

To Whom It May Concern,

we believe it is important for us to share our experiences in being involved with the P21 program. In a school that we believe has some of the poorest buildings and facilities for student use in the state, we were initially overwhelmed at the chance to make essential upgrades to these facilities. However, what we were offered and what we will finally receive at the completion of the project has led to both a loss of credibility with our parents and community members, and a general feeling of disillusionment with the personnel employed to deliver the project.

To understand in full the issues that we have faced with this project, it is important to understand the context of our school and its culture.

- Large K-6 public school – approx. 850 students
- Low SES community – depending on the source, we have the lowest (or second lowest) SES intake in all schools in the district.
- 97% of students are from Non-English Speaking Backgrounds; 60% Arabic with 34 language groups represented. Most students begin Kindergarten with little to no exposure to English – spoken or written.
- 35 classes (including 2 Opportunity Classes)
- Full integrated Community Language program catering for Arabic, Chinese, Vietnamese tuition.
- Approx. 60 teaching staff, 15 ancillary staff/teacher aides
- Majority of building erected in the 1950's, and in desperate need for refurbishment.
- At present, we have 13 demountable buildings on site, with one still to be delivered.

Whilst our educational programs, teaching staff and executive are leading the way in innovative and effective models of delivering high quality outcomes for our students, it is our buildings and school facilities that fail to provide the very basics of a quality learning environment. From the very beginning, almost every member of the IPO, Hansen Yunken (Managing contractor for our project), tradesmen, surveyors, planners etc that have visited our site have made comments to us about the sheer poor physical state of our school.

Whilst we cast no blame on any of the project administrators in relation to these dilapidated facilities, we wanted to make the point from the beginning that all new building and refurbishment that was on offer through the P21 project is graciously accepted by the students, staff, parents and community of our school. The promise of new buildings, storage facilities, toilet blocks and refurbishment of classrooms was actively promoted throughout the school as a chance to make a significant difference.

The following information will be written with particular reference to the indicators listed in the submission guidelines, including:

- (i) the conditions and criteria for project funding,
- (iv) timing and budget issues, including duplication ,
- (vi) the management of the program.

(i) the conditions and criteria for project funding,

From the BER guidelines, funding was allocated to schools based on student enrolments. Whilst we believe that this adequately catered for the needs of smaller to moderate sized schools (1 – 401+ students), we believe that larger schools such as ourselves were not as adequately funded.

The maximum funding allocation for schools was \$3m. A primary school of 400 students would have approximately 13-16 classrooms, depending on the numbers of students placed in K-2 (restricted class sizes) or 3-6. We have 35 homebase classrooms and an additional 6 classrooms used for Community Language classes and ESL. The four new classrooms being built at our school for \$3m would be quite a significant addition for schools with smaller populations. In our school, it barely makes a difference either to our classroom allocation or in the significant reduction of demountable rooms.

Greater thought should have been given to funding of larger schools. The 850 students at is more than double the student allocation for funding caps through the P21 project. Whilst we do not believe that funding should have been doubled under the circumstance, and seeing how little we are actually receiving for our \$3m, we believe that larger schools were significantly disadvantaged.

(iv) timing and budget issues, including duplication ,

We would like to refer you to the 4 page document attached as an appendix to this submission produced by our school's Parents and Citizens Association (P&C).

Our parents have consistently been informed and part of the negotiated project nomination process from the projects inception. Throughout this process and into the beginning of the construction phase, serious questions have been raised into the costing of the work and the value for money being funded. After several major changes to our initial and accepted nominations, the P&C applied through the Freedom of Information Act for information regarding the budgets for our school projects (Both the Principal and Deputy Principal requested this information through the IPO over 6 months ago – and has still not received this).

What they received was truly astonishing! Not one person that has reviewed these budgets have agreed that they are a true indication of value for money. Further, the attached document was written in response to the information received and sent to our local state member, Mr David Borger, the state education minister, Ms Verity Firth, and the IPO.

We should clarify at this point that for our allocated \$3m, based on the budget estimates received, all that will receive is a newly constructed 2X2 classroom block and a new 14 core and 7 core toilet block. In fact, the budget estimates for just the 2X2 classroom block exceed the budget by over \$300 000. On a relatively level site, with a building that has already been designed to meet School Facility Standards,

which has been secured so that access to the site is completely unrestricted to any school traffic, we are mystified as to why 4 classrooms can cost \$3.3m?

We encourage you to take the time to review, reflect and find answers to the questions raised by our P&C through this document. To date, no official response has been received by the school or the P&C in regards to this document.

Apart from the exorbitant costs associated to the budgeting of the project, we are also bemused at the finalisation of exactly what we were to receive through the P21 project. What we will get is a mere slice of what we were promised through the initial nomination and planning meetings that were held at the school with members of both the IPO, Managing Contractor and school executive. As the project deadlines became tighter (and let us clarify that our project starting date was delayed by almost 7 months – mainly because the school continued to raise and debate changes to the project.), more and more items were deleted due to budget restraints. This was heightened at one stage when a member of the IPO bluntly put it to the Principal that the project “would proceed the way we (the IPO) think it should be, regardless of your concerns or complaints” and that if we did not sign off on the projects, that the money for our school would be withdrawn.

Consider the following table:

What was promised	What we will receive
Double story (2X2) classroom block with adjoining 7 core toilet block.	Double story (2X2) classroom block Adjacent 7 core toilet block. (Note: we were instructed that the toilet block needed to be an independent building)
8 classrooms in D block to have a full refurbishment. Offices, hallways, roofing, guttering etc would also be included if the budget allowed for this.	All work deleted from project due to budget restraints. (In fact, we were given the ultimatum of choosing between the 14 core toilet block or this refurbishment)
Refurbishment of existing senior toilet block and demolition of dilapidated toilet and bubbler houses (I, J, K and L blocks)	Demolition of all blocks. Construction of new 14 core toilet block in its place.
Replacement of 6 staff toilets and school supplies storeroom, (due to the decision to demolish rather than refurbish toilet block mentioned above), including the conversion of the infant boys toilet block into storage space.	All work deleted from project due to budget restraints. (After long term negotiations, the decision was made to convert the Disabled toilet in the design into 2 staff toilets)
Conversion of unsafe D block windows to doorway	Deleted from project due to budget restraints.

Demountable relocation

This item is so contentious that it requires its own subheading. From day one, the school both in oral and written opportunities raised questions involving the cost and need for the relocation of demountable buildings. We were told that the site where the 2X2 building was to be located meant that 2 demountable buildings needed to be relocated as the encroached on the space needed for the new building. The Principal signed off on this as an acceptable modification.

As the Managing Contractor became involved in the planning of the building on site, it became evident that 6 demountables would in fact need to be relocated. At all times, the school repeatedly questioned the cost and space needed as part of this action, and had multiple meetings with IPO and Hansen Yunken staff to find alternative arrangements. We were told that each demountable would cost approx. \$30 000 to relocate and that this

would come straight out of the allocated budget. The school provided other options, including an alternative placement for this building which required no relocation of demountables at all, but was told that due to “sustainability” issues involving the direction the building faced, that this was not a viable options.

These demountables now cover an area of approx. 270m² of our school oval. We previously had a full sized football field (with goalposts!). Over one third of this area is now covered with demountable classrooms. What is even more confusing, is that when the project is completed, four demountables will be removed from the site. This will not give us back any more oval space as those demountables remaining sit in a compound isolated on what used to be the quarter line of our football field, with a large, relatively useless playground space being formed by the juggling of these buildings.

On a different matter, and in an attempt to reduce the costs and maximise money to be used for additional refurbishments, the school was told that if we modified existing teaching spaces as temporary classrooms, additional demountables would not be needed during the refurbishment project. An agreement was made with the IPO and we negotiated with staff to use the library as our staffroom, and that two other Community language classrooms would use converted storerooms to avoid the cost of another 4 demountable buildings to be brought in. As work was scheduled to start in October 2009, we hired removalists to move the 4 Kindergarten classrooms, staffroom and Community Language rooms into these areas. Within 3 weeks of this occurring, we were told that the refurbishments were no longer able to fit under the project budget. Parents watched in disillusionment, as teachers began the task off moving back into these rooms – not to mention the massive disruption to school routine.

The school worked tirelessly during the negotiation phase of the project. Understanding that money was the key to maximising the additions to our school, we took several steps to modify internal school organisation. Our best intentions and the money spent from our own school sources in doing this was a complete waste of time and personnel. We faced the ongoing enquiries of our parents as to why this happened, and with just cause for answers.

(vi) the management of the program.

From our perspective, the IPO set up by the State government to work between the DET and Managing Contractors, was a complete waste of money. We consistently faced ongoing arguments about what was best suited for the project, and that common sense was all but removed from the thinking of those involved.

Several Principal Liaison representatives and one senior manager in this department made it very difficult to negotiate acceptable outcomes to issues that we raised. On many occasions, their actions and demeanour made us feel as though we were an annoyance, and promises made were soon removed after “further negotiation” with other offices.

For example, if it wasn't for the constant emails, telephone conversations and meetings initiated by the school, 850 of our students would have to use 6 junior girls toilets, 4 junior boys toilets and one urinal during the entire construction phase. We were told that this was acceptable by the IPO and that there was no money available in the budget to hire temporary toilet facilities for our students. It was not until we had senior project managers from Hansen Yunken involved in emergency meetings that common sense prevailed and they accepted that temporary toilets were a necessity.

We completely reject the notion that we, as a school, had the choice to manage our own project. We chose to manage the \$200 000 NSP on offer, with great success and

exceptional value for money. For example, we employed a local contractor to paint 7 classrooms, stairwells, hallways and the entire library ceiling at a cost of approximately \$30 000. In comparison, the painting of a 10m X 10m single story toilet block has been priced through the BER project at \$17 150!

Furthermore, the sheer lack of true consultation with the Principal has been a great disappointment through this project. We entered the project with great hope and good will, but were often made to feel like others knew better. We were the ones who had to communicate with disgruntled parents – not to mention the huge amount of time that was taken away from our core business of teaching and learning to deal with people who were disinterested in listening to our concerns. Time deadlines and budgets were far more important to these people (we question how many of these people are also on “incentives” for fast project delivery).

In summary, our projects would be little more than 15% complete. We will continue to strive for answers and fight to ensure value for money in our projects. Whilst we understand that our school is only one of thousands involved in this project, we believe that this project is a victim of incredibly poor time restraints (particularly in the planning phase) and a direct example of how disadvantaged schools yet again miss out on valuable funding for essential projects.

We welcome anyone interested to visit our school and witness first hand the issues raised through this submission. We are more than happy to expand our complaints in greater detail and present evidence that supports our position.

Thank you for the opportunity for us to share our experiences in the P21 project and we hope that you will use this to make those involved accountable for their decisions and actions.

Appendix

Building the Educational Revolution project (BER)

Project One

Description: Construction of a new 2X2 classroom building and adjacent 7 core toilet block.

Project Budget (as per IPO): \$2 600 000

Managing Contractor: Hansen Yunken

Project Overrun: \$407 000 to \$470 000 over budget

As per BER P21 – ECS Phase (7/1/2010) obtained by the P&C through Freedom of Information act.

1) Site preparation and Earthworks

39. Site preparation and Bulk Earth -	\$225 980 (MC)	\$ 22 700 (IPO)
5. Earth works	- \$ 11 229 (MC)	\$231 669 (IPO)
38. Demolition	- \$ 64 325 (MC)	\$ 51 225 (IPO)
	Total: \$301 534	\$305 594

The proposed site is relatively flat and had a small, brick mower shed that had to be demolished.

Questions that we would like answered:

Why is there such a large price difference between the IPO and the MC estimates?

Why is the cost so high, considering there is little “preparation” needed to majority of site?

Why are the demolition costs of the existing mower shed (the only demolition to occur on this site) more than double the price of the erection of a new mower shed (e.g. \$25 000)?

Do any of these price estimations include the relocation of demountable buildings?

2) Concrete

7. Concrete	- \$205 439 (MC)	\$ 0 (IPO)
9. Concrete	- \$109 232 (MC)	\$ 92 344 (IPO)
	Total: \$314 671	\$ 92 344

The approximate measurements for the new building slab is 25m x 14m (350m²)

The approximate measurements for the 7 core toilet block is 8m x 10m (80m²)

Additional concrete pathway to newly located demountables is approx.

Questions that we would like answered:

Why is there such a large price difference between the IPO and the MC estimates?

Why are there two separate allocations for concrete? Has this been costed twice?

Is the price quoted over and above average competitive pricing for a suspended slab of 430m²?

The budget for concrete in Project 2 is \$185 972. How does this compare in size and price with Project 1?

Are we to honestly believe that there is more than half a million dollars worth of concrete in the planned BER projects in the school?

3) Initial site planning costs

2. Design and Documentation	- \$ 97 000 (MC)	\$109 570 (IPO)
3. Field Data Capture	- \$ 4 500 (MC)	\$ 3 500 (IPO)
4. Preliminaries	- \$148 654 (MC)	\$231 669 (IPO)
	Total: \$250 154	\$344 739

Questions that we would like answered:

Why is there over \$94K difference between the MC and IPO evaluations?

Do any of these price estimations include the relocation of demountable buildings?

Is this a reasonable amount of money considering that the design and scope of this building has already been designed to School Facilities Standards?

Building the Educational Revolution project (BER)
Project One (cont.)

4) Management fees

C. ECSF Management Fee	- \$332 930 (MC)	\$326 163 (IPO)
B. EL46YY Design and Price Risk	- \$117 436(MC)	\$115 049 (IPO)
Total:	\$450 366	\$441 212

We understand that there is a 5% ECS Contingency in relation to the Design and Price Risk. The cost of these represent nearly **one-fifth** of the total project cost. Based on the MC and IPO evaluations, the inclusion of these two costs brings the entire project to \$3m – our entire BER funding allocation!
(May we remind you again that this is for the construction of 4 new classrooms and a small toilet block!)

Questions that we would like answered:

Can we be guaranteed that any “letting gains” made through Project 1 (especially in reference to Design and Price Risks) will be redirected to _____ and not (as explained by the IPO) used to cover overruns in projects at other schools?

Is this management fee directly related to “management bonuses” for projects that are delivered on schedule, as reported in Sydney Morning Herald in late February?

In a school which was told that there was not enough funds to refurbish D block classrooms (estimated cost \$237K), replace the main admin store, replace dangerous and unusable sliding windows to Kindergarten classroom (\$12K) and that there would be additional risks to Project 1’s scope due to “budget constraints” for solar panels, rainwater tanks, covered walkways, security connection and sun shading to windows, how can the IPO and the MC justify such exorbitant fees that do little to meet the needs of the students and staff at our school?

5) Electrical Services

43. Site Electrical Services	- \$ 89 930 (MC)	\$ 91 790 (IPO)
36. Electrical Services	- \$147 580 (MC)	\$ 191 640 (IPO)
Total:	\$237 510	\$ 283 430

Questions that we would like answered:

Is item 43 directly related to the inclusion of solar panels (5kW) on the new building? If so, according to the original Quality Assurance Checklist, the cost of this would be \$50K. What else is the other \$40K being spent on? Are solar panels part of this project, or have they been deleted due to “budget constraints”?

Article 3.7 of the BER Return Brief states that “We have not allowed for the inclusion of a new substation”. A new substation is being built at the school at an approximate cost of \$150K. Although we have had assurances from both the IPO and Hansen Yunken that the cost of this **is not** included in our project, can we be guaranteed that this cost is not hidden (or spread between) the budget estimations for item 36 or other budget dissections?

Is item 43 related to the connection of electrical services to the 6 relocated demountables? If so, how can the costing of this be accurate when the price is over half the MC’s estimation for the installation of electrical services to a new building?

6) Hydraulic Services

44. Site Hydraulic Services	- \$105 064 (MC)	\$151 049 (IPO)
34. Hydraulic Services	- \$166 807 (MC)	\$138 840 (IPO)
Total:	\$271 871	\$ 289 889

We understand that a Fire Hydrant line is to be established from _____ at a cost of \$10K.

Project Two

Description: Construction of a new 14core toilet block and removal of blocks I, J, K and L.

Project Budget (as per IPO): \$400 000

Managing Contractor: Hansen Yunken

Project Savings: \$74 550 (MC) to \$83 317 (IPO)

As per BER P21 – ECS Phase (7/1/2010) obtained by the P&C through Freedom of Information act.

1) Painting

28. Painting	- \$ 0 (MC)	\$ 17 150 (IPO)
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Questions that we would like answered:

If the estimated cost to paint 4 classrooms with stairwells, practical activity areas, withdrawal rooms and a 7 core toilet block in Project 1 is \$20 899 (IPO), how can the price be within a \$3000 difference to paint a 14 core toilet block?

2) Initial site planning costs

2. Design and Documentation	- \$ 18 000 (MC)	\$ 13 984 (IPO)
3. Field Data Capture	- \$ 2 500 (MC)	\$ 1 500 (IPO)
4. Preliminaries	- \$ 33 894 (MC)	\$ 38 585 (IPO)
Total:	\$ 54 394	\$ 54 069

Questions that we would like answered:

Is this a reasonable amount of money considering that the design and scope of this building has already been designed to School Facilities Standards?

3) Management fees

C. ECSF Management Fee	- \$34 072 (MC)	\$32 020 (IPO)
B. EL46YY Design and Price Risk	- \$12 018(MC)	\$12 353 (IPO)
Total:	\$46 090	\$44 373

We understand that there is a 5% ECS Contingency in relation to the Design and Price Risk.

The cost of these represent nearly **one-fifth** of the total project cost.

Based on the MC and IPO evaluations, the inclusion of these two costs brings the entire project to \$3m – our entire BER funding allocation!

(May we remind you again that this is for the construction of 4 new classrooms and a small toilet block!)

Questions that we would like answered:

Can we be guaranteed that any “letting gains” made through Project 2 (especially in reference to Design and Price Risks) will be redirected to _____, and not (as explained by the IPO) used to cover overruns in projects at other schools?

Is this management fee directly related to “management bonuses” for projects that are delivered on schedule, as reported in Sydney Morning Herald in late February?

If, in fact, the budget falls approximately \$80K short of the project funding allocation, why are we still unable to replace the dangerous and unusable sliding windows to Kindergarten classroom (\$12K)? Furthermore, would there not be enough left in residual to convert the D block toilets into a storage facility to replace the main administration store that is being demolished in K block?

Building the Educational Revolution project (BER)
Project One (cont.)

6) Hydraulic Services (cont.)

Questions that we would like answered:

According to the BER Return Brief (Article 4.1), a 10 000L rainwater tank is to be installed (funds permitting) at a cost of \$15K. What additional work is associated with the other \$150K (MC)?

Is item 44 related to the connection of hydraulic services to the 6 relocated demountables? If so, **none** of the services detailed in the BER Return Brief (Articles 9.1 – 9.4) have been adhered to. Can we then expect a reduction or even a deletion of this cost to the project?

7) Additional questions

Could we confirm if the following items are included in the budget allocation:

Covered Walkways (Article 1.4 of BER Return Brief)	Included/Excluded
Connection of security system	Included/Excluded