CTF should determine the size of grants recommended to the Board by assessing the maximum contribution an RTO can make to the project. The CTF should use a methodology for this assessment that is primarily quantitative and will enable explanations to be made to either an independent appeal body or auditor.
30. The RTO contribution amount should be determined in consultation with the RTO. The contribution amount should be based on a realistic and informed assessment of the RTO's expected financial situation in the foreseeable future.
31. All in-kind contributions not of a financial nature should be disclosed in the application process. For example, donations of voluntary work and/or furniture and equipment should be declared.
32. When several RTOs contribute to a project providing common services, contributions from each RTO should be assessed using the above method. With such projects, one RTO should agree to accept and manage the grant on behalf of the other partners.

## Leases

33. Capital grant funding is not available to meet the cost of leasing a property. However, an RTO leasing a site can still apply for funding for construction, refurbishment or equipment projects on the property, provided the lease has a term commensurate with the repayment period (see **Attachment 3**).

## Land purchase

34. The Capital Grant Program cannot be used to finance land purchases.

## Tendering

35. All tendering procedures should align with sound building industry practice and support the value for money principle, per the Australian Standard Code of Tendering – AS4120. Tendering procedures should be open and transparent and comply with ethical practices for tendering.



36. Applications must summarise all tendering and procurement procedures the applicant uses. Tendering and procurement procedures form part of the application evaluation process.
37. The RTO should disclose any potential conflict of interest in the tendering process to the CTF [refer to Sections 42 to 45 in these Guidelines and **Attachment 1**, condition (I)].
38. Where a person or body believes a tendering procedure approved by the CTF is unfair, the CTF should allow that person or body to explain their objections to the procedure. The CTF should provide the reasons for not approving the tendering procedure. **Attachment 5** provides further information on tendering.

## Site visits

39. The CTF may seek to verify and supplement quantitative data included on grant applications through visits to the project site. Additional information on initial visits is included in **Attachment 2**. For RTOs approved for grants, The CTF should commit to visiting those RTOs during the project's life (or more often if required) to ensure the works being undertaken are consistent with the approved project.

## Finalisation of recommended projects

40. In negotiating with RTOs the nature of each project to be recommended for funding, The CTF should aim for a minimum viable project that:
  - a) meets the objectives of the capital grant program as decided by the Board
  - b) meets the training needs in a way that is cost-effective over the life of the facilities
  - c) takes 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 may increase construction, maintenance or operating costs.

## Not recommended projects

41. Where a project is not recommended for capital funding, the CTF should provide reasons for not recommending it for Board approval. These reasons may include:
  - a) No financial need
  - b) Not consistent with sound training and assessment planning
  - c) Does not represent value for money
  - d) Contribution to program objectives not demonstrated
  - e) Viability not sufficiently demonstrated

- f) Application withdrawn
- g) Deferred for consideration pending resolution of outstanding issues
- h) Will receive other funding
- i) Prior or existing legal or financial problems or difficulties
- j) Other (for example, not registered and in good standing with ASQA or TAC).

## Conflict of interest

- 42. Where there is an actual or potential conflict of interest at any project stage, the CTF should manage or resolve the conflict. For example, a conflict of interest may arise when a member of the CTF assessment committee or Board holds an interest in an RTO applying for capital assistance. A conflict of interest may also arise when a person associated with the governance of the RTO has an interest in a body bidding for work funded by the CTF.
- 43. The CTF should advise RTOs applying for capital grants of the Board's requirements concerning conflict of interest [see **Attachment 1** paragraph (l)].
- 44. The CTF, if necessary, may seek advice from the Board to help resolve conflicts of interest. The CTF must write to the Board Chair in such a case.
- 45. The CTF should document all steps to resolve conflicts of interest. This documentation is to be made available to the Board upon request.

## Approval process

- 46. The Board must be satisfied that an RTO needs financial assistance for capital expenditure and that the capital expenditure meets the aims of the capital grant program.

## Timing

- 47. The deadline for submitting applications for capital projects is published on the CTF website [www.ctf.wa.gov.au/capital-grant](http://www.ctf.wa.gov.au/capital-grant) as determined by the Board.
- 48. Acceptance of submissions after the closing date is at the discretion of the CTF. Where the recommendation is finalised and awaiting further information or developments from the RTO, the CTF should notify the Board.

## Submission of capital funding schedule

- 49. The capital funding schedule must include the recommended and the not recommended projects.

50. The CTF should supply information about any special features that have influenced the assessment of a project in a way that would not be apparent from the standard project information normally supplied.
51. RTOs must keep a detailed description of the scope of work, including project components such as site works, items and quantity of furniture and equipment and professional fees. This detailed description should be used in the acceptance of the grant agreement between the Board and the RTO and in the financial accountability documentation completed by the RTO.

## Ad hoc schedules

52. As a rule, the CTF should include all recommendations for funding in one annual schedule to enable the ranking of competing applications and for administrative efficiency. However, ad hoc schedules of projects may be accepted where it is not practicable for a project proposal to meet the annual Schedule list timeline or where additional funding becomes available, for example, through project savings. The CTF must seek approval from the Board for any ad hoc schedule projects.
53. Ad hoc schedule projects are subject to the same assessment criteria as annual Schedule projects.
54. If an ad hoc project application has been received, but the CTF does not recommend a grant, the CTF should submit the proposal to the Board as a new project that is not recommended for capital funding.

## Review of decision

55. Where the CTF does not recommend a project, CTF should provide reasons to the applicant RTO and should allow the RTO to have the application reviewed.
56. This review process must be:
  - a) independent of the original assessment process and personnel
  - b) acceptable to the CTF.
57. The CTF must advise the Board Chair in writing of any appeal when it becomes aware of a request for review. All outcomes of the reviews should be communicated to the Board in writing.

## Notification of approval

58. The CTF will inform each RTO in writing of all approved projects and any special conditions for individual projects.
59. The CTF should ensure that any conditions attached to the approval of a project are legally enforceable. Each RTO receiving capital funding must enter into a legally binding written agreement with the CTF, and in doing so, the RTO must agree to be bound by all attached conditions. Agreements should include certain conditions, including the right of recovery, assignment of rights and other requirements (see **Attachment 1**). The CTF will hold executed agreements and provide them to the Board or RTO when requested.

60. The entity with which the CTF agrees in relation to a grant must be a legal entity, usually an incorporated body (for example, a body corporate or an incorporated association) with the ability to enter into legally binding contracts and to sue and be sued in its own name.
61. This body must:
  - a) operate the registered training organisation
  - b) have a legal right to own or occupy the land on which the project facilities will be built (for example, under a lease or as a trust beneficiary).
62. Where the RTO's operator and the land owner are not the same entity, the CTF should ensure that the Board's recovery rights are protected, for example, by an agreement between the RTO and the landowner. This may be the existing tenancy lease, which runs for a period commensurate with the designated used period.

## **Public announcement of funding**

63. The Minister reserves the right to make public announcements about the capital program or relevant capital projects at any time and inform RTOs about project approval.
64. RTOs are not to publicly announce the approval of grants until formally advised by the CTF.

## **Managing capital funding**

### **Construction Training Fund agreements with Registered Training Organisations**

65. The CTF must enter into appropriate funding agreements with RTOs before making any capital funding payment. Such funding arrangements will ordinarily be reflective of, and consistent with, these guidelines. Payments of capital funding that are not formally bound to the funding conditions listed below will not be made to RTOs.

### **Funding conditions**

66. The CTF must ensure that RTOs are typically subject to the following funding conditions:
  - a) spend the funding only on the approved project as described in relevant project documentation
  - b) obtain prior approval from the CTF for any amendments to the approved project
  - c) enter into a legally binding contractual arrangement (for example, sign a contract with a builder) to proceed with the project before the end of the year in which the first instalment of the grant is payable unless, in exceptional circumstances, the Board gives prior approval for a later commitment date
  - d) contribute at least the amount specified as the RTO contribution in the grant offer

- e) spend grant payments, including any interest earned on grant payments on the approved project and as soon as possible during the program year in which the funds are provided
- f) ensure that the project is completed to a satisfactory standard and within a reasonable time in accordance with the grant description and with all relevant local government requirements
- g) keep complete and accurate records in a form that will permit comprehensive information to be provided to the CTF if requested
- h) provide to the CTF within a specified period after the completion of the project accountability information, including documentation on practical completion (for example, a Certificate) prepared by architects and accountants which certifies:
  - i. the total expenditure and grant received for the project
  - ii. that the project is completed in accordance with the approved project description and
  - iii. that the grant monies were spent only on the approved project.
- i) allow the CTF, Board or Minister to inspect the project
- j) meet the recognition requirements for capital grant program funding
- k) use the funded facilities to provide training in the building and construction industry
- l) notify the CTF if the RTO ceases to use the facilities funded principally for the provision of training for the building and construction industry workforce or sells or otherwise disposes of the facilities as specified in the State's right to repayment schedule at **Attachment 3**
- m) upon request by the Board, pay the CTF all or part of the funds that are owing to the State, as explained in the State's right to repayment in **Attachment 3**
- n) acknowledge and agree that if the Board decides following the closure, sale or disposal of facilities referred to in Item l) above, then the CTF may recover that specified amount from the approved authority as a debt due by the RTO. (as explained in **Attachment 3**)
- o) comply with any other conditions under which the funding is provided, including additional grant conditions required by the CTF.

## Commitment to commence a project

- 67. When funds are approved for payment in a particular program year, the CTF should ensure that the RTO enter into legally binding commitments to proceed with those projects (for example, signing a building contract) by the end of that year or such later date as the Board approves.
- 68. If an RTO cannot commit to commence the project by the end of the program year, the CTF should seek the Board's approval to reallocate the funds to other projects that have

commenced or can commence before the end of the year. The Board may consider approval for a later commitment date in exceptional circumstances.

69. If the CTF cannot reallocate the funds in this way, the CTF must advise the Board in writing.
70. RTOs seeking capital funding should not commit themselves to proceeding with a project (for example, by signing a contract) unless and until a funding agreement has been entered into. Grants will not be approved where a commitment has already been made to proceed with the project. Subject to the CTF's agreement, RTOs may proceed to prepare working drawings and to call tenders before project approval, but the Board does not accept liability for the costs of doing so in the event the project is not approved.

## Project variations

71. A change of circumstances after the approval of a project may require a variation to the project. Aspects of the projects that may be varied include, but are not limited to:
  - a) total project cost increase or decrease
  - b) RTO contribution increase or decrease
  - c) the start or end date being moved by more than one year
  - d) changes to the scope or project category, facility category or other descriptor of the project
  - e) a request to vary the date for commitment if the registered training organisation cannot enter into a commitment (sign a contract with a builder) for the project before the end of the year in which the project was approved
  - f) moving an amount of funding to an earlier or later program year (re-profiling)
  - g) cancelling (withdrawing) a project.

Note: Re-profiling occurs when funding for a project is moved between program years with no change to the total funding amount (for example, increasing a project's 2025 funding by \$10,000 and reducing its 2024 funding by \$10,000).

72. All variation requests must be submitted to the CTF for consideration and approval by the Board.
73. It is the responsibility of the CTF to recommend to the Board, in respect to funding or other changes to the project, the course of action that best serves the objectives of the capital grant program.
74. RTOs should ensure sufficient funds are available for the proposed variation if additional funding is required.
75. If a variation affects the current year's allocation, it should be committed before the end of the current year to ensure the full allocation can be paid before the end of the year.
76. The CTF will approve all changes in writing.

## Payment to RTOs

77. The CTF will only pay funds to an RTO after the RTO enters into a binding contract with the CTF that binds the RTO to the conditions upon which the grant was approved.
78. Subject to Section 77 above, the CTF may make an advance payment to an RTO once a project has commenced to cover initial project costs, provided this advance payment is made within the program year during which funds are payable. The CTF must make all subsequent payments based on expenditures already paid or committed as part of the approved project, following receipt from the RTO of progressive expenditure statements or similar.
79. The CTF must only pay an RTO once it is satisfied after making reasonable enquiries that the RTO has met all grant condition requirements, for example, that the RTO has executed contracts with third-party providers to undertake project work.
80. The CTF may require an RTO to pay its contribution before the grant payments commence, where the CTF judges that it would be prudent. For example, there may be circumstances where the CTF believes an RTO can contribute a certain amount to its project, but the CTF needs to be more confident that the RTO will necessarily preserve the funds/assets for this purpose. There may also be circumstances where the RTO has indicated it will acquire the necessary funds (for example, through borrowing); however, the CTF may need to be more confident.

## Savings

81. Savings refer to unspent grant funds at the completion of the project. For example, where a total project cost has been over-estimated, and there are unspent grant funds at project completion, those funds are referred to as 'savings'.
82. In the case where the cost of an approved project, at the completion of the project, is less than the estimated cost upon which the capital funding offer is based, the funding should be reduced by the amount by which the project cost has decreased. A decrease in the RTO's contribution following project savings may occur, with the approval of the CTF, where the CTF has re-assessed the RTO's capacity to contribute to the project and found that the RTO's underlying financial position has changed since the project was approved.

## Cancelled

83. Cancelled funds refer to funds that were allocated to an approved project that does not or cannot commence. The funds allocated to the cancelled (withdrawn) project become unallocated and should be reallocated to other eligible project/s within twelve months.

## State right to repayment

84. All grant agreements shall contain a clause giving the State a right to repayment for funding allocations where funded facilities are no longer used to provide training or are sold or otherwise disposed of during the designated use period.
85. It is a condition of funding that the RTO advise the Board should such a circumstance arise.

86. The amount of funds repayable in the above circumstances depends on the capital funding amount and the number of years the facility was used to provide training purposes. (See **Attachment 3** for further details on the State's right to repayment).

## Assignment of rights

87. Every agreement between the CTF and an RTO must include a provision permitting some or all of the Board's rights, including repayment of the capital funds, to be assigned to the State. A pro forma clause is in **Attachment 4**.

## Liaison and monitoring

88. The C may, at any time, request additional information on a project and may request the CTF to inspect a project on behalf of the Board.

## Recognition

89. Capital funding recipients must meet recognition requirements for capital funding. The CTF must ensure RTOs are aware of their obligations concerning recognition and should monitor their compliance. These requirements include:
- a) acknowledging the Board's funding contribution in all announcements and other publicity
  - b) arranging an official opening ceremony of funded facilities within seven months of the physical completion of the project where the Board has contributed funding of \$100,000 or more unless otherwise agreed by the Board.
  - c) the Minister or the Minister's representative must be invited to speak at all official openings of capital projects. Where the Board has contributed more than fifty per cent of the total project cost, the Minister or Minister's representative must be invited to officially open the facility
  - d) advising the Board, of three proposed dates for RTO recognition ceremonies well in advance of the proposed opening dates
  - e) acknowledging Board funding on plaques, as follows:
    - i) installing building plaques on all completed projects, irrespective of project cost, which acknowledge Board funding, unless otherwise agreed by the Board
    - ii) where a State Government representative opens a facility, the name of the person opening the facility should be included on the plaque
    - iii) wording on plaques acknowledging Board funding should be of similar size and style to wording acknowledging other funding sources
    - iv) including the Western Australian State Government crest on all plaques



v) the CTF will approve all plaque wording.

90. All requests and inquiries regarding recognition ceremonies or plaques should be made to the CTF at [capital.grants@ctf.wa.gov.au](mailto:capital.grants@ctf.wa.gov.au). RTOs should contact the Board through this inbox about any uncertainty or issues regarding the recognition requirements, including applications for variations to, or exemptions from, the recognition requirements. A Recognition Factsheet is in **Attachment 6** and available on the CTF's website ([www.ctf.wa.gov.au/capital-grant](http://www.ctf.wa.gov.au/capital-grant)).

## Accountability

91. The Board is required to ensure accountability for Capital Grants funding provided under the Act. For the Board to meet its obligations under the Act, the CTF must comply with the financial accountability requirements below.

### Financial accountability

92. The RTO that receives capital funding must provide an Accountability Report pertaining to the receipt and expenditure of all funds for the previous year (the accountability year) to the CTF.
93. The Accountability Report should include:
- a) a statement of funds received and funds spent or committed to be spent
  - b) whether the interest earned on capital funding has been spent or committed to be spent
  - c) a statement from the RTO that it has satisfactory internal accounting systems, controls and procedures in place for records relating to the capital funds
  - d) an audit certification or opinion issued by an independent qualified accountant as defined in S88B of the *Corporations Act 2001* in accordance with Australian Auditing Standards and generally accepted auditing practices
  - e) details of all bank accounts operated by the RTO.
94. To satisfy the above requirements, the RTO must submit its Accountability Report to the CTF for the calendar year (1 January-31 December) in which the financial assistance was paid by 30 June in the following program year or a later date as approved by the CTF.

### Records and information provision

95. RTOs must keep records relating to all income and expenditure of capital funding in accordance with Australian Accounting Standards and generally acceptable accounting practices. These records must be kept separately within the RTO's accounting records. These records must be kept for at least seven years.

96. In accordance with the RTOs' obligations to the agreement, RTOs must allow, in response to a request for information by the Auditor General, a person authorised by the Minister (or the Minister's Delegate) to do either or both of the following:
- a) to have complete and unrestricted access, at all reasonable times after giving reasonable notice to the RTO, the RTOs' accounts, records and other documents relating to capital funding information the RTO is required to provide to the CTF; and
  - b) take extracts from, or make copies of, the material referred to above.
97. If an RTO fails to provide the CTF with all the information that has been requested, it will be considered a breach of the agreement. This failure to comply with the information requirements under the agreement is also a breach of the RTO's ongoing obligations under the agreement. As a result, the CTF may decide to take action, including delaying the making of any further payments to the RTO.
98. Records of all applications, assessments, tendering, payments, accountability processes, and documents must be maintained by the CTF (and made available to the Board for scrutiny) for at least seven years after the completion of each project. Assessment documentation must be sufficiently comprehensive to justify the conclusions reached on eligibility and ranking criteria for each application.
99. Documents relevant to the State's exercise of a right to repayment must be retained for the period of possible recovery (for example, agreements, payment records and accountability certificates).
100. RTOs must keep adequate records to enable the following, that is, to:
- a) meet financial accountability obligations
  - b) demonstrate that RTO obligations under the agreement are satisfied
  - c) support the efficient and effective conduct of business
  - d) demonstrate that all reasonable steps have been taken to minimise risk, including documentation relating to the RTOs Risk Management Plan
  - e) support and document policy formation and decision-making
  - f) ensure business performance and continuity
  - g) meet the Board's expectations of consistency, equity and transparency.

## **Banking requirements**

101. RTOs must keep up-to-date financial records relating to the receipt and expenditure of the Board's Capital Grant funds separately within the RTO's accounting records. This includes accounting for the funds received from any other person or entity. Furthermore, all Board capital funds transactions should be made through those accounts.

102. The RTO must provide the CTF annually in the Financial Accountability Report with the details of all accounts operated by the RTO in which the Board's capital funds are held. The RTO should advise the CTF of any changes to these details when they occur.
103. The RTO should ensure that funds are always available at all times in order to meet all payment obligations as they fall due.
104. RTOs must deposit Board Capital Grant funds with a financial institution such as a bank, building society or credit union operating in Australia. Exemption from this requirement is at the discretion of the CTF. It may be given upon provision to the State of a legally effective, written guarantee to make good any loss sustained by an RTO as a result of depositing funds with an alternative organisation. This guarantee should be given by a body with sufficient assets to meet the guarantee, which is acceptable to the State.

## Project Outcomes

105. RTOs should identify students' expected general project outcomes when applying. Expected outcomes include:
  - a) providing an improved learning environment
  - b) addressing an area of particular skills training need in the building and construction industry
  - c) supporting quality training
  - d) supporting the training product
  - e) supporting skilling opportunities for Indigenous students
  - f) supporting skilling opportunities for students with disability
  - g) other relevant outcomes.

## Audit

106. From time to time, the CTF may undertake audits or reviews of the financial and administrative procedures of the RTOs in relation to Board capital funding. These audits may be undertaken by the CTF or by an independent auditor engaged by the CTF. The CTF will determine matters to be audited, but without limitation, may include:
  - a) compliance with RTO's obligations under the agreement, including as set out in these Guidelines
  - b) financial records
  - c) determination of project eligibility
  - d) the administrative procedures and processes of the RTO in relation to the Board's capital funds.

## Compliance with laws

107. Each RTO must comply with all relevant laws and legal requirements including:
- *National Construction Code 2022*
  - *Fair Work Act 2009 (Cth)*
  - *Standards for Registered Training Organisations (RTOs) 2015*
  - *Workplace Gender Equality Act 2012 (Cth)*
  - *Work Health and Safety Act 2020 (WA)*.

## Privacy and freedom of information

108. The CTF is subject to the *Freedom of Information Act 1992*; any information RTOs submit to the CTF will be subject to this legislation. Any documents RTOs submit to the CTF may be subject to freedom of information applications.

NOTE: In providing any data or other information to the CTF pursuant to the agreement, giving false or misleading information is a serious offence under Section 170 of the *Criminal Code Act Compilation Act 1913*.

## Reporting Fraud

109. The CTF is committed to preventing fraud in all aspects of its business. If fraudulent activity is suspected within the capital grant program, it should be reported. Fraud can be reported anonymously through Crime Stoppers ([www.crimestopperswa.com.au](http://www.crimestopperswa.com.au)) or directly to the WA Police.

## Contact information

110. Contact details for the Construction Training Fund are as follows:

Postal  
Chief Executive Officer  
Construction Training Fund  
PO BOX 303  
Cloverdale WA 6985

Email  
<mailto:capital.grants@ctf.wa.gov.au>

## Attribution

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## Attachment 1

### Agreements with Registered Training Organisations – conditions to be applied

#### 1. Registered Training Organisations wishing to accept an offer of capital funding

A Registered Training Organisation wishing to accept an offer of a Building and Construction Industry Training Board capital funding must enter into a written agreement with the Construction Training Fund, which, amongst other conditions, must bind the registered training organisation to:

- (a) hold adequate insurance cover over its existing buildings and facilities and provide evidence to the Construction Training Fund of this insurance cover as part of the grant application process
- (b) seek the Construction Training Fund's approval before any variation to the approved project or alterations in the scope of works
- (c) contribute at least the amount specified in the funding offer or project funding agreement
- (d) apply the funds provided by the Board for the approved project only for the purpose of meeting expenditure on that project
- (e) accept that if the Registered Training Organisation is not complying with their agreement with the Construction Training Fund (for example, by not providing required information), the Construction Training Fund may delay payment to the Registered Training Organisation until the Registered Training Organisation fulfils the condition
- (f) agree to repay to the Construction Training Fund as much of the funding as the Construction Training Fund determines must be repaid if the Registered Training Organisation has failed to comply with a condition on which the funding was provided
- (g) spend capital funding payments, including any interest earned on the payments, as soon as possible, and, for the capital grant payment, not later than six months after the date of receipt
- (h) enter into a legally binding contract with successful contractors to proceed with the project before the end of the program year in which the first instalment of funding is payable
- (i) use and document tendering procedures that encapsulate the principle of 'public invitation' and that are based on standard tendering practice
- (j) comply with, and include in contracts with contractors for the performance of any construction or building activity, the requirements contained in the National Construction Code 2022 ([www.ncc.abcb.gov.au](http://www.ncc.abcb.gov.au)).
- (k) maximise employment opportunities for Aboriginal and Torres Strait Islander people where a project is undertaken specifically for an Indigenous Australian community or where the project is in an area likely to provide employment or training opportunities for Aboriginal and Torres Strait Islander people, to reduce the disproportionately high unemployment rates among these people

- (l) agree to identify any perceived or actual conflict of interest to the Construction Training Fund at the stage when it first occurs. The Registered Training Organisation, with the possible assistance of the Construction Training Fund, must then ensure that the conflict is resolved with written advice provided to the Board on the nature of the conflict and how it has been resolved
- (m) specifically, identify to the Construction Training Fund any provision under any subcontract the registered Training Organisation has entered into or proposes to enter into in relation to the project which requires the Registered Training Organisation to make an incentive payment to any person involved in the development and construction of the project and which is designed to reward completion of the project at a cost under budget or ahead of time
- (n) ensure that the project is completed to a satisfactory standard and within a reasonable time in accordance with the approved project description and with all relevant local government requirements
- (o) comply with the recognition requirements for capital funding; Grant recipients should contact the capital.grants@ctf.wa.gov.au inbox if they have any questions regarding recognition
- (p) provide financial accountability information to the Construction Training Fund within a specified period after the completion of a project
- (q) use the facilities to provide training services
- (r) in the case of projects with grants greater than \$75,000, the agreement gives the State a right to repayment:
  - (i) notify the Construction Training Fund if the Registered Training Organisation ceases to use the facilities principally for training purposes or sells or otherwise disposes of the facilities within the Designated Period specified in the table at **Attachment 3** and
  - (ii) repay to the Board or the State the calculated portion of the grant, calculated in accordance with **Attachment 3** if the registered training organisation ceases to use the facilities principally for training or sells or otherwise disposes of the facilities within the Designated Period
- (s) not transfer the funding agreement or ownership of the registered training organisation until the project has been completed, all grant payments have been received, and accountability requirements for the particular project have been finalised, notwithstanding that the 12 months' notice required of registered training organisation must be given before such finalisation
- (t) ensure that, if a registered training organisation is transferring to another owner, the registered training organisation to which it is transferring accepts responsibility for protecting the State's right to repayment in any project funded while the registered training organisation was owned by the legal entity that entered the agreement. A new owner must advise the State that it has agreed to accept such a responsibility
- (u) pay all funding instalments received into an account opened with a financial institution such as a bank, building society or credit union operating in Australia. The registered training

organisation must identify the receipt and expenditure of those monies in separate accounts within the registered training organisation's accounting record

- (v) keep adequate financial documents and records relating to each capital grant project to enable the following:
  - i. all income and expenditure related to each capital project to be identified in the RTOs accounts
  - ii. confirmation of the completion and final expenditure on the project, such as a Certificate of Occupancy and
  - iii. the preparation of financial statements in accordance with Australian Accounting Standards and generally accepted practices
- (w) allow the Construction Training Fund, Board and State to inspect the completed project
- (x) acknowledge and agree that the Board may assign some or all of the Board's rights (including the Board's rights to recover all or a portion of the grant from an RTO) to the State. A pro forma clause is in **Attachment 4**
- (y) comply with any additional conditions imposed by the Minister in relation to the approved grant.

## Attachment 2

### Better practice site visit report

Below are suggestions for headings that should be incorporated into project site visit notices. The questions provided outline the issues that should be considered when the notice is given. Inspection schedules/checklists/score sheets should also be issued to assist during their visits.

GROUP HEADINGS	QUESTIONS TO BE CONSIDERED
<b>1. Date of visit and details of the visiting team</b>	Who will visit the site, and when will the visit be conducted? Who was present at the time of the visit?
<b>2. Summary of the requested grant</b>	What is the reason for the RTO's application? What is the estimated total cost? What is the proposed size of the grant? How will the RTO meet its contribution?
<b>3. Eligibility</b>	Does the RTO meet all the eligibility requirements of the program?
<b>4. Existing facilities</b>	Is a site plan available? To what extent does the current accommodation meet the needs of the RTO?
<b>5. Proposed project</b>	What does the proposed project involve? Will this project contribute to the goals of the Capital Grants Program?
<b>6. Enrolment information</b>	What are the enrolment trends over the past five years? What are the projected enrolments, and how stable and consistent are they? Are the proposed facilities adequate in area and nature for the number of current and prospective enrolments? Are there any other considerations, such as class size policy or international students, that are worth commenting on?
<b>7. Project management</b>	Does the RTO have the capacity/expertise to manage the infrastructure project? Is the RTO aware of the tendering requirements, including potential conflict of interest with bodies bidding for work?
<b>8. Other discussion points</b>	Does the RTO have a strategic plan that demonstrates the RTO's consideration of all aspects of its development? If so, how was it developed? Does the RTO have a maintenance policy and objectives from which a maintenance plan arises? Has the community been consulted about the prospective work? Has the RTO considered increased or decreased enrolment implications? What other alternatives have been or could be considered? Has the RTO carefully considered the impact of the works, including energy consumption, security, and access for students/staff with disability?



GROUP HEADINGS	QUESTIONS TO BE CONSIDERED
	<p>What will the RTO do if this application is eligible but is unsuccessful due to insufficient priority?</p> <p>What will they do if this application is rejected due to insufficient/financial and/or training needs?</p>
<b>9. Appendices</b>	Please append any working templates such as inspection schedules/checklists/score sheets.

State right to repayment

The Board specifies the repayment periods and recoverable amounts of the grant that will become repayable where, at any time during the Designated Use Period, the Registered Training Organisation ceases to provide training services as contained in the funding agreement:

Recovering capital funding when a Registered Training Organisation ceases to provide training.

- (1) An amount (the **capital funding amount**) of financial assistance, as provided in the capital funding agreement, that is provided for a registered training organisation is recoverable if:
  - a) the capital funding amount is included in column 1 of an item of the table in this subsection; and
  - b) the registered training organisation ceases to provide any training in the period mentioned in column 2 of that item.

**When a capital funding amount may be recovered**

Item	Capital funding amount	Designated use period
1	\$75,001 to \$500,000	Two years plus one additional year for each \$50,000 of financial assistance that is over \$100,000
2	\$500,001 to \$1.5 million	Ten years plus one additional year for every \$100,000 of financial assistance that is over \$500,000
3	Over \$1.5 million	20 years

- (2) If the registered training organisation ceases to provide training during the first half of the period specified in column 2 of an item in the table in subsection (1), the amount specified in the capital funding agreement must not exceed the capital funding amount.
- (3) If the registered training organisation ceases to provide training during the second half of the period specified in column 2 of an item of the table in subsection (1), the amount specified must not exceed the amount that remains if, each year in the second half of the period, the capital funding amount were reduced by equal proportions.

Example: Financial assistance of \$2 million is provided to a block grant authority to build a building for a training facility. If the grant recipient ceases to provide training during the ten years after the financial assistance is provided, the State may recover the entire amount. For each year following those ten years, the amount that the State may recover reduces by 10 per cent.

- (4) In determining a period for subsection (2) or (3), round the period to the nearest full year.

Examples of the recoverable amount are set out in the table below:

Total grant amount	Designated use period	Recoverable portion	Example
\$75,001 to \$500,000	Two years plus one additional year for each \$50,000 over \$100,000 (Rounded to the nearest full year)	The full amount will be recoverable up to halfway through the Designated Use Period and then reduced by equal proportions of the total amount over the remaining period.	<p>Grant amount \$475,000: retain interest for two years plus 7.5 years (total rounded up to 10 years).</p> <p>The full amount recoverable up to five years, then the amount to be recovered would be reduced by 20 per cent of the total amount each year until \$0 is recoverable after the ten years from the date of the commencement of the Designated Use Period.</p>
\$500,001 to \$1.5 million	Ten years plus an additional year for every \$100,000 over \$500,000 (Rounded to the nearest full year)	The total amount will be recoverable up to halfway through the Designated Use Period and then reduced by equal proportions of the total amount over the remaining period.	<p>Grant amount \$1 million: retain interest for ten years plus five years (total 15 years).</p> <p>The full amount recoverable up to 7.5 years would then be reduced by 13.33 per cent of the total amount each year to the end of 15 years.</p>
Over \$1.5 million	20 years	The full amount will be recoverable up to halfway through the Designated Use Period and then reduced by equal proportions of the total amount over the remaining period.	<p>Grant amount \$2 million: retain interest for 20 years.</p> <p>The full amount is recoverable over ten years and then would be reduced by 10 per cent of the total amount each year to the end of the 20 years.</p>

### Proforma clause to be included in agreements between the Construction Training Fund and registered training organisations

#### **Agreement to assignment to the State**

- a) The registered training organisation acknowledges and agrees that the State can assign some or all of the Board's rights under this agreement (including the Board's rights to recover all or a portion of the grant from the capital funding agreement Participant).
- b) The capital funding agreement Participant acknowledges and agrees that, where the Board assigns a right to the State (the 'Assigned Right'), the State may exercise the Assigned Right and enforce the Assigned Right directly against the registered training participant in the State's name, as the Board's assignee.
- c) Without limiting paragraph (b), the capital funding agreement Participant acknowledges and agrees that the State may institute legal proceedings against the capital funding Participant registered training organisation to enforce the Assigned Right.

### Tendering Processes

1. The Construction Training Fund must approve all registered training organisation's tendering procedures. The procedures should align with sound tendering practices and support the value-for-money principle. Tendering processes used by registered training organisations and those submitting offers must be based on sound building industry practice.
2. Where a person or body believes a tendering procedure approved by the Construction Training Fund is unfair or inconsistent with sound tendering practice, the Construction Training Fund must provide that person or body with an opportunity to explain why it objects to the procedure approved.
3. The Construction Training Fund must ensure that registered training organisations obtain value for money from a tender process and not just the lowest price offered. Registered training organisations must assess all tender submissions for eligibility, adherence to applicable policies, quality assurance, capability and capacity of offers and ensure value for money is achieved. Registered Training Organisations must document their assessment methodology, selection criteria and recommended outcome for each tender submission and seek appropriate approvals.
4. Registered training organisations must only accept tenders and enter into commitments in relation to recommended projects once advised by the Construction Training Fund of the formal approval of the project and their agreement with the Construction Training Fund has been finalised.
5. The State accepts no liability in negligence or howsoever for costs incurred by registered training organisations in preparing applications, tenders or developing project plans. In exceptional circumstances, the Construction Training Fund may apply to the Board for special consideration for payment of such costs from the total capital grant allocation.
6. As outlined in the Australian Standard –Code of Tendering, the person calling for tender can negotiate with a single prospective tenderer to achieve an acceptable tender. Negotiations should be carried out in good faith.
7. A checklist for tendering is provided below. The principles contained in the checklist include:
  - (a) Project implementation must be overseen by a licensed building industry professional independent of those carrying out the work.
  - (b) Registered training organisations should be allowed direct access to professional advice (consultants), independently of the builder or project manager, about the implications of design, materials and construction decisions.
  - (c) There should be effective competition to the greatest extent practicable for all significant project elements. You are being fair and equitable to the market and achieving greater value for money.

- (d) Procurement processes used by registered training organisations and those submitting offers should be based on sound building industry practice per the Australian Standard Code of Tendering. Registered training organisations must advise the Construction Training Fund of the tender method used for each tender process.
- (e) All tender assessment criteria must be specified in the tender documentation and should include tenderers' capability, capacity, financial, and technical capacity to carry out the work.
- (f) Written contracts must be signed for the engagement of all major parties. These contracts would be expected to be based on standard industry contracts, and the contracts must clearly state the responsibilities and liabilities of the parties to the contract.
- (g) The contract between a registered training organisation and the independent professional overseeing the implementation of a project must include a condition that the person controlling the project must monitor the performance of all subcontracts for the project on behalf of the registered training organisation to ensure the work is undertaken in accordance with the terms and conditions of those contracts.
- (h) A reasonable project end date must be estimated.
- (i) Claims for payment must be certified by a licensed building industry professional independent of the client and the builder.
- (j) The Construction Training Fund should keep records of the tender methods utilised for each project tender. The Board may require these records if, for example, the Construction Training Fund assigns rights to the State.

## Employment and Training provisions for Aboriginal and Torres Strait Islanders

- 8. Capital funding is offered on the condition that the registered training organisation will encourage the employment and training of Aboriginal and Torres Strait Islanders.
- 9. Where a project is to be explicitly undertaken for an Indigenous Australian community, at least one community member is to be involved in evaluating tenders, except where a conflict of interests would arise.

## Checklist for tendering requirements

### 1. Prior to starting the project, have you:

- Clearly documented the need for the tender in a business case?
- Undertaken a risk assessment and document in a risk plan?
- Researched the market and decided on the most appropriate procurement method.
- Outlined the timeline for the project, noting all the required steps.
- Clearly detailed the relevant conditions for participation and not excluding potential tenderers unfairly in doing so?
- Drafted a request to market document (including the draft contract) that clearly articulates your need and has all necessary standard terms and conditions.
- Developed a written statement of requirements for the work that is unambiguous in its requirements.

### 2. Have you complied with the *National Construction Code 2022* and the Western Australian Government Building and Construction WHS?

### 3. Have you, in relation to the Conduct of the Process:

- Considered the involvement of the Indigenous Australian community as part of the evaluation of tenders if the project is primarily for the benefit of the Indigenous community and addressed in your evaluation plan.
- Have you encouraged the employment and training opportunities of Aboriginal and Torres Strait Islanders in the project in some way? Reiteration of the need to promote this in any project to improve opportunities for Indigenous workers.
- Have you provided robust evaluation criteria to provide a clear guide for assessing and comparing the costs and benefits of all submissions on a fair and equitable basis over the whole tender life cycle?
- Have you asked for sufficient detail from the tenderer on tender assessment criteria to ensure the tenderers, technical and financial capacity and capability to carry out the work?
- Ensured that your tender delivers value for money over the project's life.
- Ensured that your tender does not unfairly discriminate against small and medium enterprises (SMEs). SMEs are organisations with fewer than 200 full-time employees.
- All tender documentation provides an understanding of the reasons for the tender, the process followed and all relevant decisions, including approvals and authorisations, and the basis of those decisions.

- Have you documented any plans for contract negotiations?

4. After the award of the contract:

- Do you have a contract management plan?
- Do you have clearly defined key performance indicators (KPIs)?
- Have you provided the opportunity to debrief unsuccessful tenderers?
- Is a written contract signed with the supplier on file?
- Do you have a verification process to confirm that subcontractors, consultants and material suppliers' workplace arrangements comply with the Code and Guidelines? For example, as part of the contract KPIs and/or contract management activities.
- Do you have processes in place to monitor the on-site compliance of subcontractors engaged during the life of the project? For example, as part of the contract KPIs and/or contract management activities.
- Do you have a process for documentation retention for seven years? Is this stated in your contract?



### Summary of Capital Grants Program recognition requirements

#### **Registered Training Organisations that receive funding through the Board's capital grants program (CGP) are required to:**

- Acknowledge Board funding in all announcements and other publicity of all capital projects to which the Board is contributing funds
- Arrange for the recognition of funding within seven months of the physical completion of the project unless otherwise agreed by the Board:
  - where the Board contribution is equal to or exceeds \$100,000 irrespective of the year in which the funding was approved or
  - where the Board or the Minister requests an opening.

#### **Capital Grant Program GRANT UNDER \$100,000 – CEREMONY PROCEDURE**

- Where the CGP grant to a project is under \$100,000, a Registered Training Organisation can choose to recognise the Board's assistance by installing a building plaque.
  - A registered training organisation should advise the Board via the capital grant inbox at [capital.grants@ctf.wa.gov.au](mailto:capital.grants@ctf.wa.gov.au) that a project is complete and that an official opening ceremony will not be held as the grant amount is under \$100,000.
  - The Board will provide a plaque template to the registered training organisation.
  - The registered training organisation is to formulate the plaque wording based on the template and provide it back to the Board for approval.
  - The Construction Training Fund will advise the registered training organisation when approval has been given.
  - The registered training organisation then arranges for the plaque to be manufactured and installed on the building.
- Alternatively, **if a registered training organisation wishes to hold an opening**, notwithstanding the grant amount, the opening requirements for grants over or equal to \$100,000 applies; please see the procedure below.

#### **CGP GRANT OVER OR EQUAL TO \$100,000 – OPENING CEREMONY REQUIRED – PROCEDURE**

- Where the CGP grant to the project is equal to or in excess of \$100,000, registered training organisations are required to hold an official opening ceremony.
- Dates of openings must be convenient to all parties, including the State Government. To ensure opening dates are suitable to the State Government Minister for Training or their representative, it is requested that:
  - invitations are sent to the Minister by recipient registered training organisations via the inbox at [capital.grants@ctf.wa.gov.au](mailto:capital.grants@ctf.wa.gov.au) at least two months in advance of the opening.

- Three possible dates that do not coincide with Parliamentary of Western Australia sitting days should be included in the invitation. Refer to the Parliamentary Sitting Calendar (<https://www.parliament.wa.gov.au/webcms/webcms.nsf/WebSittingCalendar>).

## **REQUIREMENTS FOR CEREMONIES**

- The following conditions apply for an official opening ceremony:
  - The Minister for Training or their representative must be invited to open those projects for which an official opening is being arranged.
  - The Minister for Training or their representative must be invited to speak at all official openings of capital projects to which the Board has contributed funding.
  - In the case of an opening with other funding sources, for example, Commonwealth contribution, the Minister for Training or their representative must be invited to open those projects to which the State contribution is greater than 50 per cent of the project cost.

Note: Registered Training Organisations are welcome to elect the attending State representative to open facilities where the State has contributed less than 50 per cent of the project cost.

- Where a Commonwealth representative opens a facility, the name of the person opening the facility must be included in the associated commemorative plaque, which must be either affixed to the new or refurbished buildings or displayed in an appropriate position.
- If the Minister for Training or their representative attends an opening, they may issue media releases.
- Registered Training Organisations may receive exemptions from opening requirements depending on the type of facility and works applied. For example, intangible improvements such as replacing an electrical system or simply refurbishing an amenities block may be considered for exemption by the Minister for Training.
- A registered training organisation must obtain the Minister for Training agreement for an exemption from holding an official opening or deferment of an opening.

## **Contact Us:**

You are welcome to contact the Construction Training Fund through the [capital.grants@ctf.wa.gov.au](mailto:capital.grants@ctf.wa.gov.au) inbox if you would like to discuss or need further information regarding any aspects of the Capital Grants Program requirements for recognition.

### CTF CAPITAL GRANT FUNDING ROUND

- The Board has established a funding pool of **\$5 million** for applications awarded before **30 June 2024**.
- The applications for the Capital Grant Program must demonstrate it meets the Board's objectives of:
  - Increasing the number of skilled workers in the Building and Construction Industry; or
  - Improve the quality of training in the building and construction industry.
- Capital funding for RTOs under the Capital Grant Program is allocated to RTOs based on need.
- The Capital Grant Program allocations to RTOs do not include the Goods and Services Tax (GST).

### ELIGIBILITY CRITERIA

#### Criteria for Capital Expenditure

Each project must meet the criteria for capital expenditure, which includes expenditures relating to the following categories:

- Planning for the erection, alteration, extension, demolition, or refurbishment of a building or other facility (or part of a building or other facility).
- Erecting, altering, extending, or refurbishing a building or other facility (or part of a building or other facility).
- Provide equipment, including information technology (as part of a broader capital project unless exceptional circumstances exist).
- Provide furniture (as part of a broader capital project unless exceptional circumstances exist).
- Vehicles to train the building and construction workforce.
- Addresses the Board's priority areas of the Western Australian Government's decarbonisation and renewable energy strategy.

#### Eligibility requirements

- Have registered with the Australian Skills Quality Authority (ASQA) or the Training Accreditation Council (TAC) in Western Australia.
- Not be an agent of the State, for example, an independent statutory authority such as a TAFE college.
- Be in good standing with the ASQA and TAC.
- Demonstrate to the CTF a financial need and that the RTO cannot meet the project's total cost.
- Demonstrate to the CTF that the project will contribute to the objectives of the capital grant program.

- Demonstrate to the CTF that the RTO has an appropriate maintenance plan and can meet the ongoing running costs of its training facilities or equipment funded by the grant.
- Demonstrate to the CTF that adequate insurance is held over its training facilities.
- Propose a project consistent with sound planning within the environment in which it operates, especially concerning the cost, size, and use of facilities to be funded.
- Proposing a project that will not adversely affect the condition of a place in relation to the Commonwealth, State or local government heritage legislation.
- Demonstrate that the RTO and the proposed project are financially viable.
- Own the land or have a lease for the land and/or buildings that have a period to run commensurate with the period in which the capital grant may be required to be repaid if the RTO no longer provides training for the building and construction industry.

## Ineligible projects

The following projects and costs are ineligible for funding:

- Projects where construction and/or installation of infrastructure has commenced before signing a funding agreement with the CTF.
- Projects focused on opportunity identification, concept screening, product development research, marketing concept development and feasibility studies.
- Advertising, signage, and related communications activities.
- Land acquisition.
- Staff, resourcing, salaries.
- Preconstruction (site preparation) activities such as clearing, earthworks or site accessibility works.
- Security and/or surveillance equipment.
- Project management costs.
- Certification, permit, licence, or related fees.
- Compliance monitoring and management costs.
- Vehicle and transport costs outside of training requirements.
- Contingency costs.
- In-kind contributions.
- Costs to establish and ongoing operational costs such as, but not limited to, salaries, electricity, water, rates, other utilities, overheads, engineering, design, or insurance costs.