



Australian Government

Department of Education, Employment and Workplace Relations

**DEPARTMENT OF EDUCATION, EMPLOYMENT AND
WORKPLACE RELATIONS**

**SUBMISSION TO THE SENATE EDUCATION, EMPLOYMENT AND
WORKPLACE RELATIONS REFERENCES COMMITTEE**

**Inquiry into the Primary Schools for the 21st Century element of
Building the Education Revolution**

October 2009

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Introduction

The Department of Education, Employment and Workplace Relations (DEEWR) welcomes the opportunity to provide this submission to the Senate Education, Employment and Workplace Relations References Committee Inquiry into the *Primary Schools for the 21st Century* (P21) program. This submission provides an overview of the P21 program, and addresses issues related to the Inquiry's terms of reference.

The Building the Education Revolution (BER) Program is the largest component of the Council of Australian Government's (COAG) \$42 billion *Nation Building and Jobs Plan*, announced on 3 February 2009, representing an investment of more than 1 percent of GDP. It aims to provide economic stimulus to national and local economies through the rapid construction and refurbishment of school infrastructure. BER also aims to build learning environments to help children, families and communities participate in activities that will support achievement, develop learning potential and bring communities together.

BER is the largest school modernisation program in Australian history. It is being implemented by DEEWR and the 22 education authorities within extremely short timeframes. An enormous amount has been achieved since the announcement of the Plan and the BER Program:

- The program has now moved from the establishment phase to delivery, with construction underway in schools across Australia. Funding of \$16.2 billion has been approved for 24,382 projects in 9,526 schools. This represents a commitment to creating jobs in construction and related industries in approximately 4,419 communities.
- Of the 24,382 projects approved, 1,153 projects have already been completed and 18,850 are underway. These projects are supporting jobs across Australia: jobs for architects, tilers, painters, builders and electricians, as well as the many suppliers of materials. Importantly, these projects are also supporting apprentices and trainees.
- Building approvals for BER projects amounted to \$1.2 billion in June, \$1.4 billion in July and \$3.2 billion in August 2009. ABS statistics show the seasonally adjusted increase in the value of non-residential building approvals was 68.7 percent over the month to August 2009. This follows increases of 80.4 percent over the month to June and 1.3 percent over the month to July. Without the investment in construction activities initiated by the BER, the ABS reports that these percentage changes would have been much lower, at 11.8 percent over the month to June, -12.2 percent over the month to July and 25.6 percent over the month to August.
- The 2009 OECD Employment Outlook reports that 'The jobs impact of the fiscal stimulus measures is particularly strong in Australia, Japan and the United States due to the relatively large size of the fiscal packages in these countries and their relatively large fiscal employment multipliers.'

P21 is one of three elements of the BER, providing \$14.1 billion for Australian primary schools, special schools and primary components of K-12 schools to build new facilities such as libraries, multipurpose halls or classrooms or to upgrade existing facilities.

The P21 program has been enthusiastically supported by the education sector with 99.2 percent of eligible schools taking up the opportunity to apply for funding under the program. A survey undertaken by the Australian Primary Schools Primary Association in September 2009 showed a high level of support for the program. Of the 305 principals to undertake the survey, 85% strongly supported the program. Many respondents also noted the positive educational benefits that the new facilities would provide.

The program has also been lauded by the construction industry as providing critical support during a period of significant decline in non-residential building activity.

Implementation of BER is on track and will continue to be diligently implemented until its conclusion in March 2011.

More about the BER package is available at www.buildingtheeducationrevolution.gov.au, including the *BER National Coordinator's Implementation Report* published on 16 October 2009.

Building the Education Revolution: Primary Schools for the 21st Century

1. *Economic Stimulus Plan: Response to the Global Financial Crisis*

On 5 February 2009, the Council of Australian Governments (COAG) agreed to the rapid delivery of the \$42 billion *Nation Building and Jobs Plan* (the Plan), which was central to the Government's response to the global economic downturn. The Plan aimed to:

- stimulate the economy by supporting employment and growth; and
- foster a more resilient Australia¹.

The Plan incorporates elements of both the December 2008 Nation Building Package² and the February 2009 Plan. It includes the following key elements:

- one-off cash payments to eligible families, single workers, students, drought-affected farmers and others;
- a temporary business investment tax break for small and general businesses buying eligible assets;
- funding to build or upgrade buildings in schools;
- increasing the stock of social and defence housing;
- significantly increasing funding for local community infrastructure and local road and rail projects; and
- an energy efficient homes package for Australian homes.

1.1 Key Parameters

The key parameters of the Plan were released publicly in the *National Partnership Agreement on the Nation Building and Jobs Plan: Building Prosperity for the Future and Supporting Jobs Now* (the National Partnership). The National Partnership establishes the:

- objectives of the Plan, and the outcomes and outputs to be achieved;
- roles and responsibilities of the Commonwealth and of the states and territories;
- governance and oversight arrangements for all elements of the Plan, including reporting and recognition of Commonwealth investment;
- parameters of each element; and
- other conditions, such as the maintenance of effort by the states and territories in the areas of the Plan, and state and territory responsibility for ongoing recurrent costs and maintenance of the new and refurbished infrastructure.

The National Partnership can be found at: http://www.coag.gov.au/coag_meeting_outcomes/2009-02-05/docs/20090205_nation_building_jobs.pdf.

¹ COAG Communiqué 5 February 2009.

² *Nation Building: Road, Rail, Education & Research and Business*, December 2009.

1.2 Roles and Responsibilities

The National Partnership established the roles and responsibilities of the Commonwealth and the states and territories in delivering the Plan.

- The Commonwealth is responsible for implementation of the National Partnership and providing funding to the states and territories, in accordance with its requirements.
- The states and territories are responsible for implementing the National Partnership, maintaining their planned expenditure and developing bilateral agreements and/or implementation plans for elements of the Plan.
- The Commonwealth and the states and territories will work in partnership to:
 - establish monitoring mechanisms, facilitate problem solving and ensure rapid and smooth development and implementation of the Plan;
 - agree on the nature and content of events, announcements and publicity relating to the Plan and acknowledge and recognise the roles and contributions of the relevant parties to the Plan; and
 - share best practice with other parties and participate in an evaluation of the outcomes of the Plan.

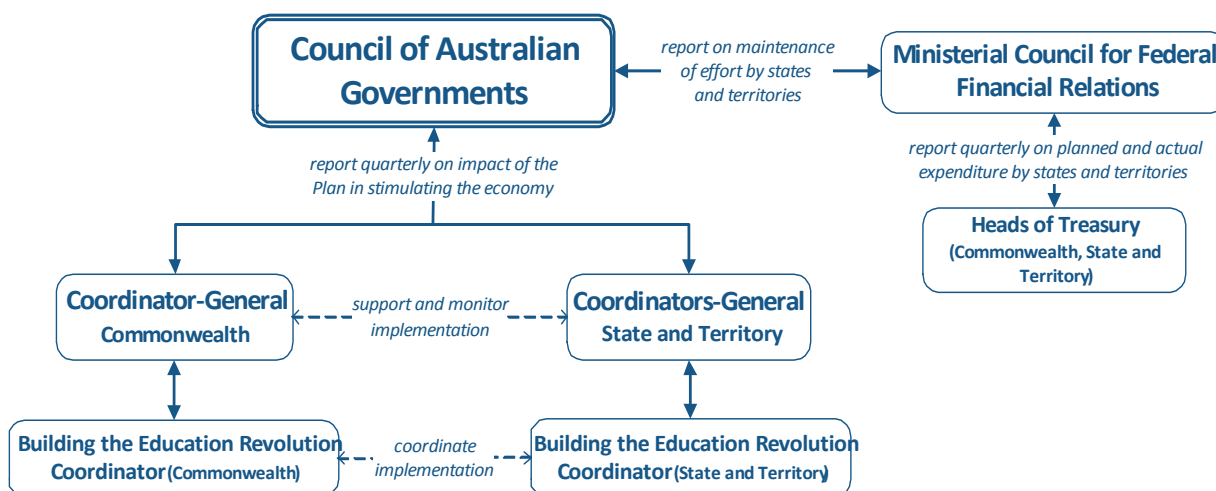
1.3 Governance

The Plan is unprecedented in the history of Commonwealth service delivery in that it combines the objective of providing short-term stimulus to the economy through rapid delivery of its elements with building the foundations for Australia’s future needs.

There are also many groups involved in the Plan’s formulation and delivery and in achieving its goals, including COAG, the Prime Minister, State Premiers and Territory Chief Ministers and each of the Commonwealth, state and territory departments responsible for delivery of elements of the Plan.

The Plan therefore needed governance arrangements designed to suit its distinctiveness and complexity. A web of interconnected groups is responsible for implementation and oversight of parts of the Plan. The governance arrangements for the Plan are outlined below. See section 2.3 for the governance arrangements of the education element, BER.

Diagram 1: Governance Arrangements for the Plan



1.4 Coordinators-General

Coordinators-General have been appointed by the Commonwealth and by each state and territory. The Coordinators-General have been meeting fortnightly to support and monitor implementation of the key infrastructure and stimulus measures across all elements of the Plan.

The Coordinators-General report to COAG quarterly on implementation of the Plan. Their reports include an analysis of economic indicators relating to the impact of the Plan in stimulating the economy by supporting employment and growth.

1.5 Coordinators

Within each element of the Plan, national, state and territory Coordinators ensure coordinated project management and delivery of that element.

1.6 Heads of Treasuries and Ministerial Council for Federal Financial Relations

The Heads of Treasuries, which existed prior to the development of the Plan, comprises the Secretaries and Under Treasurers of each of the Commonwealth, state and territory treasury departments.

One of the fundamental planks on which the Plan was developed was that states and territories would maintain effort in the areas covered by the Plan and that funding under the Plan would therefore be additional. This is critical to ensuring that the Plan provided additional stimulus to the economy.

Following the announcement of the Plan, the Heads of Treasuries' responsibilities were expanded to include monitoring state expenditure in areas covered by the Plan.

2. Building the Education Revolution

2.1 Policy Objectives

The largest element of the Plan is the *Building the Education Revolution* (BER) program, which is delivering \$16.2 billion to:

- provide economic stimulus through the rapid construction and refurbishment of school infrastructure; and
- build learning environments to help children, families and communities participate in activities that will support achievement, develop learning potential and bring communities together³.

BER will deliver a range of additional benefits to the Australian community. For example, school libraries and multipurpose halls built with funding from the *Primary Schools for the 21st Century* element of BER will be available at no, or low, cost for use by the community. Where a school receives BER funding for construction work other than a library or multipurpose hall, they must make their equivalent buildings available for community use. In addition, all new buildings and refurbishments should incorporate sustainable building principles, wherever possible.

BER consists of three elements:

1. *National School Pride* (NSP) is providing \$1.29 billion for minor capital works and refurbishment projects in all eligible Australian schools to be completed by 1 February 2010.
2. *Primary Schools for the 21st Century* (P21) is providing \$14.1 billion⁴ for Australian primary schools to build new iconic facilities, such as libraries and multipurpose halls or to upgrade existing facilities by 31 March 2011.
3. *Science and Language Centres for 21st Century Secondary Schools* (SLC) is providing \$821.8 million⁵ for the construction of new, or the refurbishment of existing, science laboratories, language learning centres or dual learning facilities in secondary schools by 30 June 2010.

BER is the largest school modernisation program in Australian history, and is being implemented within extremely short timeframes.

The Department of Education, Employment and Workplace Relations (DEEWR) is responsible for Commonwealth implementation of BER.

The National Partnership establishes the following key performance indicator for BER:

The number of new or refurbished facilities, including libraries and multipurpose halls in primary schools and science and language laboratories in secondary schools.

2.2 Key Documents

BER is being delivered within a framework of policy documents that govern the scope and delivery of the Plan. The major elements of the implementation framework are the:

³ *National Partnership Agreement on the Nation Building and Jobs Plan: Building Prosperity for the Future and Supporting Jobs Now*, 5 February 2009.

⁴ This funding allocation was increased from \$12.4 billion in August 2009.

⁵ This funding allocation was decreased from \$1 billion in August 2009 due to the target of 500 science and language centres being exceeded at lower than forecast cost.

- National Partnership;
- bilateral agreements with the eight state and territory education ministers responsible for government schools, and funding agreements with the 14 Block Grant Authorities⁶ (BGAs) that represent non-government schools; and
- BER Guidelines.

The National Partnership was negotiated between the Commonwealth and the states and territories and agreed by COAG on 5 February 2009. It sets out the scope, purpose and funding of BER and its three elements, and the respective roles and responsibilities of the Commonwealth and the states and territories.

In the first few weeks of BER, DEEWR developed funding agreements, in consultation with education authorities, which govern the use of Commonwealth funding by education authorities. The agreements were executed in March–April 2009, giving education authorities, and their member schools, access to BER funding.

Over this period, DEEWR also developed guidelines that set out in detail how the BER program would operate. The guidelines were developed in consultation with education authorities and drew on DEEWR's extensive experience with other schools capital works programs. The BER Guidelines were released on 24 February 2009, just three weeks after the announcement of the Plan.

As BER implementation progressed, DEEWR worked with education authorities to provide clarification and guidance on implementation issues as required. Education authorities were notified of these updates to the Guidelines as they occurred.

On 27 August 2009 and 21 September 2009, revised versions of the Guidelines were released, incorporating the updates.

2.3 Governance Arrangements

BER has a National Coordinator, eight state and territory and 14 BGA Coordinators. Together they form the BER Coordinators Group.

This Group meets frequently to report on progress in each jurisdiction, share ideas and experience, and resolve issues and logistics. Each state and territory Coordinator also reports to the Coordinator-General in their jurisdiction to enable monitoring of the whole Plan in that jurisdiction.

The National Coordinator is a Group Manager within DEEWR, responsible for strategic policy decisions, issue resolution, strategic risk management, stakeholder management and quality control.

The National Coordinator reports to the Deputy Secretary of the Schools Cluster and to the Minister for Education⁷, liaises with DEEWR's internal audit committee and implementation subcommittee, convenes the BER Coordinators Group and provides briefings to the Commonwealth Coordinator-General's office.

The National Coordinator is assisted by the Building the Education Revolution Taskforce, which is managed by a Branch Manager. DEEWR corporate areas also support the National Coordinator by providing expertise in audit, risk, legal, ICT and communications.

⁶ Block Grant Authorities (BGAs) are bodies that represent non-government schools in the states and territories for capital funding purposes. There are 14 BGAs, one for each of the two territories that represents both the Catholic and Independent sectors, and two in each state (one for independent schools and another for Catholic schools).

⁷ The Hon Julia Gillard MP, Deputy Prime Minister is referred to throughout this report as the Minister for Education as BER is part of her education responsibilities.

3. Primary Schools for the 21st Century

3.1 Scope

The *Primary Schools for the 21st Century* (P21) element of BER is providing \$14.1 billion⁸ to Australian primary schools for, in priority order:

- construction of new libraries;
- construction of new multipurpose halls (for example, gymnasias, indoor sporting centres, assembly areas or performing arts centres) or, in the case of smaller schools, covered outdoor learning areas;
- construction of classrooms, replacement of demountables or other buildings as approved by the Commonwealth; or
- refurbishment of existing facilities.

Where a school and its community determined that a school had no need for construction of any of the above, and had identified a need for an early learning centre⁹, it could apply for funding under P21.

3.2 Conditions and Criteria for Project Funding

3.2.1 Eligibility

Any government or non-government¹⁰ school delivering primary education¹¹ was eligible to apply for P21 funding, including special schools and the primary school component of K-12 schools. In August 2008, there were 6,448 primary schools in Australia and 1,241 combined primary and secondary schools¹². With special and special assistance schools included, 8,098 schools were eligible to apply for P21 funding.

However, there were several exceptions. The following school types were ineligible for P21 funding:

- schools that do not have permanently enrolled students (that is, schools with transient student populations), for example prison and hospital schools;
- schools planned to close¹³;
- non-government schools that choose not to affiliate with a BGA; and
- schools that do not receive general recurrent grant funding under the *Schools Assistance Act 2008*.

⁸ This funding allocation was increased from \$12.4 billion in August 2009.

⁹ An early learning centre is a place where students are in the process of transitioning from pre-school to kindergarten and where the curriculum is integrated with the primary school curriculum. The early learning centre had to be an integrated part of the primary school campus and childcare activities could not be the main function of the centre. If any component of childcare was envisaged at the early learning centre, the school had to provide evidence for the demand for childcare in that location.

¹⁰ Non-government schools must be a participant in a Block Grant Authority (BGA) (that is, a school in respect of which the Minister has determined a BGA under the *Schools Assistance Act 2008*) and be in receipt of General Recurrent Grant Funding under that Act.

¹¹ As defined under the *Schools Assistance Act 2008* or by the particular state or territory.

¹² Australian Bureau of Statistics, *Schools Australia 2008*, 4221.0, page 8, released 7 May 2009. Special schools were not counted.

¹³ These schools were identified in the February census conducted by DEEWR.

Special circumstances applied that may have affected schools and their eligibility to receive P21 funding:

- the funding allocations for schools that are planned to amalgamate over the next three years (to 2012) into either a new school site or an expansion of one of the existing schools were able to be combined and used for capital or refurbishment at the new school;
- where a recently constructed government school had no need for further buildings or refurbishment, after appropriate consultation with the school community and the principal, its funding allocation was permitted to be reallocated to another government school within that state or territory;
- where a recently constructed non-government school had no need for further buildings or refurbishment, its funding allocation was permitted to be reallocated to another school within the system to which that school belongs in that state or territory; and
- schools that have multiple campuses¹⁴ were treated as a single school.

Finally, a school applying for P21 funding had to meet agreed commencement and completion dates for building works, as prescribed for each funding round. This was to meet the objective of the Plan to provide economic stimulus through the rapid construction and refurbishment of school infrastructure.

3.2.2 Notional Funding Allocation

It was intended that all eligible Australian primary schools would have the opportunity to receive a funding allocation under P21. The total amount of notional funding available to a primary school was calculated based on the school's full-time equivalent primary level student enrolments. In special schools, special assistance schools and maximum Indigenous schools¹⁵, all full-time equivalent student enrolments (not just primary level enrolments) counted towards the funding allocation available to that school.

The notional funding allocation per school is set out in Table 1.

Table 1: Notional Funding Allocations for Schools Under P21

Primary school size	Notional Caps (\$)
1 to 50	250,000
51 to 150	850,000
151 to 300	2,000,000
301 to 400	2,500,000
401+	3,000,000

3.2.3 Application and Assessment Process

The National Partnership established that there would be three application rounds under the P21 component of BER. Education authorities were responsible for working with schools and school

¹⁴ For non-government schools, this will be defined by whether a school is recognised separately under the *Schools Assistance Act 2008* (that is, with a separate SES score and entitlement to General Recurrent Grants). For government schools, the state or territory will provide DEEWR with advice about which schools are separate school entities and not merely campuses.

¹⁵ Schools with more than 80 percent full-time Indigenous enrolments.

communities to develop proposals for projects under P21. Education authorities then submitted project applications to the Commonwealth for assessment and approval via DEEWR's online *Schools Entry Point* system.

Following receipt of application data from education authorities, DEEWR checked it for missing or incorrect information. Where issues were identified, education authorities were given an opportunity to correct and resubmit their applications. DEEWR then assessed each application against eligibility and quality assurance criteria in accordance with the Guidelines. Eligibility checks were conducted electronically in the *Schools Entry Point* system. Applications that passed this check then moved into the manual quality assurance checking process. At each stage, where eligibility or assurance questions arose, DEEWR liaised with the relevant education authority, which increased the number of projects recommended for funding. The checks comprised the following elements:

Eligibility Tests

- Is the school a primary school, a special school, a special assistance school or a maximum Indigenous school?
- Will the school's project be completed within the required timeframes? The completion date had to be no later than:
 - 18 months from commencement for schools with 150 full-time equivalent student enrolments or more, or
 - seven months from commencement for schools with fewer than 150 full-time equivalent student enrolments.
- If the school is a non-government school, is it a participant of one of the 14 BGAs?
- If the school is a non-government school, does it receive Commonwealth General Recurrent Grant funding?
- Is the school open and intending to remain open?
- Is the facility type acceptable?
- Is this the school's first successful application?
- Is this application one of two or less projects for this school in this round?
- Does the school have fewer than 401 full-time equivalent student enrolments?
 - The school is therefore eligible for a covered outdoor learning area (COLA).
- Is more than 4 percent funding for a project being sought for on-site project management?

Quality Assurance Tests

- Is the total funding sought less than 95 percent or more than 105 percent of the school's notional funding level? (See the Notional Funding Allocations at section 3.2.2 for the applicable bands.)
- Is the school's total full-time equivalent student enrolment greater than 400?
- Has the school's full-time equivalent student enrolment between August 2007 and February 2009 increased from funding band two to funding band three or four?
- Is the school planning to charge more than \$45 per hour for community use of its facility?
- Has the school advised that there will be fit out costs?
- Does the school wish to build an early learning centre?
- A random sample of 5 percent of each education authority's eligible applications was identified for manual assessment.

- For the final round, a check was conducted on all distance education students to ensure that any facilities built under P21 would be directly utilised by students as part of their learning environments.

Once the eligibility and quality assurance tests were complete, funding approval for projects was recommended to the Minister for Education.

3.2.4 Application rounds

Round One

Applications for Round One of P21 closed on 10 April 2009. 2,041 applications were received from all education authorities.

The majority of schools that applied under Round One proposed the adoption of existing building design templates and had to demonstrate readiness and capacity to commence the project immediately.

Education authorities were encouraged to submit project proposals to DEEWR ahead of the closing date. Eligibility checks were completed on 15 April 2009 and, where additional information was required, the relevant education authorities were notified and allowed to modify and resubmit proposals by 17 April 2009.

Assurance tests were completed by 19 April 2009 and, once again, where additional information was required, the relevant education authorities were given the opportunity to respond. Lists of recommended schools and projects were generated and the Minister for Education's approval of funding sought on 30 April 2009.

The Minister for Education announced the successful schools, by state or territory, between 4 and 7 May 2009.

A total of 2,010 projects at 1,499 schools across every state and territory were approved for funding of \$2.828 billion in Round One.

Round One projects were required to commence in May-June 2009. Projects at schools with more than 150 students have to be completed by 20 December 2010. Smaller schools have seven months within which to complete their projects.

Round Two

Round Two closed on 15 May 2009, with 5,047 applications received from all education authorities.

Eligibility checks for Round Two applications occurred between 18 and 21 May 2009. Education authorities were advised where additional information was required and resubmitted those proposals by 22 May 2009. A second eligibility check was conducted by 25 May 2009 and the assurance process was complete by 28 May 2009. Where projects required further clarification, the relevant education authorities were notified and given the opportunity to respond by 29 May 2009.

Lists of recommended schools and projects were generated and the Minister for Education's approval of funding sought on 5 June 2009. The Minister announced the successful schools, by state or territory, between 9 and 14 June 2009.

A total of 4,973 projects at 3,716 schools across every state and territory were approved for funding of \$6.362 billion in Round Two.

Round Two projects were required to commence in June-July 2009. Projects at schools with more than 150 students have to be completed by 31 January 2011. Smaller schools have seven months within which to complete their projects.

Round Three

DEEWR communicated with education authorities in June 2009 regarding the schools that had not yet applied for funding under P21 and therefore were anticipated to apply in this final round.

Applications for Round Three closed on 10 July 2009. An extension to Round Three was allowed (known as Round 3.1) to allow education authorities additional time to work with their schools to resolve any outstanding issues to achieve the best outcome for schools. Round 3.1 closed on 7 August 2009. A total of 3,796 applications were received from 2,824 schools.

Eligibility checks on Round Three applications were completed on 15 July 2009 and relevant education authorities provided corrections where necessary by 23 July 2009. Assurance tests were completed by 24 July 2009 and, once again, the relevant education authorities were notified and given the opportunity to clarify proposals by 28 July 2009. Lists of recommended schools and projects were generated on 29 July 2009.

Applications in the final extra Round 3.1 closed on 7 August 2009, eligibility tests were performed by 23 August 2009 and a list of final recommended schools generated.

The Minister for Education's approval of funding for Rounds Three and 3.1 was sought on 25 August 2009. The Minister announced the successful schools, by state or territory, on 27 August 2009.

A total of 3,718 projects in 2,746 schools across every state and territory were approved for funding of \$4.588 billion in Round Three.

Round Three projects were required to commence in September-October 2009 or construction must commence by 1 December 2009. Projects at schools with more than 150 students have to be completed by 31 March 2011. Smaller schools have seven months within which to complete their projects.

Additional Round for Monetary Variations

A final additional round was held in August 2009 for monetary variations to approved projects. This only applied to schools with approved funding less than their notional allocation under the funding bands. These schools could apply to increase their funding by increasing the scope of their approved project or adding a second project. This round also included one school that had been found ineligible in Round Three because it had not been identified by the relevant BGA as a special school.

This round ensured that schools were given the greatest opportunity to participate fully in BER and to help support the economic stimulus measures by maximising construction and refurbishment activity around Australia.

A total of 176 applications were received and 161 were assessed as eligible for approved funding of \$73 million.

There will be no further opportunity for approval of additional funding under P21. However, education authorities are able to reallocate funding between projects or schools to manage underspends and overspends according to the Guidelines.

3.2.5 Provision of funding

The conditions for the provision of funding to the education authorities is set out in the bilateral agreements with each state and territory and funding agreements with each BGA. The amount of funding that is provided under the agreements is the total amount of approved funding for the projects for that education authority.

3.2.6 Accountability and Reporting to the Commonwealth

As described under Management of the Program, education authorities report to DEEWR monthly on their schools' BER projects, including expenditure, milestones and jobs supported. These reports form the basis of DEEWR's reports to Commonwealth and intergovernmental stakeholders.

Education authorities also have requirements under their funding agreements for which they must be accountable. They range from the appropriate management, and acknowledgment of, Commonwealth funding to intellectual property, privacy, recordkeeping, and compliance with relevant legislation and policies, particularly around the construction industry.

Funding under the agreements is paid in instalments – there are ten instalments for states and territories and 11 for BGAs. The payment regime provides the Commonwealth with the ability to monitor progress of projects and expenditure, encourage timely reporting with the consequent benefit that it could provide timely reports to the Coordinator-General and the Government on progress of the program. The instalment dates were determined to allow a regular flow of funding at times when it was expected there would be the greatest need for the funding by the states, territories and BGAs.

Should an education authority face difficulties with cash flow to meet its milestone payments for projects, it may approach the Commonwealth for an advance on the next payment. Any such request needs to be accompanied by documentary evidence to establish the need for an advance payment.

Similarly, the Commonwealth may withhold payments if education authorities have not paid to their schools at least 50 percent of the previous Commonwealth payment.

3.3 Use of local and non-local contractors

The BER aims to provide economic stimulus to both local and national economies through the rapid construction and refurbishment of school infrastructure.

Consequently, an important requirement of the Guidelines is that states, territories and BGAs endeavour to identify and communicate opportunities in local areas for tradespeople and other small businesses at the earliest practicable stage in implementation of the program.

Further, the Guidelines and funding agreements with BGAs specify that BGA participants use their best endeavours to give priority in contracting and tendering to local businesses, and report to the Commonwealth on this.

State and territory governments, in receipt of almost 69 percent of P21 funding, recognise the importance of effective participation of small businesses in the implementation of the BER program and have developed a range of measures to provide effective opportunities for small and local businesses. While tender processes vary between jurisdictions, all states and territories have measures in place that will facilitate the use of local contractors or sub-contractors and provide information to local businesses on how to take up work opportunities.

For instance, the South Australian department advises that in the selection of builders clear preference was given to allocating projects to local builders, where possible.

In Queensland, contractors and consultants must firstly be registered on the whole of government PQC (pre-qualification) System managed by the Department of Public Works (DPW) in order to undertake government construction related work. For the BER Program, DPW, in conjunction with Department of Education and Training (DET), managed the process for the procurement of construction managers, contractors, project managers, and principal consultants. The process involved DPW reviewing the construction related resources in local areas and advertising an

expression of interest for firms to tender for the BER works. During February and March 2009, approximately 3,000 people attended Nation Building information sessions in Brisbane and major regional centres which covered issues such as prequalification and registration.

In New South Wales, a criterion for the selection of Managing Contractors was their capacity to meet the program's tight timeframes, deliver value for money and provide local employment opportunities.

The Catholic Systemic Schools sector, in receipt of almost 20 percent of P21 funding, has reported maximum use of local project management and local building contractors in their implementation of the program, subject to industry experience and being able to offer value for money.

In the Independent schools sector, in receipt of over 11 percent of P21 funding, schools have the freedom to choose local contractors.

Evidence that local contractors and sub-contractors are being employed on P21 projects in the Independent sector has been reported in the media. For example, Terry Schuster, Head of College at St Stephen's College in Gladstone has reported that, "the use of a local builder and project manager was very important to us to ensure the success and quality of the project".

Another important mechanism for achieving local engagement of contractors are the Local Employment Coordinators (LECs). LECs are being appointed in twenty priority employment areas across Australia which have been identified as vulnerable to the effects of the global recession.

The LECs will supplement the Australian Government's stimulus strategy by helping to match local businesses and workers with job opportunities created by the stimulus package in priority areas. They are also working with communities to find innovative solutions to emerging unemployment pressures in the region, and working with key local stakeholders to develop and implement a Regional Employment Plan which identifies the job creation priorities for the region.

Work is currently underway to enhance the linkages between LECs and managing contractors of local BER projects, to maximise the impact of the stimulus package for local people by seeking job opportunities for them at these BER construction sites.

3.4 Role of State Governments

3.4.1 Relationship of the Commonwealth, Education Authorities and Schools

Through the National Partnership, the states and territories are responsible for both government and non-government school participation in BER. However, it was agreed early in the implementation of BER that DEEWR would work directly with the BGAs to manage the involvement of non-government schools in BER. This reflects existing funding arrangements for schools capital works programs.

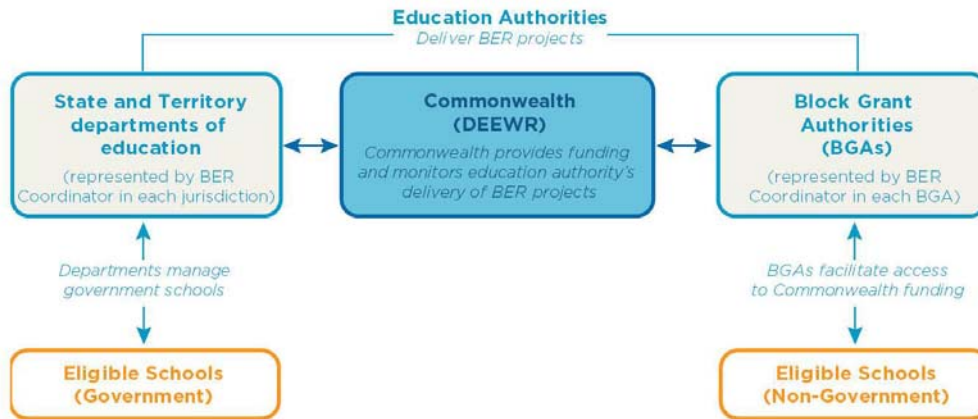
There are eight states and territories and 14 BGAs education authorities in Australia which directly deliver BER projects and funding to schools. DEEWR deals directly with the 22 education authorities, not with individual schools.

Education authorities work with schools and school communities to develop and submit proposals for BER projects to DEEWR and to manage the construction and refurbishment projects that are funded.

DEEWR authorises payment of approved Commonwealth funding by Commonwealth Treasury to states and territories, and through the states and territories to BGAs, who use it to deliver approved BER projects in their schools.

The following diagram shows the relationship between the Commonwealth and the 22 education authorities for BER implementation, and also the relationship of education authorities with their schools.

Diagram 2: Relationship of the Commonwealth, Education Authorities and Schools



3.4.2 Commonwealth Responsibilities

The Commonwealth is responsible for managing BER at a national level. This involves:

- issuing guidance to education authorities in relation to the ongoing administration and delivery of BER, facilitating the sharing of design templates submitted by education authorities, and managing requests for project variations;
- assessing and recommending funding applications for projects under BER for the Minister for Education's approval;
- providing funding to the education authorities for all the school projects for which they are responsible, including a payment of 1.5 percent of the total funding allocation to cover administrative costs associated with running the application process and the associated administration and reporting under BER;
- developing an online reporting system to be used by all education authorities and schools for recording and reporting requirements;
- monitoring the implementation of BER by education authorities through their monthly reports;
- reporting on implementation of BER by education authorities to the Commonwealth Minister for Education and to the Coordinator-General; and
- developing a performance evaluation framework to evaluate BER against its objectives.

3.4.3 Education Authority Responsibilities

Government and non-government education authorities are responsible for delivery of BER projects in schools. They liaise with schools and school communities about BER projects and oversee delivery of BER funding and projects on the ground in schools.

Education authorities are responsible for:

- implementing BER in their jurisdiction or sector;
- consulting with schools and school communities about BER proposals for funding, and delivery of funding;
- entering into funding agreements with the Commonwealth under which they will receive BER funding for their approved school projects;
- administering the funding paid to their schools in accordance with the funding agreement and the Guidelines;
- using a design for school building projects from the templates submitted to the Commonwealth for each element of BER, where appropriate;
- calling for and assessing project proposals from their schools for each BER element, in line with the Guidelines;
- ensuring that the design, application and assessment processes for BER funding are fast-tracked, with minimal red tape;
- assessing and prioritising infrastructure proposals in accordance with the Guidelines and preparing project lists for approval by the Commonwealth;
- ensuring that schools can begin and complete projects within the prescribed time frames;
- using their best endeavours to ensure that projects covered by the funding aim to secure that at least 10 percent of the total contract labour hours are undertaken by apprentices and trainees and those seeking to up-skill, where this does not result in unreasonable costs to business¹⁶;
- endeavouring to identify and communicate opportunities in local areas for tradespeople and other small businesses at the earliest practicable stage;
- providing to the Commonwealth an Implementation Plan for BER within their jurisdiction (see section 3.4.5);
- maintaining their current and planned level of investment for capital infrastructure in schools over the next four years, spending it concurrently with BER funding on school infrastructure¹⁷; and
- accepting and adhering to the relevant reporting and branding requirements.

In addition, state and territory education authorities are responsible for:

- working with non-government schools, systems and BGAs in their jurisdiction to enable the full participation of the non-government school sector in all elements of BER; and
- passing on, in a timely manner, the nominated funding amounts to BGAs in their jurisdiction¹⁸.

In recognition of the greater autonomy of BGA participant schools, BGAs must enter into funding agreements with participant schools. They must ensure that those agreements require BGA participant schools to meet the BER Guidelines by:

¹⁶ Data from previous economic downturns shows that apprentices have been among the first to become unemployed as employers cancel existing Australian apprenticeship training contracts when demand for goods and services declines. The impact of economic downturns on Australian Apprentices is also historically longer lasting than on other employees.

¹⁷ This requirement applies to BGA participant schools, rather than BGAs themselves. Participant schools provide the information on capital expenditure to the BGA for provision to DEEWR.

¹⁸ In accordance with Schedule D of the Intergovernmental Agreement on Federal Financial Relations, the Commonwealth makes National Partnership payments to the states and territories, which are responsible for promptly passing on the proportion that applies to non-government schools.

- specifying that each BGA participant school or system provides evidence to DEEWR of its capital expenditure for the past four years and estimates for the next four years;
- specifying that, for projects covered by the funding, BGA participants use their best endeavours to give priority in contracting and tendering arrangements to local businesses;
- specifying that the BGA participant will accept and adhere to the relevant reporting and branding requirements as outlined in the Guidelines; and
- containing provisions dealing with repayment of BER funds such that the Commonwealth's right to repayment will be the same as if BER projects were capital projects to which the *Administrative Arrangements for Block Grant Authorities Capital Grants Program for Non-Government Schools 2009* applied.

3.4.4 BER Implementation

State and territory governments are signatories to the National Partnership that governs the delivery of the Plan and sets the parameters for BER. They are responsible for developing and submitting, in conjunction with their schools and school communities, project proposals for BER funding and managing the day to day delivery of funded BER projects in schools. BGAs perform similar functions on behalf of their participant schools.

The diagram included in section 3.4.1 illustrates the relationship between the Commonwealth and the education authorities for BER implementation, and the relationship of the education authorities with their schools.

3.4.5 Implementation Plans

Education authorities were required to provide to DEEWR Implementation Plans for BER, which form part of the funding agreement between the education authority and the Commonwealth. The Implementation Plans explained how each education authority intended to:

- call for, assess, prioritise and select school infrastructure projects under P21 for submission to DEEWR;
- fast track application and assessment outcomes;
- manage applications from schools marked for closure or merger;
- manage each project;
- ensure every school could maximise its opportunities under BER, and assist smaller or less resourced schools to participate;
- use design templates;
- incorporate sustainable building principles into construction, refurbishments and maintenance;
- achieve broad community consultation; and
- ensure new and refurbished buildings in primary schools would be available for community use at no or low cost.

Education authorities developed these plans in February-March 2009 and they differ according to existing administrative structures in each jurisdiction and the delivery model engaged for the BER program. Implementation arrangements also differed in the non-government sector, with Catholic education systems adopting a more centralised approach, and independent BGAs coordinating the activities of participant schools which operate independently.

3.4.6 Governance Arrangements

Each education authority has developed a structure to implement BER in its education sector. In general, this involved establishment of a BER project office or project team or enlarging an existing team. The project office or team is usually headed by a senior executive of the education authority who reports to the senior executive group of the organisation, whether to an executive staff member or to a committee/oversight board.

This governance structure is complemented by the education authority's implementation arrangements, which include policies governing tendering and procurement arrangements, project approvals and value for money, school liaison and the handling of any complaints.

Education authorities have also tended to engage additional staff to manage the liaison between BER project offices or project teams and schools and their communities in their education sector. These staff are generally called Principal Liaison Officers or Project Officers who are available to help individual schools and their communities to engage with the BER program and the education authority's project office or project team.

For example, the Victorian Catholic Education Office has engaged 11 project officers to assist parish priests, school principals and school communities with BER. The project officers report to the Victorian Catholic Education Office's Assistant Director of Planning and Infrastructure.

3.4.7 BER Coordinators Group

The BER Coordinators Group provides a forum for discussion and resolution of issues encountered by education authorities and DEEWR in BER management and delivery and it is regularly used for this purpose.

Education authorities have considerable experience in developing and delivering school infrastructure projects. Like the Commonwealth, education authorities had to rapidly prepare to take on BER delivery at short notice. To do this, generally they leveraged off operating methods and processes for similar programs. For many state and territory governments, this included their own infrastructure departments.

BGAs have been assisting with the assessment of non-government school applications for Commonwealth infrastructure funding for over 20 years and therefore have extensive experience in managing infrastructure projects. This knowledge and experience provided solid background to deliver the much larger BER program across a compressed timeframe.

3.5 Timing and budget issues, including duplication

3.5.1 Timing

As stated above, on 5 February 2009, COAG agreed to the rapid delivery of the \$42 billion Nation Building and Jobs Plan (the Plan), which aimed to:

- stimulate the economy by supporting employment and growth; and
- foster a more resilient Australia¹⁹.

When the [Nation Building and Jobs] Plan implementation started in February 2009 there was no activity in many of [the] elements and in a matter of months, tens of thousands of proposals have been developed and planned, submitted, assessed and agreed²⁰.

¹⁹ COAG Communiqué 5 February 2009.

This quote refers to the whole of the Plan, including initiatives in social housing, defence housing, infrastructure and local government and energy efficient homes, as well as BER. However, the 20,696²¹ BER projects developed, planned, submitted, assessed and agreed between February and June 2009 accounted for the vast majority of the Plan's activity over this period. A further 3,686 projects have been approved since 30 June 2009. Of the BER projects, P21 accounted for 6,983 projects to 30 June 2009 and a further 2,747 projects approved since 30 June 2009.

DEEWR commenced work immediately following COAG's announcement of the Plan. The following several months were characterised by intense program development and implementation activity and the attainment of a series of goals necessary for successful implementation of BER and P21.

3.5.2 Implementation Issues

In order to meet one of the major policy objectives of the P21 program – to stimulate the economy by supporting employment and growth – rapid implementation of P21 was required. Pre-determining the types of buildings to be constructed under the program and using design templates where possible assisted the speed of implementation, allowing greater capacity for education authorities to fast-track the application and assessment processes.

Education authorities were responsible for working with their schools to ensure their needs were met within the scope of the program.

Templates did not have to be used if a school had a preapproved design ready to build, or could demonstrate that non-use of a template was reasonable, appropriate and met the program objectives, particularly in relation to timeframes. Projects which were unable to demonstrate their ability to be completed within the specified timeframe were not funded.

Schools were not required to submit applications for P21 funding. Reasons why schools would not submit an application might include:

- the school had no need for the types of construction provided under the program because it already had an existing library, multi-purpose hall and classrooms, required no refurbishment and had no need for an early learning centre, and
- the school advised it had no room for new construction.

Sixty-four schools did not submit applications for P21 funding. Nearly 85 percent of funding allocated to schools that did not apply for funding under P21 was reallocated to other schools within the same system.

There have been some instances where schools or school communities have, subsequent to submitting an application, raised concerns about approved projects which would replace functional buildings. Where issues have arisen, DEEWR has worked with the relevant education authority to resolve these.

3.5.3 Budget

Funding was initially appropriated for the BER Program as a whole, and in particular P21, based on 2007 full-time equivalent student enrolment data, which was the most recent data available at the time, and the assumption that 90 percent of schools would take up the opportunity to apply for funding under the P21 element. The original funding for the BER Program is set out in Table 2.

²⁰ *Commonwealth Coordinator-General's Progress Report 3 February 2009–30 June 2009*, p.32.

²¹ *Commonwealth Coordinator-General's Progress Report 3 February 2009–30 June 2009*, p.33.

Table 2: Original Appropriation

BER Element	2008-09 (\$)	2009-10 (\$)	2010-11 (\$)	Total (\$)
NSP	386,400,000	901,600,000	0	1,288,000,000
P21	600,800,000	6,612,000,000	5,219,000,000	12,431,800,000
SLC	0	1,000,000,000	0	1,000,000,000
BER Total	987,200,000	8,513,600,000	5,219,000,000	14,719,800,000

Note: Changes to 2009-10 and 2010-11 amounts will be appropriated at 2009-10 Additional Estimates

Initially, distance education student enrolments were excluded from the calculation of a school's notional funding allocation, on the basis that they would not benefit directly from the school facilities to be constructed or refurbished under BER. However, further information from schools with distance education students, and representations by stakeholders, showed that these students would directly benefit from BER facilities when they physically attend school premises a number of times throughout the year. As a result, the parameters of BER were modified to include distance education student enrolments in the calculation of a school's notional funding allocation.

In August 2009, the appropriation was adjusted to reflect a recalibration of the Nation Building – Economic Stimulus Plan (NB-ESP), as detailed in Table 3.

Table 3: Updated Appropriation

BER Element	2008-09 (\$)	2009-10 (\$)	2010-11 (\$)	Total (\$)
NSP	386,400,000	902,521,195	0	1,288,921,195
P21	776,671,399	7,436,552,701	5,908,368,485	14,121,592,585
SLC	0	821,833,123	0	821,833,123
BER Total	1,163,071,399	9,160,907,019	5,908,368,485	16,232,346,903

Note: Changes to 2009-10 and 2010-11 amounts will be appropriated at 2009-10 Additional Estimates.

All eligible applications for BER funding have now been assessed and approved. The following table shows the total approved BER funding per element and the total uncommitted funds which will be returned to the Commonwealth Treasury.

Table 4: Final BER Budget Outcome

BER Element	Total Project Funding Approved (\$)	Total Administration Funding Approved (\$)	Total Funding Approved (\$)	Appropriation (\$)	Total Uncommitted (\$)
NSP	1,269,823,099	19,048,846	1,288,871,945	1,288,921,195	49,250
P21	13,852,482,704	207,787,241	14,060,269,945	14,121,592,585	61,322,640
SLC	809,689,284	12,143,839	821,833,123	821,833,123	-
BER Total	15,931,995,087	238,979,926	16,170,975,013	16,232,346,903	61,371,890

3.5.4 Administration Funding

The National Partnership recognised the cost of BER administration to the education authorities on top of their existing operations, and that education authorities had not budgeted for BER.

COAG agreed in the National Partnership to allocate education authorities 1.5 percent of the BER funding approved for their schools to administer the BER program on behalf of their schools.

Administration funding is provided on the same basis to all education authorities.

3.6 Recognition Requirements

Reflecting recognition protocol arrangements that have applied to previous school programs, there is a requirement to acknowledge the Commonwealth's contribution to public funding programs. Signs that contain information about building and infrastructure projects are part of the Government's obligation to the Australian public to provide information about how their tax dollars are being spent. The NB-ESP signs are designed to build confidence in the community at the height of the global financial crisis.

To receive funding under P21, schools must adhere to the recognition requirements set out in the Guidelines, which are set out below.

3.6.1 Recognition ceremonies

Schools receiving funding P21 must hold recognition ceremonies as part of their conditions of funding.

3.6.2 Plaques

Schools are required to apply for a plaque, to be supplied by the Commonwealth, and affix it to all completed projects. Where a plaque cannot be attached to a project because of the nature of the project, then a plaque must be placed in an appropriate location in the school, such as the front foyer or administration area.

3.6.3 Roadside signs

Schools are required to affix a roadside sign, to be supplied by the Commonwealth, in front of the school. States, territories and BGAs are responsible for ensuring roadside signs are affixed and may be required to report on this through the monthly reporting. Signs are to be erected on commencement of construction and must remain on display until the completion of the BER program on 31 March 2011, or project completion, should an extension be granted.

Size (1,800mm x 1,200mm) and composition (colourbond steel base) of the signs are consistent with general roadside signs. The signs meet OHS industry standards, are durable and less prone to vandalism than other compositions previously used for recognition purposes. The size and composition of the signs also allow the signs to be reused (for example, repainted) by the school upon completion of the BER.

3.6.4 Australian Electoral Commission Issues

The Australian Electoral Commission (AEC) provided advice in August 2009 that authorisation of some NB-ESP signs may be necessary under the provision of the *Commonwealth Electoral Act 1918*. Stickers with authorisations are to be added to all existing NB-ESP signs currently in situ. All further NB-ESP signs are to be produced or erected with appropriate authorisation.

Where a school is a polling booth, and the NB-ESP sign is situated within school grounds or less than six metres from any entrance to the grounds, the sign will be securely covered on polling day, so as not to be seen, to ensure compliance with Federal or state/territory electoral laws.

Plaques must also comply with relevant electoral laws.

DEEWR will work with the AEC and relevant state and territory electoral offices to ensure signs and plaques are appropriately covered during a federal, state/territory or local elections or by-elections, as required.

3.7 Management of the Program

P21 program management policies cover reporting obligations, risk and issues management, program assurance, communications and ICT support.

3.7.1 Reporting Obligations

The BER National Coordinator reports on status, outcomes and progress of P21 implementation to stakeholders within the governance model detailed in Diagram 2.

The monthly reports provided by education authorities make the above reporting possible. Education authorities provide, by the 21st of the month, reports on the previous calendar month covering:

- the status of each P21 project, identified by name and DEEWR school number—ranging from ‘not yet commenced’ to ‘commenced’, then ‘progressing’ and ‘completed’;
- expected timing of project milestones;
- actual expenditure and contracted commitment for each project;
- on commencement of a project, or at the time of contracting, average daily numbers of on-site workers for the duration of the project, broken down by Indigenous and non-Indigenous apprentices and trainees and Indigenous and non-Indigenous other workers²²; and
- on completion of a project, the sustainability aspects incorporated in the building and community access²³ details for the P21 element of BER.

The first monthly report was received from education authorities in June, covering the period to 31 May 2009.

Education authorities also have requirements under their funding agreements for which they must be accountable. They range from the appropriate management, and acknowledgment of, Commonwealth funding to intellectual property, privacy, recordkeeping, and compliance with relevant legislation and policies, particularly around the construction industry.

3.7.2 Risk Management

In accordance with sound program management practice, DEEWR developed a risk management plan early in the life of P21. It identifies a range of risks that might be encountered in delivering the program, assesses the likelihood of occurrence, the consequence to the program, if they did occur, and gives each a rating. The plan then outlines the mitigation or management strategies DEEWR utilises to manage the risks.

The resulting risk management plan is captured in DEEWR’s RiskMan system and is overseen by the Business Management Committee. It is updated at regular intervals.

Risk management has been incorporated into the daily activities and procedures of the National Coordinator and BER Taskforce.

²² It is not possible to aggregate data at the state or national level as work crews may move between projects, between schools or work on more than one project at a particular school.

²³ *Primary Schools for the 21st Century* element of BER.

3.7.3 Complaints Process

It is recognised that complaints may be received about the program or an individual project. Therefore, the BER Guidelines provide that a complaint may be made to the National Coordinator, who investigates any concerns and responds in writing to all complaints.

DEEWR's internal procedure has several steps:

1. register the complaint;
2. notify the National Coordinator of the details of a complaint;
3. investigate the complaint by reviewing the relevant project application and checking it against the Guidelines, liaising with the relevant education authority for further information. Where necessary, the National Coordinator will contact the school principal; and
4. the National Coordinator responds in writing to the complainant.

As at 21 October 2009, the National Coordinator had received 37 complaints concerning the P21 element of the BER Program. This equates to 0.35 percent of the 10,697 projects that were funded. The vast majority of the complaints made to the National Coordinator relate to negotiations that had been held, or were being undertaken, between the school and its education authority.

3.7.4 Quality Assurance

During July and August 2009, DEEWR developed a monitoring and performance information framework and plan. Its purpose is to monitor implementation of the BER program by education authorities and assess the extent to which it meets its identified priorities and achieves its objectives.

The framework details a range of quality assurance activities that DEEWR will undertake to assess the performance of education authorities in meeting their obligations under the Guidelines and their funding agreement. Assessment activities will include:

- analysis of monthly reports from education authorities (see section 3.7.1 for the information provided in the monthly reports) to monitor and assess BER implementation, including project progress and expenditure;
- desktop monitoring of a sample of documentation from education authorities, such as project contracts, invoices and payments to schools;
- analysis of information provided by education authorities annually via statements of income and expenditure and annual audits;
- on-site monitoring visits with education authorities to check that obligations under funding agreements are being met, such as management of funding and payments, recordkeeping, branding and recognition requirements; and
- on-site visits to a random sample of schools to monitor project progress.

The Department has engaged a consultant to undertake the first phase of compliance visits to schools.

4. Progress to date

The P21 program has proven to be a highly popular program, with 99.2% of eligible schools taking up the opportunity to apply for funding under the program.

All three funding rounds of P21 have been completed.

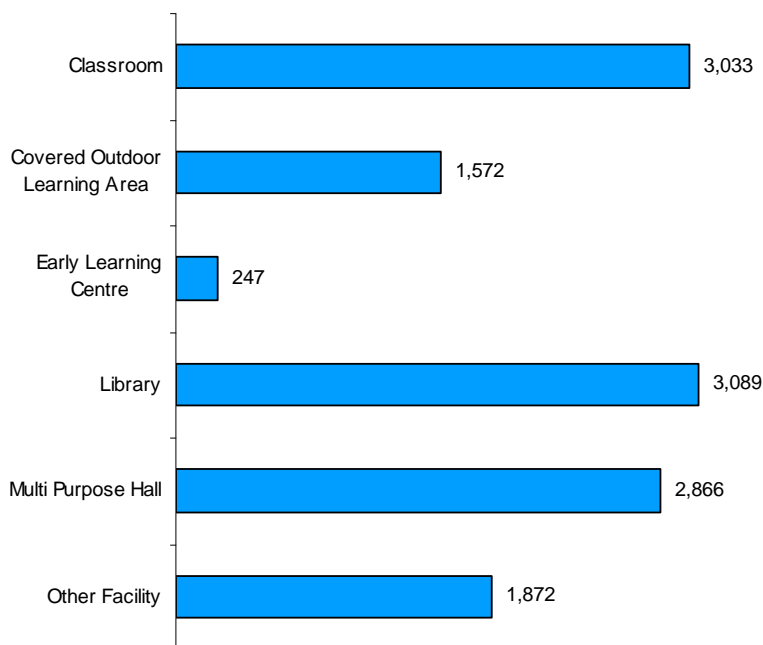
- 1,499 schools received funding under Round One for 2,010 projects, which are expected to be completed by 20 December 2010
- 3,716 schools received funding under Round Two for 4,973 projects, which are expected to be complete by 31 January 2011
- 2,746 schools received funding under Round Three (and 3.1) for 3,718 projects, due for completion by 31 March 2011
- Of these, 160 schools were approved in September 2009 to increase their funding within their notional funding band, and one additional school was approved for P21 funding

A total of 7,962 schools will receive funding of \$13.85 billion for 10,697 projects in P21²⁴. Of these schools:

- 77 percent received their full notional funding allocation as determined by the BER Guidelines based on their February 2009 audited census data;
- 14 percent received more than their full notional funding allocation; and
- 9 percent received less than their full notional funding allocation.

Education authorities also received 1.5% administration funding under P21. This amounts to \$207.8 million.

Chart 1: P21 Projects by Facility Type (to 31 August 2009)



Note: Some projects involve work to more than one facility type. Therefore, total number of projects does not equal total number of facilities.

²⁴

The number of schools and projects is current as at 30 September 2009 and reflects all variations and changes up to that date.

Table 5: P21 Funding Nationally by Education Authority

State	Education Authority	Number of Projects	Number of schools	Amount Funded (\$)	Percentage per sector per State/Territory
Australia	Government	7,497	5,675	9,508,054,501	68.64%
	Catholic	2,102	1,370	2,754,328,560	19.88%
	Independent	1,098	917	1,590,099,643	11.48%
	Total	10,697	7,962	13,852,482,704	100.00%
New South Wales	Government	2,426	1,784	2,985,100,000	68.62%
	Catholic	732	445	888,200,000	20.42%
	Independent	329	293	477,218,764	10.97%
	Total	3,487	2,522	4,350,518,764	100.00%
Victoria	Government	1,253	1,253	2,202,580,000	67.26%
	Catholic	563	396	749,500,000	22.89%
	Independent	217	195	322,600,000	9.85%
	Total	2,033	1,844	3,274,680,000	100.00%
Queensland	Government	1,660	1,080	1,789,000,259	68.29%
	Catholic	359	228	495,940,935	18.93%
	Independent	217	166	334,701,725	12.78%
	Total	2,236	1,474	2,619,642,919	100.00%
Western Australia	Government	1,008	673	1,126,555,600	69.99%
	Catholic	225	139	282,737,625	17.57%
	Independent	161	122	200,350,104	12.45%
	Total	1,394	934	1,609,643,329	100.00%
South Australia	Government	720	517	824,150,000	69.19%
	Catholic	111	92	198,150,000	16.64%
	Independent	102	84	168,829,050	14.17%
	Total	933	693	1,191,129,050	100.00%
Tasmania	Government	217	168	269,518,642	74.79%
	Catholic	47	32	59,650,000	16.55%
	Independent	32	27	31,200,000	8.66%
	Total	296	227	360,368,642	100.00%
Australian Capital Territory	Government	68	66	138,100,000	61.83%
	Catholic	45	25	55,350,000	24.78%
	Independent	18	13	29,900,000	13.39%
	Total	131	104	223,350,000	100.00%
Northern Territory	Government	145	134	173,050,000	77.55%
	Catholic	20	13	24,800,000	11.11%
	Independent	22	17	25,300,000	11.34%
	Total	187	164	223,150,000	100.00%

5. Next Steps

The Establishment Phase of BER program implementation is now complete. It focussed on program design, the development of business rules and the assessment and approval of projects.

BER has moved to the next phase of operations—the 'Delivery Phase'—where the focus will shift from planning and approval of projects to construction activity in schools throughout Australia.

The Delivery Phase will extend over the next 18 months to 31 March 2011, when the final BER projects (P21) are due to be completed.

For education authorities, the Delivery Phase will involve:

- tendering and contract negotiation;
- project management during construction;
- liaison with schools and school communities;
- financial management and reporting;
- development of project variations as necessary;
- risk management and compliance monitoring;
- management of any underspends or overspends; and
- regular reporting to the Commonwealth.

For DEEWR, the Delivery Phase will involve:

- analysis of monthly (and other) reporting by education authorities;
- assessment and approval of project variation requests, and tracking of project variation notifications;
- making payments in accordance with the funding agreements;
- program assurance and regular review of risk plans;
- IT development and support;
- organisation of ceremonies in schools to mark the completion of projects;
- ongoing communication activities; and
- regular reporting to the Minister for Education and the Office of the Coordinator-General.

Within the context of the National Partnership, DEEWR will continue to work with education authorities to identify and address implementation risks and to streamline reporting arrangements.