

**Submission  
No 43**

## **INQUIRY INTO THE BUILDING THE EDUCATION REVOLUTION PROGRAM**

**Organisation:** Hunter Valley Grammar School

**Date received:** 3/06/2010

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4 June 2010

The Director  
General Purpose Standing Committee No. 2  
Parliament House  
Macquarie Street NSW 2000

Dear Madam,

Please find enclosed a submission prepared in conjunction with Hunter Valley Grammar School in response to the committee's inquiry into the 'Building the Education Revolution' program.

Hunter Valley Grammar School received approximately \$2.5M in funding under the P21 aspect of the scheme, which has been used to construct a primary school hall and extend 11 classrooms.

Primarily referring to the 5<sup>th</sup> term of reference regarding the quality and suitability of project outcomes, this report will also touch on terms 2, 3 and 4 with regard to costs, government oversight and use of local builders.

The report seeks to demonstrate that the ability of the school to self-manage the project (through the Association of Independent Schools) has had a profoundly positive impact upon the processes involved and the suitability of the works in question.

In return, we would appreciate any information about the outcome of the Committee's consideration of this submission.

Yours sincerely,

Laura Graham

# ‘Building the Education Revolution’ at Hunter Valley Grammar School.

A submission to the Legislative Council General  
Purpose Standing Committee No. 2.

By Laura Graham, 31/05/10.

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## 1.0 Introduction

Hunter Valley Grammar School (HVGS) is a pre-school to year 12 co-educational school situated near Maitland in the Hunter Valley. HVGS was allocated some \$2.5m as part of the Commonwealth Government's Building the Education Revolution (BER) scheme, due to a population base of approximately 950 students and a school size of 32 acres. The money was allocated for construction of a primary school hall and library facility, as well as to extend 11 classrooms, with works to be completed by July 2010. The project was not subject to many typical BER constraints, as an independent school HVGS was able to self-manage the project via the Association of Independent Schools of NSW (AIS). In response to the Legislative Council's call for submissions in relation to the NSW Government's handling of the BER scheme, this report will consider how HVGS's experience as an independent school can provide insight into the strengths and weaknesses of the initiative.

## 2.0 Background

The BER scheme is a Commonwealth Government initiative in response to the global financial crisis, stemming from the Council of Australian Government's (COAG) \$42 billion *Nation Building and Jobs Plan*. Aiming to "provide economic stimulus through the rapid construction and refurbishment of school infrastructure and to build learning environments to...support achievement, develop learning potential and bring communities together" (Wall 2009, p. i), the BER scheme has seen \$16.2 billion approved for 24,382 projects across 9,526 schools. According to the *National Partnership Agreement on the Nation Building and Jobs Plan*, the Commonwealth government is responsible for providing the States with funding for the BER scheme, while the states and territories will implement the agreements, oversee expenditure and provide financial assistance to schools (COAG 2009, p. 20). After the Commonwealth (via the Department of Education, Employment and Workplace Relations) authorises payment to states and territories, the states and territories manage the use of the funding in government schools, while Block Grant Authority's (BGA's) facilitate access to funding for eligible non-government schools.

Hunter Valley Grammar School first heard about the availability of funds when Deputy Prime Minister Julia Gillard announced the BER scheme in February 2009. Within 24 hours they had been contacted by the AIS who is acting as the BGA for the independent schools of NSW. Representatives of HVGS then attended a briefing at

the AIS which explored how they could access the BER money and, according to principal Paul Teys, “virtually assured us that if we had projects that met the criteria and we followed the processes that they put in place, we had a very high likelihood [of accessing] funding”.

From there, the AIS provided HVGS with a document outlining the criteria which would be used in determining funding for the BER. In conjunction with filling out the paperwork was HVGS’s development of the project to be constructed. Due to the economic stimulus rationale for the scheme and the need for projects to be ‘shovel-ready’, HVGS were able to put forward a project they had already been considering, but were unable to achieve without the BER funding. In fact, the project was part of a 5-10 year ‘master plan’ for the school, and it was able to be adapted to fit the BER criteria.

HVGS then engaged a builder and an architect to formulate the submission to the AIS, so that the submission was one of integrity, having been costed in accordance with the school’s construction desires and the builder’s estimates. Once the submission was accepted, HVGS sought tenders from four firms, before selecting ‘Bolkm Project Management and Construction’ who submitted the most competent tender. Bolkm also had a history with HVGS in conjunction with architect Peter Mayoh, who together designed and constructed a \$4M music centre on the site in 2009. Given the previously successful relationship with Bolkm and Peter Mayoh, HVGS was happy to proceed with the BER works, utilising the same team.

One of the criteria for acceptance of the BER submission was the importance of utilising local builders and contractors to complete the project. While Peter Mayoh is a Sydney firm, the Newcastle branch of Bolkm has been engaged to manage the building side of the project.

Finally, while HVGS were accepted under both the National School Pride (NSW) and Primary Schools for the 21<sup>st</sup> Century (P21) aspects of the BER scheme, this report will focus on the 2.5M allocated for capital works in relation to the P21 component. The \$14.1 billion allocated nationwide for the P21 project was designed to allow primary schools to build “new iconic facilities such as libraries and multipurpose halls or to upgrade existing facilities” (Wall 2009, p. 4).

### 3.0 Details of development

Of the P21 funding, HVGS allocated \$396,922.00 to extending the floor space of 11 primary school classrooms by about a third, to incorporate wet areas and ICT areas. The remaining \$934,744.00 devoted to capital works was split between a library or resource centre and a multipurpose hall, designed specifically for use by years K-2. Paul Teys describes the latter component as “more like an outdoor covered learning space which includes library, spaces for art, drama, reading, verse work, play and assemblies [as well as] further recreational outdoor areas”. In this sense it is intended to be a much more integrated and valuable learning space than a traditional hall or MPC.

According to the project proposal, the description of the multipurpose hall is as follows:

“The multi-purpose hall will be approximately 444sq/m, with four breakout spaces to accommodate: speech, drama, dance, dramatic play, drawing and painting. The hall will include a 40sq/m library annexe for K-2. The project will feature ‘Renlita’ doors that open onto significant covered outdoor learning areas with creative play spaces, landscaped spaces and gardens for recreational activities, play based learning and studies of the environment” (HVGS proposal 2009, p. 2).

In terms of how this development will change the way K-2 operate, the main positive is the flexibility in the nature of classrooms, which means that the junior school now have a space which is their own. Paul Teys explains that as well as the dramatic, artistic and visual learning spaces, the new development introduces play areas directly off the classrooms, which means “we can have their parents involved as an audience to actually be partners in the learning process, so it’s created a wonderful learning environment for the kids as opposed to the traditional symmetrical classrooms”.

Currently, the work is on track for delivery in July 2010, meeting the school’s original desire for use of the facilities by semester two.

Other than the works themselves, HVGS's BER money has been allocated to professional fees (239K), local authority charges (15K), external infrastructure costs (84K), special services (42K), site development costs (803K), furniture (18K), equipment (83K) and contingency allowances (78K).

In light of the school's previous relationship with both architect and builder, as well as the competitive tender process, HVGS were able to ensure that all professional fees charged were well within industry standard. Not only did Bolkm provide the most competitive tender, but the contract administrators employed to review the proposal ensured that all professional charges were reasonable. Paul Teys notes:

"...all of the charges were known. They weren't loaded – the opposite. We made sure they were really sharp. We're getting top dollar value here, there's no fat in the system".

#### **4.0 Experience of HVGS**

The BER experience of HVGS has been overwhelmingly positive, with Paul Teys unable to highlight any difficulties encountered during the multi-faceted project. In fact from forming asset development plans, to the availability of cash from the BGA, to appointment of the builder and contractors, to construction design, HVGS have been actively involved with the project and experienced "smooth sailing". Probably the main reason for this positive experience is the difference in project management between government and independent schools. Mr Teys notes:

"We've been successful because we're independent. We can make all our own decisions here, we're not a bureaucracy, we don't have central decision making and we were able to appoint the people we wanted to work with for our project. We weren't told who we had to work with and fit in with other schedules and other priorities."

Indeed, the ability of HVGS to self-manage has positively affected almost every facet of their experience of the BER. Currently liaising daily with the architect and the builder, HVGS have on the ground input into the construction process, able to modify plans to introduce a path for the pre-school building, create additional garden beds and choose the best type of sail to suit the development.



## **5.0 Outcome of the BER for HVGS**

According to Paul Teys, the outcome of the BER for HVGS cannot be understated.

He notes:

“We’ve got an asset that has revitalised and inspired an area and we are going to have kids in learning environments that we wouldn’t have had otherwise or considered possible. So there will be a legacy there for all to see that this was made possible [by the BER scheme]... We think it’s great, it’s a godsend”.

As to the BER scheme in general, he notes it was “...a really positive injection of infrastructure and investment into schools”. In response to criticism of the scheme, he suggests “if you have a look at the number of schools which have had problems, that would be very small and I think that if people get preoccupied with the bad news stories, they’ll forget the positive contribution this has made to our schools assets”.

## **6.0 Conclusions**

- 6.1** As the project was self managed by HVGS through the AIS, no government agency fees or charges applied.
- 6.2** The ability to go to competitive tender, as well as self-manage both project development and oversight of construction has meant that HVGS were able to retain control of the costings and deliver an expansive project well within industry standards and pursuant to the original proposal estimates.
- 6.3** HVGS enjoyed self-management of the project, subject to the AIS which acted as their Block Grant Authority. The AIS kept in regular contact with HVGS and were instrumental in ensuring the original proposal was suitable for BER requirements. By working with the AIS, HVGS’s proposal was accepted in the first round and, through continued liaison, are about to see completion of their project within budget constraints and originally estimated time limits.
- 6.4** HVGS retained Bolkm through a competitive tender process, employing the local Newcastle branch to provide building services for the BER project.
- 6.5** HVGS’s BER project is on track to be completed by July 2010. Due to their ability to self manage; the school was able to put forward a developed proposal which was tailored to the needs of the junior school. According to Principal Paul Teys, “we will end up with a project that is a tremendous asset for us”.

## **7.0 Implications / Recommendations**

For Hunter Valley Grammar School, the BER scheme has resulted in revitalised classrooms and a new school space which will have longstanding positive implications for the students and school community. The implications of HVGS's experiences are fairly clear. Mr Teys suggests that more government schools should have been able to self-manage, providing they had the expertise to do so. He notes:

“I think what stifles public education generally is there has not been devolution of autonomy and responsibility and independence to individual schools to self-govern”.

In other words, we suggest that many of the problems encountered by government schools were owing to the guidelines placed upon schools in relation to oversight and contract development.

Through our exploration of Hunter Valley Grammar School's experience, we can see how the BER scheme was able to be utilised to its full potential, to produce extremely satisfactory outcomes. We trust that some aspects of this experience will be helpful in considering how Government investment in education can be successful in creating lasting infrastructure legacies for school communities.

## 8.0 Sources

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