#### **EDUCATION BUREAU CIRCULAR MEMORANDUM NO. 105/2022**

From : Permanent Secretary for Education

Ref. : EDB(KGA)/KGES/22/1(2) Date : 15 July 2022 To: Supervisors and Heads of Kindergartens, Kindergarten-cum-Child Care Centres and Schools with Kindergarten Classes Joining the Kindergarten Education Scheme – for necessary action

## Kindergarten Education Scheme Relocation Grant (2022/23 School Year)

## SUMMARY

The purpose of this circular memorandum is to inform kindergartens, kindergartencum-child care centres and schools with kindergarten classes joining the kindergarten education scheme (collectively referred to as "Scheme-KGs" hereafter) details of the Relocation Grant (2022/23 school year).

### 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. KGs can also apply for other grants according to the situations of the schools. To encourage KGs in districts with aging population to relocate to newly developed areas, or KGs at rented private premises to relocate to premises with lower rent or to apply for government-owned school premises so as to improve the teaching and learning environment of the schools, the Education Bureau (EDB) launched a two-year Pilot Scheme on Relocation Grant in the 2020/21 school year, under which each successful applicant can receive a one-off grant of \$1.5 million. To further encourage more KGs to apply for relocation to government-owned KG premises, the EDB now extends the Relocation Grant to the 2022/23 school year.

## ELIGIBILITY

3. Scheme-KGs, which have a concrete plan for relocating to other premises for meeting the need of the community or improving the school environment, can apply for Relocation Grant to alleviate KGs' financial burden of relocation. 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 for the new premises prior to relocation, to avoid double-benefits, these KGs are not eligible for applying for this grant.

- 4. Applicant KGs should meet one of the following criteria:
  - (i) KGs to be relocated to the premises allocated through the KG Premises 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.

5. 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 / contract, or other supporting documents when submitting the application. For KGs allocated premises under the KG Premises Allocation Exercise, they should provide relevant correspondence issued by the EDB.

6. 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

7. 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 for the new premises 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.

# DISBURSEMENT AND ACCOUNTING ARRANGEMENT

8. The 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.

9. Successful applicants will receive a one-off grant. For the applications in the 2022/23 school year, KGs will be notified of the application result by February 2023 and the grant will be disbursed in March 2023. KGs are required to use the grant on or before 28 February 2025. KGs are required to return the grant in full to the Government if they are not relocated to the new premises as planned after being approved for the grant. KGs are required to keep a separate ledger account to record all the incomes and expenditures chargeable to the grant. 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 grant, 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 grant. No expenditure item of the grant can be included in the calculation of school fees.

10. KGs are required to observe the established principles and requirements on the use of public funds as promulgated by the EDB when using the grant. These include hiring outside services and making purchases according to fair and transparent procedures with reference to Chapter 4 of the "Kindergarten Administration Guide" and the "Guidelines on Procurement Procedures in Kindergartens" 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 grant 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 Scheme as appropriate, having considered the overall financial position of the schools and the rationality of deployment of resources.

11. If there is an unspent balance of the grant after 28 February 2025 in KGs approved to receive the above grant, the unspent balance will be clawed back by the EDB. KGs are not allowed to transfer funds/unspent balance out of the grant.

12. KGs shall undertake to continue to join the Scheme in the coming four school years. If the KG closes, is revoked of the status as a Scheme-KG, or withdraws from the Scheme in these four years, the grant concerned 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**

13. KGs interested in applying for Relocation Grant in the 2022/23 school year are required to complete the application form at <u>Annex</u> and return it to the Kindergarten Administration Section <u>on or before 28 October 2022 (Friday)</u>. The application form (in Word format) could be accessed from this website (<u>http://www.edb.gov.hk/free-quality-kg-edu\_en</u>).

# **ENQUIRIES**

14. For enquiries concerning the details of the above grant, please contact the Kindergarten Administration Section on 2186 8996.

Mrs S C KWONG for Permanent Secretary for Education

## cc : Heads of Sections - for information

#### **Application for Relocation Grant**

#### (2022/23 School Year)

(To be returned on or before 28 October 2022 (Friday))

To: Permanent Secretary for Education (Attn: Kindergarten Administration Section, Kindergarten Education Division, Education Bureau, Room 3608, 36/F, Dah Sing Financial Centre, 248 Queen's Road East, Wan Chai, Hong Kong)

On behalf of \_\_\_\_\_\_ (name of kindergarten (KG)), I wish to apply for Relocation Grant for the 2022/23 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*	<ul> <li>No</li> <li>Yes (Please specify relationship with the related party:</li> <li>)</li> </ul>	<ul> <li>No</li> <li>Yes (Please specify relationship with the related party:</li> <li>)</li> </ul>
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:
  - $\Box$  tenancy agreement of current premises; and
  - □ tenancy agreement of new premises/ other supporting documents.

For items (3) to (7) below, please ' $\checkmark$ ' the boxes to confirm:

- (3) □ I undertake to continue to join the kindergarten education scheme in the coming four school years (i.e. 2023/24 school year to 2026/27 school year).
- (4)  $\Box$  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)  $\Box$  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)  $\Box$  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. 105/2022 to return the grant to the EDB.

Name of Supervisor:		
Name of KG:		
	Calcal Chan	
Fax No.:	School Chop	
(Post):		
	Fax No.:	