

## Consultant's Costs Building the Education Revolution in Queensland State Schools Fact Sheet 2

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This Fact Sheet is intended to provide an overview of the implementation of Building the Education Revolution program in Queensland state schools and issues relating to delivery and costs.

### **Roles**

Department of Education and Training (DET) is responsible for implementing the BER program.

The Department of Public Works (DPW) is leading the development of the overall procurement framework and models of delivery for the BER program.

Principals are responsible for identifying their needs with reference to the Australian Government's BER guidelines and priorities. Principals then discuss their needs with the Regional BER Advisor and seek agreement from the school community via the Parents and Citizens Association.

### **Implementation overview**

The Australian Government has provided funding of 1.5% of the total BER program value to the State for program administration. The cost of BER Regional Advisors and Project Coordinators working through regions across the state and staff in central office managing the program strategy, planning, delivery, review of value for money and reporting are all met by the 1.5% program administration funding.

The 1.5% program administration funding is provided to DET separately and does not form part of the separate funding provided for school projects.

Neither DET nor DPW corporately receive any of the funding approved by the Australian Government for school projects.

The funding provided for school projects is outlined in the Australian Government's BER Guidelines and is based upon each schools' enrolments.

The funding for the school projects allocated by the Australian Government is to cover the cost of the construction of the facilities and all other associated project specific development costs such as statutory charges.

The vast majority of all planning and construction works will be undertaken by the private sector, with various sectors of the construction consultant and contracting being engaged.

Q-Build, the construction and maintenance division of DPW, will only be used to deliver small components of the BER program where there may be market failure, for

example in remote areas of Queensland where commercial contractors may not be prepared to work with local labour, or it may not be economically beneficial to schools.

### **Implementation of the Primary Schools for the 21st Century element**

There are a number of key roles involved in the building process as follows:

- **BER Regional Advisor** – a DET employee located in the regional facilities teams across the state, whose role it is to meet with schools early in a projects life cycle, discuss their needs and develop the indicative scope of the projects.
- **Project Coordinator** – a DET employee whose role is to represent the DET and the school in all facets of the delivery of the construction project and be the interface between the consultants and contractors and school representatives.
- **Project Manager** – Private sector prequalified project manager whose role is to oversee the whole project, drive project outcomes ensuring that designs meet the agreed brief and budgets and regularly report to DET on progress on matters such as time, cost, quality and scope.
- **Building Contractor** – Private sector Prequalified registered builder/contractor whose role is normally to undertake the construction component of the project.
- **Principal Consultant and sub consultants** – Private sector prequalified consultants whose role is to investigate and provide design documentation of a project.
- **Quantity Surveyor** - Private sector prequalified consultant whose role is a provider of quality assessment of school projects costs to ensure projects are value for money. This later role is in addition to quantity surveyors engaged centrally out of the 1.5 % program administration funds to undertake further value for money cost reviews, to ensure consistent benchmarking of costs are achieved across the program.

A two stage design and construction contract methodology has been adopted for the first round and a small number of the second round of P21 projects. A design and construction contract is a fast track procurement method where the contractors undertakes design and construct components of the project from a prepared client brief. The contractor engages a principal consultant (architect) to undertake the design stage. This procurement method fast tracks the commencement of the projects enabling the tight timeframes set by the Australian Government to be achieved.

Under the design and construction methodology, the schematic design stage (Part A) provides floor plans and layouts. The contractor also submits a lump sum tender for consideration by DET and independent cost controllers.

If the lump sum tender represents value for money as assessed by project manager and quantity surveyor, in accordance with benchmark rates for the BER program determined by DPW, a contract is awarded for Part B.

Further cost reviews occur at a regional and state-wide basis to compare project costs and maintain overall value for money.

The design cost allowance for the (Part A) schematic design stage and a cost allowance for project management services has been predetermined by DPW based on industry benchmarks.

There are also other compulsory costs relating to legislative requirements such as fire services, workplace health and safety, portable long service leave and building act compliance. These costs are fixed and apply to every project constructed in Queensland.

As projects are developed, a contingency allowance is retained in the project budget to cover any unforeseen issues or latent conditions that may arise during the delivery of the project. Examples are poor soil conditions or services (such as sewer, power and water) not located according to existing site plans.

Nearing the end of construction, when the risk of incurring additional cost is reduced, project managers will work with schools to determine a school's priorities to allow for the incorporation of any unexpended contingency into the project.

An example of a project's cost structure for P21 is as follows: (percentages are a sample only and may differ for each project)

<b>Total building costs</b>		
Construction cost	78%	
Fitout and equipment	4%	
Contingency allowance	5%	
Professional consultant costs (architect, engineer etc)	8%	
Statutory charges (fire, WH&S, PLSL etc)	2%	
		<b>97%</b>
<b>Other costs including: –</b>		
Project management costs (maximum of 4%)	3%	
		<b>3%</b>

A detailed sample P21 cost plan is also included as information.

### **Implementation of the National School Pride element (NSP)**

In recognition of the smaller nature of these projects DPW invited expressions of interest from smaller consultant organisations to perform the joint roles of project manager, architect and quantity surveyor on NSP projects based on a geographically clustered basis.

A flat cost consisting of approximately 3% project management and 7.5% for documentation and contract management (10.5% in total) was developed for a range of services after analysis of a previous call for tenders

These consultants will prepare any necessary tender documentation and invite offers from builders or trade contractors as appropriate, in accordance with the state purchasing guidelines to perform the work. They will also oversight construction and delivery.

The consultants have been instructed to ensure that local firms are offered the opportunity to tender where possible. Please advise your project manager of any local buildings contractors, subcontractors or suppliers who you believe may be interested in working on your school's project.

A detailed sample NSP cost plan is also included for information.

## **Implementation of Rounds 2 and 3 of the Primary Schools for the 21st Century element and the Science and Language Centres for 21st Century Secondary Schools element**

Construction Managers are being engaged to undertake the majority of Round 2 and part of Round 3 of the P21 programme including part of the Science and Language Centre programme.

The Construction Managers will be required to deliver packages of work using local builders (PQC Level 1 or 2), and trade contractors registered with QBuild. Design consultants including architects, engineers and other design disciplines will also be used by the Construction Managers to deliver individual projects. Competitive tenders will be called for various contract packages required to deliver the construction works including the range of professional design services.

The Construction Managers responsibilities under BER extend to providing overall project management, design management and cost management services.

The Construction Manager will obtain a design, cost estimate and programme for each school project under BER and be required to follow the same consultation process as carried out in Round 1 P21 under the Design and Construct delivery system. Regular planning and design meetings will be held with schools to prepare the scheme design and full scoping documentation including detailed cost estimates and project program that form the Project Definition Plan.

The Construction Managers have an overall obligation to meet the programme and budget for each school project.

The role of the Principal's Representative will be undertaken independently of the Construction Manager. The primary responsibility of the Principal's Representative is to undertake the day-to-day administration of the contract. The Principal's Representative will maintain ongoing liaison with the Construction Manager ensuring client expectations are being met in line with contractual obligations.

### **Further information and enquiries**

For further information regarding BER in Queensland state school please contact the DET BER Project Team:

<b>Hotline</b>	<b>Email</b>	<b>Websites</b>
07 3237 0008	<a href="mailto:inquiries.ber@deta.qld.gov.au">inquiries.ber@deta.qld.gov.au</a>	<a href="http://www.education.qld.gov.au/infrastructure/strategy/ber">www.education.qld.gov.au/infrastructure/strategy/ber</a>

### **For further information the Australian Government's BER program:**

<http://www.deewr.gov.au/Schooling/BuildingTheEducationRevolution/Pages/default.aspx>

### **Contractors seeking work can view major tender opportunities and awards at:**

<http://www.nationbuilding.qld.gov.au/tenders/Pages/default.aspx>

**For further specific information on delivery and cost issues schools should contact their Project Coordinator:**

Max Pedroni	<b>Greater Brisbane (South of River)</b>	0428 869 669	3842 7328
Chris Berry		0429 078 165	3842 7328
Chris Jones	<b>Greater Brisbane (North of River)</b>	0429 078 179	3842 7334
James Kenny		0428 686 447	3842 7334
Peter MacLeod		0429 553 762	3842 7334
Ian Black	<b>Fitzroy-Central West</b>	0428 686 434	3842 7329
Troy Daley		0429 212 069	3842 7329
Dean Cullen	<b>Wide Bay-Burnett</b>	0429 078 172	3842 7335
Michael Pratt		0429 078 170	3842 7335
Mel Cross		0429 550 019	3842 7335
Adrie De Ruyscher	<b>Mackay-Whitsunday</b>	0429 553 761	3842 7325
Phil Haas		0429 553 760	3842 7325
Chris Padgham	<b>Sunshine Coast</b>	0428 686 442	3842 7332
Ian Kerr		0429 078 180	3842 7332
Paul Stuckey	<b>North Queensland</b>	0428 686 392	3842 7324
Deborah Brown		0429 078 168	3842 7324
Aaron Butteriss	<b>Far North Queensland</b>	0428 686 441	3842 7327
Andrew McKenzie		0428 869 665	3842 7327
Ken Ogg	<b>Moreton</b>	0428 869 647	3842 7323
Joanne Gill		0429 078 178	3842 7323
Max Mason	<b>Darling Downs - South West</b>	0428 686 468	3842 7325
John Joyce		0429 553 757	3842 7325
Guy Zamarini		0429 553 065	3842 7325
Pierre Tapper	<b>South Coast</b>	0428 869 649	3842 7336
Bryn Lummus		0429 553 767	3842 7336