

EDUCATION BUREAU CIRCULAR MEMORANDUM NO. 127/2020

From : Permanent Secretary for Education To : Supervisors and Heads of Kindergartens,
Kindergarten-cum-Child Care Centres
and Schools with Kindergarten Classes
Joining the Kindergarten Education
Scheme – for necessary action

Ref. : EDB(KGA)/KGES/22/1

Date : 27 August 2020

Kindergarten Education Scheme Pilot Schemes on Renovation Grant and Relocation Grant (2020/21 School Year)

SUMMARY

The purpose of this circular memorandum is to inform kindergartens, kindergarten-cum-child care centres and schools with kindergarten classes (collectively referred to as “KGs” hereafter) joining the kindergarten education scheme (“Scheme-KGs”) of the details of the Pilot Schemes on Renovation Grant and Relocation Grant.

DETAILS

2. The Government has implemented the kindergarten education scheme (“Scheme”) starting from the 2017/18 school year. The policy objectives are to provide good quality and highly affordable kindergarten education, and enhance the accessibility of students to different modes of services that suit their specific needs. Scheme-KGs will be provided with direct subsidy in the form of a basic half-day unit subsidy and additional subsidy for whole-day and long whole-day services. This subsidy covers expenses on salaries for teaching staff (including principals) and non-teaching staff and other operating costs. School-specific grants will also be provided to cater for the special circumstances of individual KGs.

3. Two Pilot Schemes on Renovation Grant and Relocation Grant will be launched in the 2020/21 and 2021/22 school years to alleviate KGs’ financial burden in improving the school environment. The two grants are provided on a one-off basis. Successful applicants should use the grants within two years as counted from the disbursement of the grant by the Education Bureau (EDB). Details of the application procedures for the two grants are set out in [Appendix 1](#) and [Appendix 2](#).

Accounting arrangement

4. The Pilot Schemes offer a one-off grant to all successful applicants. For the Pilot Schemes for the 2020/21 school year, with the disbursement of grants in March 2021, KGs are required to use them on or before 28 February 2023. KGs are required to keep a separate ledger account to record all the incomes and expenditures chargeable to the grants. KGs are also required to record all the related incomes and expenditures in the statements/note of the annual audited accounts to reflect the incomes and expenditures of the Pilot Schemes, as well as to submit the annual audited accounts to the EDB in accordance with the existing requirements. KGs are not allowed to transfer the funds/unspent balance out of the grants. No expenditure item of the Pilot Schemes can be included in the calculation of school fees in the fee revision exercise.

5. KGs are required to observe the established principles and requirements on the use of public funds as promulgated by the EDB when using the grants. These include hiring outside services and making purchases according to fair and transparent procedures with reference to the 'Guidelines on Procurement Procedures in Kindergartens' of the kindergarten education scheme issued by the EDB, and preparation of a separate ledger for proper recording of receipts of various accounting transactions on a reimbursement basis. KGs need to submit such purchase records including related invoices, receipts and documents to the EDB for examination, if required. As a usual practice, relevant records of the grants should be kept for a period of not less than seven years. If found inadequate, the grant can be topped up by the non-teaching staff salary portion of the basic unit subsidy under the kindergarten education scheme as appropriate, having considered the overall financial position of the schools and the rationality of deployment of resources.

6. If there is an unspent balance of the grants in KGs approved to join the Pilot Schemes after 28 February 2023, the unspent balance will be clawed back by the EDB. KGs are not allowed to transfer funds/unspent balance out of the grants.

7. KGs are required to undertake to continue joining the Scheme for at least four years upon approval for one of the grants. KGs are required to return the amount of the grants in full to the EDB if they close, are revoked of the status as a Scheme-KG, or withdraw from the Scheme by the end of the 2024/25 school year. KGs are required to return the amount of grants as specified by the EDB to the Government if they are subsequently identified for using the grants for purposes other than those specified and/or no longer meeting the requirements set out in this circular memorandum.

Application procedures

8. Application forms for the 2020/21 school year are at the Annex to the respective Appendixes. Completed application forms should be returned to the Kindergarten Administration Section by the respective deadlines. The application forms in Word format can also be downloaded from the website (http://www.edb.gov.hk/free-quality-kg-edu_en).

ENQUIRIES

9. For enquiries concerning the details of the grants, please contact the Kindergarten Administration Section as follows:

<u>Grant</u>	<u>Telephone number</u>
Pilot Scheme on Renovation Grant	2186 6735
Pilot Scheme on Relocation Grant	2186 8996

Ms Y Y SO
for Permanent Secretary for Education

cc : Heads of Sections - for information

**Pilot Scheme on Renovation Grant
(2020/21 School Year)**

ELIGIBILITY

If kindergartens joining the kindergarten education scheme (Scheme-KGs) have genuine needs for improving the school environment, they can apply for a grant under the Pilot Scheme on Renovation Grant to conduct improvement or renovation works. Each successful applicant will receive a grant of \$0.5 million.

2. All Scheme-KGs in the 2020/21 school year are eligible to apply for the Pilot Scheme on Renovation Grant. However, for individual KGs which are eligible for other Government subsidies / resources or other public resources (such as Lotteries Fund) to conduct renovation works and/or purchase furniture and equipment, to avoid double-benefits, these KGs do not fulfill the eligibility requirements for joining this pilot scheme. Taking into account the resources available, the estimated annual quota of the Pilot Scheme is 50. Applicant KGs are required to submit the relevant basic information of the renovation works to the EDB, including the purpose of the works, items of the planned works, urgency of the works, the current situation of the school premises, budget, etc. The EDB will take into account different factors when vetting and approving the applications, including the operating standards of the KGs, current conditions of the school premises, genuine needs, urgency of the works, financial position of the KGs, sustainability of the KGs, length of remaining tenancy period of the school premises (if applicable), future removal plan, etc.

USAGE

3. The Renovation Grant covers expenses on improvement or renovation works of the registered premises of the successful applicants. For KGs operating in part of the premises concerned, only the relevant portion of the renovation expenses that should be shared by the KGs is chargeable to the Renovation Grant. The KGs should ensure that the portion of the share is reasonable.

4. The Renovation Grant can be used to cover the following works:

- (i) Internal decoration and renovation works;
- (ii) Minor internal conversion works such as partition of rooms and change of room use; and
- (iii) Purchase of furniture.

5. Extension of KG premises, demolition or rebuilding of KG premises are normally not covered by the Pilot Scheme on Renovation Grant.

6. Regarding matters on accounting procedures, quotation, tender, etc., KGs are required to follow the established mechanism including Chapter 4 of the “Kindergarten Administration Guide” and “Guidelines on Procurement Procedures in Kindergartens” issued by the EDB.

7. The grant is auxiliary by nature. KGs can at the same time deploy Government Subsidies or School Funds to conduct the renovation works. If the KGs have not fully utilised the grant under the Pilot Scheme within two years, the unspent balance should be returned to the EDB.

DISBURSEMENT ARRANGEMENT

8. The Pilot Scheme on Renovation Grant will be provided on a per-school basis, that is, application by school registration. A Scheme-KG, regardless of the number of its registered locations under the same school registration, will be counted as one eligible KG.

9. In general, KGs will be notified of the application results by February 2021 and the Grant will be disbursed in March 2021.

10. If the KG closes, is revoked of the status as a Scheme-KG, or withdraws from the Scheme by the end of the 2024/25 school year, the Renovation Grant should be returned to the Government in full. KGs are required to return the amount of grant as specified by the EDB to the Government if they are subsequently identified for using the grant for purposes other than those specified and/or no longer fulfill the requirements as stipulated in this circular memorandum.

APPLICATION PROCEDURES

11. KGs interested in applying for the Pilot Scheme on Renovation Grant are required to complete the application form at [Annex to Appendix 1](#) and return it to the Kindergarten Administration Section on or before 30 October 2020. Regarding the application for the 2021/22 school year, we will invite applications from KGs in due course.

Pilot Scheme on Relocation Grant (2020/21 school year)

ELIGIBILITY

Kindergartens joining the kindergarten education scheme (Scheme-KGs), which have a concrete plan for relocating to other premises for improving the school environment, can apply for a grant under the Pilot Scheme on Relocation Grant to alleviate KGs' financial burden of relocation. All Scheme-KGs in the 2020/21 school year are eligible to apply for the Pilot Scheme on Relocation Grant. However, for individual KGs which are eligible for other Government subsidies / resources or other public resources (such as Lotteries Fund) to conduct renovation works and/or purchase furniture and equipment, to avoid double-benefits, these KGs do not fulfill the eligibility requirements for joining this pilot scheme. Each successful applicant will receive a grant of \$1.5 million.

2. Applicant KGs should meet one of the following criteria:
 - (i) KGs to be relocated to KG premises allocated through the School Allocation Exercise by the EDB;
 - (ii) Average monthly rent of the new premises to be reduced by 20% or more upon relocation; or
 - (iii) KGs to be relocated to premises with the same / lower rental cost and there is an increase of 20% or more in premises area.

3. Applicant KGs should have signed a tenancy agreement or contract for the new premises. Applicant KGs should provide a copy of the signed tenancy agreement or other supporting documents when submitting the application. For KGs allocated KG premises under the EDB-administered school allocation mechanism, they should provide relevant correspondence issued by the EDB.

4. The EDB will take into account different factors when vetting and approving the applications, including the operating standards of the KGs, school environment, amount of reduction in rent, enrolment situation, the expected date of commencement of the new premises, demand and supply of KG places in the district, etc.

USAGE

5. Successful applicants of the Relocation Grant can use the grant to cover expenses on renovation works in the new premises, purchase of furniture and equipment and other costs relating to relocation, e.g. transportation of furniture and equipment. The grant is auxiliary by nature. KGs should deploy Government Subsidies or School Funds to conduct the relocation. If the KGs have not fully utilised the grant under the Pilot Scheme within two years, the unspent balance should be returned to the EDB.

6. Regarding matters on accounting procedures, quotation, tender, etc., KGs are required to follow the established mechanism including Chapter 4 of the “Kindergarten Administration Guide” and “Guidelines on Procurement Procedures in Kindergartens” issued by the EDB.

DISBURSEMENT ARRANGEMENT

7. The Pilot Scheme on Relocation Grant will be provided on a per school basis, that is, application by school registration. A Scheme-KG, regardless of the number of its registered locations under the same school registration, will be counted as one eligible KG.

8. In general, KGs will be notified of the application result by February 2021 and the grant will be disbursed in March 2021. KGs are required to return the grant in full to the Government if they are not relocated to the new premises as planned after approved for the grant.

9. If the KG closes, is revoked of the status as a Scheme-KG, or withdraws from the Scheme by the end of the 2024/25 school year, the Renovation Grant should be returned to the Government in full. KGs are required to return the amount of grant as specified by the EDB to the Government if they are subsequently identified for using the grant for purposes other than those specified and/or no longer fulfill the requirements as stipulated in this circular memorandum.

APPLICATION PROCEDURES

10. KGs interested in applying for the Pilot Scheme on Relocation Grant are required to complete the application form at [Annex to Appendix 2](#) and return it to the Kindergarten Administration Section on or before 15 December 2020. Regarding the application for the 2021/22 school year, we will invite applications from KGs in due course.

Application for the Pilot Scheme on Renovation Grant

(2020/21 School Year)

(To be returned on or before 30 October 2020)

To: Permanent Secretary for Education
(Attn: Kindergarten Administration Section, (Fax: 2834 5183))
Kindergarten Education Division, Education Bureau,
Room 3608, 36/F, Sunlight Tower, 248 Queen's Road East, Wan Chai, Hong Kong)

On behalf of my kindergarten (KG), I wish to apply for joining the Pilot Scheme on Renovation Grant for the 2020/21 school year:

- (1) The school premises of my KG are (Please '✓' only ONE of the following boxes.)
- ☐ self-owned school premises (which generally refers to the KG premises owned by the KG itself, its SSB / its operator).
- ☐ rented premises. (please answer item (3))
- ☐ others: _____
- (Please specify).
- (2) The registration date of the school premises of my KG is _____ (yyyy) ____ (mm). (My KG has been operated in the current premises for _____ years)
- (3) [For rented premises] The effective period of the tenancy agreement signed between my KG and the landlord is from _____ (yyyy) ____ (mm) to _____ (yyyy) ____ (mm) (_____ year(s) _____ month(s) in total)
- (4) My KG ☐ has ☐ does not have a removal plan in the coming four years. (Please '✓' only ONE of the boxes.)
- (5) Detailed renovation work plan of my KG: (Please briefly describe the purpose, items and urgency of the work, current situation of the school premises, budget and other relevant information on page 2 of the Annex)

For items (6) to (9) below, please '✓' the boxes to confirm.

- (6) ☐ I undertake to continue to join the kindergarten education scheme for the coming four school years (i.e. 2021/22 school year to 2024/25 school year).
- (7) ☐ I confirm that my KG is not eligible for other Government subsidies / resources or other public resources (e.g. Lotteries Fund) for purposes of premises renovation.
- (8) ☐ I confirm that all information provided above is true, accurate and complete. I will provide supporting documents when requested by the EDB for vetting and approving my application.
- (9) ☐ I undertake to follow EDB's requirements as stipulated in EDBCM No. 127/2020 to return the grants to the EDB.

Signature of Supervisor: _____

Name of Supervisor: _____

Name of KG: _____

School Registration No.: _____

Tel. No.: _____

Fax No.: _____

Contact Person (Name): _____

(Post): _____

Date: _____

School Chop

**Application for the Pilot Scheme on Renovation Grant
(2020/21 School Year)**

Name of KG: _____

1	Purpose of the work(s)	
2	Items of the planned work(s)	
3	Urgency of the work(s)	
4	Current situation of the school premises	
5	Budget	
6	Other relevant information	

(Please use additional sheet as necessary)

Application for the Pilot Scheme on Relocation Grant

(2020/21 School Year)

(To be returned on or before 15 December 2020)

To: Permanent Secretary for Education

(Attn: Kindergarten Administration Section, (Fax: 3105 0277))

Kindergarten Education Division, Education Bureau,

Room 3608, 36/F, Sunlight Tower, 248 Queen's Road East, Wan Chai, Hong Kong)

On behalf of my kindergarten (KG), I wish to apply for joining the Pilot Scheme on Relocation Grant for the 2020/21 school year.

(1) Premises Information:

	Current Premises	New Premises
Address		
Area	_____ sq. ft/ sq. m ^	_____ sq. ft/ sq. m ^
Rental period (dd/mm/yyyy)	_____/_____/_____ to _____/_____/_____	_____/_____/_____ to _____/_____/_____
Average rental amount per month within the rental period	\$ _____	\$ _____
Whether landlord is a related party of KG*	<input type="checkbox"/> No <input type="checkbox"/> Yes (Please specify relationship with the related party: _____ _____)	<input type="checkbox"/> No <input type="checkbox"/> Yes (Please specify relationship with the related party: _____ _____)
Expected date of commencement of new premises		

^ Please delete whichever is inappropriate.

* Applicant KGs should report factually accurate information. Eligibility will be cancelled if KGs are found to have withheld information or provided false information.

(2) The following copy of document(s) is/are enclosed for application purposes:

- ☐ tenancy agreement of current premises; and
- ☐ tenancy agreement of new premises/ other supporting documents.

For items (3) to (7) below, please '✓' the boxes to confirm:

- (3) ☐ I undertake to continue to join the kindergarten education scheme in the coming four school years (i.e. 2021/22 school year to 2024/25 school year).
- (4) ☐ I confirm that my KG is not eligible for other Government subsidies / resources or other public resources (e.g. Lotteries Fund) for purposes of relocation of KG.
- (5) ☐ I confirm that all information provided above is true, accurate and complete. I will provide supporting documents when requested by the EDB for vetting and approving my application.
- (6) ☐ I undertake to return the grant in full to the EDB if my KG is not relocated to the new premises as planned after approved for the grant.
- (7) ☐ I undertake to follow EDB's requirements as stipulated in EDBCM No. 127/2020 to return the grants to the EDB.

Signature of Supervisor: _____

Name of Supervisor: _____

Name of KG: _____

School Registration No.: _____

Tel. No.: _____

Fax No.: _____

Contact Person (Name): _____

(Post): _____

Date: _____

School Chop