



Quality Schools

Special circumstances funding

Special circumstances funding provides financial help to eligible approved authorities when unexpected circumstances or events cause severe and temporary financial difficulty.

This help is available where the eligible approved authority has exhausted all other sources of assistance. Approved authorities must generally be capable of resuming operations in a manner satisfactory to the Department of Education and Training (the department) within two years of the financial assistance being provided.

Legislative background

Special circumstances funding is provided under section 69 of the *Australian Education Act 2013* (the Act). Section 25 of the *Australian Education Regulation 2013* (the Regulation) identifies information that may be taken into consideration in assessing an application.

Eligibility

All approved authorities can apply for special circumstances funding.

Provision of special circumstances funding requires the approved authority to apply and satisfy all of the following special circumstances criteria. Applicants must demonstrate that the situation is:

- **unexpected**
 - Could not have been reasonably foreseen.
- **causing severe financial difficulty**
 - Where an approved authority faces a real prospect of having to cease a large part of its educational activities or significantly lower its educational services.
- **short term**
 - Approved authorities which believe they can overcome their financial difficulty and resume operations must provide a five-year business and recovery plan, detailing the steps the authority has taken and the steps it will take in the future to address the causes of its financial difficulty.
- **a special need**
 - Approved authorities must demonstrate they have exhausted all options to remedy the financial situation of the school and that there is still a need for financial assistance, and must provide documentation to support their claim.

In determining an approved authority's eligibility for special circumstances funding, consideration may also be given to whether the approved authority:

- a. is compliant with all requirements of the Act and the Regulation
- b. intends to use the funds for any one or more of the following purposes (note that this will generally exclude an application for further consideration):
 - i. Unpaid Australian Taxation Office debts, including Pay As You Go or Goods and Services Tax.
 - ii. Solely to lower its level of indebtedness.

- iii. Expenditure of a capital nature.
- iv. Assist with a school which has been operating for less than five years.
- c. is likely to experience long-term financial difficulties
- d. is likely to close or is in the process of transitioning to closure:
 - i. The approved authority must demonstrate that the educational welfare of the students is likely to suffer severely if it closes, and there is no alternative school available to these students.
 - ii. Special circumstances funding may be available for an authority to continue to operate until the end of the current school year.

Application process

All applications for special circumstances funding must be made in writing using the *Special Circumstances Funding for Schools Application Form* which includes:

- a. information about the application process and guidance on completing the form
- b. outlines the supporting information required regarding the authority's governance, financial management, enrolments and staffing which will be assessed to:
 - i. substantiate the authority's claims against the special circumstances criteria
 - ii. enables the department to develop a thorough understanding of the authority's financial situation and the underlying causes of its financial difficulty
 - iii. validates the authority's business and recovery plan.

In addition to satisfying all the criteria, the approved authority must provide an estimate and justification for the amount of funding sought, as well as a business and recovery plan outlining the authority's strategy for addressing the financial difficulty.

Assessment process

The department will assess the application, and the supporting information against:

- the applicant satisfying all the special circumstances criteria and
- the business and recovery plan.

The department will advise successful applicants of the amount of special circumstances funding provided and conditions with regard to its use and acquittal. Unsuccessful applicants will be provided with feedback on the reasons their application for special circumstances funding was not successful.

Financial accountability

Approved authorities will be required to acquit the special circumstance funding as part of the annual financial accountability certificate process on or before 30 June of the following year, or such other date as the Minister determines.

Further information and enquiries

Enquiries about the program should be directed to the special circumstances program manager on 1800 677 027 or by emailing ComplianceHelpline@education.gov.au.