

Community Facility Funding Program

Capital Replacement Program Information Sheet

What is a Capital Replacement Program?

A Capital Replacement Program is a tool that can help you plan for the eventual replacement of sport and recreation facilities. It is a statement of all the required tasks, responsibilities and costs that should be taken into consideration for the future replacement of infrastructure.

The development of a Capital Replacement Program is now a standard condition on many Department of Planning and Community Development grants.

Why do you need a Capital Replacement Program?

A Capital Replacement Program is a useful tool to plan the maintenance and replacement of facilities over their anticipated lifespan.

A Capital Replacement Program usually ensures that facilities can be replaced when appropriate, ensuring that the legacy of quality facilities is sustained into the future.

How you create a Capital Replacement Program?

Your Capital Replacement Program should include (but should not be limited to) the following components:

1. Organisation name and contact details;
2. Components that make up your facility along with their approximate replacement cost and useful life;
3. The approximate annual amount that needs to be set aside for the eventual replacement of the facility. This can be calculated by dividing the approximate replacement cost by the approximate useful life;
4. Consideration should be given to escalation costs over the life of the facility;
5. Agreement of Council and/or Club roles in the replacement of the facility including annual sinking fund contributions; and
6. Taking the necessary steps to ensure stakeholders meet their responsibilities (ie. opening of a sinking fund bank account).

For further information on the Capital Replacement Program, please call your nearest Department of Planning and Community Development Regional Office or the Community Facilities Unit on (03) 9208 3333.