

**Submission
No 97**

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

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**Submission to the
Legislative Council
Parliament NSW inquiry into the
“Building the Education Revolution” program**

“ This is the most successful capital procurement works ever undertaken in New South Wales history.”

Bob Leece, Coordinator General, NSW Nation Building and Jobs Plan Taskforce. April 2010

Contents

- 1.0 Introduction
- 2.0 Levels and Appropriateness of fees and charges
- 3.0 Construction Costs
- 4.0 Effectiveness of Government Oversight
- 5.0 Use of local human resources
- 6.0 Acceptability of outcomes
- 7.0 Related matters
- 8.0 Conclusion

Appendix A - Comparison of Catholic Education Commission and IPO Costs

Appendix B - Analysis of Hasting Public School projected costs

Appendix C - BDR and MDR designs

Appendix D - Materials Analysis MDR and BDR projects

Appendix E - Overall allocations to Managing Contractors

1.0 Introduction

Much has been said about the implementation of the "Building the Education Revolution" (BER) and many claims made.

I welcome an opportunity to make this submission to the inquiry and give members the benefit of my analysis and research.

In November 2009, I resigned my post as P & C President at Holland Park State School in Brisbane, out of disgust at the travesty being perpetrated on schools by State and Federal Governments; their unwillingness to listen to warnings of potential rorts, price gouging and rip-offs was palpable. Letters and discussions with numerous politicians and bureaucrats have now become quite prophetic.

My interest in the BER was predicated on having been, for the preceding two years, instrumental in the conceptual development, design, documentation, funding, tendering, and project / site management of a Multi-Purpose Hall at HPSS in the Federal Electorate of Griffith. This project was funded by \$800,000 raised by the P & C and \$500,000 that were won from a competitive grant process called the Smart School Subsidy Scheme.

The majority of my time during 2008 was spent trying to restrict the outrageous variation claims from the appointed builder who was a preferred builder for Education Queensland (DET) and a pre-qualified contractor for the Department of Public Works (DPW).

I have over 20 years experience in and around the construction industry. I have liaised with numerous experts in the construction industry to help draw the conclusions contained herein. My experience at Holland Park State School caused me to be very concerned about the implementation of the BER across Australia. Traditionally state and federal government departments responsible for projects such as the BER are so removed from reality, the prospect of massive rorting and price gouging increases exponentially.

I have invested over 800 hours in the past 16 months sourcing and analysing publicly available documents, I have approached every level of government and the bureaucracy to get them to look at the evidence. These documents highlight systemic problems with the implementation of the BER. It appears that there are numerous relationships at play that are causing the waste of billions of taxpayer dollars. State and Federal Governments continue to claim this is not happening.

The evidence proves otherwise.

I have provided evidence to the Federal Senate Inquiry into "Primary Schools of the 21st Century", the Queensland Audit Office's inquiry into the BER, PriceWaterhouseCoopers, independent auditor for Queensland and directly to Brad Orgill, Chairman of the BER Implementation Taskforce.

2.0 Levels and Appropriateness of fees and charges

The Federal Government mandated that project management fees would be capped at 4%. State governments have accepted that Managing Contractors should be eligible for additional fees. Fees have been broken down into several areas. The definition of Project Management fees seems to have suffered scope creep similar to many projects being delivered under P21 of the BER.

IPO Project Management

When did it become appropriate for the State to charge an additional 1.3% fee on top of the existing 1.5% allocated by the Federal Government to administer the BER program. This is nothing more than double dipping. In addition, the 1.3% is based on the allocated funds made available for the project rather than the accepted practice of levying fees on the actual construction costs.

Incentive Fees

When did it become good practice to pay builders an incentive fee when the budgets for work are so lavish and compliance with timelines is not important? According to the Australian National Audit Office the implementation of the BER P21 program is woefully behind schedule. Generally speaking work being delivered by the Managing Contractor model in NSW is costing approximately twice that of projects being delivered under the Catholic and Independent school system (data attached).

Case Study 1

The Managing Contractor Reed Construction Group has charged at least 4% above the allocated funds to the school of \$850,000, the over budget amount is \$42,860.29. The total cost charged against the individual project is \$892,860.29 and is identical in every respect on all 53 examples of this in the New England and North Coast regions.

If one does a comparison against the cost of delivery of this project by the Catholic Sector the numbers are significantly more disturbing. Eungai Public School is an example of these projects. A small building of 207m², the delivered project price by Reed Group was \$892,860.29 using construction cost data supplied to the Senate Inquiry by the Catholic Education Commission would indicate the CEC would expect to deliver the same project for \$560,406. Or a total of \$29,701,518 for all 53 projects compared to the IPO offices benchmark price of \$47,321,595.

If you compare both prices the difference is \$17,620,077. Even the difference between the actual price and the allocated funds leaves a \$2,271,595.37 funding shortfall. Yet the managing Contractor is to be paid the total incentive fee of \$314,128.88 across the 53 projects.

Case Study 2

The Managing Contractor Reed Construction Group has charged at least 4% above the allocated funds to the school of \$250,000, the over budget amount is \$9909.31. The total cost charged against the individual project is \$259,909.31 and is identical in every respect on all 91 examples of this in the New England and North Coast regions.

If one does a comparison against the cost of delivery of this project by the Catholic Sector the numbers are significantly more disturbing. Bald Blair Public School is an example of these projects. A small building of 72m² plus a 21m² verandah, the delivered project price by Reed Group was \$259,909.31 using construction cost data supplied to the Senate Inquiry by the Catholic Education Commission would indicate the CEC would expect to deliver the same project for \$188,679. Or a total of \$17,169,789 for all 91 projects compared to the IPO offices published price of \$23,651,747.

If you compare both prices the difference is \$6,481,958. Even the difference between the actual price and the allocated funds leaves a \$901,747.21 funding shortfall. Yet the managing Contractor is to be paid the total incentive fee of \$295,904.70 across the 91 projects.

Has there been a case where a Managing Contractor has not earned their incentive fee?

Site Supervision

Who has been doing the site supervision? How much time has been spent supervising sites? Who employed the site manager and how are those costs acquitted. Someone with appropriate power needs to request access to the Project Site Diaries. This document should detail who has been on site and how long for.

I have seen a case where a managing contractor has charged \$30,000,000 for 3 site managers each with 3 additional people working for each of them. On that basis each project manager and his subordinates are costing the taxpayer \$1,250,000 each per year. I would be surprised if they were being paid more than \$150,000 per annum and that would be a very generous amount.

Investigations so far identify that all these fees are being levied on the allocated funds to the School and not the construction costs. If we consider the allocated funds to the school were based on the schools enrolment. The allocation represents, effectively a bank account. It is normal in construction for professional fees to be based on the actual construction costs of a project not how much the client has on deposit at their local bank.

The standard data shown on the BER website calculates all fees including the design and price risk, IPO contingency, etc on the allocated funds. An example of the calculations is shown in Appendix C, please note that these figures have been removed from the IPO website.

Payment of Contingency / Design and Price Risk fees

Below are two items of estimated costs shown on the majority of Estimated Cost Sums for every school in NSW, as detailed on the IPO website. I am confused as to why a standard contingency sum is levied twice on the same project, although it is called something different. Design and Price risk plus Contingency can be higher than 12 percent.

- Contingency: This represents a 5 per cent allocation for unforeseen risks which may arise whilst the project is being delivered. Unforeseen risks can include latent ground conditions, the late discovery of asbestos, or poor weather conditions that affect construction timeframes. Setting a contingency is considered best practice within the construction industry
- Design and Price Risk Contingency: This is a contingency factored into the budget to ensure that costs can be covered, if once construction starts, new design elements are required or the design needs to be changed to suit newly-discovered site issues. If these risks don't eventuate and the contingency is not required, the money will be released to spend on the school's P21 project.

3.0 Construction Costs

Construction costs being levied across the public sector P21 projects in NSW are grossly inflated to the costs of projects being delivered under the Catholic and Independent implementation of P21 in NSW.

The NSW Catholic Education Commission has supplied to the Senate Inquiry for P21 implementation, detailed costs based on their deliverables to their school. I have attached an analysis of each type of building being delivered by the NSW Government (appendix A). I have measured the Building Area (BA as defined Rawlinson's) plus added in any Covered Outdoor Learning Area (COLA) attached to the same structure. I have then applied the appropriate rate per square metre for that type of construction as supplied by NSW CEC.

The significant differences identified between the two systems on a project-by-project basis and the cumulative effects over the entire program are eye watering. Based only on the 17 project types, which we have the IPO Benchmark prices reveal a potential saving of **1.002 billion dollars** assuming the State P21 rollout was administered by the NSW CEC.

I have also applied costs for building materials sourced from the Rawlinson's Construction handbook to the publically available materials Analysis provided on the IPO's website. Total costs for materials across the entire public P21 program in NSW are \$524 million. Allocated funds to the program are \$2.985 billion

If we look at the cost of each of the BDR buildings being delivered by Reed Group in North Coast and New England regions of NSW. According to the Materials analysis done by the IPO office the expected cost of materials per building is \$43,216. Many bureaucrats and politicians in a pathetic attempt to justify the grossly overpriced buildings use the age old proposition of the "Apples to Apples" or "Apples to Oranges" comparison.

The CEC prices include all costs claimed as extras by Verity Firth and Julia Gillard. The only thing not allowed for is the re-housing of students on site during construction that interferes with the use existing classrooms. Anecdotally this has not been required in many instances, even if when it has, students have been re-housed with little interruption or cost.

When you are desperate to justify the unjustifiable you will claim anything that helps your position. For many decades public schools have looked on with envy at the facilities provided to students by the Catholic and Independent schools. The irony is, these facilities are generally of a higher standard than those delivered to public schools but at half the cost.

4.0 Effectiveness of Government Oversight

I am sure there is government oversight, it would appear its main function is protecting the jobs of senior bureaucrats and politicians. I have been able to undertake a full financial analysis of the entire P21 program, including a full materials analysis in the past three weeks. This analysis shows if the implementation of the NSW P21 program roll out were being administered by the NSW CEC there would be a projected saving to the taxpayer of over 1 Billion dollars. I think this sums up Government Oversight. I am sure that there is myriad procedures and protocols, its seems none are effective or designed to deliver the best outcome. Why do politicians and bureaucrats always default to covering there own butts first and not being advocates for the people they represent.

What does \$850,000 buy in the public sector as opposed to the private sector



Eungai Public School BER project delivered for \$892,860



Tweed Valley College BER project delivered for \$850,000

5.0 Use of local human resources

Had a more decentralized approach been employed each school would have had greater input into their respective needs, In addition they would have had greater access to local trades people and improved the claimed primary focus of the program, creation of local economic stimulus. There are too many cases to list of contractors travelling vast distances to install infrastructure. A Dubbo contractor travelled to Toomelah on the Queensland border to erect a COLA, a short drive of some 500 kilometres, he was ultimately to deliver over 100 COLA projects across NSW. There are numerous reports of Managing Contractors not using local resources, preferring to source from elsewhere.

6.0 Acceptability of outcomes

Of the total number of projects slated for construction there are in effect a very small percentage that are completed. NSW State politicians and bureaucrats have said much about the comparative quality of the public P21 program compared to the Catholic and Independent P21 implementation.

Each and every Catholic and Independent school project is bespoke design, part of an overall planning strategy, and is managed on an individual basis. Earlier in this submission I have cited two examples of where a standard cookie cutter design is being allocated to 97 schools in two regions and in the other case a different design to 53 further schools in the same regions. 37% of schools in the New England and North Coast regions of NSW have received, or will receive, only two designs of buildings. (plans attached)

Wherever possible, all new buildings and refurbishments should incorporate sustainable building principles to help reduce any impact of building on the natural environment. Sustainable buildings will be designed to maximise energy efficiency, including insulation, energy efficient solar hot water (where appropriate), energy efficient lighting, energy efficient glazing, energy efficient heating and cooling, and a water tank. This will apply unless an exemption is given by the Commonwealth to take account of particular regional climate requirements.

The "cookie cutter" projects detailed on the OPI website do not appear to implement many environmentally sustainable designs. They are not innovative in any respect and are fundamentally utilitarian in design. I see no signs of passive cooling or heating. Only basic eco technologies have been implemented.

"Many schools are being provided unflued gas heaters. The heaters emit poisonous gases including nitrogen dioxide, carbon dioxide, formaldehyde and carbon monoxide, and tests by the Asthma Foundation led to calls for their removal. The state government has consistently denied the heaters pose a risk to children despite asthma rates 40 per cent higher in cooler areas where they are in use more often. Unflued heaters have been taken out of schools in all other states (some remain in Tasmania) and have been replaced in private schools in NSW on the advice of the Department of Health".

Source Heath Aston Sydney Morning Herald June 6th 2010

7.0 Related matters

Transparency

The NSW Government touts that it is completely transparent in respect of the implementation of the P21 program. Whilst on the face of it this may appear factual. It is in fact far from the truth. Whilst the IPO office website details basic information like each school, project type ie, classroom, hall, COLA etc, it also shows an estimated cost breakdown. The later of which seem to be progressively removed from the website.

Things not detailed are school enrolment, which would enable a cross reference of allocated funding to actual enrolment. The region of the school is not identified nor is the managing contractor. The lack of this information makes it extremely difficult to undertake decent analysis on a systemic basis.

I have highlighted earlier in this submission where single managing contractors have received large volumes of schools that are being treated as a consolidated project. I have undertaken a detailed analysis of data available in Queensland that has highlighted allocations of funds determined by enrolments that are questionable on a variety of fronts. This analysis cannot be done in NSW because the data is not accessible. By using the Managing Contractor model additional fees have been necessary. Under this model BER projects are deemed to be Major projects attracting higher rates of pay for union labour as well as additional union and compliance fees.

Has the NSW Government produced a copy of the tender documents and submissions from the Managing Contractors? In Queensland there have been serious questions raised as to whether a cartel had been created by these companies who ultimately became the anointed Managing Contractors. Was any third party involved in the negotiations on behalf of the Managing Contractors? The quantum of dollars involved is seriously large refer to Appendix D.

The Australian Competition & Consumer Commission published a document in April 2009, as the BER was ramping up, specifically as a guide for Government procurement officers. It was called "Cartels - Deterrence and detection. What is a cartel? A cartel exists when businesses, instead of competing, agree to act together in a way that defeats competition. This is designed to drive up the profits of cartel members while maintaining the illusion of competition. Has this been allowed to happen under the NSW Governments implementation of P21 BER?

8.0 Conclusion

Contingency amounts are being treated as if they are line items on an invoice, evidence from the NSW experience shows that in many cases the contingency sum is ultimately payable to the builder without any evidence of its expenditure. Contingency amounts are actually provisional sums for budgeting purposes. Contingencies are monies set aside for unforeseen circumstances should they arise on the project. The 8% figure allowable by the Federal Government totals \$1.296 billion across the entire program. Rigorous questioning and proof should be required before any of these amounts are paid. In many cases contingencies on NSW projects are in excess of 12%. There are hundreds of examples of buildings supplied pre BER now **costing double** under the BER.

The issues raised highlight systemic failings within NSW DET and IPO, The use of inflated benchmark pricing is a means of hiding the true comparison of what is being paid on projects and what they should actually cost. The State Government do not use industry standard pricing benchmarks but this they have created themselves over many decades. If they were to use more mainstream costings they would immediately save inordinate amounts of taxpayer dollars. I have numerous examples of specific overcharging, too many to form part of this submission. I am happy to provide these should they be useful.

In this submission I have tried to concentrate on more systemic issues, not individual projects of which there are many, facing the implementation of the BER P21. Federal and State governments have successfully created cultures of fear within the ranks of their staff. Very few, if any, are willing to put their heads above the parapet. Should they do so, they would likely lose their jobs.

The figures from CEC and Rawlinson's substantiate the questions being asked about delivery of value for money. Figures contained in this document indicate that if the P21 program were being implemented by the CEC a billion dollars could be saved.

I do not believe that either the State or the Managing Contractors have instituted covert processes to diminish the value returned to the taxpayers. Together they have collectively delivered some of the largest infrastructure projects in this nation's history. Tunnels, rail, ports, roads, hospitals and numerous other major projects, the BER must be the first time projects have been relatively simple and the majority of the population have their own benchmarks for determining value for money.

How can the government continue to obfuscate and not immediately investigate. Conservatively I would expect even at this stage of the hundreds of millions of dollars could be saved from the program by having true independent analysis of the BER program. This money would be reinvested in respective schools to add better and more resources. I have never in my lifetime seen so many snouts in the trough.

Only last week I had occasion to be asked to look at figures relating to work done at Canley Vale Public School. With no more than 15 minutes one could immediately identify massive overcharging. An inexplicable amount of \$196,144 plus plus for a passenger lift that does not exist. I am sure, someone will be able to provide a tangible excuse. Painting costs indicate an expensive trompe l'oeil (trick of the eye) pieces have been contracted.

The fact that the funds are supplied by the government seems to abrogate people's responsibility to act ethically and behave as if they were spending their own money. Any honest builder/project manager could go to any project being managed by the IPO office and make significant savings. Unfortunately this is not an outcome the government welcomes. The economic stimulus could be multiplied if real value for money were being delivered to schools and their communities.

Unfortunately a document such as this does not do the evidence justice. There are holes in the NSW Government's delivery of the BER P21 that you could drive a road train through it at high speed.

Having read this submission please bear in mind,

" This is the most successful capital procurement works ever undertaken in New South Wales history."

Bob Leece, Coordinator General, NSW Nation Building and Jobs Taskforce. April 2010

Should it be useful, I would happily make myself available to help with any future analysis and investigation.

Comparison of CEC costs to IPO Costs P21 NSW page 1

Appendix A

Building Type	Total Qty of project	Floor m ² Building	Floor m ² COLA	Value per building CEC NSW	Total Value per Building Type CEC NSW	NSW IPO Cost Sydney Metro Region	NSW IPO Cost Country Areas (Average)	Average cost per square metre CEC	Average cost per square metre IPO
Communal Hall & COLA									
7 Core Communal Hall & COLA	65	138	100	\$ 424,028	\$ 27,561,820	\$ 1,460,228	\$ 1,619,321	\$ 4,378	\$ 6,135.41
14 Core Square Communal Hall & COLA	263	391	183	\$ 1,127,431	\$ 296,514,419	\$ 2,494,238	\$ 2,764,937	\$ 6,569	\$ 4,349.15
21 Core Square Communal Hall & COLA Hall Upgrade	91	480	293	\$ 1,434,654	\$ 130,553,523	\$ 2,902,598	\$ 3,218,793	\$ 5,376	\$ 3,754.98
53	0	0		\$ 563,716	\$ 29,876,928				
Library (CDR)									
3 Core Admin / Library	2	313		\$ 843,879	\$ 1,687,759	Not published	Not published		
7 Core Library	31	150		\$ 404,415	\$ 12,536,865	\$ 689,940	\$ 763,213	\$ 2,696	\$ 4,599.60
14 Core Square Library	73	272		\$ 733,339	\$ 53,533,762	\$ 1,089,384	\$ 1,203,567	\$ 2,696	\$ 4,005.09
21 Core Square Library	75	344		\$ 927,458	\$ 69,559,380	\$ 1,287,016	\$ 1,423,217	\$ 2,696	\$ 3,741.33
Library Upgrade	44	0		\$ 366,670	\$ 16,133,462				
Home Base (CDR)									
1 Home Base Unit	15	105		\$ 280,203	\$ 4,203,045	\$ 620,888	\$ 686,468	\$ 2,669	\$ 5,913.22
2 Home Base Unit	846	207		\$ 552,400	\$ 467,054,369	\$ 1,017,526	\$ 1,183,719	\$ 2,669	\$ 4,915.58
Homebase Upgrade - Double HB	1,206	156		\$ 416,302	\$ 501,951,579	\$ 508,763	\$ 591,860	\$ 2,669	\$ 3,261.30
Home Base (SSP)									
2 Home Base Unit	11	245		\$ 653,807	\$ 7,191,877	Not published	Not published		N/A
MDR Buildings									
2 Home Base Unit [MDR]	98	231		\$ 616,447	\$ 60,411,767	\$ 982,235	\$ 1,084,479	\$ 2,669	\$ 4,252.10
3 Core Admin / Library [MDR]	11	263		\$ 701,842	\$ 7,720,260	Not published	Not published	\$ 2,669	N/A
7 Core Library [MDR]	105	173		\$ 461,668	\$ 48,475,119	Not published	Not published	\$ 2,669	N/A
14 Core Square Library [MDR]	1	285		\$ 760,551	\$ 760,551	\$ 1,229,870	\$ 1,359,704	\$ 2,669	\$ 4,315.33
Canteen									
7 Core Linear Canteen	19	40		\$ 170,632	\$ 3,242,008	Not published	Not published	\$ 4,266	N/A
14 Core Square Canteen	23	44		\$ 187,695	\$ 4,316,990	\$ 741,743	\$ 817,194	\$ 4,266	\$ 16,857.80
21 Core Square Canteen	6	62		\$ 264,480	\$ 1,586,878	\$ 825,081	\$ 927,203	\$ 4,266	\$ 13,307.76
Canteen Upgrade	9	0		\$ 93,848	\$ 844,628	\$ 370,872	\$ 408,597		
Administration (Incl. Staff Facilities)									
3 Core Administration & Staff	2	232		\$ 733,445	\$ 1,466,890	Not published	Not published	\$ 3,161	N/A
7 Core Administration & Staff	8	246		\$ 777,704	\$ 6,221,635	Not published	Not published	\$ 3,161	N/A
14 Core Square Administration & Staff	35	358		\$ 1,131,781	\$ 39,612,342	\$ 1,854,910	\$ 2,054,381	\$ 3,161	\$ 5,181.31
21 Core Square Administration & Staff	9	422		\$ 1,334,111	\$ 12,006,997	\$ 2,021,588	\$ 2,239,629	\$ 3,161	\$ 4,790.49
Administration Upgrade	41	0		\$ 565,891	\$ 23,201,515	\$ 927,455	\$ 1,027,191		
Special Programs and Storage									
Special Programs - 38 m ²	52	52		\$ 122,351	\$ 6,362,242	Not published	Not published	\$ 2,353	N/A

Comparison of CEC costs to IPO Costs P21 NSW page 2

Appendix A

Building Type	Total Qty of project	Floor m²	Floor m²	COLA	Value per Building CEC NSW	Total Value per Building Type CEC NSW	NSW IPO Cost Sydney Metro	NSW IPO Cost Country Areas (Average)	Average cost per square metre CEC	Average cost per square metre NSW IPO
Storage	21	52			122,351 \$	2,569,367	\$ 309,544	\$ 344,031	2,353	\$ 5,952.77
Toilets										
3 Core Toilet Facility Option A	6	44			187,695	1,126,171	Not published	Not published	4,266	N/A
7 Core Toilet Facility Option B	24	96			409,517	9,828,403	Not published	Not published	4,266	N/A
14 Core Toilet Facility Option D	7	122			520,428	3,642,993	Not published	Not published	4,266	N/A
Toilet Upgrade	8	0			260,214	2,081,710	Not published	Not published		
Outdoor Learning Area										
Outdoor Learning Space [OLS]	21	0	76		55,761	1,170,985	\$ 238,111	\$ 264,358	734	\$ 3,133.04
3 Core COLA (45 m2)	15	0	45		33,017	495,248	\$ 446,458	\$ 496,198	734	\$ 9,921.29
14 Core COLA (150 m2)	39	0	150		110,055	4,292,145	Not published	Not published	734	N/A
21 Core COLA (210 m2)	497	0	210		154,077	76,576,269	Not published	Not published	734	N/A
BER Design Range [BDR]										
Homebase (72 m2)	68	72	21		190,080	12,925,420	Not published	\$ 259,909	2,044	\$ 2,794.72
Library (72 m2)	140	72	21		190,080	26,611,158	Not published	\$ 259,909	2,044	\$ 2,794.72
Multipurpose Space (72 m2)	37	72	21		190,080	7,032,949	Not published	\$ 259,909	2,044	\$ 2,794.72
Total for BER in NSW based on Industry Standards 4,076										
						\$1,982,841,426				
										Cost of BER P21 total NSW by CEC
						\$1,982,841,426				
										Total allocated funds by NSW Govt
						\$2,985,100,000				
										Difference between NSW Allocated and CEC projected costs
						\$1,002,258,574				

Costs analysis proposed project Hastings Public School

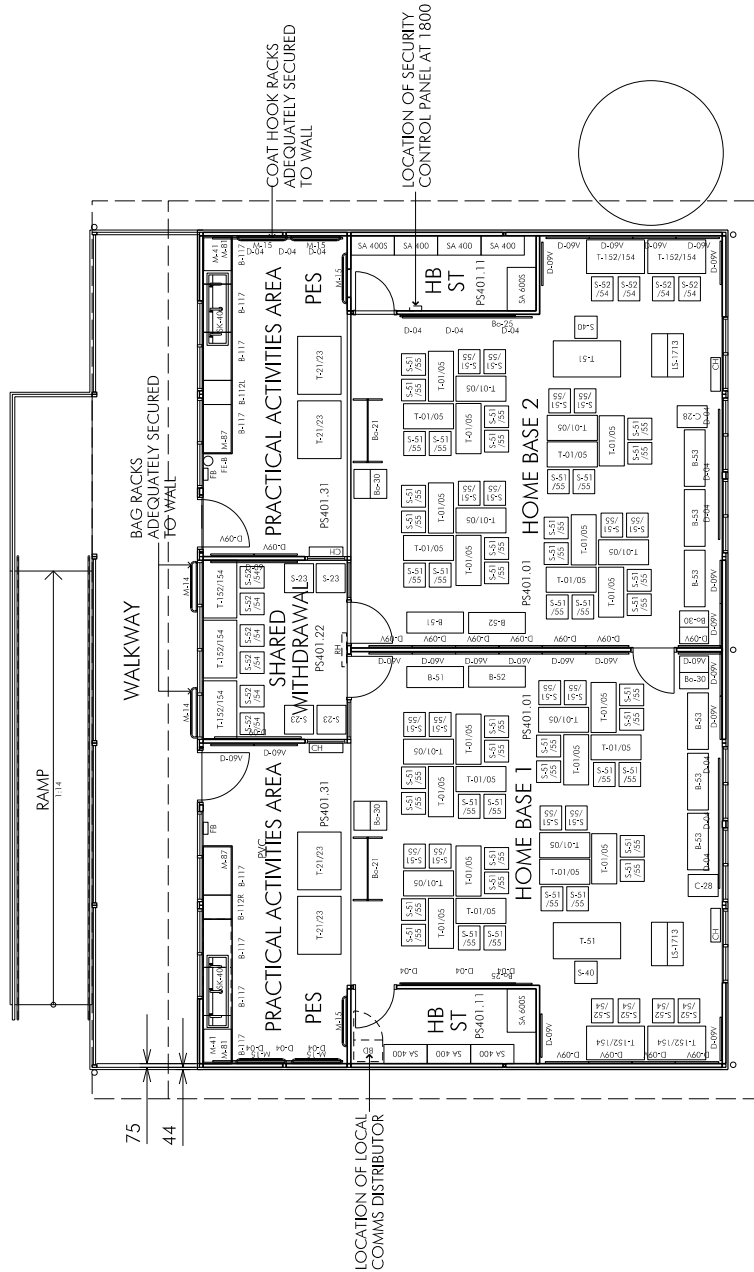
Appendix A

COLA - New Construction	ECS Stage (14/01/2010)	Percentage of project	Percentage of Allocated Funds
Network Substation Allowance	N/A		
Managing Contractor's Incentive Fee	\$12,708.93	1.25%	1.23%
Managing Contractor's Project Management Cost	\$38,126.79	3.74%	3.68%
Modular Building Cost	N/A	N/A	N/A
Design documentation, field data, site management	\$111,076.47	10.89%	10.72%
Preliminaries	\$107,805.00	10.57%	10.41%
Substructure	\$16,869.00	1.65%	1.63%
Superstructure	\$471,156.00	46.21%	45.48%
Site Works	\$61,592.00	6.04%	5.95%
Site Services	\$57,913.00	5.68%	5.59%
Design and price risk	\$77,024.00	7.55%	7.44%
IPO Project Management Cost (1.3%)	\$13,466.70	1.32%	1.30%
Contingency (5%)	\$51,795.00	5.08%	5.00%
		100.00%	98.42%
Total for COLA project cost	\$1,019,532.89	34.53%	Overall combined projects
Classroom - New Construction	ECS Stage (14/01/2010)	Percentage of project	Percentage of Allocated Funds
Network Substation Allowance	N/A		
Managing Contractor's Incentive Fee	\$24,094.97	1.25%	1.23%
Managing Contractor's Project Management Cost	\$72,284.90	3.74%	3.68%
Modular Building Cost	N/A	N/A	N/A
Design documentation, field data, site management	\$215,201.75	11.13%	10.96%
Preliminaries	\$206,022.00	10.66%	10.49%
Substructure	\$103,878.00	5.37%	5.29%
Superstructure	\$926,222.00	47.92%	47.16%
Site Works	\$56,276.00	2.91%	2.87%
Site Services	\$59,201.00	3.06%	3.01%
Design and price risk	\$146,030.00	7.55%	7.43%
IPO Project Management Cost (1.3%)	\$25,533.30	1.32%	1.30%
Contingency (5%)	\$98,205.00	5.08%	5.00%
		100.00%	98.41%
Total for Classroom project cost	\$1,932,948.92	65.47%	Overall combined projects
Total for Hastings Public School	\$2,952,481.81		
All Figures are GST exclusive			
IPO Project Management Cost (1.3%)	\$39,000.00	1.32%	
Contingency (5%)	\$150,000.00	5.08%	
Design & Price Risk	\$223,054.00	7.55%	
Total contingency		12.64%	
		\$373,054.00	

Home Base Classroom as supplied to 53 schools by Reed Group

Appendix C

NO	REVISION	CHNO	DATE
A	ORIGINAL ISSUE		19.05.09



EACH CODE NUMBER WITH A PPO PREFIX CORRESPONDS TO THE RELEVANT PRIMARY SCHOOL FACILITIES STANDARDS ROOM DATA SHEETS DESCRIBING THE RELEVANT FACILITIES. THESE CODE NUMBERS ARE TO BE INCORPORATED INTO THE WORKS.

SCALE	1:100
TITLE	BUILDING THE EDUCATION REVOLUTION
DATE	19.05.09
PROJECT	MDR - HOME BASE
DESIGNER	GAO
CLIENT	PITS
DRAWING NO.	MDRH03



PROJECT MANAGEMENT	PROJECT DOCUMENTATION
PROJECT MANAGER	DESIGNER
PROJECT MANAGER	DESIGNER

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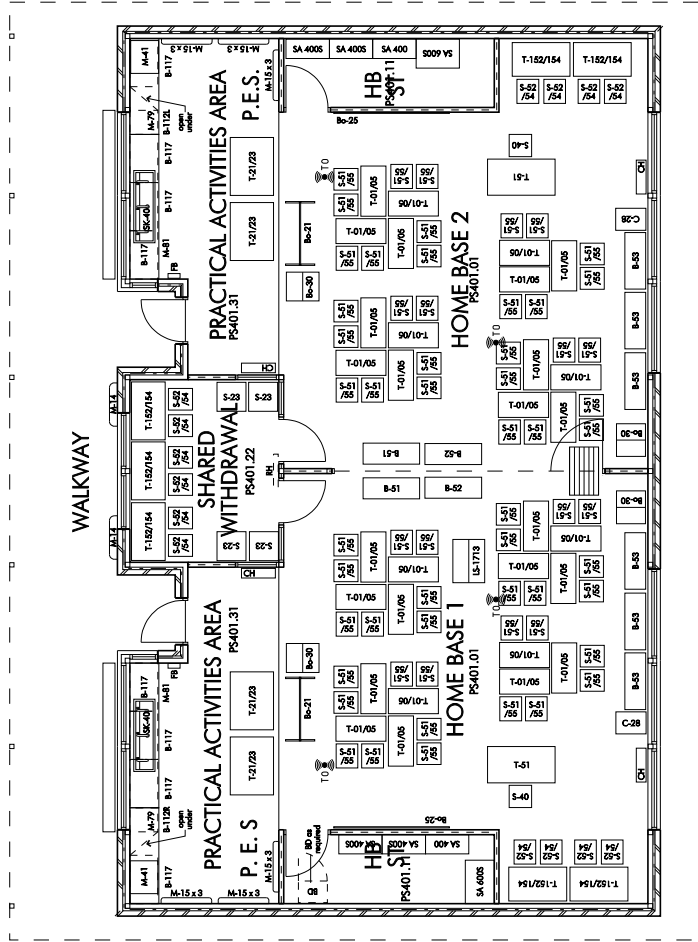
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THESE DRAWINGS ARE FOR TENDER PURPOSES ONLY AND NOT FOR CONSTRUCTION. THESE DRAWINGS DESCRIBE THE DESIGN INTENT, DESIGN DETAILS AND FINISHES. EXPRESSION, THE SCHOOL FACILITIES STANDARDS MUST BE USED IN CONJUNCTION WITH THESE DRAWINGS.

Home Base Classroom as supplied to 53 schools by Reed Group

Appendix C



THESE DRAWINGS ARE FOR TENDER PURPOSES ONLY AND NOT FOR CONSTRUCTION. ANY DIMENSIONS SHOWN ON THESE DRAWINGS ARE APPROXIMATE. THE SIZES AND RELATIONSHIPS OF ROOMS, BUILDING ENVELOPE AND ARCHITECTURAL EXPRESSION, THE SCHOOL FACILITIES STANDARDS MUST BE USED IN CONJUNCTION WITH THESE DRAWINGS.

EACH CODE NUMBER WITH A UNIT NUMBER CORRESPONDS TO THE RELEVANT PRIMARY SCHOOL FACILITIES STANDARDS ACCORDING TO THE SHEETS DESCRIBED IN THE FOLLOWING TABLE. THE REQUIREMENTS OF EACH ROOM WHICH ARE TO BE INCORPORATED INTO THE WORK.

NO. OF SHEETS 4/11
 SHEET NO. HB03
 DATE 17.04.09
 DRAWN BY GAO
 CHECKED BY JTS

BUILDING THE EDUCATION REVOLUTION
 HOME BASE - DOUBLE
 FURNITURE PLAN



PROJECT MANAGEMENT
 PROJECT MANAGER
 DESIGN DOCUMENTATION
 PROJECT MANAGER

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 SHEET NO. HB03
 DATE 17.04.09
 DRAWN BY GAO
 CHECKED BY JTS

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53 Schools who received a Home Base building by Reed Group*Appendix C*

Barrington Public School	Karangie Public School
Beechwood Public School	Lawrence Public School
Bexhill Public School	Leeville Public School
Blakebrook Public School	Main Arm Upper Public School
Bonville Public School	Modanville Public School
Booral Public School	Nana Glen Public School
Bowraville Central School	Telegraph Point Public School
Burringbar Public School	Repton Public School
Caniaba Public School	Rosebank Public School
Chatsworth Island Public School	Rous Public School
Coffee Camp Public School	Scotts Head Public School
Cooperook Public School	Smithtown Public School
Coorabell Public School	Stokers Siding Public School
Copmanhurst Public School	Stroud Public School
Coramba Public School	Tabulam Public School
Corindi Public School	Teven-Tintenbar Public School
Coutts Crossing Public School	The Pocket Public School
Crystal Creek Public School	Timbumburi Public School
Curlewis Public School	Tintinhull Public School
Dungay Public School	Tregeagle Public School
Durrumbul Public School	Tyalgum Public School
Eungai Public School	Ulmarra Public School
Fingal Head Public School	Willawarrin Public School
Glen Innes West Infants School	Willow Tree Public School
Goonengerry Public School	Wilson's Creek Public School
Green Hill Public School	Wooli Public School
Harrington Public School	

91 Schools who received an BDR by Reed Group

schools in cyan costings removed from website

Appendix C

Bald Blair Public School	Kellys Plains Public School
Baryulgil Public School	Kentucky Public School
Bellata Public School	Kingstown Public School
Bellimbopinni Public School	Larnook Public School
Bendemeer Public School	Long Flat Public School
Blackville Public School	Lowanna Public School
Bobin Public School	Mallawa Public School
Boomi Public School	Manifold Public School
Broadwater Public School	Medlow Public School
Bullarah Public School	Millbank Public School
Bungwahl Public School	Mingoola Public School
Burren Junction Public School	Mitchells Island Public School
Byabarra Public School	Moonbi Public School
Cabbage Tree Island Public School	Moorland Public School
Caldera School	Mummulgum Public School
Carroll Public School	Mungindi Central School
Chandler Public School	Murwillumbah South Infants School
Chillingham Public School	Niangala Public School
Collarenebri Central School	Nowendoc Public School
Collins Creek Public School	Nundle Public School
Coolongolook Public School	Nymboida Public School
Crabbes Creek Public School	Old Bonalbo Public School
Croppa Creek Public School	Orara Upper Public School
Crowdy Head Public School	Pilliga Public School
Currabubula Public School	Premer Public School
Delungra Public School	Red Range Public School
Drake Public School	Rocky River Public School
Dundurrabin Public School	Rukenvale Public School
Dungowan Public School	Somerton Public School
Duranbah Public School	Spring Ridge Public School
Duri Public School	Stratford Public School
Elands Public School	Stratheden Public School
Ellangowan Public School	Stroud Road Public School
Emmaville Central School	The Risk Public School
Fairfax Public School	Ulong Public School
Fernleigh Public School	Upper Coopers Creek Public School
Gilgai Public School	Upper Lansdowne Public School
Gladstone Public School	Urbenville Public School
Gravesend Public School	Whian Whian Public School
Gum Flat Public School	Wiangaree Public School
Harwood Island Public School	Woolbrook Public School
Hernani Public School	Woolomin Public School
Hérons Creek Public School	Wyrallah Public School
Huntingdon Public School	Wyaliba Public School
Jiggi Public School	Yarrowitch Public School
Johns River Public School	

Materials Analysis MDR/BDR projects

Appendix D

BER MATERIAL ANALYSIS

Building Type	Round 1	Round 1&2	Round 3	Total Qty	Building Area	COLA Area	Value per Building	Value per Building Type	Mat. Qty	Face Bricks	Common Bricks	Concrete Slab	Metal Roof Sheeting	Structural Steel	Light Framing	Steel	Spring Timber Flooring	Windows	Single Doorsets	
	Unit				m ²	m ²	\$	\$		Qty in Thousand	Qty in Thousand	m ²	m ²	tonne	m ²	m ²	m ²	m ²	No.	
Wasteage and Contingencies for Misc. Bldgs Rate per Rawlinson's April 2010					1	1	\$ 900			665.00	466.00	148.00	45.00	1,720.00	51.40	170.00	170.00	505.00	615.00	
MDR Buildings																				
2 Home Base Unit (MDR)		88		88	231	0	349,503	34,257,204	231	0	0	0	24,892	785	241	25,900	0	35	7	
Cost of materials per building																				
BER Design Range (BDR)																				
Library, Hall, Classroom (72 m2)		129	11	140	96	0	145,248	20,334,720	115	0	0	0	17,710	531	103	15,882	0	10	2	
Cost of materials per building																				
Total for Material Quantity		227	11				54,591,924			0	0	0	55,182	1,286	59,523	0	28,038		6,501	

BER MATERIAL ANALYSIS

Building Type	Mat. Qty	Double Doorsets	Colorbond Cladding (wall & CF)	Roof Insulation	Wall Insulation	Ceiling Insulation	Plasterbd Lining	Fibre Cement Lining	Roof Ventilators	Total Materials cost per individual project
Unit		No.	m ²	m ²	m ²	m ²	m ²	m ²	No.	
Wasteage and Contingencies for Misc. Bldgs Rate per Rawlinson's April 2010										
MDR Buildings										
2 Home Base Unit (MDR)	0	0	53	241	25,900	20,051	510	60	4	
Cost of materials per building										
BER Design Range (BDR)										
Library, Hall, Classroom (72 m2)	0	0	46	103	15,882	11,550	204	36	0	
Cost of materials per building										
Total for Material Quantity	0	0	17,223	46,107	34,837	107,743	15,231	1,172		

Overall allocations of work to Managing Contractors

Appendix E

