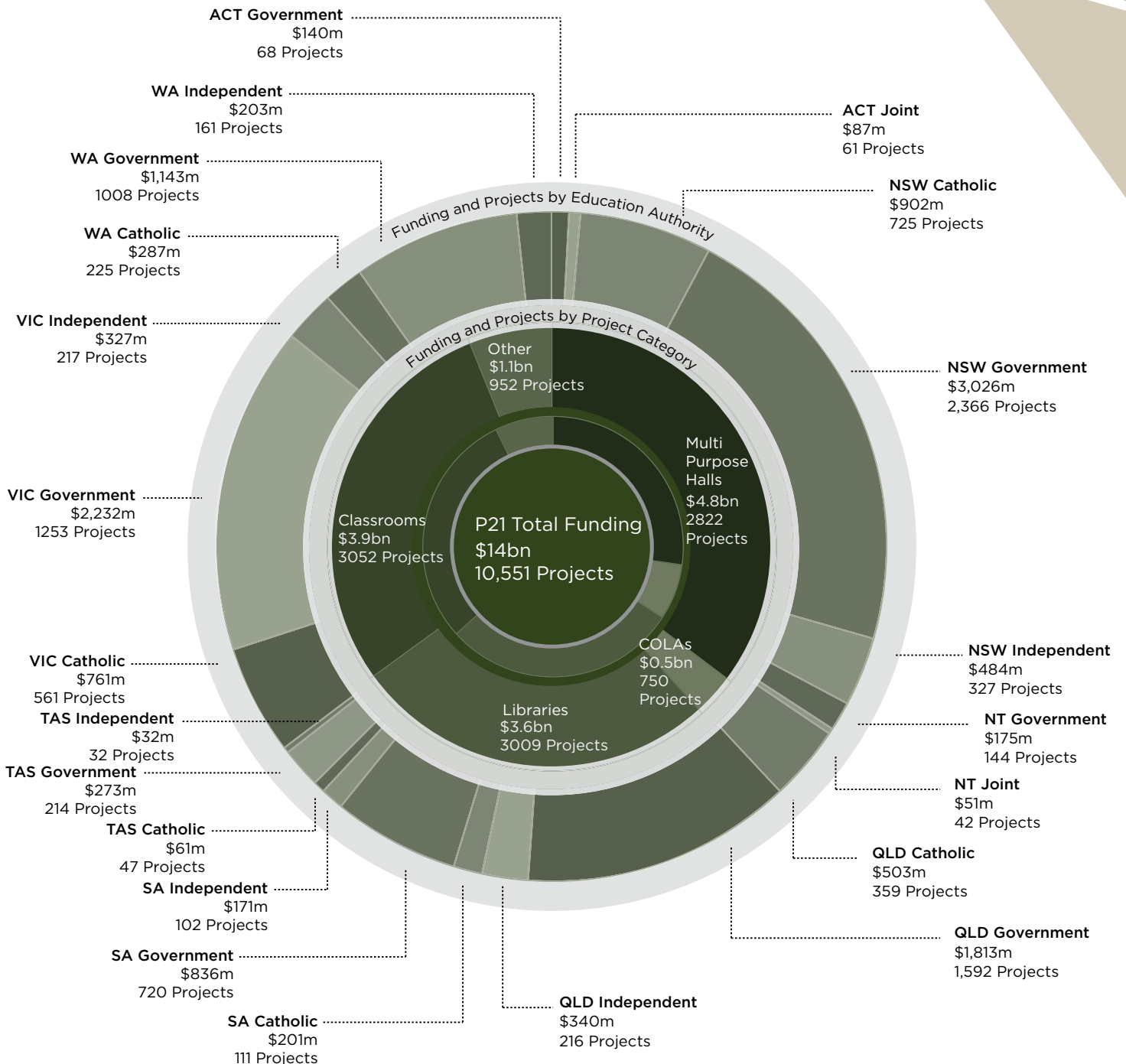




Building the Education Revolution Implementation Taskforce: Interim Report





Australian Government
Building the Education Revolution
Implementation Taskforce

Building the Education Revolution Implementation Taskforce:

Interim Report



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The Hon Simon Crean MP
Minister for Education
House of Representatives
Parliament House
Canberra ACT 2600

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Dear Minister

On behalf of the Building the Education Revolution Implementation Taskforce, I am pleased to formally lodge our interim report.

The Taskforce's remit is to give independent advice to the Australian Government and the public on the nature, progress and results of investigations and inform the Government of recommendations for changes to policy, contracts or projects required to ensure the objectives of the BER are realised.

The process of developing this report has been marked by cooperation and collaboration. I am extremely grateful to the many colleagues from the Commonwealth, State and Territory departments, block grant authorities, managing organisations, school communities, national industry associations, peak representative bodies and members of the building industry who have participated in discussions and workshops with us over the last three months.

Since the establishment of the Taskforce in May, we have visited over 110 schools in five states and talked to over 90 non-school stakeholders. All stakeholders we met were forthcoming and generous in sharing their insights with members of the Taskforce. These frank and honest discussions have enabled us to form our preliminary observations and initial recommendations in a relatively short period of time.

The Taskforce still has much work to do. In our second block of 100 days, we will continue to manage complaints and broker solutions, collect and analyse data on another 600 schools, as well as undertaking detailed value for money reviews of at least a further 50 BER P21 projects. Greater focus will be placed on analysing the lessons learnt through the delivery of the BER program and its policy implications for future infrastructure programs.

I would particularly like to express my appreciation to my outstanding Deputy Chairs, Alex Buchan and David Chandler OAM, whose construction expertise is integral to our operations, and to the Industry Advisory Panel whose membership includes, Mr Alan Duncan, Mr Eric Goodwin, Mr Michael Heenan, Professor Doug Jones AM, Ms Uschi Schreiber and Ms Leonie Trimper. Their advice has been invaluable. I'd also like to thank my team at the Taskforce who have worked tirelessly over the last 3 months.

Finally, the Taskforce would be remiss not to acknowledge the enormous efforts of school principals, communities, education authorities, designers, contractors and workers who have together delivered BER and the thousands of new school buildings being progressively occupied by school students across Australia.

Yours faithfully



Brad Orgill

Chairman, BER Implementation Taskforce
August 2010

Abbreviations

ACCC	Australian Competition and Consumer Commission
BER	Building the Education Revolution
BER-CAM	Building the Education Revolution – Cost Analysis Model
BMV	Benchmark Value
CC	Construction Contractor
CM	Construction Management
COLA	Covered Outdoor Learning Area
D&C	Design and Construct
DEEWR	Department of Education, Employment and Workplace Relations
EA	Education Authority
DEECD	Department of Employment, Education and Childhood Development
DET	Department of Education and Training, NSW
FF&E	Furniture, Fixtures and Equipment
GFA	Gross Floor Area
GFC	Global Financial Crisis
IPO	Integrated Program Office
LS	Lump Sum
MC	Managing Contractor
NSP	National School Pride
NSW	New South Wales
NT	Northern Territory
OH&S	Occupational Health and Safety
P21	Primary Schools for the 21 st Century
P&C	Parents and Citizens (this term is specific to public schools)
PjM	Project Manager
PM	Program Manager
QLD	Queensland
SA	South Australia
SLC	Science and Language Centres for 21 st Century Secondary Schools
SFS	School Facilities Standards
TAS	Tasmania
VFM	Value for Money
VIC	Victoria
WA	Western Australia

Executive Summary

In April, the Australian Government announced the Building the Education Revolution (BER) Implementation Taskforce would be established to receive, investigate and respond to complaints about the administration of the BER Program. Most importantly, the Taskforce was asked to investigate whether schools and education authorities are achieving 'value for money' from their BER projects. This has been the primary focus of our work to date.

The Taskforce has also been asked to make recommendations to the Australian Government about any changes to BER Program policy, contracts or projects it thinks could improve the remaining delivery of school buildings and refurbishments.

This is our interim report and outlines work undertaken since the Taskforce commenced on 3 May 2010. The observations and findings in this report are subject to further review and analysis ahead of our first full report in November 2010.

To date, the Taskforce has received complaints in respect of 254 schools; approximately 2.7% of all schools involved in the BER program, and of these over half relate to value for money. NSW Government schools accounted for 56% of complaints and Victorian Government schools for 20%. A full listing of complaints received is at Appendix 1.

From our investigations to date, the majority of complaints raise very valid concerns, particularly about value for money and the approach to school level involvement in decision making.

Issues raised with the Taskforce include: inflexibility both in terms of project specification and the capacity to reallocate funding to address priority needs, 'de-scoping' of projects if budgets came under pressure, lack of access to information on costs, insufficient consultation and empowerment of the school community in decision making and a perception that managing organisation fees were unnecessarily high. In part, these issues reflect the focus on speed of implementation of projects and a necessary tradeoff of consultation time and design customisation versus the stimulus objectives.

Complaints also reflect shortcomings in program implementation that could have been avoided. Shortcomings have been pronounced in the NSW Government system which adopted a higher cost, 'one size fits all', approach in its use of managing organisations and in product delivered. Beginning on page 42 we detail our investigation of program and project management fees, contracts used, risks and incentives for the large government and comparative non-government education authorities. NSW presents as having the highest costs although the premium to pre-BER cost is modest. The NSW fees have also varied significantly by managing organisation and region.

In response to the issues identified in NSW, the Taskforce recommended to the Australian Government in June that \$75 million of funding be withheld from the NSW Government. The Taskforce has been working actively and collaboratively with the NSW Department of Education and Training in respect of the value for money issues identified and in exploring solutions to complaints and we are encouraged by the early progress on a number of issues.

The Taskforce also established a mechanism to resolve complaints with the Victorian Government system. The Taskforce is keen to engage with all authorities to facilitate resolutions where possible and will build on this work in the next three months. The Taskforce will also visit an additional 100 schools across Australia by November 2010. Further detail on complaints management can be found from page 17.

The Taskforce has developed a model to define what it thinks the community perceives as a reasonable definition of value for money. The Taskforce believes that value for money involves three criteria: quality (is the building fit for purpose); time (has the project been delivered in



accordance with agreed timeframes); and cost (has the project come in on budget and relative to historical cost benchmarks). On any project it is apparent there is a necessary tradeoff between quality, time and cost.

The Taskforce has developed a cost analysis model which contains the details from over 400 BER P21 projects from all over the country. This enables us to begin to compare the costs of projects in the non-government and government sectors; the difference in the cost of delivery of projects between states and territories; and will, in the future, allow the Taskforce to fully assess the costs of BER implementation versus pre-BER delivery. At this point there are only small sample numbers for certain project types and education authorities. The Taskforce has however provided preliminary results in this report.

Over the next three months the Taskforce will enter an additional 600 projects into the database. Given the data richness of the BER program, this cost analysis model has the potential to provide benchmarks for all future educational infrastructure spend. It could unify current disparate education authority approaches to value for money and result in significant national savings.

There is evidence to suggest that some education authorities have achieved better value for money than others and after extensive review of costs and contract administration the Taskforce has concluded that some schools have not received value for money. The Taskforce will complete 17 detailed cost reviews already underway and at least 33 additional scheduled reviews by 30 September 2010. Details of our value for money approach and preliminary findings can be found from page 23.

Through the BER program, the Australian Government has invested significantly in building school infrastructure. While the Commonwealth provided the funding and developed the Guidelines, implementation and delivery was the responsibility of government and non-government education authorities in each state and territory.

The authorities all used differing procurement and delivery models. These substantially affected the value for money outcomes achieved. Considerable time was therefore spent understanding the approaches taken. Our initial findings begin on page 32.

The Taskforce's assessment is that where education authorities have had the capacity to implement an extended 'business as usual' procurement and delivery model, and where principals' and parents' views have been carefully considered in project decisions, and where available flexibility in the BER Program Guidelines has been taken, schools have secured higher quality educational infrastructure outcomes and better value for money.

The preliminary data available to the Taskforce suggests that some Government systems are delivering P21 projects at costs broadly comparable to non-government schools including those that self manage projects. Centralised delivery models do not necessarily deliver poorer project outcomes. Moreover, given the size of the larger government systems and the scale of the P21 program, the Taskforce view is that systemwide school level self management of BER P21 would not have achieved the implementation timetable required by the program in those larger states and that such an approach would have required resolution of a number of risk issues.

Over the past three months the Taskforce has visited 110 schools across five states to meet with school principals and school community representatives. The Taskforce has also met with a further 90 key stakeholder groups. Notwithstanding the validity of issues raised in the complaints, our overall observation is that this Australia wide program is delivering much needed infrastructure to school communities while achieving the primary goal of economic activity across the nation. There has clearly also been an added benefit of construction industry up-skilling, beyond just sustaining employment, as detailed in Appendix 8.

Our analysis suggests BER P21 is delivering quality infrastructure within the timeframe constraints set. For some of the 22 education authorities project costs are materially higher than would

have been obtained pre-BER in a business as usual environment. For some education authorities however the costs do not appear to be higher.

The Taskforce does not have sufficient pre-BER cost data at this interim stage to conclude, but from what limited data and insights we do have, we think the overall BER versus pre-BER cost differential, for each education authority, is in the range from 0% to plus 12%. The higher costs have resulted from the scale, time and complexity of the undertaking. Overall, delivering BER P21 within the short timeframe to achieve the economic stimulus objectives may have added a premium to pre-BER business as usual costs of between 5-6%. The Taskforce will continue to gather and analyse BER and pre-BER project data to enable us to have a more definitive view on value for money for the BER program as a whole by our November 2010 report.



Initial recommendations

The Taskforce recommends the following:

Immediate actions

1. In the interest of transparency and public accountability, the Taskforce recommends that each education authority publish school specific project cost data related to BER P21 in a nationally common structure with consistent definitions.
2. The Taskforce recommends that, where possible, any projects not yet committed and unlikely to be completed by 30 March 2011 should be delivered in accordance with the relevant education authority's pre-BER 'business as usual' approach to capital works.
3. The Taskforce recommends that school stakeholders be more involved in decision making at key points throughout the remaining delivery process. The Taskforce's school visitation program, design quality review and value for money analysis suggests that the best design and education outcomes are achieved through consultation. This principle should be applied for all BER P21 projects which are yet to be completed.
4. The Taskforce recommends that where education authorities are able to administer the BER program for under the 1.5% allocated by the Australian Government, the education authority should have flexibility to add those funds saved into their BER projects.
5. The Taskforce recommends that where external managing organisations are found to have delivered sub-standard outcomes, education authorities should consider the resolution of outstanding complaints via a mediated process. This could be assisted by the Taskforce.
6. The Taskforce recommends that the NSW Department of Education and Training BER Integrated Program Office (DET IPO) carefully administer the BER P21 contracts, to ensure rigorous application of controls within the contracts intended to ensure managing contractors' fees represent value for money.

Actions for the benefit of future programs

7. Commensurate with the objectives of the BER Program and the National Partnership Agreement on the Nation Building and Jobs Plan to share best practice, the Taskforce recommends that DEEWR establish an ongoing unit to review, share, and transfer lessons learnt in the application of school facility standards and the process of designing and delivering school building design templates. This has not occurred in implementation of BER P21 to-date.
8. The Taskforce has not been satisfied by the various explanations as to how value for money has been calculated by many jurisdictions. The Taskforce recommends that a forum of education authorities be convened to develop a more consistent set of definitions and measures of value for money.

9. If comprehensive historic benchmarking data about cost of school building construction had been available, it would have provided a valuable resource to assist in the assessment of value for money. The database being built by the Taskforce to provide data about the cost of BER projects should be housed long-term with an appropriate custodian (such as a university) to ensure that it is available to assist in future benchmarking. The Commonwealth should support and fund the implementation of this initiative.
10. The Taskforce has observed a wide range of project management and building contracts, across the implementation of BER P21. Establishing consistency with respect to future contracting arrangements would enhance clarity and pricing of risk and lead to better value for money outcomes. The Taskforce recommends this issue be raised as part of the BER National Coordinators forum for collective consideration by the education authorities.
11. In analysing complaints and in discussions with education authorities, the Taskforce found that prioritisation of BER projects was at times influenced by the need for money to be spent on backlogged maintenance and refurbishment. The Taskforce recommends that DEEWR monitor the level of backlog school maintenance, by education authority, and consider this in designing future capital spending programs.
12. The Taskforce was impressed by school master planning clarity at many non-government schools, which focussed on educational outcomes and stood them in good stead to more rapidly commence BER projects. The Taskforce recommends that the government education authorities review their approach to school master planning and engagement of school communities in this process.
13. The Taskforce recommends that DEEWR add to its technical expertise in the areas of construction, project management and quantity surveying to better administer infrastructure programs. The Commonwealth regularly provides substantial funding for educational infrastructure and such expertise would increase DEEWR's capacity in future program design and effectiveness.
14. The Taskforce recommends that at the outset of any future major education spending program, DEEWR establish an independent unit to receive, investigate and resolve complaints and with sufficient power to allow it to review and recommend changes to optimise program outcomes.

▲ The BER Program

Program rationale and objectives

The BER program was conceived amidst the global financial crisis (GFC). At the time, events in the United States triggered a global loss of liquidity and credit with genuine fears of a global depression. Construction industry activity in Australia had slowed dramatically.

The Commonwealth's response was to inject significant economic stimulus to ward off recession. Education was a key element of this stimulus via the BER program. The key element of the BER program was the \$14 billion Primary Schools for the 21st Century (P21) element to build and upgrade infrastructure in all primary schools.

A major capital funding program for schools was chosen as a preferred means of delivering stimulus because schools exist in every community across the country and could therefore provide national broad based stimulus while ensuring funds were spent creating jobs in Australia. Scale and speed of implementation were critical. It would also deliver a much needed addition to school infrastructure.

BER Program funding and Guidelines

BER is one of the largest national public works programs ever funded by the Commonwealth. BER P21 will deliver over 10,550 school construction projects to in excess of 7,900 schools by late 2011.

Implementation and delivery of the new school facilities is the responsibility of the 22 education authorities. Approximately 69% of BER P21 is for government schools; 20% for Catholic schools and 11% for independent schools. The largest education authority, by value is the NSW Government which represents 22% of the total program, followed by the Victorian Government at 16%.

DEEWR developed a set of BER Program Guidelines first issued in February 2009 and later amended in August and September 2009. These set out the Commonwealth's arrangements for funding and administering the BER.

Commonwealth funding was aligned to three rounds of project approvals and commencements (Rounds 1/2/3 to be 21% / 46% / 33% of the program respectively). Round 1 projects were to commence by June 2009 and be completed by December 2010. Round 2 projects are to be completed by January 2011 and Round 3 projects are to be completed by March 2011, except for projects which are re-phased to 2011-12 following the Government's decision to allocate \$500 million of BER funds to the 2011-12 financial year.

Pursuant to the over-riding objective of rapid economic stimulus, the BER P21 Guidelines included:

1. Accelerated timeline from program announcement to project commencements,
2. An indicative allocation of funding to each school based on a formula applied to student numbers (\$250,000 for schools with less than 51 students; up to \$3m for schools with greater than 400 students),
3. Use of building design templates to enhance efficiency and early take-up unless non-conformance could be justified,
4. Mandated prioritisation of libraries, halls, classrooms and refurbishment of existing works in that order, unless schools could justify the need for a lower priority building type,
5. Specific employment ratios of apprentices and Indigenous workers in the construction process,
6. Ongoing reporting requirements back to DEEWR to ensure education authority compliance with the BER timetable and with the incremental (to scheduled State spend) nature of the BER spend.



A value for money (VFM) requirement was embodied in the initial arrangements by virtue of reliance on existing state procurement processes and was expressly included for education authorities in the BER Guidelines in August 2009.

The overriding focus of the Guidelines reflects the Commonwealth's desire to generate economic activity as quickly as possible. This is further evidenced in the DEEWR BER reporting requirements.

While the Guidelines establish a number of fundamental constraints and requirements regarding how the BER is to be delivered, responsibility for delivery rests with the education authorities. This includes determining how to best deliver the projects, who should manage their delivery and how to procure them within the required timeframes. It also includes designing the facilities and engaging with individual schools and communities during the planning and construction process.

BER P21 implementation status

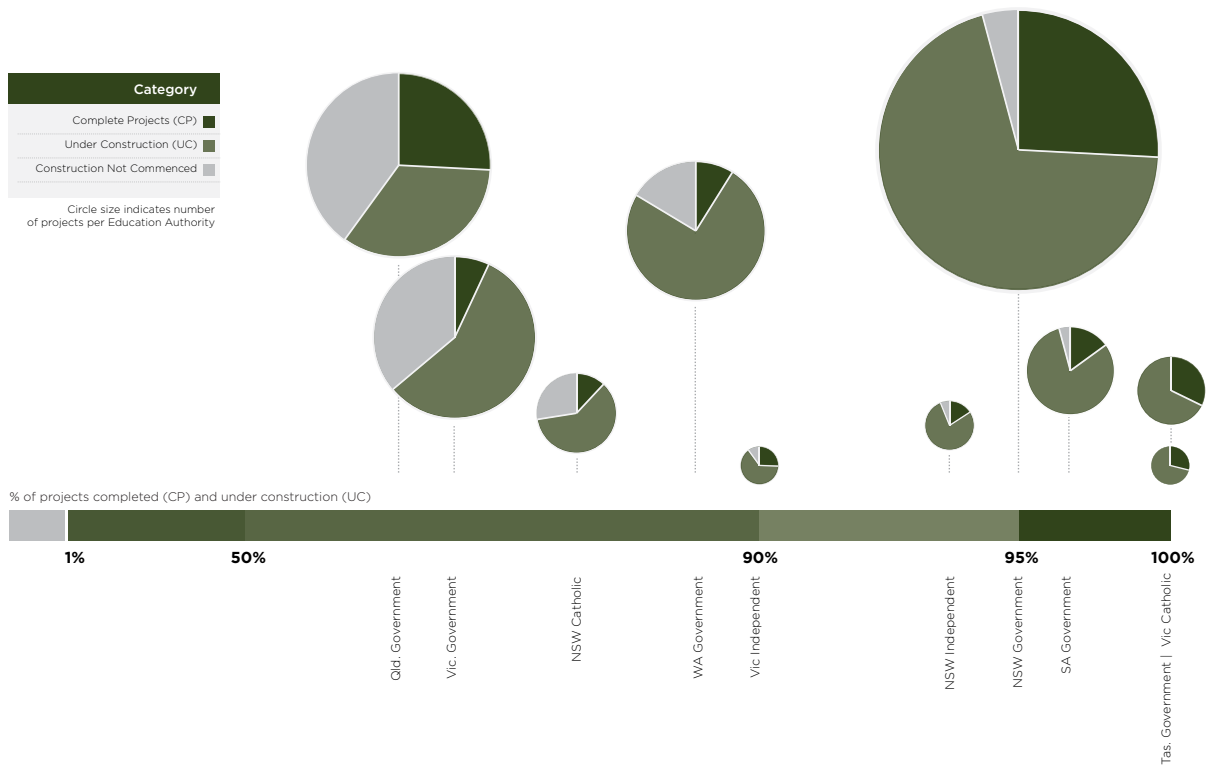
In compiling this interim report the Taskforce has reviewed the overall delivery status of BER P21 to understand the extent to which the Commonwealth's overarching drivers of commencing and completing school projects as soon as possible has been achieved.

In addition to understanding overall BER implementation status, the Taskforce has assessed the relative delivery performance of individual education authorities and whether there is any material difference in performance between government and non-government schools. The following figures provide a snapshot of delivery performance. Figure 1 provides a breakdown of BER P21 project status by individual education authority.

The NSW Government has had the most challenging BER P21 implementation task. It accounts for \$3 billion or 22% of the entire BER P21 program (36% larger than the Victorian Government, the next largest education authority, and three times bigger than the NSW Catholic system). An analysis of progress in the figure below shows that relative to the other large government education authorities, NSW has delivered impressively against the required implementation timeframes (95% of projects completed or construction commenced, versus 64% and 60% for the Victorian and Queensland Governments respectively).



Figure 1: Breakdown of BER P21 project status for selected education authorities



Source: DEEWR Administrative Data as at 30 June 2010

▲ The BER Implementation Taskforce

Taskforce terms of reference

The Taskforce was established on 3 May 2010 with responsibility for investigating complaints regarding the operation of BER, to assess value for money aspects of the program and its implementation, and to make referrals and recommendations to ensure the objectives of BER are realised. The Taskforce's terms of reference are included as Appendix 3.

The Taskforce has initially focused on the P21 component of the BER program which represents 87% of total BER funding.

Maximising value for money is not just a challenge for education; it applies to all forms of social and economic public infrastructure programs. With the likelihood of increasing Commonwealth funding being needed to foster national infrastructure challenges in the future, BER P21 provides a unique national sample of how a variety of delivery jurisdictions and methods perform in delivering standard project types with similar budgets and timeframes in different locations across Australia.

Relationship of Taskforce activities to other reviews and inquiries

There are a number of parliamentary inquiries and audit programs directly relating to the BER program and its implementation which have occurred or are already underway. While some of these inquiries received complaint submissions and questioned the attainment of value for money, most have to date focussed on governance, probity and procedural administration of the program and are therefore differentiated from the focus of the Taskforce.

Resourcing and expertise

At the time of writing this initial report the Taskforce has been in operation for three months. It has operated with a core headcount of less than 25 people with a variety of specialist skills and professional backgrounds including construction, quantity surveying, procurement, finance, education, architecture, project management, modelling, audit and legal services.

The majority of Taskforce resources have been sourced from the private sector to reinforce its independence.

The Taskforce has supplemented its core specialist resources through a range of mechanisms including establishing an independent Industry Advisory Panel whose membership is detailed in Appendix 4. It has also:

- engaged a leading architectural firm to analyse the design and specification standards used by state government and non-government education authorities;
- engaged a leading national legal services firm to provide a comparative analysis of the costs, risks and incentives embedded in the different contract types used by a cross-section of education authorities in the delivery of the BER program and projects; and
- held peer review workshops involving a selection of quantity surveying and architectural firms with relevant schools design and cost planning experience.

Initial work plan

A diagrammatic summary of the Taskforce's initial work plan is included as Appendix 5. The Taskforce has organised its initial work into four streams of activity as follows.

1. BER complaints management
2. Value for money review and examination
3. Procurement and delivery models
4. Complaint solutions

BER complaints management

The first work stream has been focussed on receiving, processing and responding to complaints in relation to the BER program and individual projects. This has informed the Taskforce's school visitation program, as well as the requests for information it has made from education authorities for detailed information regarding individual projects. The Taskforce has also consulted with a cross-section of education authorities to analyse their current complaint handling processes and systems to avoid duplication and to identify opportunities to improve complaint handling going forward.

Value for money review and examination

The second work stream has examined project cost data from a sample of schools across Australia and built a standardised BER Cost Analysis Model (BER-CAM) covering over 400 schools across all States and Territories and most education authorities. The data collected in developing this model has included initial pre-BER project cost data, required to establish a comparative baseline.

The Taskforce has used this model to inform its preliminary value for money observations and to identify outlier projects for detailed cost assessment.

The Taskforce plans to increase the size of its cost analysis model sample to approximately 1,000 schools over the next three months.

Procurement and delivery models

The Taskforce has examined the different procurement models and delivery approaches used by education authorities to understand how these have contributed to issues raised in complaints, as well as the extent to which they have influenced value for money outcomes.

The Taskforce has been particularly interested to witness how implementation approaches have differed from "business as usual" and the underlying drivers for the procurement strategies adopted. Where private sector organisations and contractors have been used to manage delivery of the program or projects, the Taskforce has examined the fees paid to managing organisations and how risk and incentives have been allocated through the supply chain. The Taskforce has also examined education authority application of DEEWR Program Guidelines and reviewed contractual arrangements at key levels of the BER delivery process.

Complaint solutions

In the course of investigating complaints the Taskforce has sought to play a constructive role in facilitating and encouraging potential solutions between complainants and the relevant education authority. This commenced during June and has focussed to-date on complaints involving NSW and Victorian Government schools. The Taskforce has also closely monitored the steps being taken by education authorities to action and resolve complaints and will continue to do so over the coming months.



Stakeholder engagement

During its first three months the Taskforce has interviewed and met with more than 90 non-school stakeholders (refer Appendix 6) and visited 110 schools in five states (refer Appendix 7). This has provided the Taskforce with firsthand insights and feedback from stakeholders including school teachers and principals, school association members, sub-contractors, prime and managing contractors, designers, project and program managers, peak industry associations, block grant authorities and Commonwealth, State and Territory education authorities.

A summary of key themes and observations to emerge from the school site visits is provided in the following section of this report dealing with complaint investigation.

The Taskforce has interviewed 30 construction contractors and sub-contractors involved in BER P21 projects in NSW, Victoria and Queensland to obtain their perspective on the program and how it has been delivered. A summary of the feedback arising from these interviews has been included as Appendix 8.



BER Complaints Management

Complaints overview

In undertaking its work the Taskforce has sought to develop evidence based conclusions rather than relying on opinion and anecdotal information. One important source of evidence has been the formal complaints the Taskforce has received

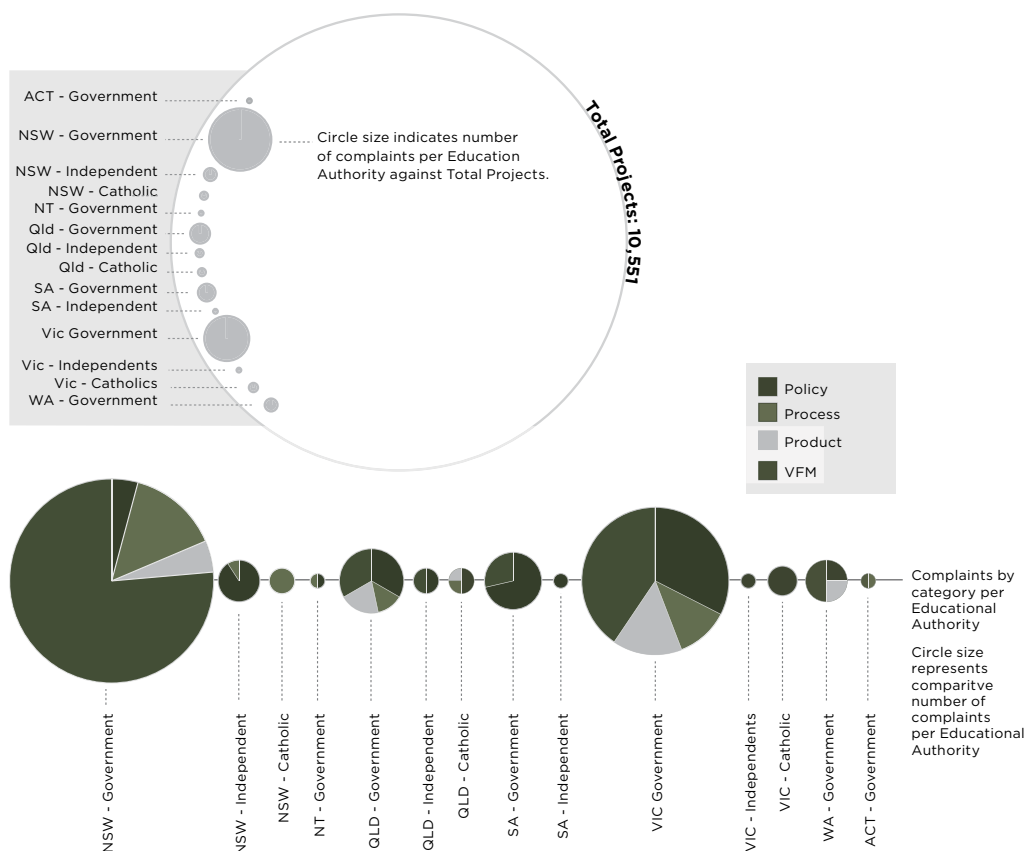
To date, the Taskforce has directly, and indirectly, via DEEWR, received complaints in respect of 254 schools. Of the complaints received, only 21 relate to the NSP and SLC elements of BER while the balance (233) relate to BER P21.

A full listing of complaints received is included as Appendix 1. The Taskforce is aware that some schools or members of the public have voiced concern about aspects of BER through parliamentary inquiries and/or through the media. Material on all these schools has been provided to the Taskforce for review. The Taskforce received a submission providing a list of school projects that could be investigated and also the NSW Public Schools Principals Forum provided the Taskforce with an extract from a survey from which complaints have been added to our database.



Preliminary observations and findings

Figure 2: Complaints by category type and education authority



Source: DEEWR Administrative Data as at 30 June 2010

Approximately three quarters of the complaints received by the Taskforce to date relate to NSW (143) and Victorian (52) Government schools.

In considering the level of complaints received in relation to NSW and Victorian Government schools, it is worth noting that the NSW Government school system has the largest BER expenditure and number of P21 projects (2,366) of all education authorities, whereas Victoria is the third largest education authority with 1,253 P21 projects. While the Queensland Government school system has the second largest number of P21 projects (1,592), the Taskforce has received a significantly lower number of complaints regarding Queensland Government schools than NSW or Victorian Government schools.

The schools whose BER projects have been subject of a formal complaint currently represent approximately 2.7% of the total number of schools with BER projects nationally.

While complaints are not the only measure of stakeholder satisfaction, the Taskforce believes this is an important indicator that, in aggregate, BER projects are being delivered to the satisfaction of school communities.

Complaints categorisation

Complaints lodged with the Taskforce have been categorised into four broad categories, noting there are intersections between some of these.

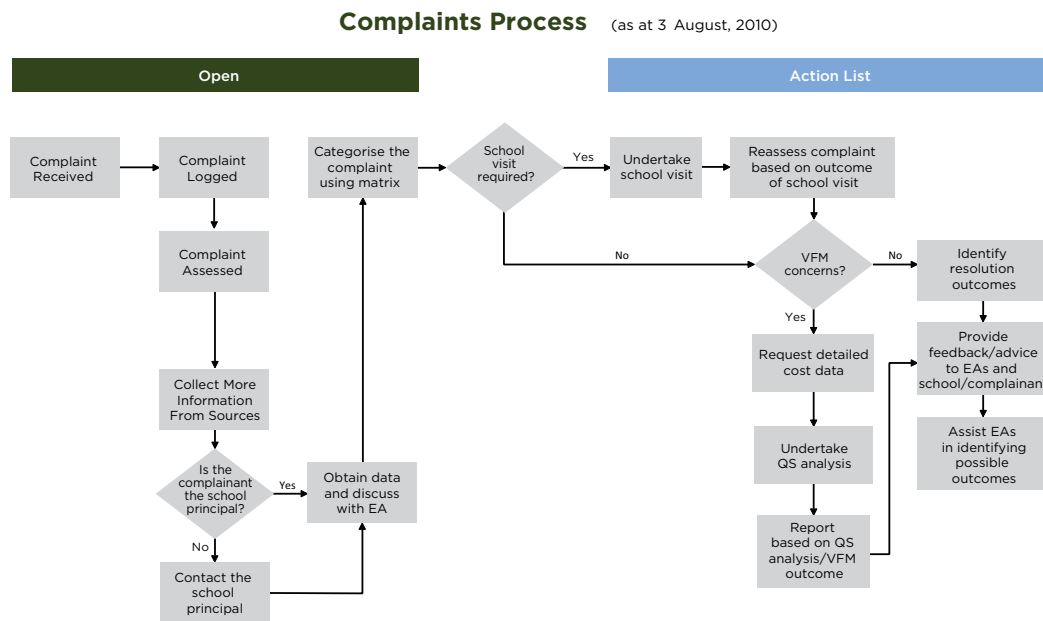
1. Value for money: includes complaints about proportionality of fees, costs per square metre and 'de-scoping' of projects due to cost increases.
2. Product: includes complaints about being offered one BER building type or product as opposed to another product and typically involves negotiations between education authorities and individual schools on what the school and/or local school association wanted to use the available BER funding for.
3. Process: includes complaints about planning approval methods, internal communication between education authorities, managing contractors, building contractors, principals and parent associations. Complaints in this category are often correlated with 'product' related issues.
4. Policy: includes complaints about the BER Program Guidelines, particularly funding allocation caps, the basis of calculating allocations based on enrolment numbers and program inflexibility. These complaints were deemed a lower priority for the Taskforce to investigate as part of its initial work.

The majority of the complaints received by the Taskforce have been primarily about value for money, with sub-topics around the quality of the product and the management processes used by education authorities to deliver BER projects.

Complaint handling process

A schematic of the Taskforce’s complaint handling process is shown in Figure 3 below and an overview of the complaints management processes for NSW, Victoria and Queensland Government schools is included as Appendix 2.

Figure 3: Taskforce complaint handling process



As shown above, Taskforce complaints handling has been undertaken on a case management approach, across two phases. In the qualitative assessment phase, the processing team contacts correspondents in writing and/or by phone to gather more information about the specific BER project. Where the complaint was made by a complainant other than the school principal, the school principal is contacted and informed of the complaint. All publicly available information is collected from various sources, including education authorities’ websites. Copies of the BER project application and any subsequent variations are also sourced from DEEWR.

Once this information has been obtained, complaints are prioritised, with high priority being given to those complaints relating to value for money. There are two complaint investigation processes which complaints are then able to move through, both sequentially or in parallel, depending on the stage of building completion and whether or not the complaint relates specifically to value for money.

For those complaints which involve completed projects or projects under construction, the first investigation process involves the Taskforce’s Review and Examination team contacting schools for a site visit involving meeting with the principal and other stakeholders (as invited by the principal). Depending on the issues identified during this visit, discussions are then held with the relevant education authority to assist in resolving complaints, or in some cases, to pass on the complaint for response where it relates to matters outside of the Taskforce’s terms of reference (for example, matters relating to planning approvals).

The second investigation process involves assessing complaints relating primarily to value for money. An initial assessment is undertaken to determine if a more thorough value for money review and examination is required. Where this is the case, the Taskforce may request further detailed cost and project information from the relevant education authority. Once this information is obtained, complaints either undergo a high level value for money analysis, and/or a more detailed value



for money cost review. The results of this review are then discussed with the relevant education authority to assist in identifying possible resolutions.

To ensure the Taskforce minimises duplication of complaint handling processes and is in a position to make recommendations to responsible education authorities on changes to projects, regular meetings are held with both the NSW Department of Education and Training (DET) and the Victorian Department of Education and Early Childhood Development (DEECD).

New complaints received by the Taskforce are raised with the relevant education authority and a way forward agreed. An update is also provided on previously agreed issues to be addressed or resolved by NSW DET and DEECD respectively. Currently, issues in other jurisdictions are dealt with on a case by case basis, given that the vast majority of complaints received to date relate to NSW and Victorian Government schools.

School visits

The Taskforce has visited 110 schools across the full range of BER projects and across five states. The visits were selected from (but not limited to) complaints submitted to education authorities or directly to the Taskforce. The schools were located in and around capital cities, small rural communities and regional centres. The projects included both template and custom designs, some were completed and others were not.

Figure 4 below is a breakdown of the school site visits completed to date by state. The majority of these have been to government schools in NSW and Victoria because the greatest number of complaints have been about schools in these jurisdictions.

Figure 4: Taskforce school visits



	NSW	QLD	SA	VIC	WA
No. of Schools Visited	51	4	5	44	6



The following is a summary of key observations and themes which have emerged from government school visits undertaken. These visits have involved school principals and in some cases representatives of the school community.

Many government school stakeholders put the BER program into context acknowledging its importance to their schools and local communities, as well as its unique size and scale. They similarly understood that the BER program is about stimulus, preserving and creating jobs, that haste was required to get it moving and therefore in some jurisdictions the “business as usual” processes and timetables for major school capital works projects did not apply to BER.

Notwithstanding the very positive impacts the BER program was seen as having as a whole on schools and their communities (for example as evidenced by the results of the Australian Primary Principals Association survey), issues emerged in some schools as the project delivery process advanced. Examples of issues experienced at the schools, grouped under the Taskforce’s four complaint categories, include the following:

Value for money

- **De-scoping.** If budgets came under pressure some items were removed from project plans, for example covered walkways, water tanks, solar panels, interactive whiteboards and sometimes COLAs or additional buildings.
- **Lack of cost transparency.** Lack of access to detailed cost information compounded frustrations and perceptions that BER projects were more expensive than they should be. In the absence of detailed and transparent cost data, speculation was often based on anecdotal and inadequate information.
- **Inadequate site supervision.** Some principals expressed frustration that while they were not self-managing projects at their school, they spent a significant amount of time on project management activities, such as providing information and direction to the builders or dealing with school logistics.
- **Unnecessary management fees.** Many communities of smaller or remote schools with high levels of community engagement saw the involvement of managing contractors as excessive and unnecessary. Generally the perception in these locations was that if they could have controlled the project themselves, they could have achieved better value for money.

These factors combined led many school communities to question the role of, and fees being paid to, project managers and managing contractors, as well as the cost of projects generally.

Product

- **Template designs.** The satisfaction of school communities with the use of template designs varied considerably across the education authorities. Some communities were familiar with template designs from experience with previous capital programs. Where templates were used without reference to the school site or needs, school communities were more likely to be dissatisfied with the building. Other template designs which could be customised and supported quality teaching practice were well received.

Process

- **Inadequate school consultation.** Principals served as the main source of information for school communities about BER projects. Where they were not kept adequately informed, particularly by the managing organisation, about de-scoping or other changes to projects, this created frustration and tensions within school communities.
- **Tight timeframes.** The impact of inadequate school consultation was often compounded by tight timetables within which decisions were required. These limited the ability for further consultation, or assessing options or alternatives which may have delivered better educational outcomes.

- **Unexplained delays.** Unexplained delays in the commencement of a project or changes to the timeframe after commencement created frustrations. Disruption to school activities was particularly acute in instances where site preparation and demolition works were carried out well ahead of any construction commencing.

Policy

- **Limited flexibility.** The limited flexibility afforded by the combination of having a defined list of product types, and a capped funding allocation based on enrolment numbers, restricted the ability of some schools to address their most pressing needs.

The above issues were not experienced by all schools visited. The experience of many schools has been very positive with new facilities, consistent with their needs and designed to deliver improved educational outcomes, delivered on a timely basis and with minimal disruption to the school's operations.

The Taskforce has used the key themes and issues to emerge from its school visitation and complaint investigation activities to inform its value for money review and examination work, its assessment of the BER procurement and delivery models used and its initial recommendations.



▲ Value for Money review and examination

Value for Money definition

Value for money (VFM) can be a complex concept to define, but is an established part of government sector procurement practice across Australia and internationally. In developing its VFM review and examination approach, the Taskforce studied how VFM is defined in Commonwealth, State and Territory government procurement policies across Australia. A matrix summarising the different jurisdictional definitions is included as Appendix 14.

This analysis has shown that the criteria which jurisdictions consider when determining VFM varies. While the revised August 2009 Commonwealth BER Program Guidelines include a requirement for BER project procurement and tender processes to demonstrate VFM, they did not specifically define VFM.

In the absence of an established, consistent definition, the Taskforce has considered how industry practitioners, principals and the wider public perceive VFM. The Taskforce has concluded there are three criteria in assessing whether a service or product represents VFM. These are: *Quality, Time* and *Cost*.

The delivery of overall VFM is a product of these three components and there are clear tradeoffs between the three. For example, a higher quality outcome may involve a longer delivery timeframe or higher cost, while implementing a project in a shorter time period may involve either lower quality or a higher cost, or both. In assessing VFM each component must be assigned a measure of relative importance.

The Taskforce defines **'Quality'** as the delivery of school buildings, based on an informed needs analysis; which are fit for educational purposes, complying with relevant building design and construction standards and achieving the agreed project scope.

Of the three core VFM elements, the Taskforce has taken the view that Quality is paramount and that if a building does not pass the Quality test it cannot represent VFM.

'Time' in the context of BER involves an assessment of whether the project has been delivered within the required timeframes. Speed of implementation has been critical because of the BER program's underlying near term, economic stimulus objective.

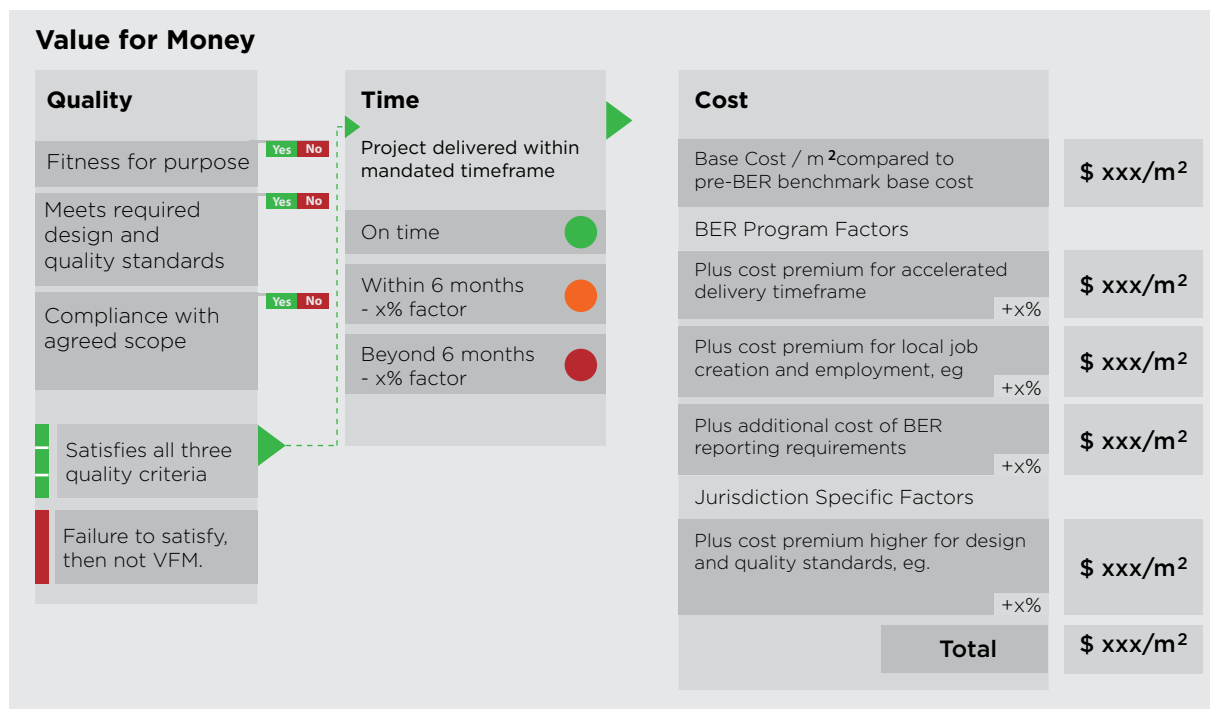
Interpreting **'Cost'** involves assessing relativities and benchmarks. The Taskforce's approach to defining and analysing project costs assesses:

- whether the project has been delivered within its agreed BER cost or budget;
- how the cost compares to similar buildings in other locations and other education authorities; and
- how the cost compares to similar buildings delivered before the BER program.

The Taskforce's aspiration is to apply the definition summarised diagrammatically in Figure 5 below by the time of its November 2010 report.



Figure 5: Value for Money Assessment and Cost Factor Adjustment Framework



Comparative cost modelling

To compare costs between building types and across education authorities, the Taskforce is breaking building, project and program costs into a number of discrete layers. The first is a 'base' cost per square metre for different building types and projects across the different education authorities. This base cost is exclusive of local site specific conditions and factors such as demolition, services upgrades, below ground costs and the like which vary from site to site.

The second layer of adjustment accounts for the variance in the cost of building in the different regions of Australia, adjusting all costs to a common metropolitan area base.

In order to apply the VFM framework to individual BER P21 projects, the Taskforce has requested full project data including a standardised template (refer Appendix 10) and on a Taskforce selected sample of projects, from the various education authorities, as well as pre-BER data for comparable projects or generalised benchmark costs. The data received to-date is of variable quality and the process of data validation is ongoing.

Being able to understand the pre-BER project costs for different education authorities and school building types is useful to fully isolate any cost premium which may have been paid for BER projects because of factors such as:

- The accelerated timeframe in which projects had to be delivered compared to business as usual (for instance, in some education authorities it would be normal for major capital works projects to take 3-4 years to deliver from initial planning and design to completion, whereas under BER this timeframe has been reduced to less than two years).
- The use of external managing organisations to handle the volume and speed of BER delivery.
- Any additional project and program management overheads required to meet BER project reporting and administration requirements, above and beyond what education authorities would normally require of themselves.



The data which the Taskforce is collecting will include approved BER project cost, the committed project cost and the final forecast cost or final actual cost (where projects are complete and such is available).

The Taskforce believes the development of a tool which is able to compare the actual costs for building types across all education authorities is an essential aspect of its work. The Taskforce is encouraged to see that some education authorities are already moving to present data publicly in a similar format.

In pursuing VFM, education authorities have mainly relied on compliance with competitive tender processes supplemented on occasion by independent quantity surveying expertise, rather than focusing on cost comparisons between BER projects over time, in different locations and implemented by different education authorities. The Taskforce believes that relying on competitive tendering alone is a necessary but not sufficient approach to ensuring VFM.

The Taskforce has developed and is currently populating a BER Cost Analysis Model (BER-CAM) database which will, by the time of its November 2010 report, provide statistically valid comparative data on the cost of building school infrastructure across Australia. The Taskforce is engaging an academic to review and validate the sampling size and approach. The underlying cost modelling methodology and data has also been subject of a peer review with external Quantity Surveyors and will be further peer reviewed before the Taskforce reports in November.

It is important to understand that this is a work in progress and the factors below must be considered when reviewing the preliminary data derived from this initial August 2010 version of the BER-CAM.

Factors to be considered when reviewing initial cost modelling

Over 400 projects are now entered however there are very small sample sizes for certain project types and some education authorities. This causes early output volatility and restricts definitive conclusions. Results at this stage may indicate a trend but the current sample size is inadequate to make conclusive findings. The November 2010 report will have a significantly larger sample size and allow for robust conclusions.

This preliminary model provides an insight into the Taskforce's work to date and demonstrates how the final model will operate. Data is still being received from education authorities and relatively few completed projects are included as most BER P21 projects are still under construction. The model will be progressively updated with final project cost data as it becomes available. Data collection from education authorities is accelerating as their familiarity with our approach and template design increases.

The model has tables which apply a regional index to adjust all projects back to a metropolitan cost base. In the body of the report we present actual costs, with no adjustment but include the graphs with the regional index applied in Appendix 11.

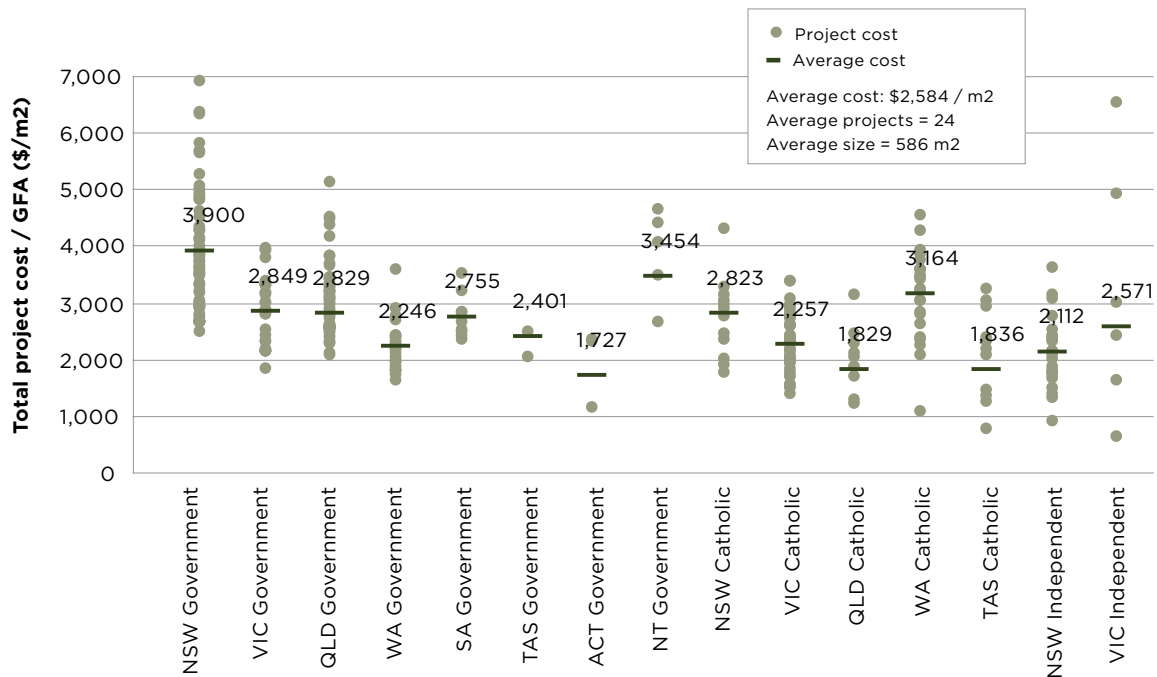
Our model does not address the fact that differing regions in the country were delivering the BER in differing markets. In some regions costs were lower relative to pre-BER benchmarks, than in others.

The graphs present an overall summary of the project costs, reported as Total Project Cost per square metre (\$/m²) and based on the gross floor area (GFA) for each project. We also have fully enclosed covered area (FECA) and unenclosed covered area (UECA) data across all projects. The project mix across education authorities in our model currently varies (for example: some education authorities have more libraries relative to halls than others), thus the average \$/m²

is not comparable between education authorities. As our sample size grows we will normalise representation to ensure comparability. We will also account for differences in the proportion and type of products delivered in each funding round.

Initial cost modelling observations

Figure 6: Overall Project Summary - Total Project Costs / Gross Floor Area (GFA)



The graph summarises project data received and entered into the cost model at this time. Results will vary as our sample size increases over the next three months and becomes statistically valid. Preliminary observations include:

- The average total project cost expressed as \$/m² achieved by NSW Government in BER P21 is \$3,900 and is the highest of all education authorities presented. This may indicate the cost and complexity of the delivery model adopted. The other large government systems, Victoria and Queensland have lesser and similar costs at \$2,849 and \$2,829 respectively. The WA Government appears to have attained lower costs which might reflect the business as usual approach or market conditions.
- The WA Catholic system appears to be high. We are cognisant that 50% of projects were in regional areas. Further analysis is required. Similarly, NT projects are disproportionately outside Darwin.
- The lowest cost averages were achieved by the ACT Government and Queensland and Tasmanian Catholic systems. All three adopted a business as usual delivery model.
- The graph illustrates the wide dispersion of project cost results within each education authority. This reflects the diversity of location, market dynamics, project size, site specific factors and project complexity.
- We include at Appendix 11 a table detailing the specific number of classrooms, libraries and halls included in our cost analysis model for each education authority.
- Average \$/m² ranges from \$1,727 to \$3,900 with the sample wide average being \$2,584/m².



Figure 7: Multi- purpose Halls - Total Project Costs / Gross Floor Area (GFA)

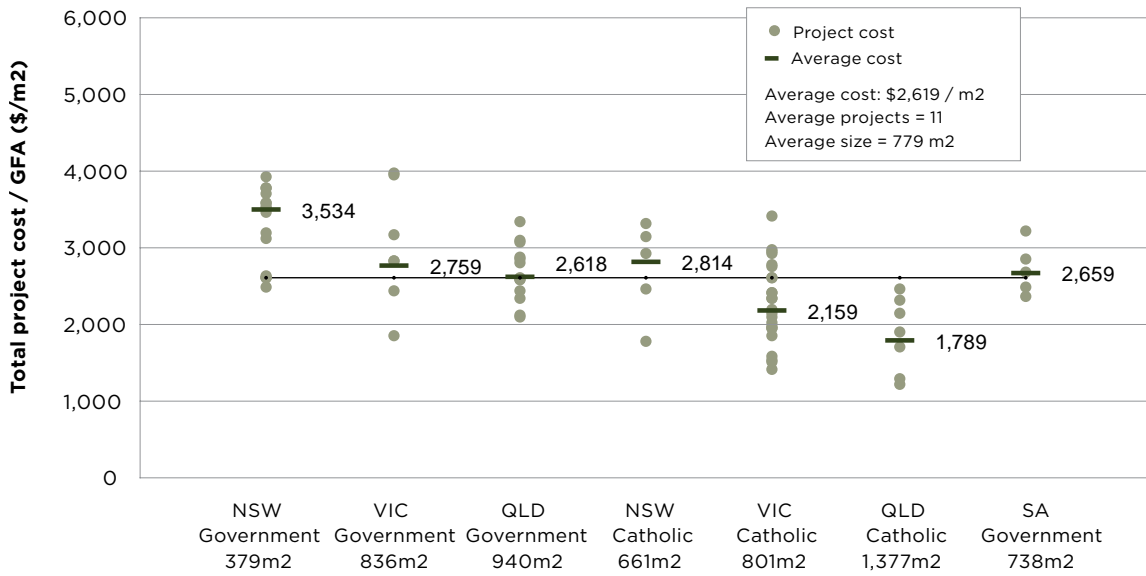


Figure 8: Classrooms - Total Project Costs / Gross Floor Area (GFA)

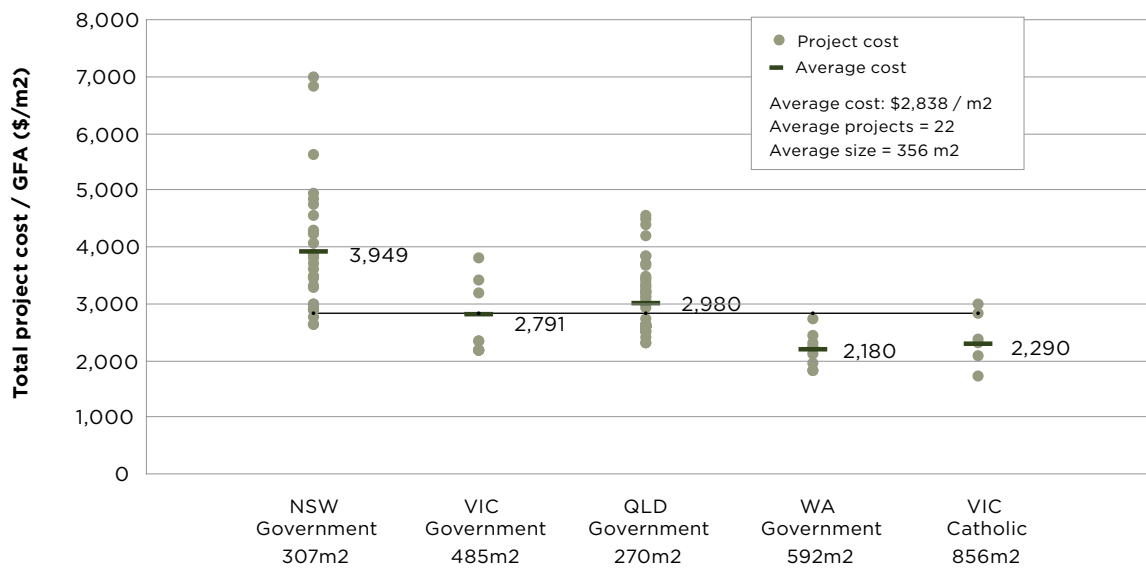
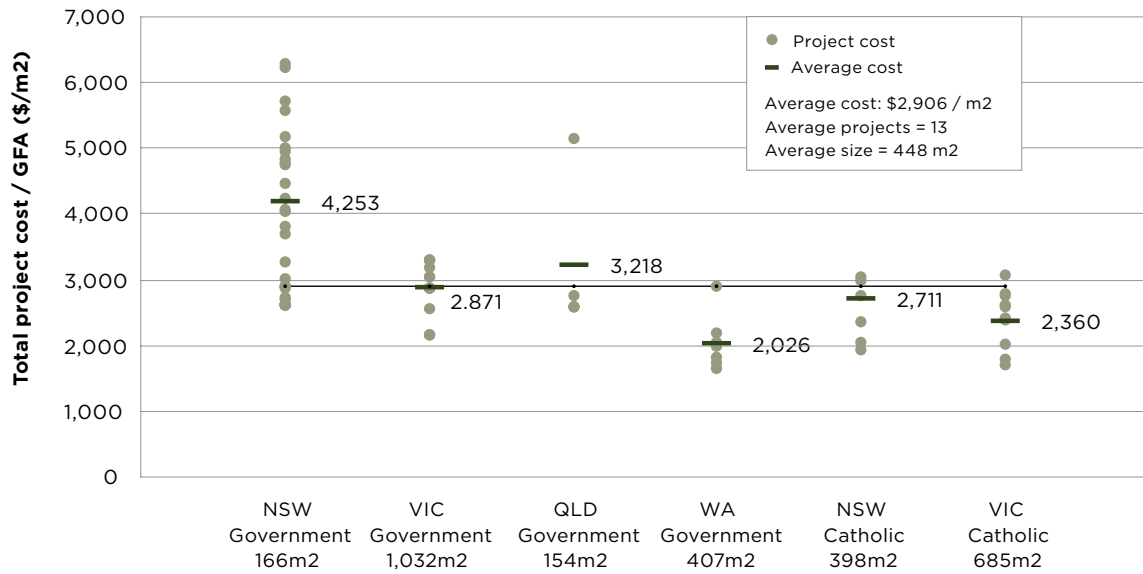


Figure 9: Libraries - Total Project Costs / Gross Floor Area

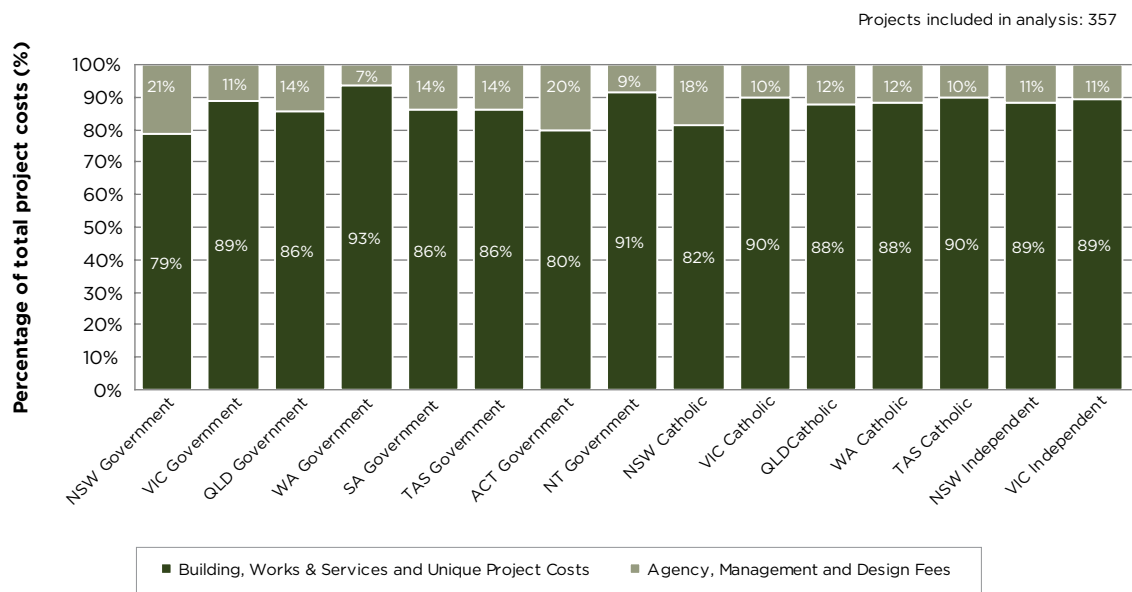


The graph below illustrates cost per square metre against the size of the project for our sample. It is reasonable to expect that smaller buildings will have a higher cost per square metre. This is perhaps exacerbated in BER P21 by virtue of program management costs.

Figure 10: Analysis of Total Project Costs by Project square metres



Figure 11: Cost Comparison by Selected Education Authority and Selected Product



Differences in building quality and design standards

In response to community and media concerns regarding the apparent excessive cost of some NSW Government school BER P21 projects, it has been suggested that one of the reasons costs may be higher is because government school buildings are designed to a higher standard than equivalent non-government school buildings.

In order to investigate the merits of this proposition, an independent architectural firm was commissioned by the Taskforce to examine the comparative quality of building outcomes achieved to-date and the degree to which there are material differences between the design codes and specification standards used—considering fitness for purpose, maintenance and durability—in BER P21. Given time constraints they did this on a very small sample size of 24 projects, randomly selected by the Taskforce to represent the four product types (library, classroom, hall and COLA) in each of the NSW and Victorian Government and NSW and Victorian Catholic education authorities.

The methodology involved peer to peer project architect structured interviews and site visits of the selected building projects. In the course of their work the architects noted significant differences in the design approach used across education authorities for the BER program. The design delivery processes for Catholic schools in NSW and Victoria were least changed from “business as usual”. Departures in the design delivery processes in Victorian Government schools took a middle course, while NSW Government schools had the greatest departure from their normal “business as usual” facility design processes.

Both the Victorian and NSW Governments deployed templates to speed the delivery of the design process and building program in support of the economic stimulus objective. Templates were more widely used however in NSW Government schools and were generated by architects engaged by managing contractors for use only on that managing contractor’s projects. There were thus parallel families of different templates in use across NSW, whereas in Victorian schools 34 templates were generated by architects engaged centrally by DEECD for use on all applicable government school BER projects across Victoria.

On the question of differences in quality, the architects did not observe any significant systemic differences between government and Catholic schools in either NSW or Victoria in the quality of building fabric, services and furniture, fixtures and equipment. The only exception they identified is that NSW Catholic multi-purpose halls were significantly larger in three out of five cases and four halls had air conditioning which is not a requirement of the government school facility design standards. They also found that Catholic schools in both NSW and Victoria demonstrated a greater latitude in the application of space standards and in the ability to forsake some internal design aspects in the short term to enable a larger building envelope to be enhanced with features as further funding accrued (for example, choosing to have a bigger hall but with no stage initially).

While this initial assessment cannot be considered definitive because of its limited sample size and timeframe, the Taskforce is yet to establish any definitive evidence that there is a whole of lifecycle cost difference in school building design standards and specifications between government and non-government education authorities.

The Taskforce is anecdotally aware that the NSW Government school facility standards are considered to include some higher element specifications (for example, NSW coastal government schools require steel coatings with an initial time to first maintenance of 15 years) and that this may result in a modestly higher construction cost than other education authorities. Quantifying this and analysing whether this is over-engineering as distinct from adding real value will be examined further in coming months.

Detailed project value for money and cost reviews

The Taskforce has been reviewing detailed cost data on a number of BER P21 projects. To be definitive, this work requires final project costs. Efforts are focussed on BER P21 projects in NSW Government schools because they have received the largest funding of all the BER education authorities and has received 56% of the complaints received by the Taskforce.

Currently seventeen (17) projects are the subject of this study and approximately 50 projects, including projects from other education authorities, will be completed by the end of September 2010. The study investigates and will conclude whether value for money was achieved, in the opinion of the Taskforce, for each project.

In our analysis it is critical that actual costs be studied. These will differ to construction cost estimates, particularly in the larger programs using managing organisations where expenditure ranges over a number of subcontractors as opposed to the cost being inherent in single main contractor. Many of the budgeting systems in the education authorities are reporting estimated construction cost as the project cost. In many cases this is an outdated estimate.

The Taskforce has been working closely with the NSW DET IPO to review problematic projects. We have observed that when the parties are encouraged to close out final accounts, the final cost may be lower than was previously indicated in the budgets and forecasts.

An example of this is the project at Cattai in North West Sydney near Richmond which received a prefabricated library. On examination of the cost estimates (\$920,000) and preliminary final costs of a similar amount the Taskforce concluded that this project did not represent value for money. The DET IPO has recently advised that the final cost of this project will be under \$800,000, more than 10% less than anticipated and approximately \$70,000 under the school's allocation. This lower cost compares to the Taskforce's assessment of a business as usual cost of \$642,000 with most of the differential related to program management and associated costs. We understand that the DET IPO will now discuss with the school options for deploying the funds saved with the school. The Taskforce will continue to monitor Cattai.

Complaints have been received in respect of the BER P21 projects at the NSW Government schools of Eungai, Scotts Head and Tottenham. We have investigated the cost for each and, subject to finalisation of accounts, reached an interim conclusion that in each case value for money has not been achieved. These and other similar projects will continue to be monitored as final accounts become available.

The project at Coldstream Primary School in Victoria is an example where the Taskforce considers that the building in its current state does not represent value for money based on the quality of on-site installation and is working with DEECD to address this issue.

The Taskforce will communicate with schools as we finalise the investigation of complaints and will publish our independent assessment in our November 2010 report (a list of those selected for detailed cost review is at Appendix 12).



▲ BER Procurement and Delivery Models

Individual education authorities must operate under the arrangements established by the National Partnership Agreement and BER Program Guidelines, but are responsible for determining how the program is delivered within their jurisdictions. This includes determining how to best deliver the projects, who should manage their delivery and how to procure them within the required timeframes. It also includes designing the facilities and engaging with individual schools and communities during the planning and construction process.

Education authorities have used different BER procurement models and delivery processes. These models have been shaped by a variety of factors including, but not limited to:

- The extent to which the education authority was able to leverage its existing “business as usual” approach, resources and processes for delivering major capital works, or had to establish a unique approach to cater for the scale and speed of BER implementation.
- The business models which underpin how individual schools within each education authority operate. These range from schools which operate as independent, autonomous businesses, to schools which are part of a larger regional or state-wide centralised educational bureaucracy. These underlying business models have a major influence on the extent to which schools can self-manage their BER projects, or have to rely on others to do so.
- The extent to which education authorities have used template or customised building designs.
- The extent to which the education authorities have sought to manage their total allocated BER funding as flexibly as possible across their different P21 projects.
- The extent to which education authorities have sought to allocate or transfer BER delivery risk to the private sector as part of the procurement process.
- Existing industry and supplier capacity and market spread.
- The need to generate regional employment, industry involvement and economic stimulus.
- Speed to market, including leveraging established forms of contract and panels of pre-qualified consultants and building contractors.
- The desire to bundle and package projects for delivery under a multi-site project management approach, as opposed to a single site approach.

In some cases education authorities have varied their procurement and delivery approaches for projects delivered for different P21 funding rounds in response to local industry and supplier capacity.

Education authority procurement and delivery model analysis

The Taskforce has mapped and considered a range of features in analysing how each education authority has approached the procurement and delivery of the BER program, including funding flows, the program and project management structures used, the contractual arrangements between the parties, procurement and tendering strategies used, and processes to consult with school stakeholders.

This mapping has been done through a combination of interviews, site visits, and analysis of complaints received, a desktop review of information received from each education authority and information sourced from publicly available sources including from other BER program inquiries and reviews. Detailed schematics of the procurement and delivery models adopted by each of the NSW Government, Qld Government and Victorian Government education authorities is included at Appendix 13.

BER procurement assessment framework

The Taskforce has used a standardised framework to review the different delivery models used. This framework has seven key elements as shown in Figure 12. Within each element of the framework there are two or more key components.



Figure 12: BER Procurement Assessment Framework



Underlying BER delivery issues and attributes

The Taskforce has completed an initial high level assessment of underlying issues and attributes which the different procurement and delivery models demonstrate. These attributes are aligned to the seven elements of the Taskforce’s assessment framework above. This assessment helps to identify considerations such as the extent to which individual education authorities rigidly adhered to the BER Program Guidelines, or sought to use the flexibility provisions within them, or the extent to which education authorities have pre-established common schools facility design standards.

The intent of this analysis is to illuminate differences between education authority implementation strategies. These differences have impacted to varying degrees on the extent to which each education authority has achieved value for money, as well as on stakeholder perceptions of how well the program is being managed and delivered.

We have highlighted the most interesting attributes or variations implemented relative to peers of individual delivery models. These are further discussed below.



Figure 13: High Level Summary of BER Delivery Model Attributes

Attribute	Government							Independent	Catholic		
	NSW	VIC	QLD	WA	TAS	SA	ACT		NSW	QLD	VIC
Infrastructure Strategy and Needs Analysis											
Centralisation of Decision making	Very High	High	High	High	Medium	High	Medium	Very Low	Low	Medium	
Consideration of economic impact to full building industry	High	Medium	Very High	Low	Low	Medium	Low	Very Low	Very Low	Very Low	
P21 Program Management and Strategy											
Business as Usual (BAU) vs. Externalisation	External	External	External and BAU	BAU	BAU	BAU	BAU	BAU	External and BAU	BAU	BAU
Early movement of money between schools	No	Some	No	Yes	No	No	Yes	No	Yes	Some	Yes
Complexity of contractual and reporting governance framework	High	High	High	Medium	Medium	Medium	Medium	Low	Medium	Medium	Medium
Regional/School Project Management											
Principal/School level empowerment	Very Low	Very Low	Low	Very Low	High	Medium	Medium	Very High	High	High	High
Planning and Design											
Use of Master Plans	No	Partial	Partial	No	Yes	Yes	No	Yes	Yes	Yes	Yes
Templates vs. customisation	Template	Both	Template	Template	Custom	Both	Custom	Custom	Custom	Custom	Custom
Tendering											
Risk devolution to external parties	High	High	High	Low	Low	High	Low	Low	Medium	Low	Low
Construction											
Use of pre fabricated buildings	Yes	Some	Some	Yes	No	No	No	No	No	No	No
Descoping as a method of cost control	Yes	Some	Some	No	No	No	No	No	No	No	No
Application of authority wide building standards	Yes	Yes	Moderate	Moderate	No	Yes	No	No	No	No	No
School/Community/Stakeholder Consultation											
Cost transparency to stakeholders	High	Low	Low	Low	High	Moderate	Moderate	High	Moderate	High	High
Allocation to school by \$ or equitable outcome	By \$	By \$	By \$	By equitable outcome	By \$	By \$	By equitable outcome	By \$	By equitable outcome and by \$	By equitable outcome and by \$	By equitable outcome and by \$
Prescriptive application of DEEWR guidelines	Very high	Moderate	High	Moderate	Moderate	High	Moderate	Low	Low/Moderate	Low	Low



Application of BER Program Guidelines

In practice the different education authorities have applied the Commonwealth BER Program Guidelines differently. The NSW DET has followed the Guidelines most closely, while the non-government systems have sought and gained exemptions from the use of templates and prioritised libraries, halls and classrooms less prescriptively. The smaller government education authorities such as Tasmania and the ACT have also decided not to use template designs.

The Western Australian (WA) Government school system adopted a more flexible approach to moving funds between schools to avoid de-scoping and maximise overall school level satisfaction with the products delivered. Initial BER Program Guidelines required that money not be shifted between schools. For example, if \$850,000 was allocated to a school based on student enrolment numbers, then that was available to spend at that school but nowhere else. DEEWR subsequently modified the Guidelines to allow for 5% of funds to be shifted. Following this modification the NSW DET IPO applied a 5% program contingency to projects.

The WA Government system used these variation provisions to seek a high number of variations to this rule by DEEWR. As a result, money was moved between schools in WA and the project 'de-scoping' which has been evident in some other education authorities such as NSW because of budget pressures has not occurred.

Those education authorities which have maximised the use of the flexibility provisions within the Guidelines have achieved a lower level of stakeholder dissatisfaction, as evidenced by the analysis of BER complaints the Taskforce has undertaken as discussed in the Complaints section of this report. One of the major themes to emerge from complaints relating to NSW and Victorian Government schools was frustration over inflexibility, however other education authorities were able to take advantage of the flexibility provisions in the Guidelines, notwithstanding the additional effort entailed in obtaining DEEWR approvals.

Multi-site versus single site approaches

Education authorities with a larger volume of P21 projects, particularly the NSW and Victorian Government education authorities, have elected to bundle projects as part of a geographically based multi-site package of works to be delivered by a Managing Contractor (MC) or Project Manager (PJM). The underlying drivers for this strategy vary, but include the sheer volume and scale of projects to be delivered, the desire to create project and contract management economies of scale and to make some of the more remote projects attractive to larger regional and metropolitan based contractors.

The adoption of the MC multi-site delivery system by NSW was made prior to the establishment of the NSW DET IPO which has been tasked with managing a complex procurement system that carries an inherent built-in cost premium. The MC model has however allowed the NSW Government school system to achieve the most rapid roll out of the education economic stimulus compared to its large government education authority peers.

The complexity of the NSW Government MC model and the large number of projects makes it critical that the administration of all contracts and the payment of incentives receive close attention.

Both the Victorian and Queensland Government school systems have adopted a flexible approach using managing organisations in different capacities for each funding round. They have also bundled projects to make best use of industry capabilities and resources, and appear to have better aligned the risk allocation associated with procurement in the pursuit of value for money.

The Catholic and independent school education authorities have generally adopted a single site approach which is consistent with the more autonomous business model their schools operate under, and also more closely reflects their business as usual model for delivering major capital works. They have also therefore used a greater level of in-house resourcing to manage their

BER programs and projects, or added additional staff to their existing capital works capabilities. One of the reasons they have been able to do this is the comparatively smaller number of BER projects they had to deliver. This not only negated the need for the payment of external managing organisation fees, but also facilitated the alignment of school principal and community project aspirations with central procurement decision making. There were however exceptions where managing organisations were employed such as the Wollongong and Sydney Diocese where a project manager and a managing contractor were engaged respectively.

An example of a particularly effective application of business as usual delivery is the 16 school Anglican system in NSW where the existing small central capital works team was expanded to manage the additional volume of BER projects. Because of this there was minimal change to how BER projects were delivered from how they were normally managed. The same consultation process with principals and schools, as would have normally occurred in their system for any infrastructure project was used, many of the builders engaged for BER projects had undertaken prior work for Anglican schools, and the pre-BER existence of school master plans allowed a rapid implementation schedule, ahead of many other schools.

A business as usual approach was also available and deployed in several of the government school systems of which the Tasmanian Government system with some 400 schools is one example. It is apparent to the Taskforce, however, that a business as usual approach was not possible or appropriate to many education authorities. The ability to implement a business as usual approach was significantly greater if the education authority's implementation task was relatively small; if there was a scalable centralised capital works capacity already in place; and if master plans had been developed and maintained for schools before BER commenced.

School level empowerment and consultation

The Taskforce has identified that the level of school empowerment and consultation during the BER project delivery process has varied considerably between education authorities. This variation can be attributed to three main factors:

- Each education authority's choice of BER procurement and delivery.
- The extent to which this model reflected normal business as usual custom and practice, and relied on using existing resources familiar with delivering major school capital works projects for the education authority.
- The extent to which schools operate independently within their education authorities, and the level of delegation and budgeting autonomy they have in relation to capital works design, approval and funding.

Not all Catholic and independent school education authorities adopted a school self-management approach. In the case of the Catholic education authorities, some schools implemented self-management, but others were implemented along a business as usual model utilising regionalised capital works expertise on behalf of a grouping of schools, while others had the same managing organisations as were employed by the larger government system education authorities.

Project manager APP for example was engaged as a project manager in multiple government systems (Victoria, WA, Queensland) and also for the Catholic Wollongong Diocese (20 schools). Bovis Lend Lease (BLL) was employed as a major MC for the NSW Government system and also engaged in the same capacity by the Catholic Education Office, Sydney Diocese (110 schools). The Taskforce has found that the fees paid to BLL and the contract specifications of these two alternate roles were not materially different. What was different however was the degree of relative empowerment of the Catholic school principals in the decision making process, including the flexibility afforded to them to design a customised building.



In the case of the Catholic Education Office, Sydney Diocese, the schools are not self-managing, but they are actively engaged as a partner in the process and the school principals and other school stakeholders' views are given significant weight in BER project planning and implementation.

In the NSW Government system, by contrast, standardised templates developed by MCs were used in 97% of NSW Government school BER projects. Schools and principals had limited ability to self manage across any more than a small percentage of the 1800 government schools in NSW. It should however be highlighted that this approach is consistent with the underlying business model for how NSW Government schools operate, and that NSW Government schools do not have the same level of financial and operational autonomy as non-government schools.

It is also important to highlight that while self-management ensures a higher level of school empowerment, the Taskforce believes that self-management of BER projects by the majority of schools in the larger government systems would have been problematic and increased the risk of not delivering the BER program as a whole on time, or for predictable cost.

Self-management seems to produce good outcomes for independent schools that have a board / strong governance structure and internal business management resources meshed with a history of self-management and forward planning, plus a capacity to fund project variations and delays out of their own budgets. Non-government schools comprise approximately 30% of schools across the country.

Industry stimulus and speed of implementation

The primary objective of the BER program was economic stimulus. While all education authorities created stimulus through delivery of the BER program, the way they have gone about this has varied. Some education authorities appear to have given this consideration significantly greater weight in implementation decisions than others.

The Queensland Government system, for example, implemented a different procurement strategy for different P21 funding rounds. Rounds 1, 2 and 3 (R1, R2, R3) were implemented so as to engage different construction industry participants and ensure stimulus and work was delivered broadly across differing parts of the industry. Project managers were engaged in R1 and work was channelled principally to tier 2 and 3 builders. In R2 six construction managers were each given work and specific direction for them to engage smaller builders. Construction Managers were thus used as a mechanism to ensure small firms were involved, even if they lacked the occupational health and safety (OH&S) and environmental management systems and other experience necessary for work in schools.

The Taskforce believes that the weighting given to the stimulus objective by different education authorities has influenced the cost outcomes achieved and requires consideration in assessing whether individual school buildings constructed represent value for money as compared to a similar building constructed by another education authority.

As outlined in the earlier section on value for money, there is a trade-off required between the quality, time and cost elements of value for money. In some jurisdictions it appears that education authorities placed a lower relative emphasis on cost and quality, in order to achieve a very rapid implementation program and associated economic stimulus. For example, evaluation of the NSW Government's BER implementation must be framed in the context of its emphasis on delivering rapid implementation.

Existence of site master plans

A common feature of BER P21 projects involving Catholic and independent school education authorities is the existence of school master plans which has allowed them to rapidly identify the most appropriate location for new P21 facilities, and integrate the new buildings into the longer term infrastructure strategies for the school. In contrast, some government school education authorities such as NSW did not universally have pre-existing school master plans to inform the siting of new P21 buildings, or a longer term school infrastructure strategy. The Taskforce believes that the optimal education outcomes are achieved when major new school buildings are aligned and delivered in accordance with a longer term site master plan.

Use of prefabricated buildings

The virtues of prefabricated buildings versus custom built-structures has been the subject of media analysis and some school BER project complaints in jurisdictions such as the NSW and Victorian Government school systems.

As part of its initial work the Taskforce has visited and inspected a number of BER projects involving prefabricated buildings in NSW, Victoria and Queensland Government schools. The Taskforce concludes that where the manufacturer is experienced in the education sector and where the structure is properly designed, sited and installed, these deliver appropriate school facilities.

The Taskforce notes:

- Prefabricated buildings have been used in both government and independent for many years before the BER program commenced.
- They are built to varying levels of specification for different education authorities including independent schools. Those supplied to NSW Government schools fully meet the NSW Education State Facilities Standards (SFS).
- The primary rationale for historically choosing a prefabricated building was not a decision to trade down on quality, but to limit the time and disruption of onsite construction. This speed of completion is particularly relevant for the BER program and remote school locations.

A number of complaints associated with modular buildings in NSW Government schools arise as a result of the involvement of the managing contractor in transporting and installing buildings pursuant to BER P21 which would otherwise have normally been done by the modular building supplier under business as usual conditions. This has resulted in quality issues when the buildings have been installed on site, leading to complaints by some school principals and communities. Whereas in the Coldstream Primary School complaint, referred to earlier, it resulted from a combination of poor siting and on-site quality control.

DEEWR BER Program monitoring

The BER Program reporting requirements extend beyond the information non-government education authorities would typically have to report against. The Taskforce received anecdotal feedback from a range of stakeholders about the level of additional administrative effort required to comply with these requirements.



The Taskforce has undertaken an initial assessment of the BER Program reporting and monitoring regime to understand the extent to which it provides sufficient visibility and insight into whether value for money and the optimal educational and community outcomes are being achieved. This assessment has involved a desktop review of monitoring and reporting requirements, the monthly BER dashboard reports provided by education authorities, as well as DEEWR's current BER monitoring and performance information plans.

Based on its initial assessment the Taskforce has found that the current DEEWR reporting and monitoring requirements do not provide visibility over value for money (for example, the revised August 2009 Guidelines include a requirement for BER projects to demonstrate value for money, but do not provide a definition of value for money, nor require education authorities to report on value for money). They also do not provide a mechanism for assessing the quality of the built outcomes beyond delivery and completion of facilities.

The Taskforce also notes a lack of capital program technical expertise (for example, construction project management and quantity surveying) within DEEWR. A number of education authorities expressed the view, and the Taskforce concurs, that had DEEWR had this capacity, it may have resulted in better program design and implementation.



▲ BER Contract, Risk and Management Fees

Review approach

The Taskforce engaged a national legal services firm to review a selection of contracts utilised by education authorities for delivery of BER P21 projects. The Taskforce has commissioned the review to examine how responsibility and risk is allocated in the contract models and to determine what services were provided and risks assumed in return for the management fees charged.

This initial review examined a selection of contracts used by the following jurisdictions:

- Victorian Government
- Victorian Catholic
- NSW Government
- NSW Catholic (Sydney Diocese only)
- Queensland Government
- Western Australia Government

The contracts were analysed having regard to the extent to which a relevant contractor had effective responsibility for each of 14 component services/risks across the construction lifecycle. These component service/risks are as follows:

- Program Management
- Project Management
- Design
- Planning
- Care of site, Site Supervision
- Pre-construction works, Preliminaries
- Construction - Materials, Workmanship & Fitness for Purpose
- Design/Construction Interface
- Occupational Health & Safety
- Environmental Management
- Insurance
- Completion and Handover
- Defect Rectification
- Construction Price Risk

Below are the preliminary observations of the Taskforce based on this review. At Appendix 14 there are matrices illustrating the risk/cost allocation for a selection of projects for 4 of the education authorities.

Taskforce preliminary observations based on the contract analysis

Managing Contractor contract model

Both the NSW Government and the Sydney Catholic Diocese is using a managing contractor type contract model to implement BER P21. In the NSW Government context each managing contractor used a modified version of the NSW General Conditions of Contract (GC21). The managing contractor for the Sydney Catholic Diocese used a contract developed specifically for the Diocese. The managing contract model imposes responsibility on the managing contractor for all design and construction services and for project risks, costs and subcontractor works. In the Sydney Catholic Diocese model the managing contractor also performed a program manager role.

In the NSW Government model there are differing managing contractor fees depending on whether managing contractors have contracted more than 85% of the work on a school to a single subcontractor. The managing contractors under the NSW Government model are paid a percentage fee calculated on the lesser of the Actual Cost Sum (ACS) or 105% of the Benchmark Value (BMV) for the school projects for which it is responsible. The BMV is established by NSW Government, applying a formula to the approved Estimated Contract Sum (ECS) for a particular project to arrive at a benchmark figure for the construction works. The index may be applied to assess the reasonableness of ECS offers for a school project and to retrospectively determine a BMV Assessment for a particular school project after it has been approved. The Taskforce understands in practice that the BMV formula applied by NSW Government gives the most weighting to the costs submitted by the managing contractor for the particular building project with the rest of the formula being derived from other BER projects. The Taskforce notes that the effectiveness of the BMV as a fee benchmark is largely dependent on the careful administration of the BMV process.

In the contract model used by the Sydney Catholic Diocese the managing contractor is paid a percentage fee based on the actual trade and construction costs for each school project, subject to a guaranteed maximum price arrangement. The trade and construction contractors are paid on a fixed price lump sum basis, and engaged on contractual terms that have been developed by the managing contractor.

In both the models examined it is apparent to the Taskforce that the managing contractors have substantially mitigated their contract risks by 'flowing down'¹ much of the risk to their sub-contractors (i.e. to the tier 2, 3 and 4 builders). The managing contractor fee should therefore be considered in the light of the risks assumed by the managing contractor after taking account of the extent to which the managing contractors have flowed down risk to their subcontractors (eg for services and associated risk of site supervision, site OH&S, project reporting and documentation). See Appendix 14.

Project Management Contract Model

The Victorian Government, the Western Australian Government and the Queensland Government (in P21 Rounds 1 and 3) have used a project manager delivery model. In the Victorian Catholic system a similar model involving a managing project architect was used.

¹ The 'Flow Down' of risk, as referred to means the passing on by a prime contractor to its subcontractor of a contractual or other legal liability (including an indemnity), obligation, or requirement that is imposed on, or acquired by, the prime contractor under its contract with the principal where a prime contractor is legally responsible to the principal for the full scope of work under the prime contract. The Flow Down may be achieved by incorporating in the subcontract provisions that are expressed in the same terms of, or are substantially similar in effect to, the relevant obligations or liabilities under the prime contract. The effect of a Flow Down provision is to remove or mitigate contractual or other legal risk to the prime contractor by requiring the subcontractor to comply with a corresponding obligation or requirement and/or imposing a liability on the subcontractor that matches the prime contractor's own liability arising out of the contract. A Flow Down provision may also have the effect that, if the prime contractor incurs a liability to the principal or other party or authority, as a result of an act or omission of a subcontractor, the prime contractor can recover from the subcontractor any loss or costs it incurs to those other parties.



In the Victorian Government model, a program manager was engaged for high level management of the program while the State of Victoria (through DEECD) has contracted with project managers, who on a 'best endeavours' basis, are responsible for engaging design sub-consultants, engineering, quantity surveying and other building consultancy services. The project managers also provide procurement management, construction supervision, undertake the planning process and help gain planning approvals. The project managers are paid a fee based on a percentage of the capital value of the projects they manage. The construction contractors are engaged directly by DEECD generally using modified versions of the AS2124 contract model.

For the Victorian Catholic school projects reviewed, the managing project architects, engaged by the Victorian Catholic schools under a bespoke contract, have a broadly similar role to the project managers in the Victorian Government schools. Under the Victorian Catholic school contracts reviewed the project architects provide design leadership and project management. However, unlike in the Victorian Government model, the project architects perform all the architecture design work in-house rather than potentially contracting it out. All design risk is carried by the project architect in this model (unlike the Victorian Government school model where design risk for template designs rests with the DEECD). Construction price and delivery risk and OH&S risk for construction rests with the construction contractor who contracts directly with the schools' contracting authority under an adapted AS4000-1997 contract.

Given the higher risk assumed by the project architects under contracts for the reviewed Victorian Catholic school P21 projects and the likely absence of economies of scale which would be otherwise available to the project managers in the Victorian Government system (which contract for a region and a large number of schools), it would be reasonable to expect higher fees for project architects in the Catholic system than for project managers in the Victorian Government system. However, the project manager and design fees across the five Victorian Catholic schools projects reviewed averaged 9.1%. The average project manager and design fees paid for P21 projects at Victorian Government schools was 11% (after weighting to take into account different percentage fees for different design types e.g. template, schools refurbishment, new design and relocatables). There were no additional incentive fees in either of these models.

In Rounds 1 and 3 of its BER P21 implementation, Queensland Department of Education and Training (DET) used a project manager arrangement. In Round 1 the fees for project managers engaged under the Queensland Department of Public Works Long Form Consultancy Agreement varied across different contracts. In Round 3 each project manager was paid the same percentage fee (3.37%) based on the total project cost to manage the preparation of the project design brief and delivery program as well as the procurement process for the engagement of a construction contractor. In both Rounds 1 and 3 the construction contractors were engaged directly by Queensland DET under different modified versions of the AS4300 contract with the project manager acting as Superintendent for the construction of the school project.

In Western Australia, the 'Building Management Works' (BMW) unit of the Western Australian Department of Treasury and Finance engaged seven project managers for the BER program under the terms of a pre-existing project manager services panel arrangement using General Conditions of Contract AS4122(Int) - 1993. In contrast to the Victorian Government model, the project managers in the Western Australian Government BER implementation performed more of a high level project manager role with the BMW also directly contracting with architectural consultants under pre-existing General Conditions of Contract AS4122(Int)-1993 and with construction contractors using an AS2124 model contract. Unlike project managers in the Victorian Government model and the project architects engaged in the Victorian Catholic school projects, the project managers in the Western Australian Government model have no building design function or risk. Rather the design role is undertaken by BMW (for template designs) and by the architectural consultants (for customisation/integration of template designs for particular schools).

Prior to 1 August 2009, the project managers in the Western Australian Government model were



paid at hourly rates for all work undertaken on the BER projects and after 1 August 2009 they are paid a fixed price lump sum from within the 1.5% administration fee component of BER funding.

A Hybrid Model

For the majority of BER Round 2 and approximately half of BER Round 3 P21 projects, the Queensland DET engaged construction managers under a modified version of AS4916 contract with a fixed percentage fee (which was the same for all construction managers). The function of the construction managers is to directly engage and manage consultants, construction and trade contractors to deliver each school project. The percentage fee paid to construction managers was higher than for the project managers engaged primarily in Rounds 1 and 3 and reflects the greater work scope, responsibility and risk assumed by the construction managers compared to the project managers. The Queensland construction manager can broadly be described as a hybrid of a project manager and a managing contractor with more responsibility and risk than the first, and somewhat less than the second.



Program management, project management and design fees

Table 1 below provides a comparison of management and design fees paid, as a percentage of project value, by government education authorities in the three states with the largest number of BER P21 projects (for Queensland Rounds 2 and 3 only), the Sydney Catholic Diocese and selected Victorian Catholic schools. The notes to the table give more information about how the fees, fee range and fee estimates were derived.

For projects of this type, in a business as usual pre-BER environment, the Taskforce notes that project management fees are typically 4% and design fees are typically 8% (ie, a total of 12% or 10% for a managing architect). In cases where repeat template designs are used, design fees would be expected to be lower. The Taskforce has used these figures in creating the pre-BER estimate of management fees in the table below.

Table 1: Summary of Program Management, Project Management and Design Fees

	Victorian Public	Victorian Catholic	NSW Public	NSW Catholic Sydney Diocese only	Qld Public Round 3	Qld Public Round 2
Program Management (Commonwealth designated Administration fee)	1.5% (including <0.8% Arup)	1.5% internal	1.5% internal	MC as Program Manager	1.5% internal	1.5% internal
Additional Program Management fee charged	-	-	+ 1.3% internal charged to projects	-	-	-
Project Management and other embedded services	11.0% ¹ (including design)	9.1% ² (Managing Architect including design)	-	-	3.4% ⁹	-
Management Contractors (NSW) / Construction Managers (Qld) including Project Management services	-	-	13.3% ³	9.25%	-	6%
Design fees not included in Project Management fees to be included for comparative purposes	-	-	4-8% ⁴	6-8% ⁵	4-8% ⁶	4-8% ⁷
Site Supervision Fees/ reimbursement in addition to Builder and not included in Construction Management fees, to be included for comparative purposes	-	-	-	-	-	6% ⁸
Estimated Total	12.5%	10.6%	20-24%	15-17%	9-13%	17-21%
Taskforce pre-BER Estimate	12%	10%	15-19%	No interim estimate	12%	15%
Estimated Nominal additional BER cost	0.5%	0.6%	5%	No interim estimate	0%	2-6%

1. Averaged across project management fees in contracts available to the taskforce and weighted to take into account different fees for different design types and expected prevalence of those design types.
2. Averaged across project management fees in 5 project architect contracts reviewed
3. Weighted Average across managing contractor contracts taking into account information available to the taskforce about instances of contracts using FeeA/FeeB percentage rates
4. Estimated range (includes where template design used)
5. Estimated range
6. Estimated range (includes where template design used)
7. Estimated range (includes where template design used)
8. Approximate mid point of fee range
9. Figure rounded up from 3.37%

From the above summary of fees it can be seen that the NSW Government school system has paid the highest overall total percentage of management and design fees, followed by the Queensland Government system for its Round 2 projects. The Victorian Government projects and Catholic school projects reviewed appear to have materially lower management and design fees.

The large volume of projects to be delivered, the use of multi-site outsourced delivery management arrangements and the allocation and cost involved in transferring risk to the managing organisations appear to have all contributed to the level of fees paid for NSW Government projects. The higher management fees paid by the NSW Government prima facie reflect a higher assumption of risk and liability by the managing contractors in NSW than managers in some of the other contract models. The Taskforce notes however that the managing contractors are able to mitigate much of this risk by flowing it down to subcontractors who would reasonably price this into their fees.

The Taskforce also notes that the imprecise identification of which costs are to be included as part of the managing contractor's fee in the NSW Government managing contractor contracts reviewed may give rise to the potential for managing contractors to claim for costs that might have not have been envisaged by the State to be within the managing contractor's overall fee. Ahead of its first full report in November the Taskforce proposes to closely review the costs claimed by managing contractors in selected NSW Government P21 projects.



▲ Planned Taskforce Activities (August–November 2010)

The Taskforce will build on activities undertaken in the first three months through four core work streams as follows:

Complaint handling and solution brokering

- Continuation of the Taskforce's work in responding to the complaints received in consultation with the plaintiffs concerned and the relevant education authority.
- Actively engaging with Education Authorities in seeking resolution and solutions to select complaints and to an involvement in reviewing, from a value for money perspective, projects yet to be tendered or yet to be commenced.
- Visiting an additional 100 schools across Australia to meet with local stakeholders, obtain their feedback, investigate individual complaints, gather direct experience and advice, and to ensure solutions brokered are being implemented.

Value for money (VFM) review and examination

- Further sampling and analysis of the BER P21 schools projects. The Taskforce anticipates data will be collected and analysed for another 600 schools.
- Contracting an educational economist to provide advice on the composition and distribution of the sample projects to ensure a sufficient sample is used to inform the model.
- Undertaking a detailed cost investigation on schools identified by the taskforce through complaints and taskforce analysis for publication in October 2010 (see Appendix 12).

Development of BER-CAM

- Further development of the BER-CAM database and associated financial modelling.
- Expanding the capability of the database to facilitate the analysis of infrastructure costs to support governments in achieving value for money across a wide-range of programs.
- Partnering with a university to explore and resolve any issues relating to the database and commence negotiations with the university to take over the model in the longer term (post-December 2011).

Policy

- Using this initial interim report as a vehicle for eliciting the views of key stakeholders on future directions for school infrastructure development through public submissions, focus groups and direct consultation.
- Analysing the lessons learnt through the delivery of the BER Program with a view to informing other upcoming major Australian Government infrastructure developments and health reform.

Appendices

Appendix 1: Complaints received

Legend

A/C - Air conditioning and heating

AMU - Asset Management Unit (NSW DET)

BGA - Block Grant Authority

DECS - Department of Education and Children's Services (SA)

DET - Department of Education (NSW, ACT)

DEECD - Department of Education and Early Childhood Development (VIC)

DEEWR - Department of Education, Employment & Workplace Relations

FTE - Full Time Equivalent (related to school size)

IWB - Interactive Whiteboards

MDR - Modular building

NSP - National School Pride

SLC - Science and Language Centres for the 21st Century

P21 - Primary Schools for the 21st Century

VFM - Value for money

Table 2: Open Complaints - as at 2 August 2010

Authority	Primary School	Complaint	Month	Action
NSW Government	Abbotsford	Concerns about demolition of classrooms to build new facilities and process to negotiate desired outcomes for school with VFM.	September 2009	Under investigation School site visit Phase 2
NSW Government	Albion Park Rail	Concerns about delays in commencement, non-competitive pricing, de-scoping and lack of communication.	July 2010	Under investigation Costs review to be undertaken
NSW Government	Anna Bay	Concerns about excess contingency funds and rejected project priorities.	July 2010	Under investigation Referred to DET
NSW Government	Annandale North	Concerns about VFM, fees and ongoing scoping negotiations.	May 2010	School site visit Phase 1 Project deferred for consultation Monitoring with DET
NSW Government	Ariah Park Central	Concerns about VFM related to de-scoping, new library smaller than original and lack of consultation	July 2010	Under investigation
NSW Government	Attunga	Concerns about VFM related to fees and contingencies	July 2010	Under investigation
NSW Government	Barmedman	Concerns about VFM as tender quotes are over budget.	July 2010	Under investigation
NSW Government	Belmont (High)	Comments on quality of NSP job, scoping of works and value for money.	June 2010	Referred to DET Under investigation
NSW Government	Ben Lomond	Concerns about project management, descoping, VFM, quality of work.	October 2009 / June 2010	Under investigation VFM audit to be undertaken
NSW Government	Berridale	Concerns about VFM related to de-scoping and quality of work.	May 2010 June 2010	Under investigation Costing data RFI Cost review to be undertaken
NSW Government	Binya	Concerns about VFM and have requested breakdown of costs.	June 2010	Under investigation School site visit Phase 2
NSW Government	Birrong (Girls High)	Concerns about quality of work and VFM for SLC project.	July 2010	Referred to DET Under investigation



Authority	Primary School	Complaint	Month	Action
NSW Government	Black Springs	Concerns about final allocation of project, VFM and de-scoping of project.	June 2010	Under investigation Costing data RFI Costs review to be undertaken
NSW Government	Blacksmiths	Concerns about de-scoping of project and halting of work.	May 2010	Under investigation School site visit Phase 2
NSW Government	Blaxland East	Concerns about product choices, selection processes, and communication.	July 2010	Under investigation Refer to DET
NSW Government	Boggabri	Concerns about VFM and de-scoping of project.	May 2010	School site visit Phase 1 Under negotiation with DET
NSW Government	Booral	Concerns about VFM, de-scoping, especially of IWBs and connected classrooms.	May 2010	Re-scoping of IWBs as announced by DET Monitoring with DET
NSW Government	Bradbury	Concerns about implementation of project and re-scoping and de-scoping negotiations to expend residual funds.	December 2009	School site visit Phase 1 Under investigation Costs review to be undertaken
NSW Government	Broadwater	Concerns about structural integrity of walls for connected classroom.	June 2010	Under investigation Referred to DET
NSW Government	Brungle	Concerns about VFM related to usability of facilities	June 2010	Under investigation
NSW Government	Burren Junction	Concerns about one-size fits all policy meeting the needs of the school.	July 2010	Under investigation
NSW Government	Buxton	Concerns about lack of communication and de-scoping of project.	July 2010	Under investigation
NSW Government	Caniaba	Concerns about VFM related to fees.	March 2010	Under investigation
NSW Government	Canterbury Vale	Concerns about VFM and project timelines	July 2010	Under investigation
NSW Government	Castlereagh	Concerns about VFM related to meeting school's needs and communication processes.	July 2010	Under investigation
NSW Government	Cattai	Concerns about VFM related to de-scoping of project and fees charged.	May 2010	School site visit Phase 1 Costing review undertaken
NSW Government	Chatswood	Concerns about VFM, requesting analysis of fees compared to other schools.	June 2010	Principal satisfied School site visit Phase 2 Costs review to be undertaken
NSW Government	Clergate	Concerns about VFM related to fees and quality of pre-fabricated building.	May 2010	Under investigation School site visit Phase 2
NSW Government	Corindi	Concerns about de-scoping particularly IWBs.	June 2010 July 2010	Re-scoping as announced by DET Under investigation



Authority	Primary School	Complaint	Month	Action
NSW Government	Cudal	Concerns about VFM and delays in project and OH&S issues	March 2010 May 2010	Under investigation School site visit Phase 2
NSW Government	Dungay	Concerns about VFM related to quality of work and de-scoping	July 2010	Under investigation Costs review to be undertaken
NSW Government	Eastwood Heights	Concerns about VFM, de-scoping and consultation.	May 2010	Under investigation Costs review to be undertaken
NSW Government	Ellalong	Comments on dissatisfaction with process, and negligible gain in actual classrooms.	June 2010	Referred to DET Under investigation
NSW Government	Errowanbang	Concerns about project management.	September 2009	School site visit Phase 1 Additional works being carried out - monitoring with DET
NSW Government	Eungai	Concerns about VFM, poor quality work, de-scoping, and communication.	May 2010 June 2010	School site visit Phase 1 Costs review undertaken
NSW Government	Fort Street	Concerns about VFM related to quality of work and lack of communication	July 2010	Under investigation School site visit Phase 2
NSW Government	Glenmore Park	Concerns about VFM due to de-scoping of project and possible re-scoping with savings.	June 2010	Under investigation
NSW Government	Goonengerry	Concerns about consultation process, implementation of project, and lack of local employment.	June 2010	Under investigation Costs review to be undertaken
NSW Government	Gordon East	Concerns about VFM, de-scoping and communication regarding delays.	June 2010	School site visit Phase 1 Rescoping as announced by DET Monitoring with DET Costs review to be undertaken
NSW Government	Gordon West	Suggests investigation of project management costs and requests project cost breakdowns.	June 2010	Referred to DET Under investigation
NSW Government	Green Hill	Concerns about VFM following de-scoping.	July 2010	Data costs RFI Costs review to be undertaken
NSW Government	GS Kidd Memorial	Concerns about VFM related to size and inclusions for facility	July 2010	Under investigation
NSW Government	Haberfield	Concerns about VFM based on contractor costs and total project funding	May 2010	Under investigation Costs review to be undertaken
NSW Government	Hillston Central	Concerns about VFM for project agreed pre-BER, BER fees cut budget and project then de-scoped.	June 2010	Under investigation Costs review to be undertaken
NSW Government	Holbrook	Concerns about VFM related to product design and de-scoping.	March 2010	Under investigation



Authority	Primary School	Complaint	Month	Action
NSW Government	Humula	Concerns about VFM related to deferral of project	July 2010	Referred to DET Under investigation
NSW Government	Huntingdon	Concerns about VFM for project agreed pre-BER but then not able to have agreed design.	June 2010	School site visit Phase 1 Monitoring with DET Costs review to be undertaken
NSW Government	James Cook Boys (High School)	Concerns about poor VFM for NSP funds used on upkeep rather than adding value.	July 2010	Under investigation
NSW Government	Kapooka	Concerns about VFM related to quality of work.	March 2010	Referred to DET Under investigation
NSW Government	Kearsley	Concerns about VFM related to design options and de-scoping	July 2010	Referred to DET Under investigation
NSW Government	Laguna	Concerns about timeliness in delivery of project	July 2010	Under investigation School site visit Phase 2
NSW Government	Lapstone	Concerns about planning approvals and affects of changes to driveway on neighbouring properties.	July 2010	Referred to DET Under investigation
NSW Government	Largs	Concerns about VFM related to de-scoping, access to remaining funds, IWBs	July 2010	Under investigation School site visit Phase 2
NSW Government	Manly Village	Concerns about VFM comparing same project fees with other schools	May 2010	Under investigation School site visit Phase 2 Costs review to be undertaken
NSW Government	Meadowbank	Concerns about VFM following de-scoping of project	June 2010	Under investigation
NSW Government	Merrylands East	Concerns about VFM before agreeing to design and scope of project	May 2010	Monitoring with DET School site visit Phase 2
NSW Government	Moree	Concerns about VFM for de-scoped project and poor consultation	May 2010	In discussions with DET Under investigation
NSW Government	Mount Druitt	Concerns about VFM related to de-scoping of A/C, heating and landscaping.	July 2010	Under investigation
NSW Government	Mount Riverview	Concerns about VFM related to de-scoping and project delays	June 2010	Under investigation
NSW Government	Mount Victoria	Concerns about VFM related to changing products to be received	May 2010 June 2010	School site visit Phase 1 Project re-scoped Monitoring with DET Cost review to be undertaken
NSW Government	Mullengandra	Concerns about VFM compared to Table Top School	May 2010	Referred to DET Under investigation
NSW Government	Mullion Creek	Concerns about implementation of program and request to self-manage projects	September 2009	Under investigation
NSW Government	Mullumbimby	Concerns about VFM related to design options, de-scoping and lack of consultation.	July 2010	Under investigation

Authority	Primary School	Complaint	Month	Action
NSW Government	Mungindi Central	Concerns about eligibility for SLC program and P21 FTE funding allocations	July 2010	Eligibility issues to be discussed Principal
NSW Government	Narrabeen Lakes	Concerns about VFM related to de-scoping particularly related to solar panels and lack of consultation.	July 2010	Referred to DET Under investigation School site visit Phase 2
NSW Government	Narranga	Concerns about VFM related to de-scoping particularly IWBs and A/C	May 2010	Under investigation
NSW Government	Nashdale	Concerns about VFM compared to local quote and lack of A/C and heating	May 2010	School site visit Phase 1 Re-scoping as announced by DET Monitoring with DET
NSW Government	Ocean Shores	Concerns about VFM related to fees and de-scoped sustainable design features	June 2010	Under investigation School site visit Phase 2
NSW Government	Penshurst West	Concerns about VFM for NSP project and fees for multiple layers of contractors	July 2010	Referred to DET Under investigation
NSW Government	Pleasant Hills	Concerns about getting final costings to access remaining funds	May 2010	Under investigation Costings data RFI Costs review to be undertaken
NSW Government	Pottsville Beach	Concerns about VFM related to de-scoping and desire to self-manage	May 2010	Under investigation School site visit Phase 2
NSW Government	Premer	Concerns about VFM related to prefabricated building, poor consultation and poor siting of building.	May 2010	Under investigation School site visit Phase 2
NSW Government	Pymble	Concerns about VFM related to modular building costs	May 2010	Under investigation
NSW Government	Rankin's Springs	Concerns about VFM related to de-scoping of works and generally poor quality of work.	July 2010	Under investigation
NSW Government	Rydalmere	Concerns about VFM related to estimated costings	July 2010	Under investigation
NSW Government	Scotts Head	Concerns about products agreed to, de-scoping of project, non-local contractors, and use of prefabricated building.	November 2009 May 2010	School site visit Phase 1 Re-scoping with DET Monitoring with DET Costs review undertaken
NSW Government	Seaforth	Concerns about lack of heating in new hall.	July 2010	Under investigation School site visit Phase 2
NSW Government	Seaham	Concerns about accessing remaining funds	June 2010	Referred to DET Under investigation
NSW Government	Spring Hill	Concerns about VFM related to poor quality prefabricated building and project management	September 2009 May 2010	School site visit Phase 1 Repairs undertaken by DET Monitoring with DET



Authority	Primary School	Complaint	Month	Action
NSW Government	St Clair	Concerns about VFM related to budget for COLAs	July 2010	Under investigation School site visit Phase 2
NSW Government	Stuarts Point	Concerns about VFM related to de-scoping due to contingency fees.	May 2010	School site visit Phase 1 Re-scoping as announced by DET Monitoring with DET Cost review to be undertaken
NSW Government	Teven-Tintenbar	Concerns about project scope meeting school needs related to covered walkway and A/C and quality of MDR	March 2010	Re-scoping as announced by DET Remediation work on MDR being monitored with DET School site visit Phase 2
NSW Government	The Grange	Concerns about adequacy and costs of disabled access and delays in delivery and quality of furniture.	July 2010	Under investigation
NSW Government	The Oaks	Concerns about poor VFM, delays in implementation and poor consultation.	July 2010	Under investigation
NSW Government	Tottenham	Concerns about VFM related to size and utility of canteen and related de-scoping	May 2010 June 2010	School site visit Negotiated with DET for canteen to be extended Monitoring with DET Costs review undertaken
NSW Government	Tyalgum	Concerns about VFM related to delays, over-budget, poor consultation.	April 2010 June 2010	Under investigation
NSW Government	Uranquinty	Concerns about quality of work, agreed inclusions and expenses to be paid by school	June 2010	Under investigation Referred to DET
NSW Government	Warrimoo	Concerns about VFM related to proposed project fees.	May 2010	Referred to DET Under investigation School site visit Phase 2
NSW Government	Wattle Flat	Concerns about VFM related to de-scoping, poor communication and non-employment of local contractors.	May 2010	Referred to DET Monitoring with DET
NSW Government	Wauchope	Concerns about VFM related to size of building and ongoing electricity costs	June 2010	School site visit Phase 1 Referred to DET
NSW Government	West Wallsend	Concerns about VFM related quality of work, de-scoping particularly IWBs and A/C for library.	May 2010	Re-scoping as announced by DET Monitoring with DET
NSW Government	Willawarrin	Concerns about VFM related to unnecessary building without A/C	March 2010	Under investigation
NSW Independent	The Coast Christian	Concerns regarding development application	July 2010	Referred to BGA Under investigation

Authority	Primary School	Complaint	Month	Action
NSW Independent	Nowra Anglican College	Concerns regarding teacher-librarian staffing for BER funded library.	May 2010	Referred to BGA Under investigation
NSW Independent	Shoalhaven Anglican School	Concerns regarding teacher-librarian staffing for BER funded library.	May 2010	Referred to BGA Under investigation
NSW Catholic	St Joseph's (Bulli)	Concerns about building works after hours and weekends.	July 2010	Referred to BGA Under investigation
QLD Government	Bulimba	Concerns about contractors; tendering requirements and purchasing supplies.	May 2010	Under investigation
QLD Government	Coorparoo	Concerns about contractors, tendering requirements and purchasing supplies.	May 2010	School site visit Phase 1
QLD Government	Hendra	Concerns about VFM related to design options, size of building, site service costs and tender process.	March 2010	School site visit Phase 1 Costing data received Costs review to be undertaken
QLD Government	Ithaca Creek	Concerns about specified one-size-fits all plans compromising outcomes and VFM.	May 2010	Under investigation. Cost review to be undertaken
QLD Government	Minden	Concerns about over-inflated process, products offered, re-scoping due to project costs.	May 2010	Under investigation. School site visit Phase 2
QLD Government	Moggill	Concerns about changes to project design and management, payment of project fees queried effect on remaining budget.	June 2010	Under investigation School site visit Phase 2 Cost review to be undertaken
QLD Government	Mount Crosby	Concerns about product, design changes, de-scoping due to costs, poor consultation processes.	May 2010	Under investigation School site visit Phase 2 Cost review to be undertaken
QLD Government	Wondall Heights	Concerns about VFM in replacing existing building with lesser design.	April 2010	Under investigation School site visit Phase 2
SA Government	Basket Range	Concerns about delays with project, costs and funding for additional water tanks and de-scoping of project.	May 2010	Under investigation School site visit Phase 1
SA Government	Clapham	Concerns about lack of consultation regarding impact of BER building on the neighbouring properties.	May 2010	Under investigation School site visit Phase 1
SA Government	Macclesfield	Concerns about lack of clarity around costs and funding for additional water tanks	June 2010	Under investigation
SA Government	Owen	Concerns about VFM related to cost blow-outs and de-scoping.	May 2010	Under investigation Costs data RFI
SA Government	Stirling East	Concerns about lack of clarity around costs and funding for additional water tanks	May 2010	Under investigation School site visit Phase 1
SA Government	Yankalilla Area	Concerns about lack of clarity around costs and funding for additional water tanks	May 2010	Under investigation



Authority	Primary School	Complaint	Month	Action
VIC Government	Apollo Bay P-12 College	Concerns about lengthy delays in project and poor consultation and communication.	July 2010	School site visit Phase 1 Under investigation
VIC Government	Avenel	Concerns about VFM related to de-scoping and lack of consultation	July 2010	Under investigation Cost review to be undertaken
VIC Government	Beaconsfield Upper	Concerns about product options and school needs.	May 2009	School site visit Solutions negotiated with DEECD Monitoring with DEECD
VIC Government	Belgrave South	Concerns about VFM	May 2010 June 2010	School site visit Phase 1 Under investigation
VIC Government	Bell	Concerns about siting of building and lack of consultation.	June 2009	School site visit Phase 1 Under investigation
VIC Government	Berwick	Concerns about receiving full funding allocation and companion projects	June 2009	Under investigation Cost review to be undertaken
VIC Government	Berwick Fields	Concerns about receiving full funding allocation.	May 2009	School site visit Phase 1 Under investigation
VIC Government	Berwick Lodge	Concerns about program delivery and receiving funding allocation.	May 2009 June 2010	School site visit Phase 1 Under investigation
VIC Government	Black Rock	Concerns about VFM related to planning approval for gymnasium as storage shed	May 2010 June 2010 July 2010	Under investigation School site visit Phase 2 Cost review to be undertaken
VIC Government	Brunswick Special Development	Concerns about consultation about decision to re-locate school related to needs of students and parents.	May 2010	School site visit Phase 1
VIC Government	Cambridge	Concerns about template design options.	September 2009	School site visit Phase 1
VIC Government	Carlton Gardens	Concerns about planning approval and design, heritage issues.	July 2010	Under investigation
VIC Government	Chalcot Lodge	Concerns about receiving full funding allocation and project approvals.	June 2009	Approved for project in Rd 3 Under investigation
VIC Government	Courtenay Gardens	Concerns about design options and requirements to use templates.	May 2009	Under investigation
VIC Government	Dandenong Valley	Concerns about receiving full funding allocation and design options.	May 2009	School site visit Phase 1 Agreed on MDR in Rd 3 Monitoring with DEECD
VIC Government	Dunkeld Consolidated	Concerns about VFM following demolition of building, delays in receipt of MDR, non-use of local contractors.	July 2010	Under investigation School site visit Phase 2

Authority	Primary School	Complaint	Month	Action
VIC Government	Glendal	Concerns about receiving full funding allocation and then descopeing of project.	June 2009 May 2010	School site visit Phase 1 Under investigation
VIC Government	Gormandale and District	Concerns about project delays, lack of communication, quality of work.	May 2010 June 2010	Under investigation School site visit Phase 2
VIC Government	Hallam Valley	Concerns about guidelines related to companion projects for full funding entitlement.	May 2010	School site visit Phase 1 Cost review to be undertaken
VIC Government	James Cook	Concerns about receiving full funding allocation and quality of NSP works	June 2009	Under investigation
VIC Government	Lake Charm	Concerns about consultation and progress of BER projects.	March 2010	Under investigation
VIC Government	Manangatang P-12	Concerns about delays to project, lack of communication and suitability of design and de-scoping.	June 2010	Under investigation Cost review to be undertaken
VIC Government	Manifold Heights	Concerns of suitability of template design and de-scoping, poor consultation.	June 2010	Under investigation
VIC Government	Merbein P-10	Concerns about usage of BER funds to support schools' amalgamation and consultation processes	March 2010 July 2010	Under investigation School site visit Phase 2
VIC Government	Montmorency	Concerns about VFM, funding allocated and retendering process	September 2009 April 2010	School site visit Phase 1 Under investigation Cost review to be undertaken
VIC Government	Moriac	Concerns about VFM related to project delays, non-use of local contractors.	June 2010	Under investigation
VIC Government	Mornington Special Development	Concerns about ineligibility for funding and being disadvantaged by Building Futures program leading to non-use of BER funds	July 2010	Under investigation
VIC Government	Mount Duneed	Concerns about VFM and project delays	March 2010	Under investigation
VIC Government	Mount Martha	Concerns about VFM related to not receiving full funding allocation and funding wastage.	September 2009 July 2010	School site visit Phase 1
VIC Government	Orbost North	Concerns about process for undertaking project and ability to engage local contractors for own design.	July 2010	Under investigation
VIC Government	Osborne	Concerns about VFM related to building choice and associated de-scoping due to higher costs.	May 2009	Under investigation School site visit Phase 2 Cost review to be undertaken
VIC Government	Panmure	Concerns about VFM related to lack of communication, consultation and not meeting the needs of school.	June 2010	Under investigation
VIC Government	Riddells Creek	Concerns about delays to project and design suitability of template design particularly A/C.	June 2010	Under investigation School site visit Phase 2



Authority	Primary School	Complaint	Month	Action
VIC Government	Sandringham	Concerns about receiving full funding allocation and products for funding.	June 2009	Rec'd \$3m funding in Rd 3 Monitoring with DEECD
VIC Government	Strathmore North	Concerns about delays in project delivery, high costs, descopeing of internals.	May 2010	Under investigation School site visit Phase 2 Cost review to be undertaken
VIC Government	Tallangatta Valley	Concerns about financial transparency with project manager.	January 2010	Under investigation
VIC Government	Templestowe Park	Concerns about VFM related to project changes after limited work carried out and being told it's over-budget.	July 2010	Under investigation School site visit Phase 2 Cost review to be undertaken
VIC Government	Trawalla	Concerns about VFM comparing earlier quote for school project with costing estimates through BER project manager.	June 2010	Under investigation Cost review to be undertaken
WA Government	Beacon	Concerns about project being wrong product to meet school's needs and wastage of BER funds.	March 2010	Under investigation Cost review to be undertaken
WA Government	Canning Vale	Concerns about project item costs and transparency in pricing.	May 2010	Under investigation
WA Government	Walpole	Concerns about lengthy delays, de-scoping, costs and consultations	July 2010	Under investigation

Table 3: Closed Complaints – As At 2 August 2010

State/ Authority	Primary School	Complaint	Month	Action
ACT Government	Bonython	Concerns about possible inappropriate removal of building materials.	May 2010	Referred to DET NFA for taskforce
ACT Government	Hughes	Concerns about consultation process and product priorities negotiated with DET.	May 2009	Agreement negotiated with principal NFA for taskforce
NSW Government	Bert Oldfield	Concerns about VFM for completed hall and request for costs breakdown.	March 2010	Costs provided to school by DET NFA for taskforce
NSW Government	Bemboka	Concerns about VFM and non-use of local contractors.	June 2010	DET rescoping solar cells and tanks – Principal satisfied NFA for taskforce
NSW Government	Blackalls Park	Concerns about removal of IWBs and other costs of project incl removal of school property	May 2010	Re-scoping of IWBs as announced by DET – Principal satisfied NFA for taskforce
NSW Government	Brooklyn	Concerns about contract between trade sub-contractor and building contractor.	June 2010	Referred to DET NFA for taskforce
NSW Government	Bungendore	Concerns about installation of unflued heaters.	February 2010	Resolved by changes to heating policy as announced by DET. Principal satisfied with outcomes NFA for taskforce
NSW Government	Burnside	Concerns about VFM for pre-fabricated building and appropriate design.	June 2010	Principal satisfied. NFA for taskforce.
NSW Government	Cambridge Gardens	Comments about cost of project.	May 2010	Principal satisfied. NFA for taskforce.
NSW Government	Cassilis	Concerns about VFM and project selection.	March 2010	Principal satisfied with outcomes. NFA for taskforce
NSW Government	Coerwull	Concerns about VFM and local employment.	May 2010	School site visit Phase 1 Principal satisfied NFA for taskforce Cost review to be undertaken
NSW Government	Coolah Central	Concerns about bankruptcy negotiations for suppliers.	May 2010	Referred to DET NFA for taskforce
NSW Government	Cootamundra (High School)	Concerns about SLC ranking.	June 2009	Unsuccessful in funding NFA for taskforce
NSW Government	Cronulla South	Concerns about FTE eligibility for funding	June 2009	NFA for taskforce
NSW Government	Curran	Concerns about VFM, de-scoping, and consultation.	May 2010	Principal advised on policies by DET NFR for taskforce Cost review to be undertaken
NSW Government	Ermington	Concerns about delays to project.	September 2009	Project now progressed. NFA for taskforce.



State/ Authority	Primary School	Complaint	Month	Action
NSW Government	Eurongilly	Concerns about VFM and delays to project. Deferred to Round 4 to be managed by AMU.	May 2010	School site visit Phase 1 Resolved with DET to self-manage NFA for taskforce
NSW Government	Fairvale (High School)	Concerns about SLC ranking.	June 2009	Unsuccessful in funding. NFA for taskforce
NSW Government	Faulconbridge	Concerns about project being refused by DET.	May 2009	Renegotiated with DET. NFA for taskforce.
NSW Government	Fernleigh	Concerns about wastage on a school that is decreasing in students.	March 2010	Referred to DET NFA for taskforce
NSW Government	Glenbrook	Concerns about choice of project following survey of school and parents.	May 2010	Principal satisfied. NFA for taskforce.
NSW Government	Glossodia	Concerns about engineering of beam.	June 2010	Resolved with project manager. NFA for taskforce
NSW Government	Gosford	Concerns about NSP project quality of work.	May 2010	Remediation work negotiated NFA for taskforce
NSW Government	Gunning	Concerns about VFM, choice of project, de- scoping and request for audit.	May 2010 June 2010	School site visit Phase 1 Project rescoped – Principal satisfied NFA for taskforce
NSW Government	GyMEA Bay	Concerns about VFM and choice of project.	March 2010	Advised by principal matter resolved. NFA for taskforce
NSW Government	Hastings	Concerns about VFM due to tendering issues	June 2010	School site visit Phase 1 Redesign of project to principal's satisfaction NFA for taskforce Cost review to be undertaken
NSW Government	Hay	Concerns about choice of products in NSP project	April 2009	Resolved by DET with principal NFA for taskforce
NSW Government	Huskisson	Concerns about de-scoping, need for 2 nd door, lack of consultation with managing contractor.	May 2010	Principal advised of re-scoping NFA for taskforce
NSW Government	Illaroo Road	Concerns about VFM related to de-scoping, particularly IWBs	May 2010	Re-scoping of IWBs as announced by DET NFA for taskforce
NSW Government	Irrawang	Concerns about VFM in SLC project	May 2010	Principal satisfied with project. NFA for taskforce
NSW Government	Kingscliff	Concerns about VFM related to finished product costing double.	June 2010	Funding estimate incorrect, principal satisfied with project NFA for taskforce

State/ Authority	Primary School	Complaint	Month	Action
NSW Government	Manildra	Concerns about VFM related to de-scoping of project	May 2010	Rescoping as announced by DET and project renegotiation NFA for taskforce
NSW Government	Maraylya	Concerns about fencing issues	September 2009	Principal satisfied NFA for taskforce
NSW Government	Mary Brooksbank	Concerns about VFM related to scope of works.	June 2010	Receive full scope and associated works NFA for taskforce Cost review to be undertaken
NSW Government	Mathoura	Concerns about local builders being excluded from tendering for BER projects	November 2009	Advised by principal matter resolved. NFA for taskforce
NSW Government	Matong	Concerns about VFM following de-scoping of project	June 2010	Re-scoping as announced by DET, costings to be provided NFA for taskforce
NSW Government	Milbrodale	Concerns about ongoing delays to Rd1 project, de-scoping and lack of consultation	June 2010	Project underway to principal's satisfaction NFA for taskforce
NSW Government	Mount Brown	Concerns about product decided without consultation and resulting in limited functionality	June 2010	Principal satisfied NFA for taskforce
NSW Government	Mount Hunter	Concerns about VFM related to proportionality of fees between schools (see Vineyard)	May 2010	Principal satisfied NFA for taskforce
NSW Government	Nana Glen	Concerns about VFM related to de-scoping, delays, poor quality of work, non-local contractors.	May 2010	Re-scoping as announced by DET Remediation work to principal's satisfaction NFA for taskforce
NSW Government	Quaama	Concerns about VFM related to project management costs.	May 2010	Costs data offered to school NFA for taskforce
NSW Government	Repton	Concerns about VFM related to de-scoping due to cost blow-outs	May 2010	Project rescoped to principal's satisfaction NFA for taskforce
NSW Government	St Ives	Concerns about VFM related to de-scoping	June 2010	Re-scoping as announced by DET NFA for taskforce
NSW Government	Summer Hill	Comments about delays to project and lack of consultation and communication.	June 2010	Correspondent wanted to comment and no further investigation NFA for taskforce
NSW Government	Table Top	Concerns about VFM compared to Mullengandra School	May 2010	Principal satisfied with project NFA for taskforce
NSW Government	Toomelah	Concerns about costs versus product with library used as example	June 2010	Contacted correspondent, no further investigation required NFA for taskforce



State/ Authority	Primary School	Complaint	Month	Action
NSW Government	Trunkey	Concerns about de-scoping, quality of work, and IWBs	May 2010	Rescoping as announced by DET Minor works negotiated with DET NFA for taskforce
NSW Government	Turramurra	Concerns about building works affecting neighbouring properties	December 2009 January 2010	Resolved with DET, principal satisfied NFA for taskforce
NSW Government	Ungarie Central	Concerns about VFM related to project fees and lack of consultation.	June 2010	Principal is satisfied NFA for taskforce
NSW Government	Vineyard	Concerns about VFM related to proportionality of fees between school (see Mount Hunter)	May 2010	Rescoping as announced by DET NFA for taskforce
NSW Government	Waniora	Concerns about VFM and timeliness	May 2010	Advice provided to principal NFA for taskforce
NSW Government	Wollongbar	Concerns about process and delays in project	May 2010	Resolved to principal's satisfaction NFA for taskforce
NSW Government	Woy Woy	Concerns about VFM related to management fees and ensuing de-scoping of IWBs.	May 2010	Re-scoping as announced by DET NFA for taskforce
NSW Independent	Hamazkaine Arshak & Sophie Galstaun	Concerns about SLC ranking.	August 2009	Unsuccessful in funding. NFA for taskforce
NSW Independent	Kesser Torah College	Concerns about SLC program ranking	August 2009	Unsuccessful in funding. NFA for taskforce
NSW Independent	Liberty College	Concerns about non-approval for funding under P21 program	September 2009	Unsuccessful in funding. NFA for taskforce
NSW Independent	Lindfield Montessori	Concerns about non-eligibility for funding under P21 program	November 2009	Not eligible for funding NFA for taskforce
NSW Independent	Manning River Steiner	Concerns about use of BER funds according to Guidelines	June 2010	Referred to DEEWR NFA for taskforce
NSW Independent	Moama Anglican Grammar	Concerns about SLC program ranking	August 2009	Unsuccessful in funding. NFA for taskforce
NSW Independent	St George Christian	Concerns regarding development application	May 2010 June 2010	Referred to BGA NFA for taskforce
NSW Independent	Yeshiva College	Concerns about building design effects on local residents and lack of planning approval consultation	July 2010	Referred to BGA NFA for taskforce
NSW Catholic	Santa Maria Del Monte	Concerns about planning approval process and effects on neighbouring properties	May 2010	Referred to BGA NFA for taskforce
NSW Catholic	St Catherine's	Concerns about planning approval process and lack of consultation	October 2009 December 2009	Addressed by BGA NFA for taskforce
NSW Catholic	St Mark's	Concerns about planning approval process and lack of consultation	September 2009	Addressed by BGA NFA for taskforce

State/ Authority	Primary School	Complaint	Month	Action
NT Public	Anula	Concerns about changing BER funded rooms to become classrooms, limiting community access.	July 2010	Advised correspondent of guidelines. NFA for taskforce.
NT Public	Braitling	Concerns about use of NSP funds to construct perimeter fence.	August 2009	School council satisfied with outcomes NFA for taskforce
QLD Government	Beechmont	Concerns about use of BER funds under guidelines and land deal negotiations.	May 2010	Being investigated by DEEWR NFA for taskforce
QLD Government	Bellevue Park	Querying guidelines about purchasing of books for new library.	May 2010	Referred to QLD DETA NFA for taskforce
QLD Government	Charleville Distance Education	Concerns about guidelines not including distance education FTE	May 2009	Rd 2 Guidelines amended by DEEWR to include distance education FTE NFA for taskforce
QLD Government	Nambour State (High School)	Concerns about SLC program ranking	July 2009	Unsuccessful in funding. NFA for taskforce
QLD Government	Oakleigh	Concerns about community consultation during planning processes.	June 2010	Information referred to EA NFA for taskforce
QLD Government	Tullawong	Concerns about design templates and products offered.	April 2009	Agreement reached on building for Rd 2 NFA for taskforce
QLD Government	Wilston	Concerns about BER funded building not including disabled access ramp.	June 2010	Qld Minister instructed school to install ramp as part of design. NFA for taskforce
QLD Independent	Aus Christian College: Moreton	Concerns about guidelines not including distance education FTE	March 2009	Rd 2 Guidelines amended by DEEWR to include distance education FTE NFA for taskforce
QLD Independent	Caloundra Christian College	Concerns about building demolished, replacement building lesser quality.	March 2010	BGA and school responded with advice about need to demolish buildings. NFA for taskforce
QLD Catholic	Holy Cross Woolloowin	Concerns about A/C unit too close to neighbouring property	July 2010	Under investigation Referred to BGA
QLD Catholic	Lourdes Hill College	Concerns about SLC program guidelines and ratings	July 2009	Unsuccessful in funding. NFA for taskforce
QLD Catholic	St Ignatius' College	Querying stakeholder names and funding received.	May 2010	Referred to BGA NFA for taskforce
QLD Catholic	St Laurence's College	Concerns about SLC program guidelines and ratings	June 2009	Unsuccessful in funding. NFA for taskforce

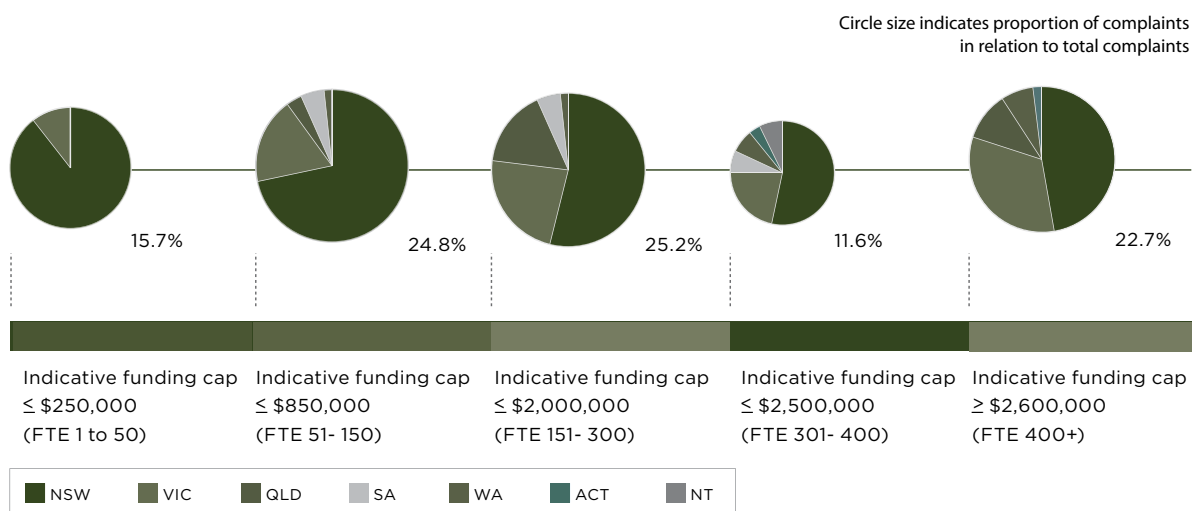


State/ Authority	Primary School	Complaint	Month	Action
SA Government	Hallett Cove East	Concerns about noise levels and privacy issues with the building overlooking neighbouring properties.	March 2010	Addressed by DECS NFA for taskforce
SA Independent	Walford Anglican School for Girls	Concerns about privacy issues with lights overlooking neighbouring properties	December 2009	Addressed by DECS NFA for taskforce
VIC Government	Amphitheatre	Concerns about demolition of buildings and non-use of local contractors.	May 2009	Resolved through DEECD NFA for taskforce
VIC Government	Fountain Gate	Concerns about access to facilities and no walkways.	May 2010	Advised by correspondent matter resolved NFA for taskforce
VIC Government	Inverloch	Concerns about BER program funding allocation related to Building Futures program and insufficient funding.	May 2009 June 2009	Project agreed in Rd 3 No further funding available NFA for taskforce
VIC Government	Jeparit	Concerns about final ownership of BER project	October 2009	Informed ownership of MDR resides with school NFA for taskforce
VIC Government	Lynbrook	Concerns about receiving full funding allocation and companion projects.	May 2009	Project agreed in Rd 3 NFA for taskforce.
VIC Government	Mount Evelyn	Concerns about slippery decking.	June 2010	Referred to DEECD NFA for taskforce
VIC Government	Oak Park	Concerns about requirement to use design template and meeting the school's needs.	June 2009	School site visit Phase 1 Rec'd funding in d 3 for non-standard design NFA for taskforce
VIC Government	Oatlands	Concerns about receiving full funding allocation and guidelines for companion project.	June 2009	Rec'd \$3m in Rd 2 NFA for taskforce
VIC Government	River Gum	Concerns about receiving full funding allocation for joint project w secondary school.	May 2009	Agreed project funded in Rd3 NFA for taskforce.
VIC Government	Southern Cross	Concerns about receiving full funding allocation.	May 2009	Rec'd full allocation in Rd3 NFA for taskforce
VIC Government	Thomas Mitchell	Concerns about receiving full funding allocation and applying for companion project.	June 2009	School site visit Phase 1 Rec'd funding in Rd2 NFA for taskforce
VIC Government	Tullamarine	Concerns about template requirements related to FTE.	June 2009	School site visit Phase 1 Agreed project funded in Rd2 NFA for taskforce
VIC Government	Warburton	Concerns about VFM and delays in project.	March 2010	School site visit Phase 1 NFA for taskforce.
VIC Government	Sovereign Hill	Concerns about eligibility for P21 program.	June 2010	Not eligible for funding NFA for taskforce

State/ Authority	Primary School	Complaint	Month	Action
VIC Independent	Al Taqwa College	Concerns about rankings for SLC program funding.	September 2009	Unsuccessful in funding School site visit Phase 1 NFA for taskforce
VIC Catholic	Queen of Peace Parish	Concerns about partial rejection of P21 application.	August 2009	Rec'd \$3m in Rd3, negotiations with BGA NFA for taskforce
VIC Catholic	Sacre Coeur	Concerns about rankings for SLC program funding.	June 2009	Unsuccessful in funding NFA for taskforce
WA Government	Atwell	Appealing decision to reject proposal for multipurpose hall.	April 2009	School site visit Phase 1 Successful in re-application for multipurpose hall NFA for taskforce
WA Government	Como	Concerns about planning approvals with project design for neighbouring properties.	May 2010	Referred to WA DES NFA for taskforce
WA Government	Huntingdale	Concerns about variations to project to create new project	November 2009	Variations applied for with DES NFA for taskforce Cost review to be undertaken
WA Government	Mount Lawley	Concerns about demolition of rooms in preparation for BER project	October 2009	Alternative sites arranged with school NFA for taskforce
WA Government	South Perth	Concerns about timeframes and standard templates resulting in sub-optimal project choice.	July 2009	Proposal agreed between Principal and P&C NFA for taskforce



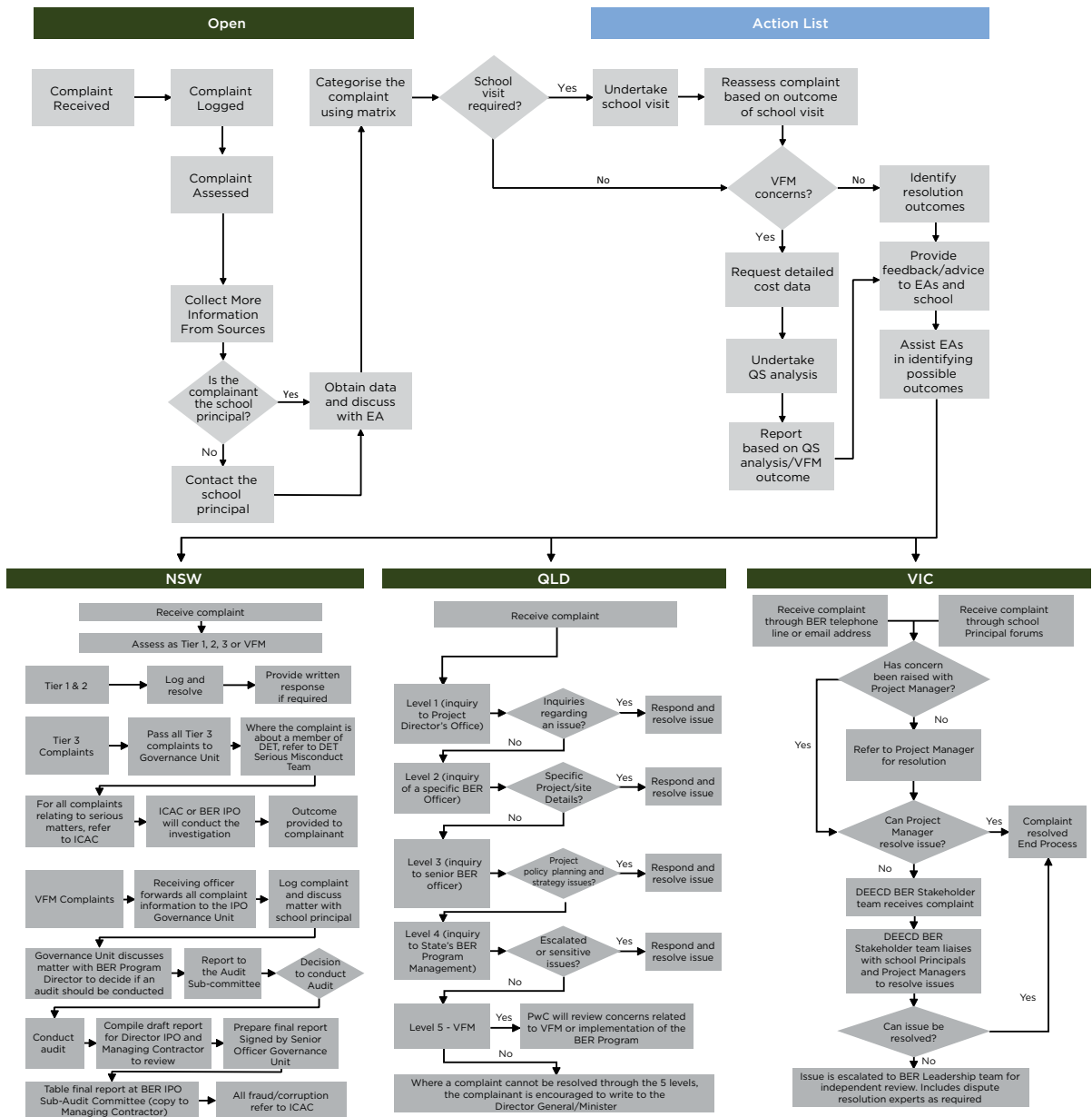
Figure 14 - Proportion of projects by size of grant



Source: DEEWR Administrative Data as at 30 June 2010

Appendix 2: BER / State Complaint Management Process

Figure 15: BER/State Complaint Management Process



Appendix 3: Taskforce Terms of Reference

The BER Implementation Taskforce is responsible for:

1. receiving, investigating and responding to complaints regarding the full operation of BER, including individual school projects, in particular:-
 - (a) by referring complaints or evidence of potential breaches of the law, regulations or guidelines to the appropriate authority for action; and
 - (b) ensuring arrangements are in place between the Commonwealth and states and territories to minimise duplication of complaints handling processes
2. assessing value for money aspects of individual projects, including project oversight and administration;
3. investigating and assessing at its own discretion areas of the operation of BER, especially as they impinge on the outcomes of projects at schools; and
4. making recommendations to the responsible authority about changes to policy, contracts or projects required to ensure the objectives of the BER are realised.

In undertaking these tasks the Taskforce has been directed by the Australian Government to report publicly on the nature, progress and results of investigations and inform the Australian Government of recommendations for changes to policy, contracts or projects required to ensure the objectives of the BER are realised.



Appendix 4: Industry Advisory Panel Membership

Alan Duncan, Director, Bay Partnership Pty Ltd

Bay Partnership is a leading quantity surveying and construction cost consultancy providing services to private and public sector operators across the projects.

Eric Goodwin, Non-Executive Director, Eureka Funds Management Limited

Eric has extensive experience in design, construction and project management, general management and investment and fund management. Eric is an engineer by profession.

Michael Heenan, Principal Architect, Allen Jack and Cottier (AJ+C)

AJ+C is a leading international architectural practice providing professional services advice in the related disciplines of architecture, heritage conservation and adaptive re-use, and urban, interior, and graphic design.

Doug Jones, Partner, Clayton Utz

Professor Doug Jones AM is one of Australia's most pre-eminent construction lawyers. He is a senior partner of a national law firm where he is head of national practice groups for construction, major projects and international arbitration. He has an intimate knowledge of construction contracts and major projects in Australia and overseas, as well as extensive expertise on project structuring and financing, contract drafting, dispute resolution and cross-border arbitration.

Uschi Schreiber, Oceania Government and Public Sector Leader

Ernst & Young's lead Partner, NSW Government and the Chair of the Oceania Health & Human Services practice, former Director General, Queensland Health and Deputy Director General, Queensland Department of Premier and Cabinet.

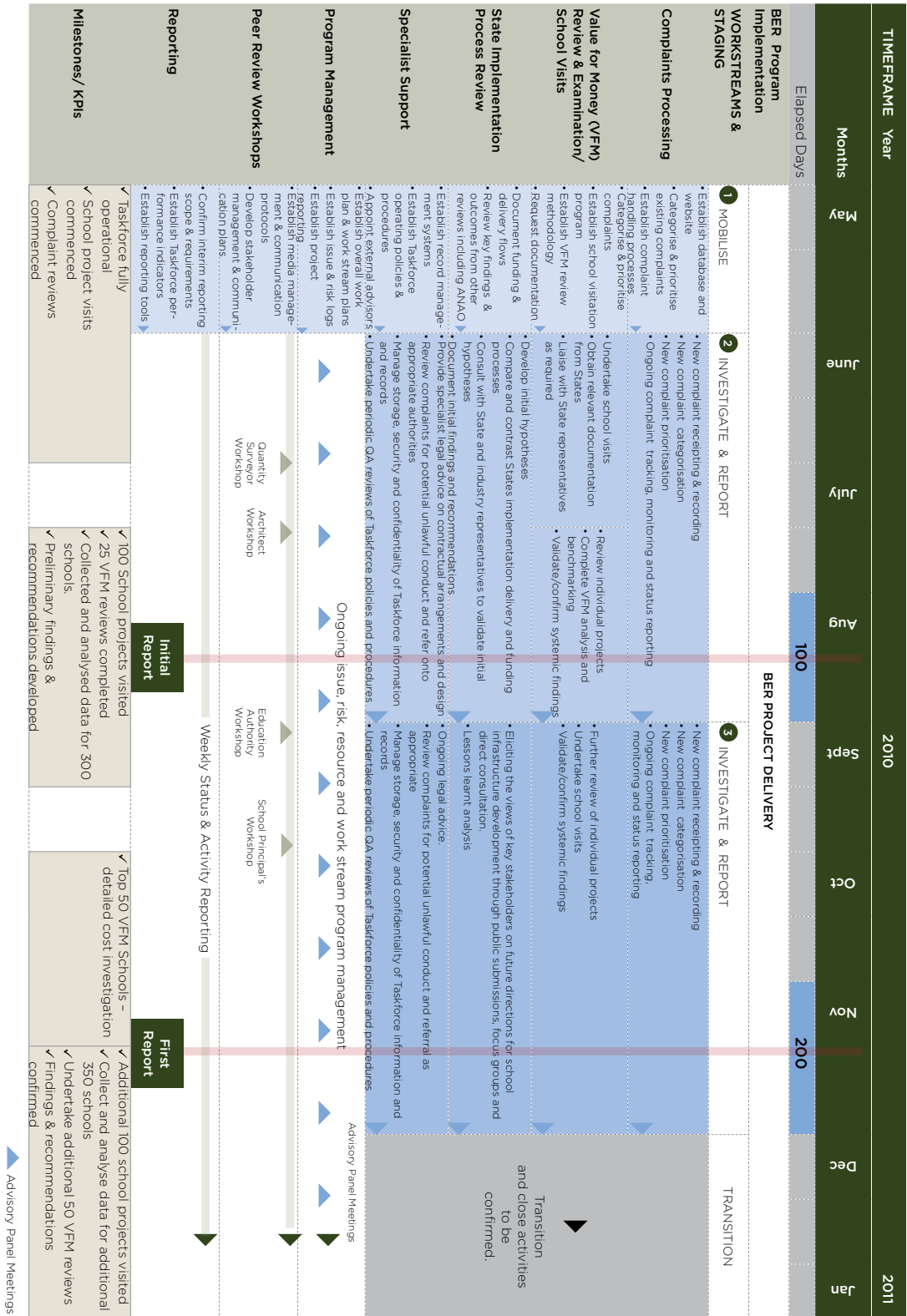
Leonie Trimper, President, Australian Primary Principals Association (APPA)

APPA is the national professional association for Primary School Principals in Australia representing more than 7,000 affiliated state and territory Government, Catholic and Independent primary schools across the nation.



Appendix 5: Workplan overview

Figure 16: Workplan overview



▶ Advisory Panel Meetings

Appendix 6: Stakeholder meetings

Table 4: Non-school stakeholder meetings

Organisation	Stakeholder Group	Meetings held
Abigroup	Managing Organisations	Qld – June 2010
ACT Coordinator-General and Department of Education	Government Education Authorities	May** and July 2010
Allen Jack + Cottier	Construction Industry	July 2010
Altus Page Kirkland	Construction Industry	Apr 2010
APP Corporation	Managing Organisations	June 2010
Arup-Indec (Joint Venture)	Managing Organisations	June 2010
Association of Independent Schools of NSW	Non-government Education Authorities	May – June 2010
Association of Independent Schools of South Australia	Non-government Education Authorities	May 2010
Association of Independent Schools of Tasmania	Non-government Education Authorities	May 2010
Association of Independent Schools of Western Australia	Non-government Education Authorities	May 2010
Australian Competition & Consumer Commission (National and Sydney Office)	Commonwealth Stakeholder	June and July 2010
Australian Institute of Quantity Surveyors	Industry peaks and representative bodies	June – July 2010
Australian Primary Principals Association	Industry peaks and representative bodies	May-July 2010
Bay Partnership	Construction Industry	May- July 2010
Bovis Lend Lease	Managing Organisations	June 2010
Brookfield Multiplex	Managing Organisations	May – July 2010
Catholic Education Commission of New South Wales	Non-government Education Authorities	May 2010
Catholic Education Commission of Victoria	Non-government Education Authorities	May – July 2010
Catholic Education Office of South Australia	Non-government Education Authorities	May – June 2010
Catholic Education Office of Western Australia	Non-government Education Authorities	May – June 2010
Coffey Projects	Managing Organisations	June 2010
Craig Mayne	Construction Industry	May 2010
Davis Langdon, Brisbane	Construction Industry	July 2010
Department of Education, Employment and Workplace Relations	Commonwealth Stakeholder	Apr – July 2010
VIC Department of Premier and Cabinet	Government Education Authorities	May – June* 2010
Department of the Prime Minister and Cabinet - Office of the Coordinator-General	Commonwealth Stakeholder	April – June 2010

Organisation	Stakeholder Group	Meetings held
DLA, Qld	Managing Organisations	July 2010
Eastern Nomad Buildings	Construction Industry	June - July 2010
FDC Construction and Fitout	Construction Industry	July 2010
Ganellen	Construction Industry	July 2010
GSA Group	Construction Industry	Apr 2010
Hanem Group	Construction Industry	July 2010
Hansen Yuncken	Managing Organisations	July 2010
Hayball	Construction Industry	July 2010
Ichor Constructions	Construction Industry	July 2010
Incoll	Managing Organisations	June 2010
Independent Schools Queensland	Non-government Education Authorities	May 2010
Independent Schools Victoria	Non-government Education Authorities	May - June 2010
John Holland	Managing Organisations	June 2010
Laing O'Rourke	Managing Organisations	NSW - June 2010
Law Architects	Construction Industry	July 2010
Leighton Contractors	Managing Organisations	July 2010
Lucas Stewart	Construction Industry	July 2010
Maincon	Construction Industry	July 2010
Maintek Projects	Construction Industry	July 2010
Master Builders Association Australia	Industry peaks and representative bodies	June 2010
Minter Ellison	Construction Industry	Apr - May 2010
National Buildplan Group	Construction Industry	July 2010
Nicholas Dunn + Associates	Construction Industry	July 2010
NSW Department of Education and Training	Government Education Authorities	May** - July 2010
NSW Department of Services, Technology and Administration (Public Works and Commerce Divisions)	Government Education Authorities	June 2010
NSW DET BER Integrated Program Office	Government Education Authorities	May - July 2010
NSW Infrastructure Coordinator-General and NSW Nation Building and Jobs Plan Taskforce	Government Education Authorities	May - June* 2010
NSW Legislative Council General Purpose Standing Committee No.2	Commonwealth Stakeholder	June 2010
Northern Territory Block Grant Authority	Non-government Education Authorities	May 2010
ACT Block Grant Authority	Non-government Education Authorities	May 2010
NT Department of Education and Training	Government Education Authorities	May** - June 2010



Organisation	Stakeholder Group	Meetings held
NT Office of the Coordinator-General	Government Education Authorities	June* 2010
Office of the (then) Deputy Prime Minister	Commonwealth Stakeholder	June 2010
PBS Property Group	Construction Industry	July 2010
Peter Lancaster Development Consultant/ Quantity Surveyor	Construction Industry	July 2010
Prime Constructions	Construction Industry	July 2010
Proline Building Commercial	Construction Industry	July 2010
Public Schools Principals Forum	Industry peaks and representative bodies	July 2010
QLD Catholic Education Commission	Non-government Education Authorities	May – July 2010
QLD Department of Education and Training	Government Education Authorities	May** – June 2010
QLD Department of Public Works	Government Education Authorities	June 2010
QLD Office of the Coordinator-General	Government Education Authorities	June* 2010
Rawlinsons Publishing (teleconference)	Construction Industry	June 2010
Reed Group	Managing Organisations	June 2010
Rice Daubney	Construction Industry	July 2010
Richard Crookes Constructions	Managing Organisations	July 2010
Rider Levett Bucknall	Construction Industry	July 2010
SA BER Program Delivery Management Organisation	Government Education Authorities	June 2010
SA Department for Transport, Energy and Infrastructure	Government Education Authorities	June 2010
SA Department of Education and Children's Services	Government Education Authorities	May** – June 2010
SA Office of the Coordinator-General	Government Education Authorities	June* 2010
Scott Smith Project Analysis	Construction Industry	July 2010
Senate Standing References Committee on Education, Employment and Workplace Relations	Commonwealth Stakeholder	May and June 2010
SKM Davis Langdon (Joint Venture)	Managing Organisations	June 2010
Structus	Construction Industry	July 2010
Sydney Anglican Schools Corporation	Non-government Education Authorities	May 2010
TAS Catholic Education Commission	Non-government Education Authorities	May 2010
TAS Department of Education	Government Education Authorities	May** – June 2010

Organisation	Stakeholder Group	Meetings held
The Australian Institute of Architects	Industry peaks and representative bodies	July 2010
The Hon Bronwyn Pike MP, Minister for Education, Skills and Workforce Participation, Victoria	Government Education Authorities	July 2010
The Hon Julia Gillard MP, the (then) Deputy Prime Minister	Commonwealth Stakeholder	Apr and May 2010
The Hon Simon Crean MP, Minister for Education	Commonwealth Stakeholder	July 2010
Transfield Services (Australia)	Construction Industry	July 2010
VIC Department of Education and Early Childhood Development	Government Education Authorities	May** - July 2010
WA Department of Treasury and Finance - BER Program Management Office	Government Education Authorities	June 2010
WA Department of Education	Government Education Authorities	May** - June 2010
WA Office of the Coordinator-General	Government Education Authorities	June* 2010
Wilde and Woollard	Construction Industry	July 2010
WT Partnership	Construction Industry	April 2010

* Face-to-face meeting with the Coordinators General on 22 June 2010

** Face-to-face meeting with representatives from all education authorities on 21 May 2010



Appendix 7: School visits

Table 5: School visits

School	Authority	Visit date	School	Authority	Visit date
Al-Taqwa College	VIC Independent	June 2010	Montmorency Primary School	VIC Government	June 2010
Amsleigh Park Primary School	VIC Government	May 2010	Mount Lawley Primary School	WA Government	June 2010
Annandale North Public School	NSW Government	July 2010	Mount Martha Primary School	VIC Government	June 2010
Annandale Public School	NSW Government	May 2010	Mount Victoria Public School	NSW Government	June 2010
Annangrove Public School	NSW Government	June 2010	Narrabri Public School	NSW Government	June 2010
Apollo Bay P 12 College	VIC Government	June 2010	Nashdale Public School	NSW Government	June 2010
Atwell Primary	WA Government	June 2010	Natte Yallock Primary School	VIC Government	June 2010
Balwyn North Primary School	VIC Government	July 2010	Oak Park Primary School	VIC Government	June 2010
Basket Range Primary School	SA Government	June 2010	Oakleigh South Primary School	VIC Government	May 2010
Beaconsfield Upper Primary School	VIC Government	May 2010	Oaks Public School	NSW Government	June 2010
Belgrave South Primary School	VIC Government	May 2010	Orana Heights Public School	NSW Government	June 2010
Bell Primary School	VIC Government	June 2010	Orange Grove Public School	NSW Government	May 2010
Berwick Lodge Primary School	VIC Government	May 2010	Orange Public School	NSW Government	June 2010
Berwick Primary School	VIC Government	May 2010	Our Lady of the Nativity Primary School	VIC Catholic	July 2010
Boggabri Public School	NSW Government	June 2010	Pallamallawa Public School	NSW Government	June 2010
Bradbury Public School	NSW Government	June 2010	Parramatta Public School	NSW Government	April 2010
Brunswick Special Development School	VIC Government	May 2010	Roleystone District High School	WA Government	June 2010
Cambridge Primary School	VIC Government	June 2010	Rye Primary School	VIC Government	June 2010
Campbelltown North Public School	NSW Government	June 2010	Sassafras Primary School	VIC Government	May 2010
Cattai Public School	NSW Government	May 2010	Scotts Head Public School	NSW Government	June 2010
Clapham Primary School	SA Government	June 2010	Seville Primary School	VIC Government	May 2010
Coldstream Primary School	VIC Government	May 2010	Silvan Primary School	VIC Government	May 2010
Coerwull Public School	NSW Government	June 2010	Sorrento Primary School	VIC Government	June 2010
Coogee Public School	NSW Government	May 2010	South West Rocks Public School	NSW Government	June 2010
Coorparoo State School	QLD Government	July 2010	Spring Hill Public School	NSW Government	June 2010
Craigieburn Primary School	VIC Government	May 2010	St Christopher's School	VIC Catholic	July 2010
Dandenong Valley School	VIC Government	June 2010	St Joseph's Primary School	NSW Catholic	June 2010
Dobroyd Point Public School	NSW Government	May 2010	St Paul's Woodbridge	QLD Catholic	July 2010
Donald Primary School	VIC Government	June 2010	Stirling East Primary School	SA Government	June 2010
Douglas Park Public School	NSW Government	June 2010	Stuarts Point Public School	NSW Government	June 2010
Dubbo Public School	NSW Government	June 2010	Sutton Public School	NSW Government	June 2010
Errowanbang Public School	NSW Government	June 2010	Swan Hill North Primary School	VIC Government	June 2010
Eungai Public School	NSW Government	June 2010	Swan Hill Specialist School	VIC Government	June 2010
Eurongilly Public School	NSW Government	June 2010	Tarago Public School	NSW Government	June 2010
Five Dock Public School	NSW Government	May 2010	Tarcutta Public School	NSW Government	June 2010
Galston Public School	NSW Government	June 2010	Templestowe Valley Primary School	VIC Government	June 2010
Glendal Primary School	VIC Government	May 2010	The Emanuel School	NSW Independent	July 2010
Glenorie Public School	NSW Government	June 2010	Thomas Mitchell Primary School	VIC Government	June 2010
Glenroy North Primary School	VIC Government	June 2010	Toolern Vale and District Primary School	VIC Government	June 2010
Glenroy Primary School	VIC Government	June 2010	Toorak Primary School	VIC Government	June 2010
Gordon East Public School	NSW Government	May 2010	Tottenham Central School	NSW Government	June 2010
Goulburn Public School	NSW Government	June 2010	Tucker Road Bentleigh Primary School	VIC Government	June 2010
Gunning Public School	NSW Government	June 2010	Tullamarine Primary School	VIC Government	June 2010
Hallam Valley Primary School	VIC Government	June 2010	Unity Grammar	NSW Independent	July 2010
Hastings Public School	NSW Government	June 2010	Wagga Wagga Public School	NSW Government	June 2010
Hendra State School	QLD Government	June 2010	Warburton Primary School	VIC Government	May 2010
Henty Public School	NSW Government	June 2010	Wauchope Public School	NSW Government	June 2010
Holland Park State School	QLD Government	June 2010	Weld Square Primary School	WA Government	June 2010
Huntingdale Primary School	WA Government	June 2010	West Lakes Shore Schools	SA Government	June 2010
Huntingdon Public School	NSW Government	June 2010	Wonga Park Primary School	VIC Government	May 2010
Ivanhoe East Primary School	VIC Government	June 2010	Yangebup Primary	WA Government	June 2010
Jindera Public School	NSW Government	June 2010			
Junee North Public School	NSW Government	June 2010			
Junee Public School	NSW Government	June 2010			
Kallista Primary School	VIC Government	May 2010			
Lalor Park Public School	NSW Government	April 2010			
Lower Plenty Primary School	VIC Government	June 2010			
Marrickville Public School	NSW Government	May 2010			
Mitcham Primary School	SA Government	June 2010			

Appendix 8: Construction Industry Feedback

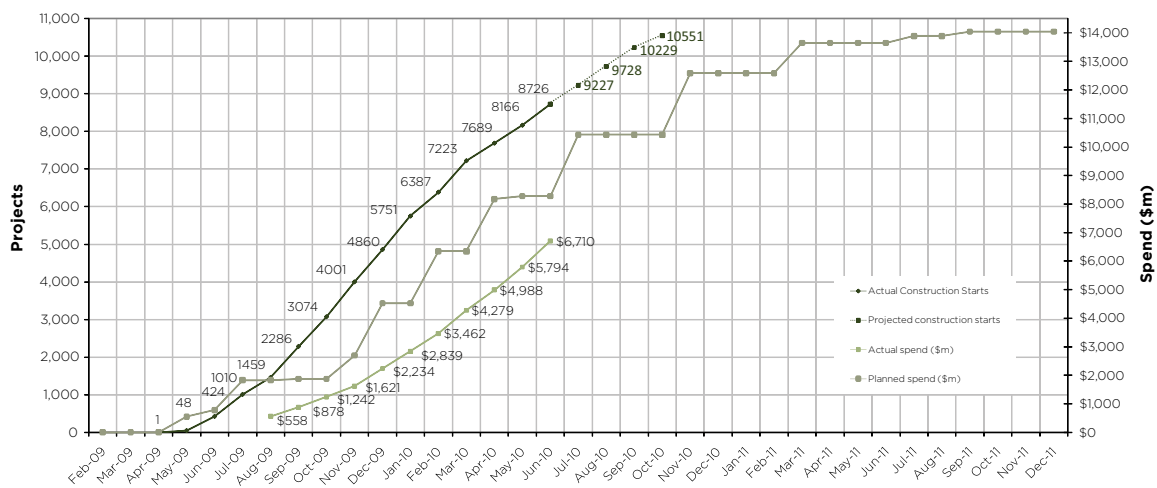
The Taskforce in assessing the BER delivery performance considered the overall impact of the BER program to the construction industry to be significant. Through discussion with industry, the Taskforce has obtained the views of representatives of various construction industry groups including designers and builders. A number of key themes which were identified through these discussions are outlined below.

The BER P21 projects were relatively simple projects, ranging from \$0.25m to \$3.0 million in size. With few exceptions a high proportion of the projects were directly performed by what are known as Tier 2, 3 and 4 building contractors. Some Education Authorities utilised Tier 1 contractors (the larger of the construction organisations which have a higher level of sophistication in their systems and processes utilised in the delivery of work) to deliver projects replace the more traditional deliver approaches.

The BER provided the construction industry with a significant economic stimulus which prevented many construction organisations from reducing staff and/or the size of their operations to match an otherwise decreasing workload resulting from the GFC. Some indicated that without the work generated by the program they may have had to cease operation.

Views were expressed that the tight timeframes as required by DEEWR resulted in significant pressure within the industry. The timeframes associated with the design and tendering specifically were much shorter than the time usually allocated for similar projects. These comments are consistent with information provided from DEEWR monthly reporting data about delivery performance, see the figure below tracking project expenditure and progress.

Figure 17: National BER P21 project construction commencements against spend



Lower tier contractors expressed the view that the level of reporting quality and safety management systems required of them under the BER project were of a higher level than would ordinarily be required on comparable projects.

Almost all designers and builders reported positive experiences with school communities as their projects were completed. Most felt extremely proud to have been part of the program.

There were concerns expressed over the range and inconsistency of the contract types used across BER projects. Views were expressed that it would be beneficial to the sector if there were some rationalisation of these contract approaches.



Appendix 9: Value for Money Definitions within Government Procurement Policies

Table 6: Summary of Value for Money definitions by jurisdiction

Commonwealth	
<ul style="list-style-type: none"> ■ VFM requires a comparative analysis of all relevant costs and benefits of each proposal throughout the whole procurement cycle (i.e. whole-of-life costing) ■ VFM is enhanced by: <ul style="list-style-type: none"> » Encouraging competition through using competitive procurement processes » Promoting use of resources in an efficient, effective and ethical manner » Making decisions in accountable and transparent manner ■ Procurement request documentation to specify logical, clearly articulated, comprehensive and relevant conditions for participation and evaluation criteria to allow the proper identification, assessment and comparison of costs and benefits of all submissions on a fair and common basis over the whole procurement cycle 	<ul style="list-style-type: none"> ■ Cost is not the only determining factor in assessing VFM. Rather, whole-of-life VFM assessment would include consideration of factors such as: <ul style="list-style-type: none"> » Fitness of purpose » Performance history of supplier » Relative risk of each proposal » Flexibility to adapt or change over the project lifecycle » Financial consideration including all relevant direct and indirect costs and benefits over the whole procurement cycle » Evaluation of contract options (e.g. contract extension options)
Source: Commonwealth Procurement Guidelines	
NSW	
<ul style="list-style-type: none"> ■ VFM includes the benefits of an expenditure of funds considered on the basis of whole-of-life costs and alternative uses of funds ■ Relative VFM would be determined with tenders by considering and comparing the benefits each offers for their prices and other costs involved, taking into account all factors relevant to the contract outcomes required, such as: <ul style="list-style-type: none"> » Price with whole-of-life costs, including cost of disposal; » Relevant tender experience and previous performance; » Tenderer capability, capacity and practices » Tenderer ability to meet requirements 	<ul style="list-style-type: none"> » Tender conformity » Product quality proposed » Product reliability proposed » Timelines for delivery » Certainty of delivery » Innovation » Product servicing offering » Fitness for purpose » Value adding components such as meeting the economic, social and environmental objectives where relevant
Source: NSW Government Procurement Guidelines - Construction Procurement valued to \$1m (June 2006)	
VIC	
<ul style="list-style-type: none"> ■ VFM denotes broadly a balanced benefit measure covering quality levels, performance standards, risk exposure, other policy and special interest measures (e.g. environmental impacts), as well as price. ■ Generally, VFM is assessed on a "whole-of-life" or "total cost of ownership" basis, which included the transitioning-in, contract period and transitioning-out phases of a contractual relationship. 	<ul style="list-style-type: none"> ■ It is often used in the sense of the "long-term sustainability of value for money", denoting the State's focus on choices that ensure VFM outcomes are promoted and protected in successive anticipated contracts
Source: Victorian Government Strategic Procurement - General Good Practice Guidelines June 2009	
QLD	
<ul style="list-style-type: none"> ■ Government procurement must achieve the best return and performance for the money being spent. ■ Price is not the sole indicator of value ■ The State Purchasing Policy includes three factors in determining VFM: <ul style="list-style-type: none"> » Contribution to the advancement of Government priorities 	<ul style="list-style-type: none"> » Non-cost factors such as fitness for purpose, quality, service and support » Cost-related factors including whole-of-life costs and transaction costs
Source: Queensland Government Best Practice Guidelines - Value for Money	
WA	
<ul style="list-style-type: none"> ■ A public authority must ensure that its procurement of goods and services achieves the best VFM outcome ■ At the corporate level, achieving best VFM outcomes requires a public authority to ensure that its procurement activities are aligned with Government policies, objectives and strategies and that it actively supports whole of government initiatives 	<ul style="list-style-type: none"> ■ Achieving best VFM at the individual purchase level requires that in its assessments, a public authority considers cost and non-cost factors, where relevant, and makes a value judgement about the best outcome.

WA cont.

- The VFM test may vary in complexity depending on the nature of the purchase, ranging from a simple price assessment for low value highly commoditised goods or services, through to a detailed assessment and comparison of cost and non-cost factors.
- Non-cost factors may include the following:
 - » Fitness for purpose
 - » Technical and financial issues
 - » Supplier capability
- The assessment of costs needs to consider any ongoing costs that may accrue beyond the initial price, including the associated costs of holding, using, maintaining and disposing of the goods and services
 - » Sustainability
 - » Risk exposures
 - » Availability of maintenance, service and support
 - » Compliance with specifications
 - » Ease of inspection, communication and delivery

Source: WA State Supply Commission Supply Policy

SA

- Obtaining VFM refers to formulating procurement decisions that achieve the best possible outcome in both financial and on-financial terms in a timely and efficient manner, commensurate with the nature of the purchase.
- Factors which may be considered in assessing VFM include:
 - » Fitness for purpose
 - » Whole-of -life costs
 - » Timeliness
- » Flexibility
- » Price
- » Service, support and warranty
- » Quality
- » Contribution to government priorities
- » Intangible costs and benefits
- » Efficiency and effectiveness

Source: SA Government Procurement Policy Framework May 2010

TAS

- VFM involves achieving the desired outcome at the best possible price
- Determining VFM involves weighing up the benefits of the purchase against the cost of the purchase.
- VFM factors need to be specifically included in evaluation criteria and may include:
 - » Fitness for purpose
 - » Maintenance and running costs over the lifetime of the project
 - » The advantages of buying locally, e.g.
 - › Shorter delivery times
 - › Local backup and servicing
 - › Availability of spare parts
- › The contribution to the achievement of government policy objectives, such as industry development and employment creation
- › The potential for creating strategic partnerships and cooperative product development
- » Quality assurance
- » Risks
- » The capacity of the supplier (e.g. managerial and technical abilities)
- » Climate change and environmental considerations
- » Energy conservation
- » Disposal value

Source: Tasmanian Government Purchasing Principles

ACT

- When evaluating suppliers' offers, VFM consideration must be given to:
 - » The costs and benefits involved on a whole-of-life costing basis, the calculation of net present values
 - » The other ACT purchasing principles and their impact on costs and benefits
 - » The ability of the product or service to meet the department's technical and service level requirements
 - » The capability and financial viability of the supplier to perform the contract
- Ensuring the contractual obligations are appropriate to protect the department
- All purchasing is to be conducted in an environment where "open and effective" competition is the prime operating principle
- The principle of open is to be achieved while maintaining the highest level of cost effectiveness and procedural flexibility, consistent with probity, accountability and transparency of the procurement process

Source: ACT Government Procurement Principles

NT

- VFM is the expected outcome of a planned procurement process when all key requirements are considered.
- The following Assessment Criteria may apply to procurements:
 - » Past performance
 - » Local Development and Value Adding
 - » Timeliness
 - » Capacity
 - » Whole-of-life costs
 - » Innovation
 - » Scope Specific

Source: NT Government Procurement



Appendix 10: Taskforce BER P21 cost data template

Table 7: Taskforce BER P21 cost data template

Program Delivery Overheads			
Agency Fee (Program)			Percentage of total project costs
Authority / Entity		\$	%
Other Program Management		\$	%
Management Fees (Regional)*		\$	%
Management Fee (Off site)		\$	%
Bonus Incentives		\$	%
Profit		\$	%
Sub management (onsite)		\$	%
Other		\$	%
Total Program Fees	A	\$	%
Project (Building)			
			F.E.C.A (m ²)
Design Fees (Arch, QS, Engineer)		\$	\$/m ²
Preliminaries		\$	\$/m ²
Substructure (to ground floor level)		\$	\$/m ²
Superstructure (above ground floor level)		\$	\$/m ²
Covered walkways (UCA)		\$	\$/m ³
Services (F.E.C.A)		\$	\$/m ²
FF & E		\$	\$/m ²
Other (other consultants and expenses)		\$	\$/m ²
Total Building Costs	B	\$	\$/m²
External Works			
Soft (typically landscaping)		\$	\$/m ²
Hard (typically carparking and paths)		\$	\$/m ²
Other (fences, signs etc)		\$	\$/m ²
External Services		\$	
Total External Works and Services	C	\$	\$/m²
Unique Project Costs (contamination, demolition, extreme geotech, power and utility upgrade etc)			
	D	\$	
Total Project Costs (A + B+ C + D)		\$	

* identify project managers, managing contactors or other

Time			
Actual duration to take from Approval to Completion / Projected Completion		days	

F.E.C.A (Fully enclosed area)		m ²
U.C.A (Unenclosed area)		m ²
G.F.A (Gross Floor Area)		m ²

Appendix 11: Impact of Regional Factors and Cost Model

The following graphs are the same graphs presented in the report with the regional indices applied. The BER Taskforce has used the Building Price Index as at June 2009. Regional indices have been applied to project costs to normalise the project cost to the capital city of the State of the individual project.

Figure 18: Total Project Costs for selected education authorities / Gross Floor Area (GFA)

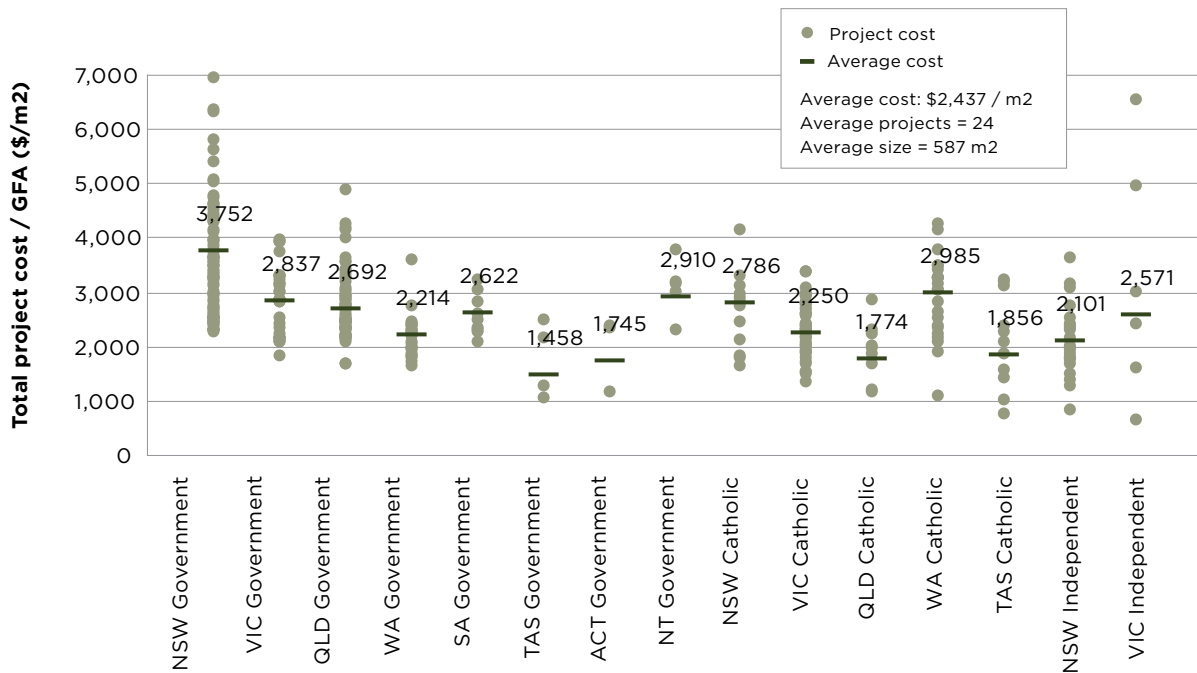


Figure 19: Multi-use (Halls) - Total Project Costs / Gross Floor Area (GFA)

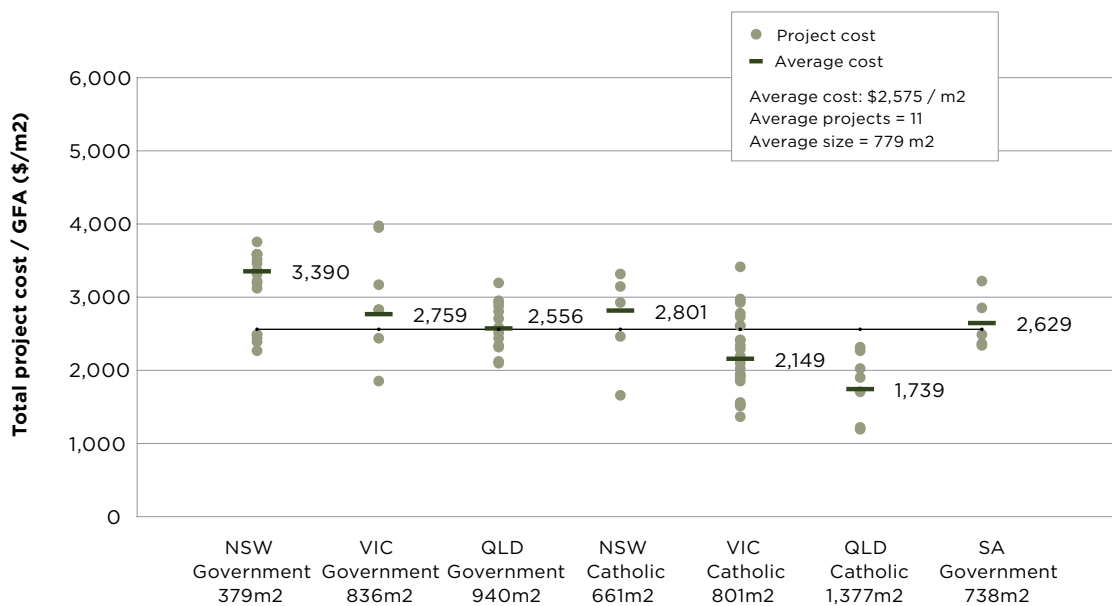


Figure 20: Classrooms - Total Project Costs / GFA

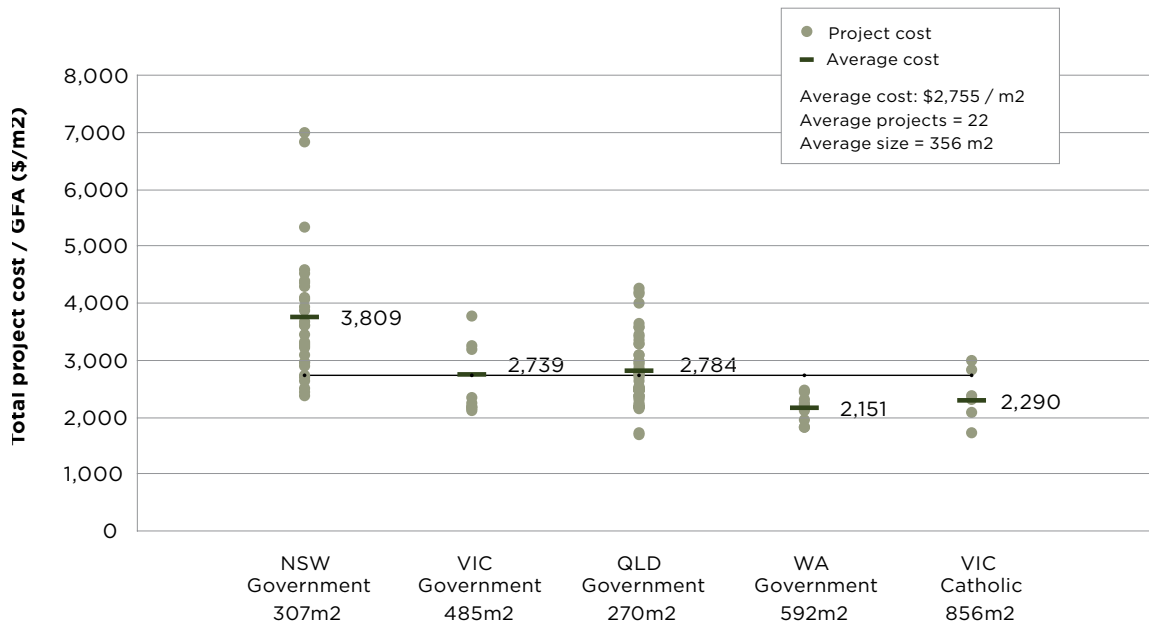


Figure 21: Libraries - Total Project Costs / GFA

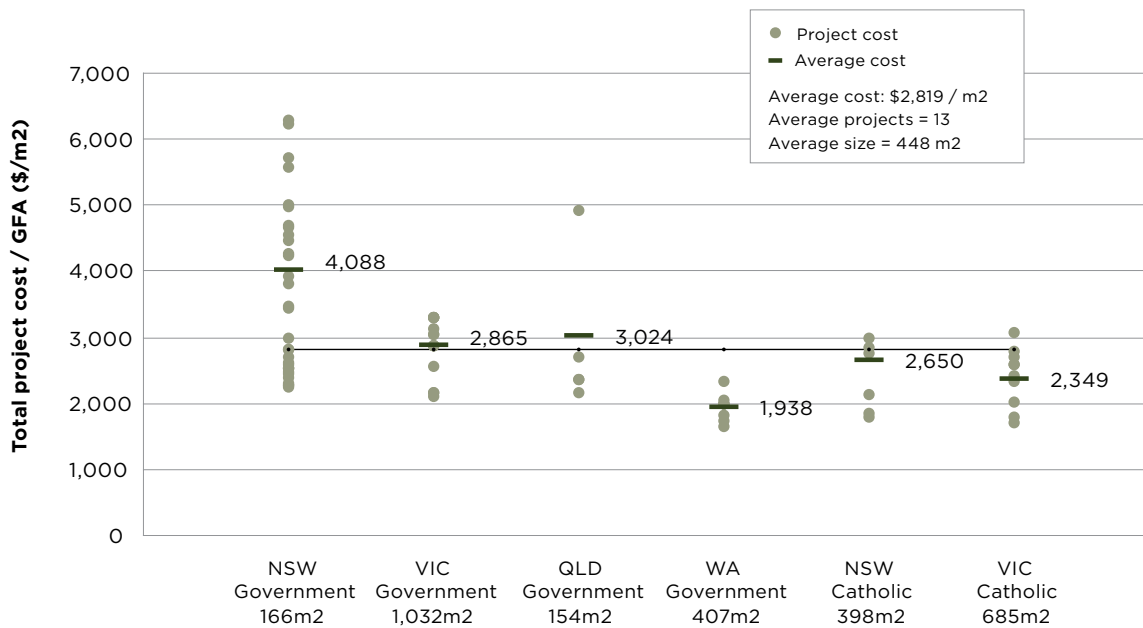


Table 8

The table below is a summary of the number of projects the cost model held at the time of the interim report.

State	EA	Library	Classroom	COLA	Multi-function Hall	Multituse Project	Total
NSW	Government	32	30	14	16	2	94
	Catholic	6	1	1	5	0	13
	Independent	6	3	3	4	9	25
	Total	44	34	18	25	11	132
VIC	Government	15	9	1	7	1	33
	Catholic	10	6	0	24	3	43
	Independent	0	3	1	2	1	7
	Total	25	18	2	33	5	83
QLD	Government	5	56	6	13	0	80
	Catholic	1	1	0	10	0	12
	Independent	0	0	0	0	2	2
	Total	6	57	6	23	2	94
SA	Government	1	3	1	5	0	10
	Catholic	0	4	0	5	0	9
	Independent	0	1	0	1	2	4
	Total	1	8	1	11	2	23
WA	Government	8	9	1	2	6	26
	Catholic	8	2	3	11	2	26
	Independent	2	3	1	1	2	9
	Total	18	14	5	14	10	61
TAS	Government	0	1	1	2	1	5
	Catholic	2	2	0	5	2	11
	Independent	0	0	0	1	0	1
	Total	2	3	1	8	3	17
NT	Government	0	4	4	0	1	9
	Joint	1	0	1	2	0	4
	Total	1	4	5	2	1	13
ACT	Government	1	1	1	1	0	4
	Joint	0	0	0	0	0	0
	Total	1	1	1	1	0	4
	Total	98	139	39	116	34	427



The images below are screen shots from the cost model and provide an insight into the volume of data and flexibility the model has to provide analysis over project cost information once sufficiently populated.

Appendix 12: Schools for Detailed Cost Investigation

Table 9: Schools for detailed cost investigation

Authority	Primary School	Source			VFM Cost Review status
		Complaint received	Data Outlier from BER-CAM	School Site Visit	
NSW Government	Bradbury	Yes	To be assessed	Completed in Phase 1	To be completed
NSW Government	Cattai	Yes	To be assessed	Completed in Phase 1	Completed
NSW Government	Chatswood	Yes	To be assessed	Completed in Phase 1	To be completed
NSW Government	Eungai	Yes	To be assessed	Completed in Phase 1	Completed
NSW Government	Gordon East	Yes	To be assessed	Completed in Phase 1	To be completed
NSW Government	Hastings	Yes	To be assessed	Completed in Phase 1	To be completed
NSW Government	Huntingdon	Yes	To be assessed	Completed in Phase 1	To be completed
NSW Government	Mt Victoria	Yes	To be assessed	Completed in Phase 1	To be completed
NSW Government	Scotts Head	Yes	To be assessed	Completed in Phase 1	Completed
NSW Government	Stuarts Point	Yes	To be assessed	Completed in Phase 1	To be completed
NSW Government	Tottenham	Yes	To be assessed	Completed in Phase 1	Completed
QLD Government	Hendra	Yes	To be assessed	Completed in Phase 1	To be completed
VIC Government	Berwick	Yes	To be assessed	Completed in Phase 1	To be completed
VIC Government	Black Rock	Yes	To be assessed	Completed in Phase 1	To be completed
VIC Government	Hallam Valley	Yes	To be assessed	Completed in Phase 1	To be completed
WA Government	Huntingdale	Yes	To be assessed	Completed in Phase 1	To be completed
NSW Government	Ben Lomond	Yes	To be assessed	To be scheduled	To be completed
NSW Government	Berridale	Yes	To be assessed	To be scheduled	To be completed
NSW Government	Black Springs	Yes	To be assessed	To be scheduled	To be completed
NSW Government	Burnside	Yes	To be assessed	To be scheduled	To be completed
NSW Government	Corindi	Yes	To be assessed	To be scheduled	To be completed
NSW Government	Curran	Yes	To be assessed	To be scheduled	To be completed
NSW Government	Dungay	Yes	To be assessed	To be scheduled	To be completed
NSW Government	Eastwood Heights	Yes	To be assessed	To be scheduled	To be completed
NSW Government	Goonengerry	Yes	To be assessed	To be scheduled	To be completed
NSW Government	Green Hill	Yes	To be assessed	To be scheduled	To be completed
NSW Government	Hillston Central	Yes	To be assessed	To be scheduled	To be completed
NSW Government	Manly Village	Yes	To be assessed	To be scheduled	To be completed
NSW Government	Mary Brooksbank	Yes	To be assessed	To be scheduled	To be completed
NSW Government	Pleasant Hills	Yes	To be assessed	To be scheduled	To be completed
QLD Government	Minden	Yes	To be assessed	To be scheduled	To be completed
QLD Government	Moggill	Yes	To be assessed	To be scheduled	To be completed



Authority	Primary School	Source			VFM Cost Review status
		Complaint received	Data Outlier from BER-CAM	School Site Visit	
QLD Government	Ithaca State	Yes	To be assessed	To be scheduled	To be completed
VIC Government	Avenel	Yes	To be assessed	To be scheduled	To be completed
VIC Government	Manifold Heights	Yes	To be assessed	To be scheduled	To be completed
VIC Government	Manangatang P-12	Yes	To be assessed	To be scheduled	To be completed
VIC Government	Montmorency	Yes	To be assessed	To be scheduled	To be completed
VIC Government	Osbourne	Yes	To be assessed	To be scheduled	To be completed
VIC Government	Strathmore North	Yes	To be assessed	To be scheduled	To be completed
VIC Government	Templestowe Park	Yes	To be assessed	To be scheduled	To be completed
VIC Government	Trawalla	Yes	To be assessed	To be scheduled	To be completed
NSW Government	Dobroyd Point	No	Yes	Completed in Phase 1	To be completed
NSW Government	Tarago	No	Yes	Completed in Phase 1	To be completed
VIC Government	Donald	No	Yes	Completed in Phase 1	To be completed
NSW Government	Coogee	No	Yes	Completed in Phase 1	To be completed
NSW Government	Cringila	No	Yes	To be scheduled	To be completed
NSW Government	Douglas Park	No	Yes	To be scheduled	To be completed
NSW Government	Girraween	No	Yes	To be scheduled	To be completed
NSW Government	Malabar	No	Yes	To be scheduled	To be completed
VIC Government	Narre Warren P-12	No	Yes	To be scheduled	To be completed
VIC Independent	Lighthouse Christian College	No	Yes	To be scheduled	To be completed





NSW Government - Procurement Delivery Model - P21

Funding Flow		Delivery Model	Role/Description	Constraints and Incentives																								
<p>Fed 16,17B 100 %</p> <p>P21 13,85B 86 %</p>		<p>Infrastructure Coordinator General</p> <p>Department of Education and Training (DET)</p> <p>DET Integrated Program Office (IPO)</p> <p>IPO Regional Teams</p> <p>Principal Liaison Officer</p> <p>Regional Program Director</p>	<p>Funding and managing BER at the national level.</p> <p>DET</p> <ul style="list-style-type: none"> Managing overall implementation of BER on behalf of public schools in NSW through its Integrated Program Office (IPO). IPO supported by Asset Management Unit (AMU), DET network of school, education directors and Dept of Commerce as DET's construction authority. A number of 'Single Site' projects were delivered (through smaller sites managed by the AMU). IPO Regional Teams interface between Managing Contractors and IPO. Manages hotline to provide information on BER. 	<ul style="list-style-type: none"> Constraints <ul style="list-style-type: none"> Fixed funds allocated. Timetable constraints. VFM considers whole-of-life costs and fitness of purpose. Building types prioritised. Incentives <ul style="list-style-type: none"> Economic stimulus. Rapid construction. Support achievement in children, help families and connect communities. 																								
<p>BER State Total 5,05B 100 %</p> <p>P21 4,35B 86 %</p> <p>Public 2,98B 69 %</p> <p>Admin (IPO) 44.8m 1.5 %</p>		<p>Managing Contractors</p> <p>School Principals (Self Management)</p> <p>DET/AMU</p> <p>Team of approx. 100</p> <p>DET IPO Regional Teams</p> <p>Principal Liaison Officer</p> <p>Regional Program Director</p> <p>Multi-Site Delivery</p> <p>Single Site Delivery</p>	<ul style="list-style-type: none"> Managing Contractors <ul style="list-style-type: none"> Construction delivery for BER projects to schools. Prepare the design and construction documentation. Manage any planning/authorities approvals. Prepare the construction program and procure, manage and coordinate construction and commissioning works. Responsible for site preparation, site works, installation and connection of utilities. Operate under NSW GC21 contract (multiple variations). Accountable for site safety. Accountable for time, cost and quality performance. DET/AMU <ul style="list-style-type: none"> Manage a small number of schools directly. Manage supply of MDR/MDR facilities and site sub stations to all projects. School Principals (Self Management) <ul style="list-style-type: none"> Approx. 3 schools are self-managing projects directly. 	<ul style="list-style-type: none"> Constraints <ul style="list-style-type: none"> On time completion. Within budget. OHS standards. Fixed budget, templates and timetable. Non-price criteria. Incentives <ul style="list-style-type: none"> On time delivery incentive. Within budget incentive. 																								
<p>Builders/Trade Contractors/Professional Services/Consultants</p>		<p>Builders/Trade Contractors/Professional Services/Consultants</p>	<ul style="list-style-type: none"> Builders/Trade Contractors/Professional Services/Consultants <ul style="list-style-type: none"> Under take construction component of projects. 	<ul style="list-style-type: none"> Constraints <ul style="list-style-type: none"> Fixed templates/materials margin. Incentives <ul style="list-style-type: none"> Reduce cost, and increase margin. 																								
<p>Principals</p>		<p>Principals</p>	<p>Principal liaises with P&C and selects desired project within BER guidelines</p>	<ul style="list-style-type: none"> Constraints <ul style="list-style-type: none"> Builder selected via tender. Budget allocation fixed. Fixed templates. Limited choice of product. Incentives <ul style="list-style-type: none"> Maximise the outcome of the budget. 																								
<p>Projects</p>		<p>Projects</p>	<p>This table represents the total sum of DEEWR approved funding per product category (including all costs associated with construction). The cost of individual projects varies. Dividing the number of projects per category by the total value is not indicative of actual project cost.</p>	<table border="1"> <thead> <tr> <th>Project Category</th> <th>Number</th> <th>Value (\$)</th> </tr> </thead> <tbody> <tr> <td>COLA</td> <td>274</td> <td>\$136,510,000</td> </tr> <tr> <td>Library</td> <td>472</td> <td>\$420,078,000</td> </tr> <tr> <td>Classrooms</td> <td>943</td> <td>\$140,006,000</td> </tr> <tr> <td>Multi - purpose halls</td> <td>519</td> <td>\$904,842,000</td> </tr> <tr> <td>Canteen</td> <td>53</td> <td>\$23,865,000</td> </tr> <tr> <td>Other (Storage, clinic, admin)</td> <td>133</td> <td>\$99,799,000</td> </tr> <tr> <td>Total</td> <td>2374</td> <td>\$2,985,100,000</td> </tr> </tbody> </table>	Project Category	Number	Value (\$)	COLA	274	\$136,510,000	Library	472	\$420,078,000	Classrooms	943	\$140,006,000	Multi - purpose halls	519	\$904,842,000	Canteen	53	\$23,865,000	Other (Storage, clinic, admin)	133	\$99,799,000	Total	2374	\$2,985,100,000
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Total	2374	\$2,985,100,000																										

Appendix 13: BER Program Delivery Models

QLD Government - Procurement Delivery Model - P21 (Funding Round 1,2 and D&C Delivery)

Funding Flow		Delivery Model		Role/Description		Constraints and Incentives																	
	\$																						
Fed	16,178	100	DEWR	Department of Prime Minister & Cabinet	Funding and managing BER at the national level	<ul style="list-style-type: none"> Fixed funds allocated. Timetable constraints. VFM considers whole-of-life costs and fitness of purpose. Building types prioritised. 	<ul style="list-style-type: none"> Economic stimulus. Rapid construction. Support achievement in children, help families and connect communities. 																
P21	13,958	86	Minister for Education	Department of Premier & Cabinet																			
BER State Total	3,109	100	<div style="border: 1px solid black; padding: 5px;"> Single Site Delivery Department of Education and Training (DET) — Department of Public Works (DPW) </div>		DET <ul style="list-style-type: none"> Implement BER on behalf of public schools in QLD. License and report to the Australian Government. Execute contract and manage delivery and performance. Manage funding and payments to contractors. Separate process for funding rounds 1 and 2. Round 1 engaged Tier 2 pre-qualified DPW <ul style="list-style-type: none"> Developed procurement framework and delivery models. Procurement of project manager and contractor from BOC. Project Coordinator <ul style="list-style-type: none"> Interface between consultants, contractors and school. Audit Quantity Surveyor <ul style="list-style-type: none"> Evaluate and recommend the Construction Manager's proposals in relation to all matter of cost during the design, documentation and construction stages. 	<ul style="list-style-type: none"> State facility standards. Procurement tender process. VFM considered on whole of-life costings; fitness of purpose and social and environmental objectives. 	<ul style="list-style-type: none"> All money must be spent before deadlines. Stimulus incentives. Lower forward maintenance costs. On time delivery. Within budget. 																
Public	1,798	68	Project Manager (Consultant)	Project Coordinator	School <ul style="list-style-type: none"> Identifies project. Works with Project Manager. Project Manager <ul style="list-style-type: none"> Prepare tender documents. Assess tender, recommend and submit through Co-ordinator to DET. Cost Planning. Day-to-day administration of the contract. Ensure contract obligations are met by contractor. 	<ul style="list-style-type: none"> On time completion. Within budget. OHS standards. Fixed budget, templates and timetable. Non-price criteria. 	<ul style="list-style-type: none"> Reduce costs and increase margin. 																
Admin	26.8m	15	Payment by DET	Audit Quantity Surveyor																			
			Builder <ul style="list-style-type: none"> Undertake design & construction component of project. Site management. Contract AS4500. 		<ul style="list-style-type: none"> Templates/DET design guidelines. 	<ul style="list-style-type: none"> Reduce costs and increase margin. 																	
			Projects <table border="1"> <thead> <tr> <th>Number</th> <th>Value (\$)</th> </tr> </thead> <tbody> <tr> <td>COLA</td> <td>\$44,882,417</td> </tr> <tr> <td>Library</td> <td>\$812,486,144</td> </tr> <tr> <td>Classrooms</td> <td>\$62,892,140</td> </tr> <tr> <td>Multi-purpose halls</td> <td>\$858,460,356</td> </tr> <tr> <td>School Pool</td> <td>\$5100,001</td> </tr> <tr> <td>Other (storage, clinic, admin)</td> <td>\$5,189,183</td> </tr> <tr> <td>Total</td> <td>\$1,789,000,241</td> </tr> </tbody> </table>		Number	Value (\$)	COLA	\$44,882,417	Library	\$812,486,144	Classrooms	\$62,892,140	Multi-purpose halls	\$858,460,356	School Pool	\$5100,001	Other (storage, clinic, admin)	\$5,189,183	Total	\$1,789,000,241	<p>This table represents the total sum of DEWR approved funding all costs associated with construction). The cost of individual projects varies. Dividing the number of projects per category by the total value is not indicative of actual project cost.</p>	<ul style="list-style-type: none"> Fixed builders. Fixed costs. Fixed templates. Limited choice of product. 	<ul style="list-style-type: none"> Maximise the outcome of the budget.
Number	Value (\$)																						
COLA	\$44,882,417																						
Library	\$812,486,144																						
Classrooms	\$62,892,140																						
Multi-purpose halls	\$858,460,356																						
School Pool	\$5100,001																						
Other (storage, clinic, admin)	\$5,189,183																						
Total	\$1,789,000,241																						



QLD Government - Procurement Delivery Model - P21 (Funding Round 2&3 - Construction Management)

Funding Flow		Delivery Model		Role/Description		Constraints and Incentives	
	\$ %						
Commonwealth	16,178 100	DEWVR	Department of the Prime Minister & Cabinet	Funding and managing BER at the national level.	<ul style="list-style-type: none"> • Constraints Fixed funds allocated. Timetable constraints. VFM considers whole-of-life costs and fitness of purpose. Building types prioritised. 	<ul style="list-style-type: none"> • Incentives Economic stimulus. Rapid construction. Support achievement in children, help families and connect communities. 	
P21	13,858 86	Minister for Education	Department of the Premier & Cabinet				
Multi-Site Delivery							
BER State	3,108 100	Department of Education and Training (DET)	Department of Public Works (DPW)	<ul style="list-style-type: none"> • DET Implement BER on behalf of public schools in QLD. Liaise and report to the Commonwealth Government. Execute contract and manage delivery and performance. Manage funding and payments to contractors. Engaged Tier 1 and Tier 3 prequalified contractors 	<ul style="list-style-type: none"> • Constraints State facility standards. Procurement tender process. VFM considered on whole of-life costs/fitness for purpose and social and environmental objectives. 	<ul style="list-style-type: none"> • Incentives All money must be spent before deadlines. Stimulus incentives. Lower forward maintenance costs. On time delivery. Within budget. 	
P21	2,628 84	Project Coordinator	Principal's Representative	<ul style="list-style-type: none"> • DPW Developed procurement framework and delivery models. Procurement of project manager. Provided pre-qualified contractors and consultants. 			
Public	1,798 68	School	Audit Quantity Surveyor	<ul style="list-style-type: none"> • Project Co-ordinator Interface between consultants & contractors and school representatives. Day-to-day administration of the contract. 			
Admin	26.8m 15	Payment from Qld Government		<ul style="list-style-type: none"> • Audit Quantity Surveyor Evaluate and recommend the Construction Manager's proposals in relation to all matter of cost during the design, documentation and construction stages. 			
<p>Construction Manager (Principal Contractor)</p> <ul style="list-style-type: none"> • All site planning and construction works. • Design and tender. • Assess tender. • Oversee projects. • Free site preliminary e.g. installed additional fencing. • Cost and program planning 							
<p>Contractors</p> <ul style="list-style-type: none"> • Underlie construction component of projects. • Site management. • Lump sum contract AS2545. 							
<p>Principals Representative</p> <ul style="list-style-type: none"> • Undertake day-to-day administration of the contract as described in the Conditions of the Contract. 							
<p>Construction Manager (Principal Contractor)</p> <ul style="list-style-type: none"> • On time completion within budget. • OHS standards. • Fixed budget, templates and timetable. 							
<p>Contractors</p> <ul style="list-style-type: none"> • Maintain reputation and key staff employment 							
<p>Principals Representative</p> <ul style="list-style-type: none"> • Reduce costs and increase margin. 							
<p>Contractors</p> <ul style="list-style-type: none"> • Templates/ DET design guidelines 							
<p>Principals Representative</p> <ul style="list-style-type: none"> • Incentives Maximise the outcome of the budget. 							
<p>Contractors</p> <ul style="list-style-type: none"> • Fixed builders. • Fixed costs. • Fixed templates. • Limited choice of product. 							
<p>Principals Representative</p> <ul style="list-style-type: none"> • Direct Procurement • Round 1 - \$27m • Round 2 - \$27m • Round 3 - \$24m 							
<p>This table represents the total sum of DEWVR approved funding per product category (including all costs associated with construction). The cost of individual projects varies. Dividing the number of projects per category by the total value is not indicative of actual project cost.</p>							
School Projects Breakdown		Number	Value (\$)				
COLA		114	\$44,892,417				
Library		879	\$812,486,144				
Classrooms		61	\$62,882,140				
Multi-purpose halls		542	\$858,460,356				
School Pool		6	\$5,100,001				
Other (storage, clinic, admin)		4	\$5,189,183				
Total		1606	\$1,789,000,241				

QLD Government - Procurement Delivery Model - P21 (Funding Round 3 - D&C Delivery)

Funding Flow		Delivery Model		Role/Description		Constraints and Incentives																									
Commonwealth	\$ 16,17B	% 100	DEWR	Department of the Prime Minister & Cabinet	Funding and managing BER at the national level.	<ul style="list-style-type: none"> • Constraints: Fixed funds allocated. Timetable constraints. VFM considers whole-of-life costs and fitness of purpose. Building types prioritised. 	<ul style="list-style-type: none"> • Incentives: Economic stimulus. Rapid construction. Support achievement in children, help families and connect communities. 																								
P21	\$ 13,85B	% 86	Minister for Education	Department of the Premier & Cabinet																											
BER State Total	\$ 3,10B	% 100	Single Site Delivery																												
P21	\$ 2,62B	% 84	Department of Education and Training (DET)	Department of Public Works (DPW)	<ul style="list-style-type: none"> • DET: <ul style="list-style-type: none"> • Implement BER on behalf of public schools in QLD. • Liaise and report to the Australian Government. • Execute contract and manage delivery and performance. • Manage funding and payments to contractors. • Separate process for funding rounds 1 and 2. • Round 1 engaged Tier 2 pre-qualified • DPW: <ul style="list-style-type: none"> • Developed procurement framework and delivery models. • Procurement of project manager and contractor from PQC. • Project Coordinator: <ul style="list-style-type: none"> • Interface between consultants, contractors and school. • Audit Quantity Surveyor: <ul style="list-style-type: none"> • Evaluate and recommend the Construction Manager's proposals in relation to all matter of cost during the design, documentation and construction stages. • School: <ul style="list-style-type: none"> • Identifies project. • Works with Project Manager. • Project Manager: <ul style="list-style-type: none"> • Prepare tender documents. • Assess tender, recommend and submit through Co-ordinator to DET. • Cost Planning. • Day-to-day administration of the contract. • Ensure contract obligations are met by contractor. • Builder: <ul style="list-style-type: none"> • Undertake design & construction component of project. • Site management. • Contract AS4300 	<ul style="list-style-type: none"> • Constraints: State facility standards. Procurement tender process. VFM considered on whole of-life costs; fitness for purpose and social and environmental objectives. 	<ul style="list-style-type: none"> • Incentives: All money must be spent before deadlines. Stimulus incentives. Lower forward maintenance costs. On time delivery. Within budget. 																								
Public	\$ 1,79B	% 68	Project Manager (Consultant)	School																											
Admin	\$ 26.9m	% 1.5	Builder	Consultants																											
			Sub-contractors																												
<p>Payment by DET</p>				<p>This table represents the total sum of DEWR approved funding per product category (including all costs associated with individual projects varies. Dividing the number of projects per category by the total value is not indicative of actual project cost.</p>																											
<p>School Projects Breakdown</p> <table border="1"> <thead> <tr> <th>Projects</th> <th>Number</th> <th>Value (\$)</th> </tr> </thead> <tbody> <tr> <td>COLA</td> <td>114</td> <td>\$44,882,417</td> </tr> <tr> <td>Library</td> <td>879</td> <td>\$32,486,144</td> </tr> <tr> <td>Classrooms</td> <td>61</td> <td>\$62,882,140</td> </tr> <tr> <td>Multi-purpose halls</td> <td>542</td> <td>\$858,460,356</td> </tr> <tr> <td>School Pool</td> <td>6</td> <td>\$5,100,001</td> </tr> <tr> <td>Other (storage, clinic, admin)</td> <td>4</td> <td>\$5,189,183</td> </tr> <tr> <td>Total</td> <td>1606</td> <td>\$1,789,000,241</td> </tr> </tbody> </table>				Projects	Number	Value (\$)	COLA	114	\$44,882,417	Library	879	\$32,486,144	Classrooms	61	\$62,882,140	Multi-purpose halls	542	\$858,460,356	School Pool	6	\$5,100,001	Other (storage, clinic, admin)	4	\$5,189,183	Total	1606	\$1,789,000,241	<p>Notes on spending for Qld:</p> <p>Round 2: CM \$618m D&C \$166m Direct & Traditional \$27 – modular buildings through sundry or CM, involved maybe PM by arrangement</p> <p>Round 3: CM \$248m D&C \$240m – in Round 1 PM managed design as well: fee of 3.3% including management & design. Direct & Traditional \$24m</p>			
Projects	Number	Value (\$)																													
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			<ul style="list-style-type: none"> • Constraints: Fixed builders. Fixed costs. Limited choice of product. 	<ul style="list-style-type: none"> • Incentives: Maximise the outcome of the budget. 																											



VIC Government - Procurement Delivery Model - P21

Funding Flow		Delivery Model		Role/Description		Constraints and Incentives	
Commonwealth	16,178 100	Minister for Education	Premier/Treasurer	Funding and managing BER at the national level.	<ul style="list-style-type: none"> Fixed funds allocated. Timetable constraints. VFM considers whole-of-life costs and fitness of purpose. Building types prioritised. 	<ul style="list-style-type: none"> Economic stimulus. Rapid construction. Support achievement in children, help families and connect communities. 	
P21	13,858 86	DEEWR	PM&C	Department of Premier and Cabinet	<ul style="list-style-type: none"> DEEWD Implementing BER on behalf of public schools in Victoria. DEEWD BER Project Board Oversee the implementation of the BER Provision of high level guidance and oversight. 	<ul style="list-style-type: none"> State facility standards. Procurement tender process. VFM considered on whole of-life costings, fitness of purpose and social and environmental objectives. 	<ul style="list-style-type: none"> All money must be spent before deadlines. Stimulus incentives. Lower forward maintenance costs. On time delivery. Within budget.
BER State Total	3,838 100	Department of Education and Early Childhood Development (DEECD)	Coordinator-General	DEECD BER Project Board	<ul style="list-style-type: none"> DEECD set up the BER Program Office to monitor and oversee all programs. Quality assurance, reporting and strategy. Oversight of the project managers. Consolidation of reporting requirements. Liaison with the Department's team. Does not have direct contractual relationship with the four Project Managers, although monitors their activities. 	<ul style="list-style-type: none"> Arup is paid a percentage of the capital value of each project. Responsible for all costs associated with Project Management Services. 	<ul style="list-style-type: none"> Reduce costs and increase margin.
P21	3,278 86	Multi-Site Delivery	DEECD BER Project Board	Single Site Delivery	<ul style="list-style-type: none"> Project Manager Oversee the delivery of the BER projects. Provide service according to professional standards. Do not take direct responsibility and liability for the full construction and design effort. Responsible for all costs associated with Project Management services. 	<ul style="list-style-type: none"> Arup is paid a percentage of the capital value of each project. Responsible for all costs associated with Project Management Services. 	<ul style="list-style-type: none"> Reduce costs and increase margin.
Public	2,208 67	School	BER Program Management Office	Joint Venture	<ul style="list-style-type: none"> Project Managers Oversee the delivery of the BER projects. Provide service according to professional standards. Do not take direct responsibility and liability for the full construction and design effort. Responsible for all costs associated with Project Management services. 	<ul style="list-style-type: none"> Arup is paid a percentage of the capital value of each project. Responsible for all costs associated with Project Management Services. 	<ul style="list-style-type: none"> Reduce costs and increase margin.
Admin	33,0m 1.5	Arup Consulting	Indec Consulting		<ul style="list-style-type: none"> Project Managers Oversee the delivery of the BER projects. Provide service according to professional standards. Do not take direct responsibility and liability for the full construction and design effort. Responsible for all costs associated with Project Management services. 	<ul style="list-style-type: none"> Arup is paid a percentage of the capital value of each project. Responsible for all costs associated with Project Management Services. 	<ul style="list-style-type: none"> Reduce costs and increase margin.
		SKM Davis Langdon JV	Coffey Projects	APP Corporation	Incoll	DEECD Project Managers	
		Barwon South Western	East Metro	Gippsland	Loddon Mallee	Selected Joint Funded	
		Grampians	Hume	South Metro	North Metro	Individual Designs	
		West Metro					
		Contractors					
		Projects	Number	Value (\$)	This table represents the total sum of DEEWR approved funding per product category (including all costs associated with construction). The cost of individual projects varies. Dividing the number of projects per category by the total value is not indicative of actual project cost.		
		COLA	17	\$5,190,000			
		Library	371	\$907,735,000			
		Classrooms	576	\$684,465,000			
		Multi-purpose halls	288	\$604,340,000			
		School Pool	1	\$850,000			
		Total	1,253	\$2,202,580,000			

School Projects Breakdown

Appendix 14: Risk matrices

Table 10: Victorian Government Schools: BER P21 Construction Life Cycle Risk Matrix

P21 Primary School ->	Berwick Primary School	Campbellfield Heights Primary School	Tullamarine Primary School	Oak Park Primary School	Craigieburn Primary School
Services/Risk					
1. Program Management	PM	PM	PM	PM	PM
2. Project Management	PjM	PjM	PjM	PjM	PjM
3. Design	PjM	PjM	PjM	PjM	PjM
4. Planning	DEECD (PP*)/ PjM (all other planning approvals)	DEECD (PP*)/ PjM (all other planning approvals)	DEECD (PP*)/ PjM (all other planning approvals)	DEECD (PP*)/ PjM (all other planning approvals)	DEECD (PP*)/ PjM (all other planning approvals)
5. Care of site, Site Supervision	CC (PjM Superintendent function)	CC (PjM Superintendent function)	CC (PjM Superintendent function)	CC (PjM Superintendent function)	CC (PjM Superintendent function)
6. Pre-Construction works, Preliminaries	CC (PjM Superintendent function)	CC (PjM Superintendent function)	CC (PjM Superintendent function)	CC (PjM Superintendent function)	CC (PjM Superintendent function)
7. Construction - Materials, Workmanship & Fitness for Purpose	CC (PjM Superintendent function)	CC (PjM Superintendent function)	CC (PjM Superintendent function)	CC (PjM Superintendent function)	CC (PjM Superintendent function)
8. Design/ Construction Interface	DEECD (for template designs)/ PjM (new designs and customisation of templates)/CC ('construct to design')	DEECD (for template designs)/ PjM (new designs and customisation of templates)/CC ('construct to design')	DEECD (for template designs)/ PjM (new designs and customisation of templates)/CC ('construct to design')	DEECD (for template designs)/ PjM (new designs and customisation of templates)/CC ('construct to design')	DEECD (for template designs)/ PjM (new designs and customisation of templates)/CC ('construct to design')
9. OH&S (site)	CC (including as Principal Contractor)	CC (including as Principal Contractor)	CC (including as Principal Contractor)	CC (including as Principal Contractor)	CC (including as Principal Contractor)
10. Environmental Management	CC	CC	CC	CC	CC
11. Insurance	Shared	Shared	Shared	Shared	Shared
12. Completion & Handover	CC (Time risk)	CC (Time risk)	CC (Time risk)	CC (Time risk)	CC (Time risk)
13. Defect Rectification	CC (PjM Superintendent function)	CC (PjM Superintendent function)	CC (PjM Superintendent function)	CC (PjM Superintendent function)	CC (PjM Superintendent function)
14. Construction Price Risk	CC	CC	CC	CC	CC
Incentives	Nil	Nil	Nil	Nil	Nil
Program Manager (PM)	Arup	Arup	Arup	Arup	Arup
Project Manager (PjM)	APP Pty Ltd	Incoll Pty Ltd	Sinclair Knight Merz	Baade Harbour Pty Ltd	Incoll Pty Ltd
Construction Contractor (CC)	Abigroup Contractors Pty Ltd	Ireland Brown Constructions Pty Ltd	Devco Project & Construction Management Pty Ltd	Newton Manor Constructions Pty Ltd	Walton Construction Pty Ltd
Product Delivered	MP Hall - Template Design	Library & Learning Centre - Template Design	Library & Learning Centre - Template Design	MP Hall - Custom Design	MP Hall - Template Design

* Planning Permits – Victorian BER school projects were exempt from the need to acquire planning permits.

** Not specified in documents provided, but is assumed to include PL and WC in accordance with AS2124 standard template.

Table 11: Victorian Catholic Schools: BER P21 Construction Life Cycle Risk Matrix

P21 Primary School ->	Holy Name Primary School - Preston East	Our Lady of the Pines Primary School - Donvale	James the Apostle Primary School - Hoppers Crossing	St Mary's Primary School - Mansfield	St Gerard's Primary School - Dandenong
Services/Risk					
1. Program Management	Catholic Capital Grants (Victoria) Ltd	Catholic Capital Grants (Victoria) Ltd	Catholic Capital Grants (Victoria) Ltd	Catholic Capital Grants (Victoria) Ltd	Catholic Capital Grants (Victoria) Ltd
2. Project Management	PA	PA	PA	PA	PA
3. Design	PA	PA	PA	PA	PA
4. Planning	PA	PA	PA	PA	PA
5. Care of site, Site Supervision	CC (PA Superintendent function)	CC (PA Superintendent function)	CC (PA Superintendent function)	CC (PA Superintendent function)	CC (PA Superintendent function)
6. Pre-Construction works, Preliminaries	CC (PA Superintendent function)	CC (PA Superintendent function)	CC (PA Superintendent function)	CC (PA Superintendent function)	CC (PA Superintendent function)
7. Construction - Materials, Workmanship & Fitness for Purpose	CC (PA Superintendent function)	CC (PA Superintendent function)	CC (PA Superintendent function)	CC (PA Superintendent function)	CC (PA Superintendent function)
8. Design/Construction Interface	PA ('design for construction')/ CC ('construction to design')	PA ('design for construction')/ CC ('construction to design')	PA ('design for construction')/ CC ('construction to design')	PA ('design for construction')/ CC ('construction to design')	PA ('design for construction')/ CC ('construction to design')
9. OH & S (Site)	CC (for employees and construction activities)/ RCTC* (as site owner)**	CC (for employees and construction activities)/ RCTC (as site owner)	CC (for employees and construction activities)/ RCTC (as site owner)	CC (for employees and construction activities)/ RCTC (as site owner)	CC (for employees and construction activities)/ RCTC (as site owner)
10. Environmental Management	CC (for construction activities)/ RCTC (as site owner)**	CC (for construction activities)/ RCTC (as site owner)	CC (for construction activities)/ RCTC (as site owner)	CC (for construction activities)/ RCTC (as site owner)	CC (for construction activities)/ RCTC (as site owner)
11. Insurance	Shared	Shared	Shared	Shared	Shared
12. Completion & Handover	CC (Time risk)	CC (Time risk)	CC (Time risk)	CC (Time risk)	CC (Time risk)



P21 Primary School ->	Holy Name Primary School - Preston East	Our Lady of the Pines Primary School - Donvale	James the Apostle Primary School - Hoppers Crossing	St Mary's Primary School - Mansfield	St Gerard's Primary School - Dandenong
13. Defect Rectification	CC (PA Superintendent function)	CC (PA Superintendent function)	CC (PA Superintendent function)	CC (PA Superintendent function)	CC (PA Superintendent function)
14. Construction Price Risk	CC	CC	CC	CC	CC
Incentives	Nil	Nil	Nil	Nil	Nil
Project Architect (PA)	Pavan Consulting Pty Ltd	Smith & Tracey Architects Pty Ltd	Centrum Architects Pty Ltd	Mansfield Consulting	McCarthy Collings and Purtell Pty Ltd
Construction Contractor (CC)	Radco Pty Ltd	Total Construction Pty Ltd	ADZ Building Contractors Pty Ltd	Profile Developments Pty Ltd	KMA Constructors Pty Ltd
Product Delivered	Library & Learning Centre - Custom Design	MP Hall - Custom Design	MP Facility incl. Hall and Library - Custom Design	MP Indoor Sporting Facility - Custom Design	Classroom Building & Support Spaces - Custom Design

* Roman Catholic Trusts Corporation for the Diocese of Melbourne (Principal for the purposes of the 5 reviewed projects above)

** No specific requirements in documents provided. It is assumed usual legal obligations apply.

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Table 12: NSW Government Schools - BER P21 Construction Life Cycle Risk Matrix

P21 Primary School ->	Berridale Public School	Pallamallawa Public School	Sutherland North Public School	Gordon East Public School	Cassilis Public School
Services/Risk					
1. Program Management	NSW DET	NSW DET	NSW DET	NSW DET	NSW DET
2. Project Management	MC	MC	MC	MC	MC
3. Design	NSW DET/MC / CC (in part)	NSW DET/MC/ CC (in part)	NSWDET/MC/ CC (in part)	NSWDET/MC/ CC (in part)	NSW DET/MC/ CC (in part)
4. Planning	NSW DET (DC*)/ MC (other approvals if required)	NSW DET (DC)/ MC (other approvals if required)	NSW DET (DC)/ MC (other approvals if required)	NSW DET (DC)/ MC (other approvals if required)	NSW DET (DC)/ MC (other approvals if required)
5. Care of site, Site Supervision	MC/CC (flowed down from MC)	MC/CC (flowed down from MC)	MC/CC (flowed down from MC)	MC/CC (flowed down from MC)	MC/CC (flowed down from MC)
6. Pre-Construction works, Preliminaries	MC/CC (flowed down from MC)	MC/CC (flowed down from MC)	MC/CC (flowed down from MC)	MC/CC (flowed down from MC)	MC/CC (flowed down from MC)
7. Construction - Materials, Workmanship & Fitness for Purpose	MC/CC (flowed down from MC)	MC/CC (flowed down from MC)	MC/CC (flowed down from MC with additional indemnity in favour of MC)	MC/CC (flowed down from MC)	MC/CC (flowed down from MC)
8. Design/ Construction Interface	NSW DET(Principal's designs)/MC (new designs, customisation)/ CC (verifying dimensions/ providing shop drawings / construction to design)	NSW DET(Principal's designs)/MC (new designs, customisation)/ CC (verifying dimensions/ providing shop drawings / construction to design)	NSW DET(Principal's designs)/MC (new designs, customisation)/ CC (verifying dimensions/ providing shop drawings / construction to design)	NSW DET(Principal's designs)/MC (new designs, customisation)/ CC (verifying MC designs/ shop and 'as constructed' drawings&specs/ construction to design)	NSW DET(Principal's designs)/MC (new designs, customisation)/ CC (verifying dimensions/ providing shop and 'as constructed' drawings&specs/ construction to design)
9. OH & S (site)	MC(Principal Contractor)/ CC (Project site specific obligations flowed down from MC (as per GC21 Subcontract))	MC(Principal Contractor)/ CC (Project site specific obligations flowed down from MC(as per GC21 Contract))	MC(Principal Contractor)/ CC (Project site specific obligations flowed down from MC(as per GC21 Subcontract))	MC(Principal Contractor)/ CC (Project site specific obligations adapted from MC)	MC(Principal Contractor)/ CC(Project site specific obligations adapted from MC)
10. Environmental Management	MC/CC (Project site specific obligations flowed down from MC(as per GC21 Subcontract))	MC/CC (Project site specific obligations flowed down from MC(as per GC21 Contract))	MC/CC (Project site specific obligations flowed down from MC(as per GC21 Subcontract))	MC/CC (Project site specific obligations adapted from MC)	MC/CC (Project site specific obligations adapted from MC)
11. Insurance	Shared	Shared	Shared	Shared	Shared
12. Completion & Handover	MC/CC (Time risk flowed down from MC, with additional indemnity in favour of MC)	MC/CC (Time risk flowed down from MC)	MC/CC (Time risk flowed down from MC with additional indemnity in favour of MC)	MC/CC (Time risk flowed down from MC)	MC/CC(Time risk flowed down from MC)



P21 Primary School ->	Berridale Public School	Pallamallawa Public School	Sutherland North Public School	Gordon East Public School	Cassilis Public School
Services/Risk					
13. Defect Rectification	MC/CC (flowed down from MC)	MC/CC (flowed down from MC)	MC/CC (flowed down from MC)	MC/CC (flowed down from MC)	MC/CC (flowed down from MC)
14. Construction Price Risk	MC(105% of Project BMV***)/CC (Fixed Lump Sum Price)	MC(105% of Project BMV)/CC (Fixed Lump Sum Price)	MC(105% of Project BMV)/CC (Fixed Lump Sum Price)	MC(105% of Project BMV)/CC (Fixed Lump Sum Price)	MC(105% of Project BMV)/CC (Fixed Lump Sum Price)
Incentives	MC entitled to % incentive fee dependant on meeting time and cost benchmarks	MC entitled to % incentive fee dependant on meeting time and cost benchmarks	MC entitled to % incentive fee dependant on meeting time and cost benchmarks	MC entitled to % incentive fee dependant on meeting time and cost benchmarks	MC entitled to % incentive fee dependant on meeting time and cost benchmarks
Managing Contractor (MC)	Richard Crookes Constructions Pty Ltd	REED Constructions Australia Pty Ltd	Abigroup Contractors Pty Ltd	Bovis Lend Lease Group	Bovis Lend Lease Group
Construction Contractor / Sub Contractor (CC)	Edwards Constructions NSW Pty Ltd	Lachlan Hall Cabinetry Pty Ltd	PBS Building (NSW) Pty Ltd	Total Constructions Pty Ltd	FOR Constructions Pty Ltd
Product Delivered	7 Core MDR Library and Associated Works	COLA + Refurbishment of Classrooms and Covered Walkway	COLA + Core Square Communal Hall	CDR4 and Home Base Building	New 1 Core Amenities Building

* Development consent - most NSW school projects were complying developments, developments permitted without consent, or exempt developments.
**Benchmark Value for the school project.



Table 13: WA Government Schools - BER P21 Construction Life Cycle Risk Matrix

P21 Primary School ->	Gwynne Park Primary School	Broomehill Primary School	Thornlie Primary School	Beechboro Primary School
Services/Risk				
1. Program Management	Building Management and Works (BMW - WA Govt)	Building Management and Works (BMW - WA Govt)	Building Management and Works (BMW - WA Govt)	Building Management and Works (BMW - WA Govt)
2. Project Management	PjM** and Architectural Consultant	PjM and Architectural Consultant	PjM and Architectural Consultant	PjM and Architectural Consultant
3. Design	BMW/Architectural Consultant	BMW/Architectural Consultant	BMW/Architectural Consultant	BMW/Architectural Consultant
4. Planning	Architectural Consultant	Architectural Consultant	Architectural Consultant	Architectural Consultant
5. Care of site, Site Supervision	CC / (PjM has Superintendent function and Architectural Consultant is Superintendent's Representative on-site)	CC / (PjM has Superintendent function and Architectural Consultant is Superintendent's Representative on-site)	CC / (PjM has Superintendent function and Architectural Consultant is Superintendent's Representative on-site)	CC / (PjM has Superintendent function and Architectural Consultant is Superintendent's Representative on-site)
6. Pre-Construction works, Preliminaries	CC / (PjM has Superintendent function and Architectural Consultant is Superintendent's Representative on-site)	CC / (PjM has Superintendent function and Architectural Consultant is Superintendent's Representative on-site)	CC / (PjM has Superintendent function and Architectural Consultant is Superintendent's Representative on-site)	CC / (PjM has Superintendent function and Architectural Consultant is Superintendent's Representative on-site)
7. Construction - Materials, Workmanship & Fitness for Purpose	CC / (PjM has Superintendent function and Architectural Consultant is Superintendent's Representative on-site)	CC / (PjM has Superintendent function and Architectural Consultant is Superintendent's Representative on-site)	CC / (PjM has Superintendent function and Architectural Consultant is Superintendent's Representative on-site)	CC / (PjM has Superintendent function and Architectural Consultant is Superintendent's Representative on-site)
8. Design/ Construction Interface	BMW (for standard design)/ Architectural consultant (customisation of design)/ CC (construction to design)	BMW (for standard design)/ Architectural consultant (customisation of design)/ CC (construction to design)	BMW (for standard design)/ Architectural consultant (customisation of design)/ CC (construction to design)	BMW (for standard design)/ Architectural consultant (customisation of design)/ CC (construction to design)
9. OH & S (site)	CC (for employees and construction activities)/BMW (as site owner)*	CC (for employees and construction activities)/BMW (as site owner)*	CC (for employees and construction activities)/BMW (as site owner)*	CC (for employees and construction activities)/BMW (as site owner)*
10. Environmental Management	CC (for construction activities)/BMW (as site owner)*	CC (for construction activities)/BMW (as site owner)*	CC (for construction activities)/BMW (as site owner)*	CC (for construction activities)/BMW (as site owner)*
11. Insurance	Not specified in material provided	Not specified in material provided	Not specified in material provided	Not specified in material provided
12. Completion & Handover	CC (Time Risk)	CC (Time Risk)	CC (Time Risk)	CC (Time Risk)



P21 Primary School ->	Gwynne Park Primary School	Broomehill Primary School	Thornlie Primary School	Beechboro Primary School
Services/Risk				
13. Defect Rectification	CC / (PjM has Superintendent function and Architectural Consultant is Superintendent's Representative on-site)	CC / (PjM has Superintendent function and Architectural Consultant is Superintendent's Representative on-site)	CC / (PjM has Superintendent function and Architectural Consultant is Superintendent's Representative on-site)	CC / (PjM has Superintendent function and Architectural Consultant is Superintendent's Representative on-site)
14. Construction Price Risk	CC	CC	CC	CC
Incentives	NIL	NIL	NIL	NIL
Construction Contractor (CC)	Building Solutions Pty Ltd	Cimeco Pty Ltd	Devco Holdings Pty Ltd	J Corp Pty Ltd
Product Delivered	Music and art building and covered assembly area.	Library and associated works.	Library and covered assembly area.	Covered assembly area, music and art block. Standard template design.

* No specific requirements in documents provided. It is assumed usual legal obligations apply.

** Project Manager (PjM)



Appendix 15: Chair and Deputy Chairs

The Taskforce is chaired by Mr Brad Orgill who is the former Chairman and CEO of UBS Australia.

Supporting Mr Orgill are two Deputy Chairs:

Mr David Chandler: David has over 35 years' experience in capital works procurement and in 1989 he was awarded an Order of Australia medal for services to the construction industry. He has performed the roles of Chief Executive, Director, Advisor and Chairman during various engagements in the public and private sector and is currently the Principal of his private consulting practice, Resolution Services Group;

Mr Alex Buchan: Alex has been a Senior Director at Altus Page Kirkland for 15 years and brings 30 years experience of the property and construction industry to the Taskforce. He has a successful track record in preparing complex construction contracts and is an expert in the selection of procurement and delivery methods for large construction projects.





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