

April 19, 2010

Senate Education, Employment and Workplace Relations Committee

Dear Senators

### **Primary Schools for the Twenty First Century**

My name is Steve Cleaver and I am Board Chair of St Josephs Primary School in Waroona Western Australia of which my four children attend. I am also a qualified Principal Building Surveyor of 9 years and Local Government Director responsible for asset management of 30 community buildings. I say this as I believe I have some knowledge of funding capital works and the maintenance of built assets.

Whilst grateful for the untied funding for development of a \$920000 library at St Josephs School Waroona which has allowed capital works to be undertaken without the need for borrowings I have some reservations that the works may not be best value for money invested. Per m2 for the 250 m2 building this equates to \$3600 per m2. Across the road the Shire of Waroona is undertaking a 512 m2 extension to a Shire administration building at \$2100 per m2. Both are commercial buildings and turnkey contracts. Ie fully carpeted and painted.

Without the applicant being required to contribute cash there is a likelihood that buildings may be overdesigned. If the applicant was required to contribute 1/3 funding I am of the belief that better value in the program would be obtained. The School was in the position to have some borrowings having undertaken its last build in the 1990's.

I am also cognisant that this capital works will result in higher depreciation costs for the school. At 2% for maintenance the school will require an additional \$18400 to be placed in deferred maintenance, as the school is 90 grant funded by State and Federal grants without additional grant funds the asset will either be under maintained or another part of the operational budget will be reduced.

Should you have any further request please do not hesitate to contact me.

Yours Sincerely

**STEVE CLEAVER**