

Auditing for the Australian Capital Territory

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PA97/16

10 December 1998

The Speaker
ACT Legislative Assembly
South Building
London Circuit
CANBERRA ACT 2601

Dear Mr Speaker

In accordance with the Authority contained in the *Auditor-General Act 1996*, I transmit to the Legislative Assembly my Report titled "*Management of Schools Repairs and Maintenance*".

This Audit was undertaken with the assistance of PriceWaterhouseCoopers.

Peter Hade of this Office managed the Audit and was assisted by Jo Benton and Sonali Liyanage.

Yours sincerely

John A Parkinson

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1. REPORT SUMMARY

1.1 INTRODUCTION

The Department of Education and Community Services utilises land, buildings and improvements valued at \$534m as at 30 June 1998 for the provision of school education services.

The repair and maintenance of these facilities cost \$7.3m in 1997-98 and represents about 3% of overall annual operating costs of government schooling.

1.2 OBJECTIVES OF THE AUDIT

The Audit examined the management of repairs and maintenance of schools by the Department of Education and Community Services.

The objective of the Audit was to provide independent opinions to the Legislative Assembly on whether:

- repairs and maintenance have been provided effectively; and
- repairs and maintenance services have been provided efficiently and economically.

The independent opinions formed on the objectives of the Audit are set out in the shaded box on *page 3* of this report.

Minor new works, that is, projects such as ventilation improvements, administration upgrades and carpark improvements costing up to \$250,000 and major capital works projects (that is, costing

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more than \$250,000) which are also managed by Central Office, were not included in the scope of this Audit.

1.3 BASES FOR AUDIT OPINION

The bases on which each audit opinion was formed are summarised below.

1.4 EFFECTIVENESS

The opinion that *repairs and maintenance services have generally been provided effectively* is based on the following positive audit findings.

Condition of Schools

Positive Findings

- A departmental condition assessment of schools in 1996-97 found that all schools were at least in a *satisfactory* condition (*Chapter 3*);
- all schools in a sample of eight schools inspected as part of the audit were found to be in a *satisfactory* condition although half of the schools in the sample were found to have some defects (*Chapter 3*);

AUDIT OPINIONS

Effectiveness

- Repairs and maintenance services have generally been provided effectively.

Efficiency and Economy

- Repairs and maintenance services are provided efficiently and economically.

OTHER SIGNIFICANT ISSUE IDENTIFIED

Lack of Strategic Planning

- There is a need for a more strategic approach to planning repairs and maintenance which takes into account:
 - the identified need for increasing levels of expenditure in order to keep schools in a satisfactory condition;
 - the age of schools;
 - the likely utilisation of schools; and
- provides long term budget projections for the next 5 to 10 years.

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- an inspection of newer school facilities confirmed that improvements in design and selection of materials have reduced operating costs; some newer schools inspected showed only minor signs of deterioration (*Chapter 3*);
- a survey of school principals found that at least 80% of schools had experienced little or no disruptions to normal educational operations due to equipment failure or maintenance and repair work (*Chapter 3*);

Negative Finding

- A survey of school principals found that 41% of them considered their schools to be in “*Poor*” condition although none considered that their schools were in an unsatisfactory condition (*Chapter 3*).

Planning for Repairs and Maintenance

Positive Findings

- The Department has adopted a sound basis of managing maintenance program expenditure using a condition-based approach (*Chapter 4*);
- the format used by the Department to assess condition and develop the maintenance program is appropriate and consistent with good industry practice (*Chapter 4*);

Negative Findings

- only critical maintenance and essential maintenance tasks are carried out as part of the annual repairs and maintenance programs; work classified as important or desirable is usually treated as programmed maintenance to be performed as funds permit or when the need

becomes classified as critical or essential (*Chapter 4*). See also the Department's comments later (*paragraph 1.8*); and

- some schools may not have the capacity to manage scheduled mandatory maintenance effectively (*Chapter 4*).

Central Office Management of Repairs and Maintenance

Positive Findings

- Overall, 85% of schools rated the Department's Central Office's performance in providing technical and financial advice and management support as average or better than average (*Chapter 5*); and
- the Department's asset management policies for implementing School Based Management in relation to repairs and maintenance are effectively documented and communicated in the School Management Manual (*Chapter 5*).

School Management of Repairs and Maintenance

Positive Findings

- Schools have reported that School Based Management has increased the effectiveness of the management of school repairs and maintenance and that most schools have the skills and expertise to take on the full School Based Management role (*Chapter 6*);
- the amount of time that schools are providing to manage repairs and maintenance tasks is reasonable (*Chapter 6*); and

Negative Finding

- the Department has not set standards or benchmarks for appropriate levels of repairs and maintenance expenditure for schools; without such standards there is a risk that school managements may allow schools to run down by using repairs and maintenance cash for other school purposes (*Chapter 6*). See also the Department's comments below (*paragraph 1.8*).

Audit Comments

The mainly positive findings support the general opinion that the Department and the school managers are reasonably effective in managing the repair and maintenance of school facilities. All schools are open and operating, and delivering educational services.

School buildings and facilities were generally found to be in a *satisfactory* condition for the provision of education services. (In this context *satisfactory* means that there was only minor deterioration noted). For the schools which were not at a completely *satisfactory* standard, the defects found were considered to be such as to have no substantial impact on educational or safety outcomes in the schools. Overall, these defects were not regarded as sufficient for the condition of the schools affected to be considered *poor*.

Although there had been some disruptions to classes because of equipment failure or maintenance and repair work, these disruptions have not been significant across the whole school system.

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Finally, the Department has taken steps to incorporate the experience gained from repairs and maintenance into improvements in design and the specification of materials in new schools.

Educators had a less favourable view of school conditions than the Audit team. In discussions with teachers there was concern that the run-down appearance of some facilities impacted negatively on staff and student morale. The educators considered that better educational outcomes are achievable in a *good* standard of school.

Overall, the Department is applying sound maintenance methodology to ensure that expenditure incurred is based on actual needs or demands of a school.

The practice of carrying out a condition based maintenance assessment is consistent with good maintenance management. The methodology used is sound and should continue to be applied.

On the basis of the survey of schools, it is considered that schools regarded the Central Office as effective in providing technical and financial advice and management support to schools.

The School Management Manual is a comprehensive and informative guide for schools. It is at least comparable and probably superior to others seen by the Audit team.

The Audit found that Central Office repairs and maintenance projects are well managed and administered.

Since 1997, as part of the implementation of School Based Management, schools have been given greater responsibility for managing repairs and maintenance with responsibility for work

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costing up to \$5,000. Progressively through 1998-99 they will become responsible for all scheduled mandatory work. The survey of schools found that, generally, schools were supportive of the changes and considered these changes have led to an increase in effectiveness.

There was some concern on the part of the Audit on two issues.

First, schools have the authority to spend less on repairs and maintenance, and divert funds to educational outcomes. Whilst this approach is fundamental to School Based Management it could lead to less than optimal outcomes for the condition of school buildings. Without benchmarks or other means of reporting on the level of repairs and maintenance expenditure by schools, the Department would not be aware of the extent of the problem.

Secondly, some schools indicated that they did not have the skills and experience needed to manage repairs and maintenance. This concern was supported by the Audit's inspection of schools where there was evidence that some mandatory maintenance may not have been carried out.

These instances raise doubts about the awareness or training of some school Principals to effectively manage the contracting of this function.

1.5 EFFICIENCY AND ECONOMY

The opinion that *the overall delivery of repairs and maintenance is efficient and economic* is based on the following findings.

Comparison with Other Australian Jurisdictions

- The level of repairs and maintenance expenditure in ACT Government schools is generally consistent with expenditure in other jurisdictions and commercial benchmarks (*Chapter 2*).

Central Office Management of Repairs and Maintenance

- Specific maintenance and minor capital works to be tendered are packaged according to strategies which increase purchasing leverage and project management efficiencies (*Chapter 5*); and
- the Department actively promotes and applies value management concepts in the delivery of cost efficient projects and/or better value for money outcomes (*Chapter 5*).

School Management of Repairs and Maintenance

- The amount of time that schools are providing to manage the repairs and maintenance tasks is reasonable (*Chapter 6*); and
- there was a 12% underspend of school specific repairs and maintenance expenditure in 1997-98.

Audit Comments

Comparisons with other jurisdictions are difficult because of the lack of comparable cost and performance information, and because of age and environmental differences. Overall, the evidence suggests that the level of repairs and maintenance expenditure in ACT Government schools is generally consistent with expenditure in other jurisdictions and industry benchmarks.

Approximately half of school repairs and maintenance expenditure is managed by schools and contracted to Totalcare Industries Ltd or private operators. As this work is tendered, it is likely that the work is being performed reasonably economically. Further economies are likely to result when the scheduled mandatory work is tendered.

Although there has been a reduction in repairs and maintenance expenditure by schools, this does not necessarily, by itself, imply that economies and efficiencies have been achieved. Under School Based Management, schools are free to defer expenditure to later years or to choose to use some repairs and maintenance funding for other purposes such as educational activities.

On the basis of information collected in the Audit survey of schools, the resources applied by schools to managing repairs and maintenance is considered to be reasonable.

1.6 OTHER SIGNIFICANT ISSUES

Strategic Approach to Repairs and Maintenance

- Over 75% of schools are more than 20 years old; the older schools are either becoming due or are overdue for large amounts of specific maintenance or refurbishment work (*Chapter 7*);
- although the Department has implemented a comprehensive Asset Management Plan, there is a growing difference between repairs and

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maintenance requirements and the level of funding provided (*Chapter 7*);

- the School Condition Assessments identified the need for up to 100% more repairs and maintenance expenditure within the next five years (*Chapter 7*);
- continued maintenance funding at current levels combined with the progressive deterioration of school facilities will, in the relatively near future, result in schools which are not fully effective for the delivery of education services (*Chapter 7*);
- there was approximately 30% excess student capacity in schools as at February 1998 (*Chapter 7*); and
- this excess capacity involves substantial costs to maintain schools without a corresponding increased educational benefit to students (*Chapter 7*).

Audit Comments

The planning for repairs and maintenance is mainly short to medium term, spanning three years. There is no longer term planning nor is a strategic approach taken to planning.

The relative newness of buildings over the past twenty or thirty years has resulted in comparatively low maintenance requirements in that period.

However, about 75% of buildings, by area, are now more than 20 years old. It is to be expected, therefore, that the older school buildings, in the absence of adequate maintenance, will require substantial levels of expenditure to maintain them to satisfactory levels.

School utilisation is important because it determines the number of schools which are required to provide schooling. The greater the number of underutilised schools, the more thinly the available funds for repairs and maintenance need to be spread across schools.

The current approach to planning repairs and maintenance is limited in that it does not encourage a strategic approach which considers the future longer term use of a school and the repairs and maintenance requirements for the school. As a result, the allocation of resources may be more focused on the short term and may not achieve the best long term results.

See also the Department's comments later (*paragraph 1.8*).

1.7 SUGGESTIONS FOR FUTURE ACTION

Strategic maintenance plan (Chapter 7)

The Department should develop a strategic maintenance plan which:

- takes into account:
 - the increasing need for repairs and maintenance funding;
 - the age profile of schools; and
 - the likely utilisation levels of schools.
- provides long term budget projections for the next 5-10 years.

Performance indicators (Chapter 2)

The Department of Education does not produce performance indicators for repairs and maintenance for public accountability purposes. It is suggested the Department should do so.

To assist the Department with analysis of financial data in relation to costs of repairs and maintenance, the following two indicators are suggested:

- annual value of repairs and maintenance divided by the number of students (\$ per student); and
- scheduled annual repairs and maintenance as a percentage of annual repairs and maintenance.

These indicators are recognised standards and would enable comparisons within and across sectors.

Condition Assessments (Chapter 4)

As the Department is in the process of establishing a devolved purchaser-provider relationship on a commercial basis between it and Totalcare (the maintenance provider), it is suggested that a party independent of Totalcare should undertake future condition assessments on behalf of the Department.

A service provider such as Totalcare could be placed in a potential conflict of interest situation if it both assesses its own work and estimates the future maintenance requirements which it could also be expecting to undertake.

Appropriateness of \$5,000 limit for school works (Chapter 4)

When the School Based Management arrangements are settled, the appropriateness of a

single \$5,000 limit across all schools should be considered.

Maintaining facilities information in Central Office (Chapter 5)

Data should be maintained in a controlled systems environment and standard performance reports made available for managers. Ad hoc reporting and data manipulation can take place in spreadsheets, but they should not be used for data storage.

In addition to the upgrade of school information systems, the Department should examine the development of a Facilities Management database to link property and financial information in a standardised environment.

A Facilities Management system could provide a central document register function for school plans, drawings and specifications. In addition electronic drawings could be maintained within the system for use by schools and Central Office for management purposes.

The use of a Facilities Management database as a subsidiary system with an interface to the Department's financial accounting system should be considered by the Department to overcome the data management issues mentioned.

Management controls for schools' maintenance (Chapter 6)

The Department has not set any standards or benchmarks for appropriate levels of repairs and maintenance expenditure for schools. Without such standards there is a risk that school managements may allow schools to run down through using repairs and maintenance cash for other school purposes.

It is suggested that there should be management controls to identify where schools are neglecting their maintenance responsibilities.

Management of schools repairs and maintenance programs (Chapter 6)

Some mandatory maintenance is not being carried out properly and schools may not have the skills to effectively manage their repairs and maintenance program.

The Audit identified several approaches which could improve schools management of repairs and maintenance. It is suggested that these approaches be examined for implementation.

1.8 DEPARTMENTAL RESPONSE

The Department of Education and Community Services provided the following comments to a final draft of this Report:

Planning for Repairs and Maintenance

Prioritising work according to an assessment of criticality is a sound management approach to utilising available resources. The Department does not consider such an approach to be a “negative feature”.

School Management of Repairs and Maintenance

With respect to the negative finding regarding standards, the Department believes that its approach is an effective means of ensuring that a satisfactory standard of repairs and maintenance is achieved.

The regular condition audits provide a clear picture of the work required according to criticality. Schools must undertake work designated as critical and essential and that identified as mandatory.

Other maintenance is undertaken according to the judgement of the school according to the impact on the schools' functionality and available resources. Schools place considerable emphasis on building functionality and appearance.

Strategic Approach to Repairs and Maintenance

The Department must take into account the Government's stated policy of not closing a school without community support. Within that context, the Department believes that it takes a long term strategic approach to repairs and maintenance.

The repairs and maintenance plan is based on a regularly updated ten year condition audit, the ageing of buildings is recognised as an issue and surplus space in schools is closely monitored.

Within those parameters, a three year detailed repairs and maintenance plan is developed. However, the Department will explore opportunities for strengthening a more strategic focus.

2. OVERVIEW OF REPAIRS AND MAINTENANCE

2.1 INTRODUCTION

This Chapter provides summary information on procedures for managing repairs and maintenance to ACT Government schools.

2.2 AUDIT FINDINGS

- *The level of repairs and maintenance expenditure in ACT Government schools is generally consistent with expenditure in other jurisdictions and commercial benchmarks; and*
- *the Department of Education and Community Services does not produce performance indicators for repairs and maintenance for public accountability purposes.*

2.3 PROFILE OF SCHOOL ASSETS

Buildings and Improvements

The written down replacement value of school buildings covered by this audit was \$506m as at 30 June 1998.

The breakdown by education level was:

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	\$m
Colleges	122
High schools	173
Primary & Special Schools	<u>211</u>
	<u>506</u>

The value of other improvements such as carpark and playing fields as at 30 June 1998 was \$28m.

Number and size of schools

There are 102 schools in the ACT Government Schooling system. The total floor area of the school buildings is 523,394 square metres.

The breakdown by school sector is:

	No of schools	No of students	Total area
Colleges	9	6,759	99,027 m ²
High Schools	17	10,830	167,132 m ²
Primary and Special Schools	76	21,835	257,235 m ²

2.4 RESPONSIBILITY FOR REPAIRS AND MAINTENANCE

Central Office and School Responsibilities

Responsibility for repairs and maintenance is divided between the Department's Central Office and, under School Based Management arrangements, school managements.

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In summary the division of responsibilities is as follows:

The Central Office of the Department is responsible for:

- repairs and maintenance costing over \$5000.

School Managements are responsible for:

- repairs and maintenance costing under \$5000; and
- scheduled mandatory maintenance which covers routine mandatory work such as checking air conditioning and lighting.

Minor new works projects costing less than \$5000 are also managed by schools but are outside the scope of the audit.

Use of Contractors

Except for scheduled mandatory maintenance, all repairs and maintenance work is performed by contractors under competitive arrangements. The exception, scheduled mandatory maintenance, has until recently been required to be entirely performed by Totalcare Industries Ltd through *tied* arrangements. For the most part, Totalcare uses private contractors and manages the scheduling and provision of the work. There is progressive untying from Totalcare occurring through 1998-99.

The Department's Central Office contracts to both Totalcare and private contractors to carry out repairs and maintenance work for which it is responsible.

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2.5 REPAIRS AND MAINTENANCE COSTS

The cost of the repairs and maintenance activities which were the subject of this audit are set out in the following table.

Item	Budget 1997-98 \$m	Actual Expenditure 1997-98 \$m
Central Office:		
Central Office Specific maintenance and unforeseen maintenance	3.890	3.687
Schools:		
Minor and Unforeseen maintenance <\$5,000	2.979	2.635
Scheduled mandatory maintenance items	1.045	0.955
Total Repairs and Maintenance	7.914	7.277

Funding for repairs and maintenance is included in the Government Payment for Outputs to the Department of Education and Community Services.

2.6 MINOR NEW CAPITAL WORKS

In addition, funding of approximately \$1.9m was budgeted for minor new works. These works are administered by the Department's Central Office. Funding for minor new works is also included in the Government's Payment for Outputs.

Minor new works projects typically include playground upgrades, ventilation improvements, administration office upgrades and carpark improvements. These are mainly accounted for as operating expenses but include some larger projects which may be capitalised.

A program for these projects is developed by Central Office through a consultative process involving school principals. This process considers priorities identified at school level and also those identified at Central Office.

The program is reviewed by the School Resources Group, a committee made up of school principals and Central Office staff which advises the Chief Executive.

2.7 PERFORMANCE INDICATORS USED BY THE DEPARTMENT

Introduction

The Department does not produce performance indicators for repairs and maintenance for public accountability purposes. It has advised that for internal management purposes and for reporting on its purchase agreement with the responsible Minister it uses three performance indicators:

- annual cost of repairs and maintenance divided by the area of school buildings;
- annual cost of repairs and maintenance as a percentage of total written-down replacement cost of schools; and
- school utilisation rates.

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Other information used is at the task level for each school.

Repairs and maintenance expenditure per m²

This indicator is used to provide information for each school sector per year. 1997-98 expenditure per m² of floor area in buildings is shown in the following table.

Repairs and Maintenance Expenditure per m²

	\$
Colleges	10.54
High Schools	14.24
Primary & Special Schools	12.48
Total	12.67

Cost of repairs and maintenance as a percentage of total written-down replacement cost

The Department uses this information as a benchmark for the total amount of repairs and maintenance expenditure. The following table presents the relevant percentages for 1997-98.

Annual Repairs and Maintenance Costs as % of Written Down Replacement Cost

Colleges	0.9%
High Schools	1.4%
Primary and Special Schools	1.5%
Total	1.3%

The National Committee on Rationalised Building¹ (NCRB) advise that the standard maintenance cost to asset value relationship is:

- 1.2% to 1.6% (of replacement value) for annual repairs and maintenance.

While the NCRB benchmark is intended for commercial buildings it provides some basis for comparison for Government schools.

School Utilisation

The Department keeps details of school space statistics and regularly monitors the situation. The information is used to brief schools on their current and projected levels of usage and to assist planning for additional temporary accommodation eg transportables, and alternative uses. See *Chapter 7* for information on school usage.

Other Potentially Useful Indicators Not Used by the Department

To assist the Department with analysis of financial data in relation to costs of repairs and maintenance, the following two other indicators are suggested:

¹ Performance indicators for building assets (1990), SN Tucker and RJ Taylor

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- annual value of repairs and maintenance divided by the number of students (\$ per student); and
- scheduled annual repairs and maintenance as a percentage of annual repairs and maintenance.

These indicators are recognised industry standards and would enable comparisons within and across sectors.

Continued use of these indicators over time would assist the Department to assess the effectiveness and efficiency of its maintenance programs when used in conjunction with other records (such as ratings of the condition of schools).

For the purposes of the Audit, the indicators in the following tables have been calculated for 1997-98.

Repairs and Maintenance Average Annual Expenditure per Student

	\$
Colleges	154
High Schools	220
Primary and Special Schools	147
Total	168

Scheduled Mandatory Maintenance as a Proportion of Total Maintenance - Average

Colleges	25.5%
High Schools	11.3%
Primary and Special Schools	15.3%
Total	15.5%

Audit Comments

The following general comments can be made about the performance indicators:

- about 15% of total maintenance expenditure in 1997-98 was for scheduled mandatory (i.e. planned) maintenance;
- high schools are currently more costly to maintain, on a per student basis than primary schools and colleges;
- primary schools and high schools are currently more costly to maintain than colleges on an area basis; and
- overall, repairs and maintenance expenditure on ACT Government schools is reasonably consistent with the standard maintenance costs referred to above.

2.8 COMPARISONS WITH OTHER STATES

The following table compares repairs and maintenance performance information for ACT Government schools with information provided for the Audit by some other Australian jurisdictions' education authorities. The comparison does not cover all jurisdictions as some were unable to provide the requested information.

The comparison provides an overall picture of comparative repairs and maintenance costs. However, considerable caution should be applied to using the comparisons for decision making because of differences in age, condition, location,

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building construction and systems, climate, expense definitions, enrolment classifications and educational systems.

The information has been obtained with co-operation of other jurisdiction's education authorities and their assistance is appreciated. The information provided by the other jurisdictions has not been verified as part of this audit.

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Jurisdiction	Annual Repairs and Maintenance cost per student	Annual Repairs and Maintenance cost per sq m	Repairs and Maintenance as a % of replacement value	Planned Repairs and Maintenance as % of annual Repairs and Maintenance
<i>Primary schools</i>	\$	\$	%	%
Victoria	193	24.38		1.64
QLD	114	9.09		6.58
WA	149	23.00	1.70	3.70
SA	304	32.85		
ACT	147	12.48	1.52	15.3
<i>Average</i>	<i>181</i>	<i>20.36</i>	<i>N/A</i>	<i>6.81</i>
<i>Secondary schools</i>				
Victoria	228	17.50		4.20
QLD	103	8.88		8.34
WA	182	23.00	1.50	3.40
SA	352	25.36		
ACT – Colleges	154	10.54	0.86	25.5
ACT – High schools	220	14.24	1.38	11.3
NT	300	15.00	0.81	10.76
<i>Average</i>	<i>\$220</i>	<i>\$16.36</i>	<i>N/A</i>	<i>10.58%</i>

The comparison of performance indicators with other state and territory education authorities indicates that:

- the ACT's annual repairs and maintenance expenditure per student is less than the Australian average for all schools;
- ACT repairs and maintenance annual expenditure per square metre of floor area is

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also less than the Australian average for schools;

- the cost relativity between secondary and primary schools is consistent across all the States and Territories with secondary schools having a higher cost per student and a lower cost on a floor area basis than primary schools;
- there is insufficient information to comment about repairs and maintenance expenses as a percentage of the replacement value; and
- the proportion of planned maintenance is higher in the ACT than other jurisdictions although there may be differences between jurisdictions in approaches to planned repairs and maintenance.

Audit Comment

Comparisons with other jurisdictions are difficult because of the lack of reliable comparable cost and performance information, and because of age and environmental differences. Overall however, the available evidence suggests that the level of repairs and maintenance expenditure in ACT Government schools is consistent with expenditure in other jurisdictions.

3. CONDITION OF SCHOOLS

3.1 INTRODUCTION

A key criterion of the effectiveness of the management of repairs and maintenance is the current physical condition of schools.

The Audit reviewed a departmental condition assessment of all schools undertaken in 1996 and inspected the physical condition of a sample of schools. The Audit also undertook a survey of school principals' assessments of the condition of their schools.

In each case, schools were assessed as being either excellent, good, satisfactory, poor or unsatisfactory.

This Chapter presents the outcome of these reviews and assessments.

3.2 AUDIT FINDINGS

- *the departmental condition assessment in 1996 of schools found that all schools were at least in a “satisfactory” condition;*
- *the survey of school principals found that 41% of them considered their schools to be in “poor” condition although none considered that their schools were in an unsatisfactory condition;*
- *at least 80% of schools had experienced little or no disruptions to normal educational*

operations due to equipment failure or maintenance and repair work;

- *about 20% of schools reported that they had experienced disruptions to classes more than twice a year due to equipment failure and 10% due to maintenance or repair work;*
- *all schools in a sample of eight schools inspected as part of the Audit were found to be in a generally “satisfactory” condition although half of the schools in the sample were found to have some defects; and*
- *the inspection of newer school facilities confirmed that improvements in design and selection of materials have reduced operating costs; some newer schools inspected showed only minor signs of deterioration.*

3.3 DEPARTMENT’S CONDITION ASSESSMENTS

The Department carried out an assessment of the condition of school buildings in 1996-97 as part of its condition based approach to school maintenance. The assessment was undertaken jointly by Totalcare Industries Ltd and the Department. Totalcare is also a contractor for carrying out repairs and maintenance services.

The aim of the condition assessment was to provide information about work required to keep each school at a satisfactory level of repair. The Department’s intention is that the assessments will be carried out every three years. Further background information on the Department’s

condition assessments is included in *Chapter 4* of this Report.

Condition reports include summaries for each major facility type — fire, building, mechanical and electrical.

The five points on the condition scale were:

- *Unsatisfactory* - extreme deterioration
- *Poor* - significant deterioration
- *Satisfactory* - minor deterioration
- *Good* - no sign of deterioration
- *Excellent* - as new

The information from the condition assessments does not lend itself to providing an overall classification for each school as the data is designed to identify specific work required for each type of facility. An inspection of summary information from the condition assessments found that most schools would require at least some repairs and maintenance expenditure over the next three years to maintain them at a *satisfactory* level. In a few cases, some aspects of facilities were considered by the condition assessment to be *poor*.

The Department advised that overall, all buildings were considered to be in a satisfactory condition for the delivery of the services for which they were designed.

Audit Comment

The assessments are a technical exercise, used to obtain information on the state of facilities.

An inspection of a sample of Condition Assessment forms confirmed that almost all fire,

building, mechanical or electrical ratings are *satisfactory* with some rated *poor*.

There was, however, no school which the Audit considered overall to be in a poor or unsatisfactory condition.

3.4 AUDIT SURVEY OF SCHOOL PRINCIPALS

Schools' Views of Condition

The audit carried out a comprehensive survey of school opinions through the use of a questionnaire. In the survey, each school Principal was asked to rate the school's overall physical condition and to advise whether maintenance problems had led to disruption of classes.

The ranking used for the survey is a five point scale with school conditions being assessed against the ranking scale by the school's Principal. The scale is the same as the one used by the Department in its own condition assessment referred to previously.

Result of the Survey

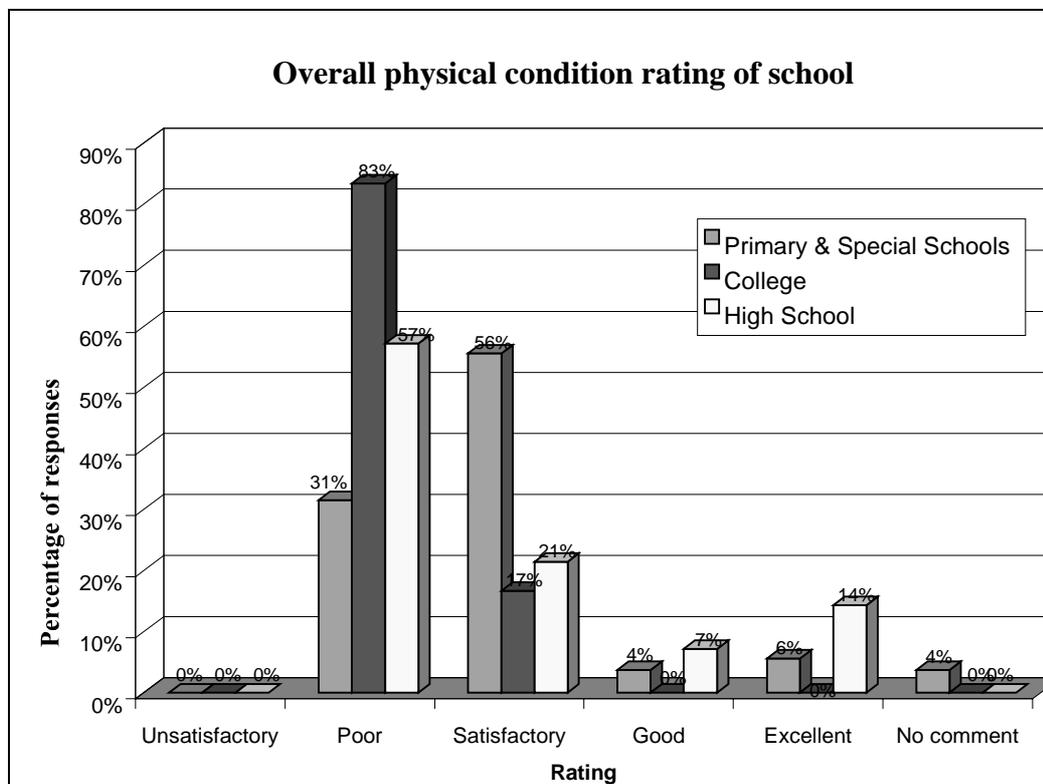
The results of the survey are presented in the chart on the following page.

Over 40% of schools were considered by their Principals to be in *poor* physical condition, and 46% in *satisfactory* condition. Only 11% of schools considered that their school was in better than *good or excellent* condition.

No Principal advised that his or her school was in an *unsatisfactory* condition.

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There were some significant differences in the way that the three education levels saw themselves. For colleges, 83% (effectively all except one college) considered their colleges to be in *poor* condition. More than half of the high schools (57%) and 31% of primary schools were reported as being in *poor* condition. Complementing this, 66% of primary schools and 42% of high schools were reported as *satisfactory* or better. 66% of primary schools and 42% of high schools were reported as *satisfactory* or better.



Audit Comments

While being based on subjective opinions, rather than a technical assessment of school conditions, the survey results indicate a high degree of concern from educators regarding the condition of their schools.

Disruption or cancellation of classes

An assessment of the effectiveness of school maintenance can also be assisted by determining the extent to which schools have been affected in educating students by failures of building services or excessive maintenance problems.

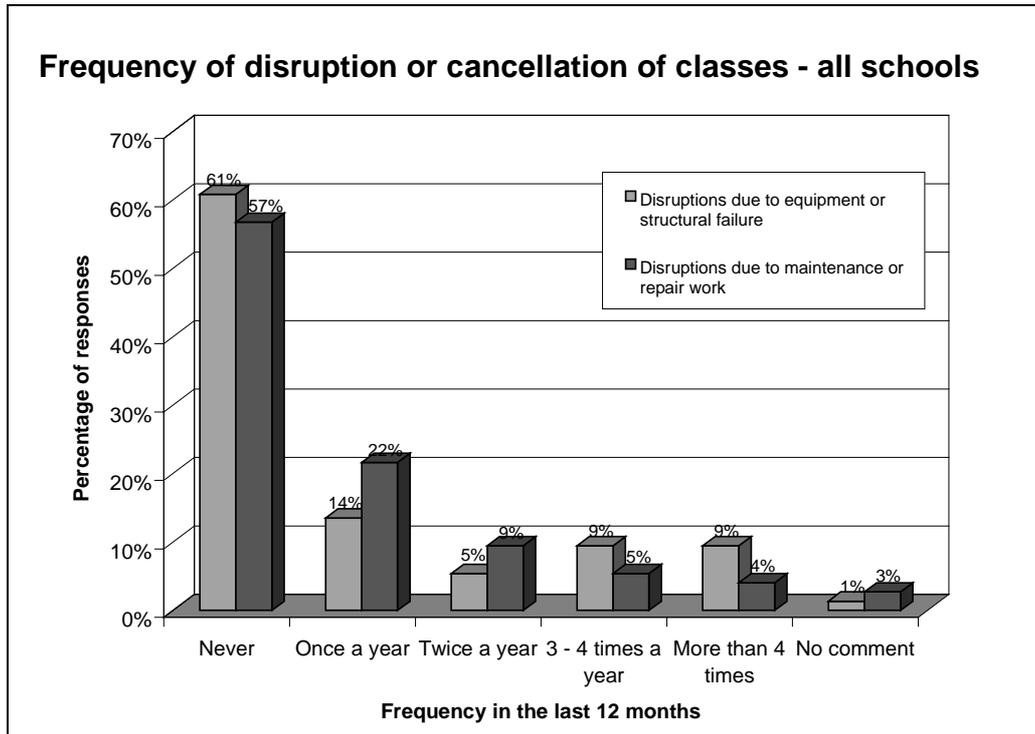
The Audit survey asked Principals whether there had been disruption to classes in their schools due to equipment or structural failure, or to maintenance or repair work.

Although about 60% of schools had never experienced disruptions, about 20% of schools reported they had experienced disruptions more than twice a year due to equipment failure and about 10% due to maintenance or repair work.

Audit Comments

Overall, it appears from the survey that most schools suffered little or no disruption from these factors.

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3.5 AUDIT INSPECTIONS OF SCHOOLS

In order to confirm the reliability of the condition assessment findings and to determine the types of maintenance issues which exist in schools, the Audit carried out a detailed condition assessment of a sample of schools.

Eight colleges, high schools and primary schools were subject to a detailed independent condition assessment by a building maintenance specialist who was part of the Audit team.

The schools, which were selected to provide a range of facility ages, conditions and maintenance costs, were:

- Red Hill Primary
- Tuggeranong College
- Hawker College
- Ginninderra District High
- Alfred Deakin High
- Curtin South Primary
- Monash Primary
- North Ainslie Primary

The inspection provided the opportunity to inspect the maintenance works being carried out in schools, assess whether planned maintenance was being performed and view the actual physical condition of the school.

As well, the auditors were able to see at first hand the demands being placed on the facilities by the school community and observe any issues faced by the school administrators.

3.6 RESULTS OF THE AUDIT INSPECTION OF SCHOOLS

Overall Condition

Of the eight schools inspected during the Audit, four were not at a completely '*satisfactory*' standard with defects including medium level deterioration. The other four schools were at least at a *satisfactory* level of condition.

Audit Comments

For the schools which were not at a completely *satisfactory* standard, the defects found were not such as to have a substantial impact on educational

or safety outcomes in the schools. Overall, these matters were not regarded as sufficiently serious for the condition of the schools affected to be assessed as '*poor*'.

It was considered therefore that all schools inspected were at least in a *satisfactory* level of condition. Generally, however the building conditions of primary schools were below the condition of high schools and colleges.

It was noted that from schools inspected that those schools which have been subject to comprehensive upgrades were better cared for by the school community. For example, Alfred Deakin High School was upgraded in 1989 and is still in very good condition some 8-9 years later.

Tuggeranong College and Monash Primary were constructed in 1990 and 1982 respectively, and both are in good condition. This suggests that there are positive effects on the asset condition arising from the coordinated upgrading of facilities and the improved design and selection of materials in newer schools.

Impact on educational outcomes

Audit comments

In discussions, teachers disclosed concern that the run-down appearance of some facilities impacted negatively on staff and student morale. It was considered that better educational outcomes are achievable in a '*good*' standard of school.

Also in the current competitive environment for enrolments, a school in '*poor*' condition will create a negative impact when parents are considering enrolment of their children at that school.

4. PLANNING SCHOOL MAINTENANCE

4.1 INTRODUCTION

This Chapter examines the approaches taken for planning and managing repairs and maintenance in the short and medium term. In particular, the Chapter describes the repairs and maintenance requirements undertaken through the specific, mandatory and unforeseen maintenance programs. It also analyses the appropriateness of the threshold level for repairs undertaken by schools. *Chapter 7* covers strategic planning issues.

4.2 AUDIT FINDINGS

- *The Department has adopted a sound basis of managing maintenance expenditure using a condition-based approach;*
- *the format used by the Department to assess condition and develop a maintenance plan is appropriate and consistent with good industry practice;*
- *only critical maintenance and essential maintenance tasks are carried out as part of the annual repairs and maintenance programs; work classified as important or desirable is usually treated as programmed maintenance to be performed as funds permit or when the need becomes classified as critical or essential; and*

- *some schools may not have the capacity to manage scheduled mandatory maintenance effectively.*

4.3 APPROACH TO MAINTENANCE PLANNING

The Government requires departments to prepare Asset Management Plans. These plans form part of Ownership Agreements made annually between the Treasurer and the Chief Executive of each department.

The plans contain a number of key elements. One of these is asset maintenance.

Key principles documented in the plan for asset maintenance are:

- long term reductions in life cycle costs;
- better asset performance; and
- optimisation of the useful life of the assets.

To support these principles the Department uses a condition based approach to maintenance planning, a program of specific and routine maintenance, and an unforeseen maintenance program to address both urgent and minor repairs and breakdowns.

Asset Condition Reports are jointly prepared by the Department and Totalcare for each school to determine actual maintenance requirements (*see Chapter 3*). These reports are highly important to the planning and costing maintenance for each school.

The Department aims to have all schools operating in at least a satisfactory standard according to the

set standards. Where parts of a building are below standard, then this is addressed in the annual maintenance program for the school.

The maintenance program categories are:

- specific maintenance;
- scheduled mandatory maintenance; and
- unforeseen maintenance.

Each of these categories is discussed in the following sections of this Report.

4.4 SPECIFIC MAINTENANCE - CONDITION AUDIT PROGRAM

A condition based approach is used to determine the priorities for specific maintenance by both the Department's Central Office and in schools. Condition based maintenance planning involves three steps:

- determining the required standard of condition for the facilities (or part where appropriate) on the basis of service delivery and standards;
- conducting inspections of facilities to measure the actual observed condition compared to the required standard; and
- identifying and ranking the maintenance priorities necessary to restore or retain the facilities at the desired standard.

The methodology used by the Department adopts a five-point standard for assessing the condition of the buildings and facilities at each school:

- *Excellent* (Category 5)

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- *Good* (Category 4)
- *Satisfactory* (Category 3)
- *Poor* (Category 2)
- *Unsatisfactory* (Category 1)

The aim in the Department is to have all buildings at the *satisfactory* level.

Condition assessment reports were prepared jointly by the Department and Totalcare for each school in 1996-97. The Department has advised that it is intended that assessments will be carried out every three years.

The approach taken in the condition assessments was to identify work required in order to take school buildings and facilities to the *satisfactory* level and to maintain them at that level for the next ten years.

The assessments listed maintenance tasks, costed the tasks and specified the year in which the work would probably be required.

The identified tasks were ranked in terms of the following priorities:

Priority 1 *Critical maintenance* — Repair or replacement work necessary in the current period to avoid breakdown or to address health and safety issues. Maintenance assessed as *critical maintenance* must be carried out within one year of identification;

Priority 2 *Essential maintenance* — Work necessary to ensure the schools' condition complies with minimum service requirements;

Priority 3 *Important maintenance* — Work to prevent a potential risk or deterioration situation occurring; and

Priority 4 *Desirable maintenance* — Work to preserve long term performance and/or appearance.

The assessments provide information for two purposes. First, the listing of tasks and priorities forms the basis of the specific maintenance plans for each school and across the school system for the succeeding three years i.e. until the next assessment round. This assists the allocation of priorities across the school system.

In addition, the assessments provide an indication of the expenditure required in the next ten years. This information is intended to be of use in strategic planning of future repairs and maintenance expenditure.

The Condition Assessment is not intended to specify the works required for the tasks listed. It is the responsibility of the schools and Central Office to set the standard required for particular jobs.

Audit comments

The practice of carrying out a condition based maintenance assessment is consistent with good maintenance management. The methodology used is sound and should continue to be applied.

The format used to identify the maintenance program is appropriate and consistent with good industry practice.

Overall, the Department is currently applying sound maintenance methodology to ensure that repairs and maintenance expenditure is based on

actual needs or demands of a school, and priorities across the school system.

Assessments by Totalcare - Potential Conflict of Interest

Totalcare, the maintenance provider is also involved in preparing the condition assessment reports and assessing the maintenance requirements of schools.

Audit Comments

As the Department is in the process of establishing a devolved purchaser-provider relationship on a commercial basis between it and Totalcare, it is suggested that a party independent of Totalcare should undertake future condition assessments on behalf of the Department in order to avoid a potential conflict of interest situation.

A service provider such as Totalcare can be placed in a potential conflict of interest situation if it both assesses its own work and estimates the future maintenance requirements which it could be expecting to meet.

Totalcare Comments

Totalcare provided the following comments:

In the past, Totalcare has provided maintenance services and consultancy type advice to the Department. Considerable benefit is derived from leveraging each type of service on the other to improve each service. For example, records of maintenance activities can assist in assessing the need for replacement of complex systems and plant. Conversely trends in replacement programs can provide valuable information on maintenance practices. A direct benefit exists in being able to use the experience gained in one area on the other.

For NSW schools, the maintenance provider is actually required to provide condition assessments.

4.5 SCHEDULED MANDATORY MAINTENANCE

Scheduled mandatory maintenance (also known as planned maintenance) covers matters such as servicing air conditioning units, replacing light globes and testing fire alarms. It is based on a programmed cycle of periodic inspection and testing. The work costs approximately \$1m per year.

The scheduled mandatory maintenance program is currently time based for routine inspections and testing. Time based maintenance work is necessary for statutory maintenance obligations and inspections of high risk areas such as switchboards which can cause major damage or disruption to operations if '*just in time*' maintenance becomes '*just too late*'.

At present, scheduled mandatory maintenance across all schools is managed by Totalcare Industries Ltd on behalf of schools. Under the existing *tied* arrangements Totalcare assesses the work required, contracts it out (mainly to private contractors) and checks the completion and standard of the work.

From 1 July 1998, responsibility for scheduled mandatory maintenance is being progressively passed to schools. Schools will be able to choose contractors from trades lists compiled by the Department's Central Office.

Audit Comments

In an inspection of a sample of schools, the audit found that faults, which should have been detected and addressed as part of scheduled mandatory maintenance, had not been addressed (see *Chapter 3*).

Concerns are expressed in *Chapter 5* about the capacity (or perhaps the motivation) of some school managements to manage contracted repairs and maintenance work.

The Audit findings suggest that the scheduled mandatory maintenance program is not fully effective in that some schools may not have the capacity to manage scheduled maintenance adequately.

4.6 UNFORESEEN MAINTENANCE

Unforeseen maintenance, e.g. from fires or vandalism, is by its nature unplanned.

Schools are responsible for carrying out unforeseen maintenance costing under \$5,000. The Department's Central Office is responsible for work involving more than \$5,000. Expenditure on unforeseen maintenance for Central Office in 1997-98 was approximately \$800,000.

In practice, Central Office (on the advice of the School Resources Group) meets the costs of unforeseen maintenance where schools require an unusually high level of unforeseen maintenance.

Audit comments

The audit did not receive any comments or criticism in relation to the provision of unforeseen maintenance.

It has been concluded that this aspect of the program is operating effectively.

4.7 SCHOOL MANAGEMENT - REPAIRS AND MAINTENANCE PRIORITIES

Under the School Based Management arrangements schools have responsibility for planning and contracting tasks costing under \$5,000.

Using the condition assessment for the school, each school management is expected to determine the priorities for its specific maintenance and plan the work over three years. Expenditure is to be budgeted to ensure that funds are available from year to year to carry out the work required.

Funding is allocated to schools using an agreed methodology. The method takes into account the number of students, size, age and condition of the school.

Maintenance assessed as *critical* must be carried out within a year of the assessment. The timing of other work is at the discretion of the school. Schools may retain or save funds in one year in order to fund work in a later year or fund other activities such as educational programs.

The maintenance program and school expenditure are not monitored in detail by the Department's

Central Office. However, it monitors the level of expenditure through expenditure reports and annual school reports to Central Office. The Department plans to review work carried out over the current three year cycle as part of the next condition assessment process. The Department has advised that it will require schools to carry out work which was funded but not performed by requiring the use of school funds in future years.

The Department has advised that where a school has insufficient funds for *critical* or *mandatory* requirements, and after detailed examination of its global budget, consideration for financial assistance is available through the School Assistance Program (*see following section*).

Audit comments

In practice, only *critical maintenance* and *essential maintenance* tasks, and *unforeseen maintenance* are carried out as part of schools' annual repairs and maintenance programs.

Work classified as *important* or *desirable* is usually treated as programmed maintenance to be performed as funds permit or when the work becomes eventually classified as *critical* or *essential*.

4.8 CENTRAL OFFICE PRIORITIES

Central Office has responsibility for specific and unforeseen maintenance, and minor new works involving expenditure of more than \$5,000 are paid for by the Department's Central Office. The Central Office funded maintenance program is

based mainly on information from the condition assessment reports, reports from contractors, matters raised by school principals and matters raised by Central Office e.g. Occupational Health and Safety and system wide issues.

All *essential maintenance* involving more than \$5,000 identified in the condition assessment (and any which arise subsequently) are completed progressively as funds permit. As the year progresses, the need for unforeseen maintenance and the level of actual expenditure on specific maintenance are reassessed and funds allocated accordingly.

Audit comments

As with schools' expenditure on repairs and maintenance, only *critical maintenance* and *essential maintenance* are carried out as part of annual repairs and maintenance programs.

Work classified as *important* or *desirable* is usually treated as programmed maintenance to be performed as funds permit or when the item to be repaired deteriorates to a point where the repair becomes classified as *critical* or *essential*.

School Resources Group

The School Resources Group comprises seven principals and key Central Office staff. It is chaired by the Executive Director, Sport and Corporate Resources and reports to the Chief Executive and is serviced by Departmental officers. The Group considers the overall repairs and maintenance funding in the context of broad resource allocations.

The functions of the School Resources Group are to:

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- set broad directions and priorities for resources which remain centrally administered - repairs and maintenance projects costing over \$5,000 and minor new works (see following);
- monitor the School Assistance program; the program provides support as required from mentoring, training and managerial advice through to financial assistance (as a last resort) based on a detailed assessment of a school's global budget;
- monitor the ongoing School Based Management program;
- adjudicate on allocation review requests and other issues raised by schools; and
- identify significant policy issues which may require referral to the School Based Management consultation committee;

The non-confidential workings of the Group are widely reported, and included in the School Management Newsletter.

Audit Comments

The operations of the School Resources Group are considered to be very effective as it captures the body of knowledge and experience from school principals for managing strategic school issues, and ensures effective consultation and balanced decision making on school operational policy and funding issues.

4.9 IS THE \$5,000 THRESHOLD LEVEL APPROPRIATE ?

Under current arrangements for repairs and maintenance, schools are responsible for repairs and maintenance costing up to \$5,000. The level of school accountability for funding and managing minor maintenance was increased from \$1,500 to its current level in 1997.

Audit Comments

The transition to School Based Management and local decision making needs to account for the changing skills and learning requirements for school managers.

Presently the demands of change are high and the current arrangements need settling in prior to consideration of changes to the \$5,000 threshold.

In other Australian jurisdictions, there has been a wide range of different management arrangements for School Based Management. These are due to different locations, climatic, school sizes and educational policies.

Some authorities have provided a high degree of local autonomy for funding and decision making. For example, schools in Victoria and Tasmania have thresholds of \$30,000 and \$20,000 respectively for repairs and maintenance.

However, in making comparisons with other jurisdictions it is important to note that the ACT has a unique environment where all schools are within close proximity and meetings of school administrators are relatively easy to convene. In particular, there is close liaison between schools and the Department's Central Office, and schools have representation on the School Resources

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Group which recommends broad priorities for repairs and maintenance expenditure.

Nevertheless, the wide range in school sizes and school repairs and maintenance budgets in the ACT raises doubt as to whether the \$5,000 is appropriate across all schools. For many of the larger schools and colleges, the \$5,000 limit may force expenditure to be decided by Central Office rather than more appropriately at the school level.

At this point of time, maintenance expenditure costing under \$5,000 is an appropriate threshold level for school based decision making on maintenance issues.

When the School Based Management arrangements are settled, the appropriateness of a single \$5,000 limit across all schools should be considered.

5. CENTRAL OFFICE MANAGEMENT

5.1 INTRODUCTION

This Chapter reviews the Department's Central Office management of repairs and maintenance and minor capital works.

5.2 AUDIT FINDINGS

- *Overall, 85% of schools rated the Department's Central Office's performance in providing technical and financial advice and management support as average or better than average;*
- *the Department's asset management policies for implementing School Based Management are effectively documented and communicated in the School Management Manual;*
- *the Department actively promotes and applies value management concepts in the delivery of more cost efficient projects and/or better value for money outcomes; and*
- *specific maintenance and minor capital works to be tendered are packaged according to strategies which increase purchasing leverage and project management efficiencies; and*
- *management information systems for the storage of important property data should be considered for upgrade.*

5.3 ROLE OF CENTRAL OFFICE

Background

The Schools and Corporate Services Section in the Central Office has two main responsibilities in relation to schools' repairs and maintenance. These are:

- to support the management of repairs and maintenance under School Based Management through central co-ordination, development of guidelines, training, advice and assistance and reporting to Departmental senior management; and
- to manage the provision of specific maintenance projects, and urgent/unforeseen maintenance projects involving expenditure of more than \$5,000.

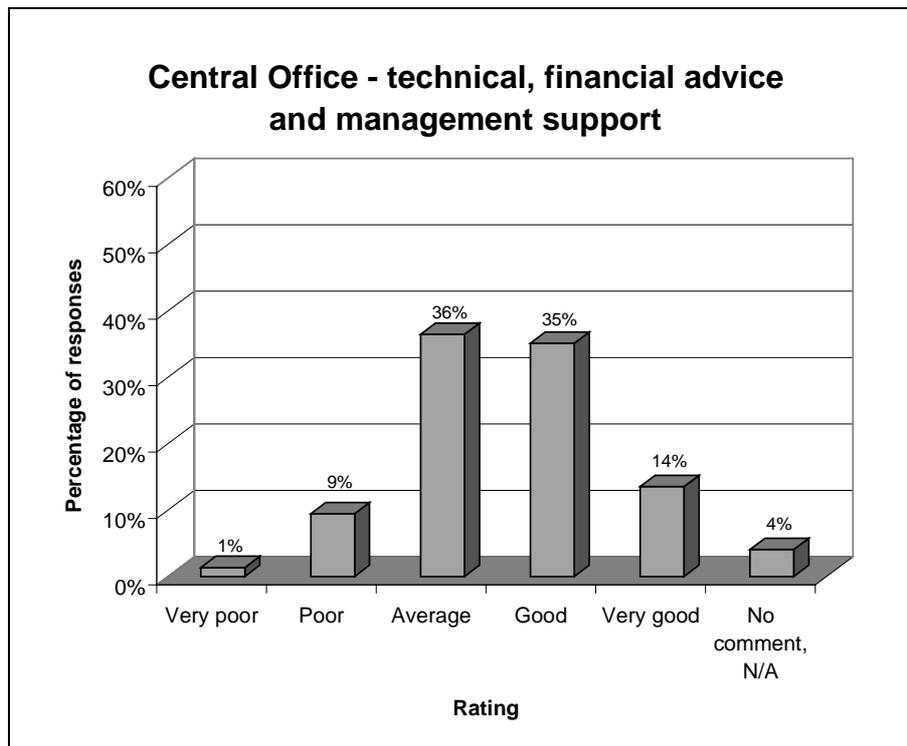
These activities are located in the Central Office primarily to ensure effective distribution of funds, including emergency funds for fires and other unforeseen events. The unit also manages the provision of minor new works.

The functions are discussed in more detail below.

Providing advice and support to schools

Audit surveyed schools about the technical and financial advice and the management support provided to schools by the Department. The results of the questions put to schools are set out in the table below.

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Overall, 49% of schools rated the Department's performance as better than average, 36% rated the performance as average and 10% considered it to be less than average.

Audit Comments

On the basis of this survey, it is considered that schools regarded the Central Office as effective in providing technical, financial advice and management support to schools.

Audit found that the Central Office administration provided a high level of service and support to the schools. The services provided included accessibility and availability to meet with schools and advise on issues. The services were also sufficiently flexible to assist schools with additional funding where necessary. Co-ordination of Totalcare Industries Ltd and other contractors'

maintenance services and maintenance planning were also effective.

School Management Manual

The Department's asset management policies are set out in the School Management Manual which is maintained by the Central Office. This manual and subsequent training is provided to schools to promote the schools applying a consistent approach to maintenance practices.

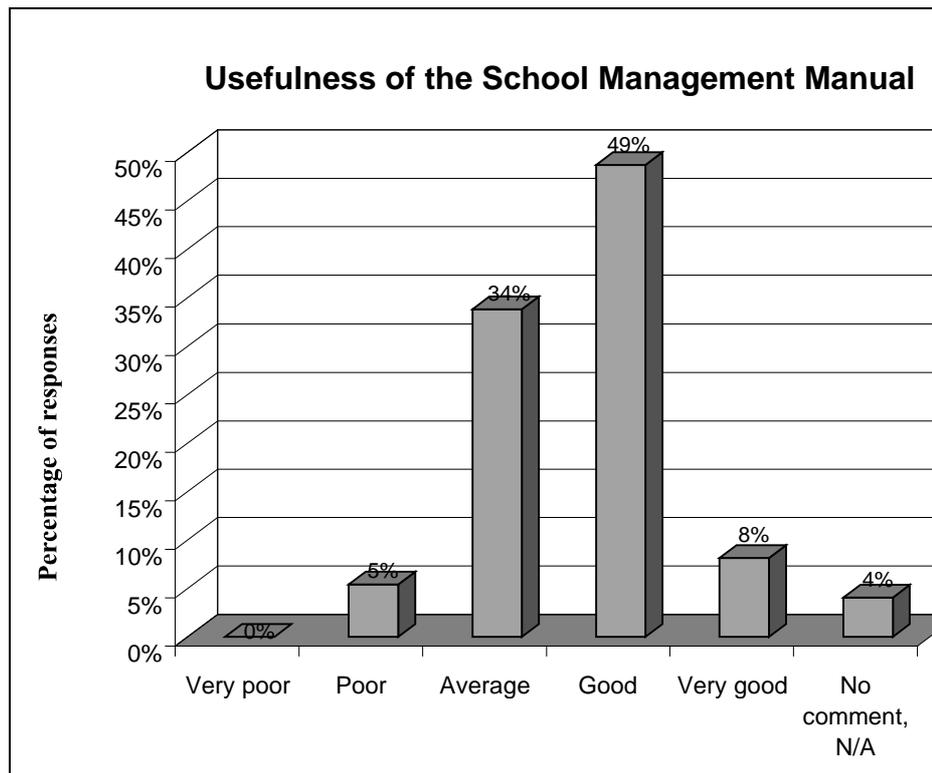
The school survey included a question on the usefulness of the Manual to schools. The responses are summarised in the table on the following page.

The survey found that 57% of schools rated the effectiveness of the manual as good or very good; 34% rated the Manual as average. However 5% rated the document as *poor*.

Audit Comments

The Manual is considered by the audit to be a comprehensive and informative guide for schools. It was considered to be at least comparable and probably superior to others seen by the Audit team.

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The assessment by 34% of schools that the manual was *average* was somewhat unexpected given the quality of the manual as perceived by the Audit.

5.4 MANAGEMENT AND ADMINISTRATION OF SPECIFIC PROJECTS

The audit carried out an assessment of the management and administration of specific repairs and maintenance, unforeseen maintenance and minor new works projects.

The assessment made the following findings:

- *Competitive practices* – the works are competitively tendered if they are of

considerable size, and smaller projects may use 'standing offer' pricing;

- *Project management* – the Department uses a range of project managers including Totalcare; the Department sets the project requirements, functional briefs and manages the 'purchasers' interests to ensure that the scope, time, cost and quality attributes are attained;
- *Tendering practices* – a review of tender processes and awarding of work indicated that the Department is adopting effective and sound tendering practices;
- *Value management and design review* – well researched, practical and clearly documented briefs and statements of requirements are being used by the Department; the knowledge acquired over many years of 'desirable and undesirable' features in schools has been documented and included in new projects where appropriate; examples of these include roof leaks (undesirable are flat roofs, box gutters, internal downpipes and tiled roofs); other topics include security, heating/cooling systems, safety issues, vandalism/student damage problems, energy management and other recurring maintenance problems; and
- *Contractor management* – effective responsibilities are placed on the project manager or contractor as appropriate; the Department has a formal handover process on completion of works and does not accept work that is below standard.

Audit Comments

The Audit found that repairs and maintenance projects are well managed and administered by the Central Office.

The Department actively promotes and applies value management concepts in the delivery of more cost efficient projects and/or better value for money outcomes. This was evident in the management of both minor capital works and specific maintenance where works are packaged according to strategies which increase purchasing leverage and project management efficiencies

5.5 MANAGEMENT COSTS

Costs of Central Office Management

The Department's Central Office allocates two full time equivalent staff to the direct management of the repairs and maintenance program.

The Department advised that the estimated annual cost of this is approximately \$125,000 for direct and indirect salary costs. This represents 2.5% of the expenditure of \$4.9m under Central Office management. This cost does not include administrative expenses such as accommodation, motor vehicles and other corporate costs.

Totalcare also provides some program coordination for the Department but this could not be separately costed as it is built into the prices of maintenance and project work.

Audit Comments

This level of resourcing is considered to be economic for the work performed.

5.6 MANAGEMENT INFORMATION SYSTEMS

Central Office financial systems record financial year expenditure while school financial systems are based on a calendar year program with six monthly reporting to Central Office.

Property and facilities information is contained in the departmental financial accounting system asset register, personal computer spreadsheets and the Totalcare financial accounting system.

Audit Comments

The management information systems used by the Department do not provide an integrated 'whole of facility' information approach for management decision making. Also they do not effectively assist management to analyse the performance of the school facilities.

Regular analysis of performance information is important to monitor the efficiency of school maintenance costs. Further efficiency gains are achievable in this area.

Systems proposals

The Department is presently implementing a new Student Record Keeping System (SRKS) for school administration. The system is currently used by the Western Australian Department of Education.

This system will manage student administration, future enrolments, school finances, academic reporting, past student register, timetabling, and reporting.

Audit Comments

Implementation of SRKS will require the use of consistent data identifiers and finance charts of accounts for schools. Amongst other things this will enable Central Office to make efficiency gains in the assembly of data for property administration.

Facilities management

The Department uses ORACLE financial and accounting software for financial management. Property financial accounting software records are maintained in the ORACLE financial general ledger, and property values in the ORACLE financial system asset register. All other property data, student information and data management are contained in separate spreadsheets.

Audit Comments

The current procedure is not sound management practice. Important data should be maintained in a controlled systems environment and standard performance reports made available for managers. Ad hoc reporting and data manipulation can take place in spreadsheets, but spreadsheets should not serve for data storage.

School drawings, plans and specifications are maintained informally by Totalcare. Information that has been acquired over time is retained but is incomplete. If maintenance arrangements for service provision change, then the Department will need to consider how these drawings will be controlled and maintained so that an updated set of

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documents are available for school maintenance. This also applies to the maintenance history for each school which is currently recorded by Totalcare.

In addition to the upgrade of school information systems, the Department should examine the development of a Facilities Management (FM) database to link property data and financial information in a standardised environment.

A Facilities Management system could provide a central document register function for school plans, drawings and specifications. In addition electronic drawings could be maintained within the system for use by schools and Central Office.

The use of a Facilities Management database as a subsidiary system with an interface to ORACLE should be considered by the Department to overcome the data management issues mentioned.

6. SCHOOL BASED MANAGEMENT

6.1 INTRODUCTION

This Chapter examines the management of the repairs and maintenance, including the management of contractors, in schools. In particular, it addresses the effectiveness of the increased school role in managing their repairs and maintenance and the use of the repairs and maintenance funding. The Chapter also analyses the effectiveness of contractor performance and highlights ways in which the effectiveness of repairs and maintenance management could be improved.

6.2 AUDIT FINDINGS

- *Schools have reported that School Based Management has increased the effectiveness of the management of school repairs and maintenance and that most schools have the skills and expertise to take on the full School Based Management role;*
- *the amount of time that schools are providing to manage the repairs and maintenance tasks is reasonable;*
- *there was a 12% underspend of school specific repairs and maintenance expenditure in 1997-98;*
- *the Department has not set standards or benchmarks for appropriate levels of repairs and maintenance expenditure for schools;*

without such standards there is a risk that school managements may allow schools to run down by using repairs and maintenance cash for other school purposes; and

- *some mandatory maintenance is not being carried out properly; the extent of the problems found indicate that schools may not have the skills to effectively manage their repairs and maintenance program.*

6.3 BACKGROUND

Objectives of School Based Management

The three key objectives of School Based Management are to:

- improve educational outcomes for students,
- deliver efficient services to the school community with a minimum of administrative overheads and an emphasis on community control, and
- provide for local decision making.

For several years, elements of School Based Management have been implemented in the ACT Government school system. These elements include school boards, school development plans, school based curricula, school budgeting of discretionary money, minor maintenance responsibilities, input into staff selection procedures and community involvement in school evaluation and decision making.

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Government policy initiatives have extended the School Based Management by devolving more funds and responsibilities to schools. Under the policy, resources and functions are transferred to schools from Central Office enabling schools to prioritise the allocation of resources at the school level and improve learning outcomes for students

These initiatives have involved significant changes to the management of repairs and maintenance in schools.

Repairs and Maintenance Providers

Schools are able to choose from alternate service providers for specific and unforeseen repairs and maintenance work. Private sector contractors (as well as Totalcare) have been utilised to provide services.

Progressively through 1998-99 scheduled mandatory maintenance programs will be untied from Totalcare and schools will have responsibility for managing and contracting mandatory maintenance.

School responsibility for repairs and maintenance

The level of school accountability for funding and managing minor maintenance was increased from \$1,500 to \$5,000 per project from 1 January 1997. Schools are now responsible for specific and unforeseen repairs and maintenance up to the \$5,000, and for all scheduled mandatory maintenance.

The Department's Central Office is responsible for managing and meeting the costs of all other repairs and maintenance in schools.

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In 1997-98, schools received \$2.98m for scheduled mandatory and minor/unforeseen maintenance projects costing up to \$5,000.

6.4 EFFECTIVENESS - MANAGING REPAIRS AND MAINTENANCE

The audit surveyed schools to determine how well they considered that repairs and maintenance were being managed. As well, discussions were held with some school principals to obtain schools' views on these matters.

The topics covered were:

- the effectiveness of the increased school role in managing repairs and maintenance;
- schools' perceptions of their skills and capabilities; and
- the time spent on the management of repairs and maintenance.

The results of the survey are discussed below.

Effectiveness of the Increased School Role in Managing Repairs and Maintenance

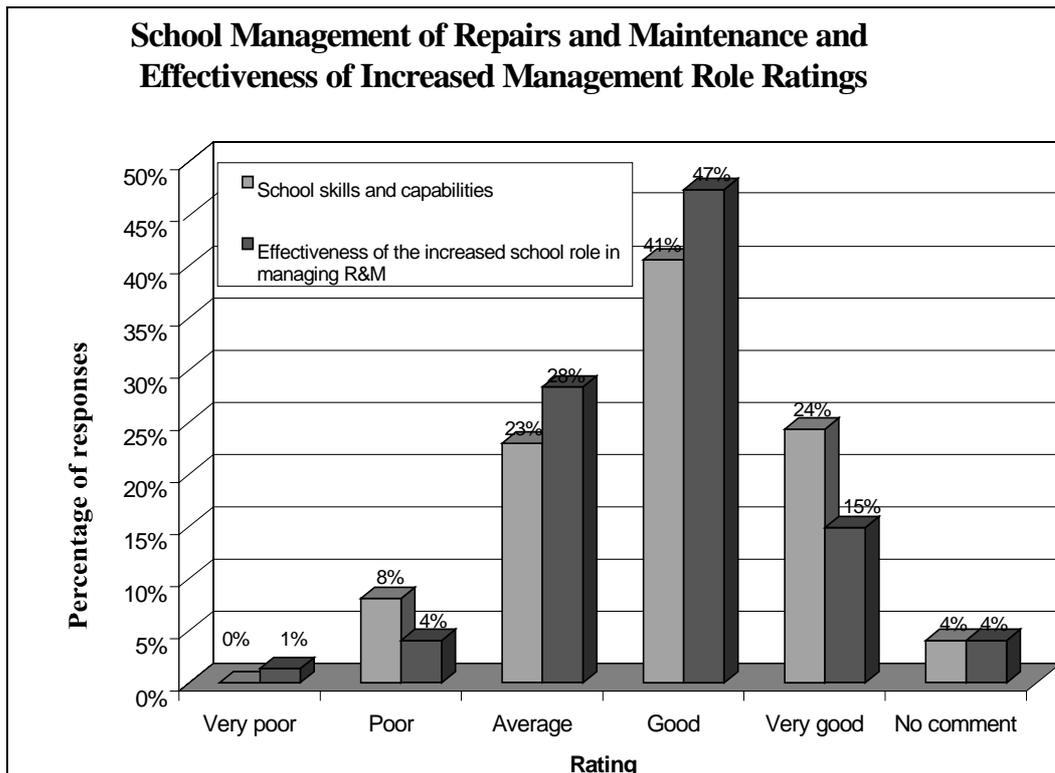
The graph on the following page summarises the views obtained through the school survey.

Schools were supportive of the changes, rating the effectiveness of the increased school role in managing repairs and maintenance as *good* (47%) or *very good* (15%). Only 5% of schools considered the effectiveness of the changes were

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less than *average*. The results were consistent across primary, high schools and colleges.

Schools commented that they have been able to make savings and direct funds towards learning programs and improving student outcomes.



Audit Comments

The survey results suggest that schools see the increased role for schools as improving the effectiveness of managing repairs and maintenance.

School skills and capabilities

65% of schools rated their skills and capabilities for managing repairs and maintenance as *good* or

very good. Only 23% rated their skills and capabilities as *average* and 8% as *poor*.

However comments made in the survey suggested that some schools at least consider that they lack the skills and capabilities to manage repairs and maintenance. In particular, there was concern that they were ill-equipped to manage the technical aspects of the work, e.g. whether a job had been completed satisfactorily or whether the cost was reasonable.

Audit Comments

Although the survey found that two thirds of schools rated their skills and capabilities as *good* or *very good*, some schools expressed concern about their own levels of skills, particularly for managing repairs and maintenance.

The transfer of the management of scheduled maintenance responsibilities to schools highlights these concerns. Schools were concerned that they need to be fully informed in accordance with the high level of accountability for safety and welfare of their staff, students and facilities.

Further support for this concern comes from the Audit inspection of a sample of schools (see *Chapter 3*) It was found that all schools inspected had problems with mandatory maintenance not being carried out adequately.

The extent of problems found in the inspections suggests that schools may not be fully competent to manage the maintenance task.

These results suggest that the Department needs to take steps to ensure that adequate training and support are available to schools, especially in the initial stages of the transfer.

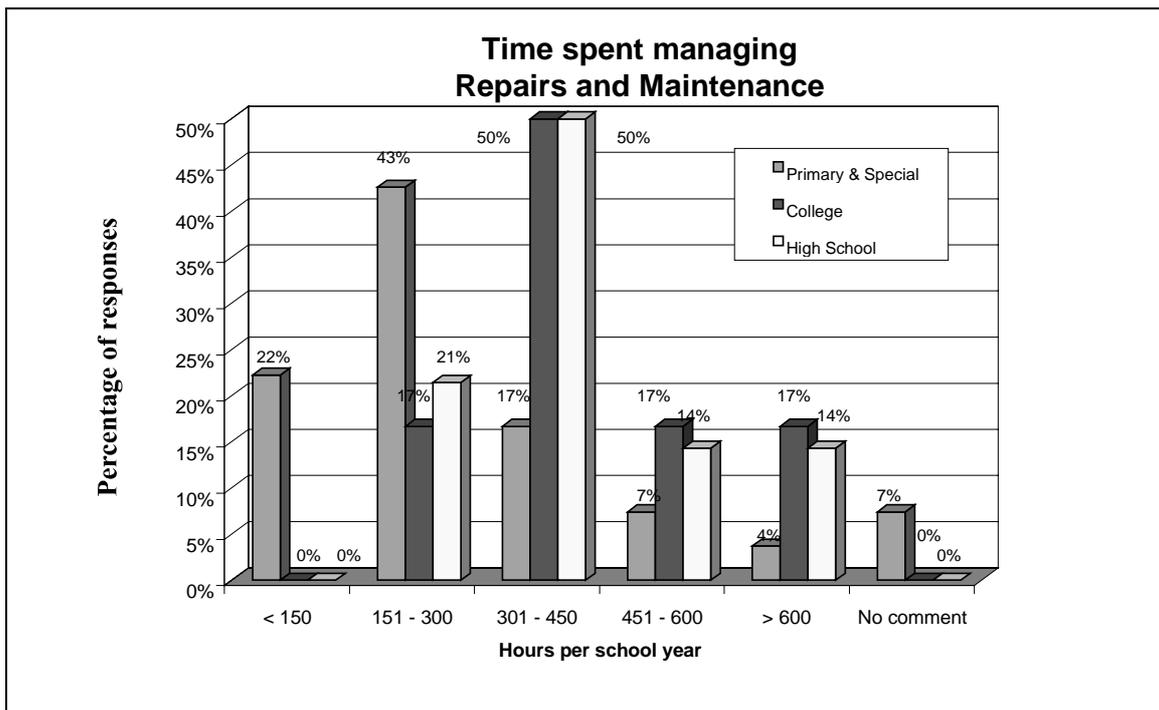
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Some suggested approaches for addressing these matters are set out following (see *paragraph 6.7*).

Time Spent Monitoring Repairs and Maintenance

The survey also asked about the level of time spent on managing repairs and maintenance. Primary schools reported that they are spending on average less than one day per school week, and secondary schools one and a half days per school week managing repairs and maintenance. These estimates exclude the time spent by caretakers or janitors.

The survey results are displayed in the following graph.



Audit Comments

It is considered that the amount of time that schools are providing to manage repairs and maintenance tasks is reasonable given that this was

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the first year of using selected contractors under School Based Management arrangements.

Some of the schools reported that they were concerned a lot of this time is hands-on coordination of maintenance work. They were also concerned that it might be better spent on direct educational activities.

There are significant differences between the times for primary schools on the one hand, and high schools and colleges on the other. Primary schools tended to spend less time on repairs and maintenance than high schools and colleges.

This was not explored in the Audit but it probably reflects the relative differences in sizes between the schools. It may also reflect some lack of understanding and appreciation of the school responsibilities under School Based Management.

6.5 SCHOOLS USE OF REPAIRS AND MAINTENANCE FUNDING

As mentioned previously, in 1997-98, schools received cash of \$2.98m for specific/unforeseen maintenance projects costing up to \$5,000. Under School Based Management arrangements, schools have the ability to save funds for use in future years and to use repairs and maintenance cash on other school purposes at the discretion of the school.

In 1997-98, schools spent \$2.635m (88%) on repairs and maintenance. The Department advised its opinion that in 1997-98 schools tended to manage funds prudently. As this was the first year of the \$5000 limit on expenditure, schools were

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concerned about the need to conserve funds to meet unforeseen expenditure. School cash balances have increased reflecting the comment by the Department.

Audit Comments

Under the School Based Management arrangements, schools are required to carry out items of *critical maintenance* within a year of the need for the maintenance being identified. *Essential maintenance* required to ensure that the facility complies with minimum service requirements is also expected to be carried out within a year of being identified.

There is potential under School Based Management for repairs and maintenance to be ignored or deferred with the available funds being transferred to other educational purposes. While such an outcome could provide short term benefits to educational programs, it may also have a longer term cost through accelerated deterioration of the school assets.

The Department has not set any standards or benchmarks for appropriate levels of repairs and maintenance expenditure for schools. Without such standards there is a risk that school managements may allow schools to run down through using repairs and maintenance cash for other school purposes.

It is suggested that there should be management controls to identify if schools are neglecting their maintenance responsibilities.

The Department has advised that the three yearly Condition Assessment should identify areas where school maintenance responsibilities have been neglected. It is also considering including a review

of school maintenance in the Department's internal audit program.

6.6 EFFECTIVENESS - CONTRACTOR PERFORMANCE

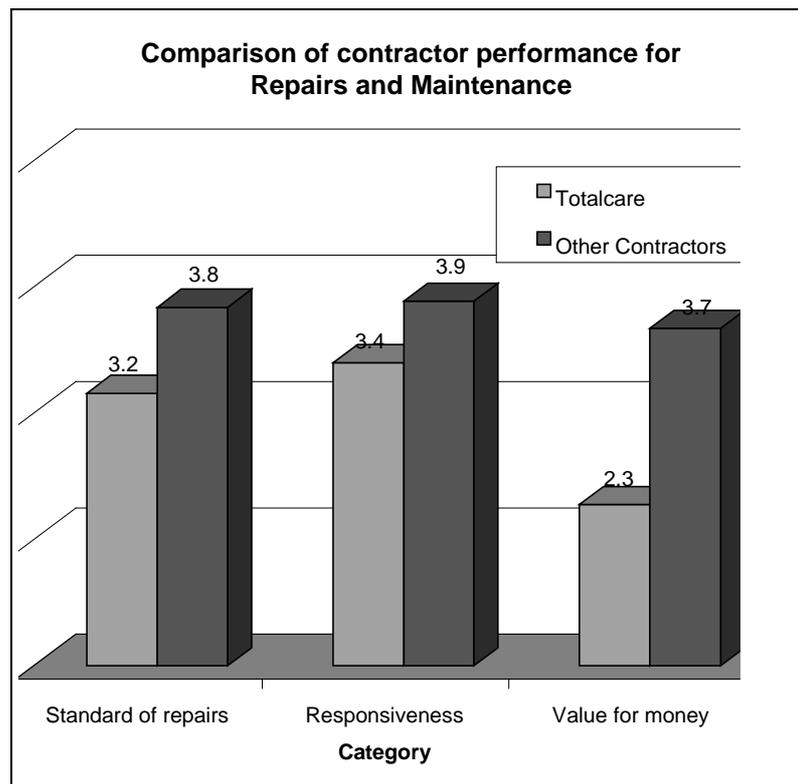
Audit Survey of Contractor Performance

The Audit survey of schools asked three questions in relation to contractor performance in order to determine whether schools considered there to be any differences between the performance by Totalcare and the performance by other (private sector) contractors. The questions covered three areas:

- standard of repairs;
- responsiveness; and
- value for money.

The table on the following page summarises the survey results.

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Standard of repairs

The survey found that there was some difference in the ratings of the standard of repairs between Totalcare and private contractors, with Totalcare reported overall to be a little over *average* and the private contractors to be a little below *good*.

Responsiveness

The results were similar to those for standard of repairs. Respondents considered that private contractors were somewhat more responsive than Totalcare, although the difference was not great. The general finding was that Totalcare was more focused on the facility and less focused on the customer i.e. the school managers.

Value for money

Totalcare's value for money was seen as rating closer to *poor* than *average*, compared with a rating a little below *good* for private contractors. The cost structure of Totalcare's services was seen as too high although it was suggested that this was possibly due to Totalcare's program management overheads.

Audit Comments

In the replies to the survey, respondents provided mixed comments.

Schools often commented that they did not understand the operation of Totalcare and its services. It was also commented that Totalcare was too 'silent' in providing feedback and information.

Services from some staff in Totalcare were judged as extremely good and a positive working relationship had been established. In some cases there had been a definite improvement in service delivery but the opinion was that Totalcare had further to go in pricing and service quality.

The overall impression from the survey was that private contractors were generally regarded as providing a better service at a lower cost with much better feedback to the customer on the work undertaken.

A most important issue for schools is the perceived low value for money from Totalcare compared with private contractors. Balanced against these views was the comment that Totalcare was more focussed on the facility. From an overall perspective, this approach may be more economic and efficient.

The Department commented some of these views may relate more to Totalcare's predecessors rather than to the company at present. It considered that Totalcare had become more client focussed. The Department's Central Office had not found differences between Totalcare and other contractors. In many cases, Totalcare used the same contractors as schools.

Comments from Totalcare were similar. The company considered that the survey respondents were also judging the performance of government departments prior to Totalcare taking on its current role since 1 January 1997. This includes the tied arrangements as well as previous centrally funded maintenance arrangements. Totalcare is confident that if it were possible to compare the results of this survey with a similar one conducted in January 1996 a significant improvement in client satisfaction would be recorded.

6.7 IMPROVING EFFECTIVENESS OF REPAIRS AND MAINTENANCE MANAGEMENT

Background

As mentioned in *paragraph 6.4* there are concerns that some schools do not have the skills or capacity to manage maintenance programs and projects effectively and efficiently.

The audit identified several approaches which could improve school's management of repairs and maintenance including:

- greater use of caretakers or janitors;
- professional management;

- cluster arrangements; and
- facilities management.

These approaches are discussed following.

Greater Use of Caretakers or Janitors

Audit Comments

The role of janitors/caretakers was found to be important to the overall school facility operation and maintenance outcomes.

Where a skilled and motivated caretaker/janitor is working at a school and managing repairs and maintenance, there was a higher level of overall efficiency and effectiveness. On this basis redefining the duties of these positions to undertake minor project and contract management, and basic property management functions would improve the economy, efficiency and effectiveness of school maintenance.

As well, it would reduce the current level of work placed on principals and bursars who were observed during the Audit to be heavily involved in maintenance issues.

The Department commented that there could be industrial relations implications if the duties of these positions were reviewed. It also suggested that the early, heavy involvement of senior school staff was also typical of the Victorian experience. In Victoria, with time and experience, the level of involvement reduced.

Using Professional Management

Audit Comments

Schools could acquire independent professional program management and maintenance inspection services from private contractors. This function could also provide maintenance auditing of statutory obligations related to fire safety, hazardous materials and other Occupational Health and Safety requirements.

Cluster Arrangements

Audit Comments

There may also be a commercial advantage in several schools developing a co-ordinated approach to contracting professional management. This approach is currently used for contract cleaning.

Schools could if they worked together, carry out program management and maintenance inspection services on a cluster arrangement achieving economies of scale.

Facilities Management

Audit Comments

Effective management of assets comes from taking a 'whole of facility' view to the operations and maintenance of the asset. In the building industry this is termed facilities management.

Schools now have the opportunity to take a facilities management approach to their school operations. School's management could package services in groupings e.g. a single contract could specify cleaning, grounds maintenance, light globe

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replacements, minor electrical and hydraulics maintenance and perhaps energy management.

7. STRATEGIC PLANNING

7.1 INTRODUCTION

The Audit included reviewing the longer term strategic planning processes for repairs and maintenance of schools. In particular this Chapter reports on the impact of school utilisation on the economy of repairs and maintenance.

7.2 AUDIT FINDINGS

- *About 75% of schools are more than 20 years old; the older schools are either becoming due or are overdue for large amounts of specific maintenance or refurbishment work;*
- *although the Department has implemented a comprehensive Asset Management Plan, there is a growing difference between repairs and maintenance requirements and the level of funding provided;*
- *the School Condition Assessments identified the need for up to 100% more repairs and maintenance expenditure within the next five years;*
- *continued maintenance funding at current levels combined with the progressive deterioration of school facilities will, in the relatively near future, result in schools which are not fully effective for the delivery of education services;*

- *there was approximately 30% excess student capacity in schools as at February 1998; and*
- *this excess capacity involves substantial costs to maintain schools without increased educational benefit to students.*

7.3 STRATEGIC APPROACH TO PLANNING

The planning for repairs and maintenance is mainly short and medium term, spanning three years. There is no longer term planning nor is a strategic approach taken to planning.

There are three factors which will have an impact on repairs and maintenance expenditure in the future and which therefore should be considered in strategic planning:

- about 75% of school buildings by area are more than 20 years of age;
- increasing levels of repairs and maintenance required in schools over the next five years maintenance; and
- the average level of school utilisation is falling.

Audit Comments

The condition based approach to identifying maintenance and minor new works to be performed (described in *Chapter 3*) provides a useful framework for determining and allocating priorities. The current approach however is limited in that it does not encourage a strategic approach which considers the future longer term use of a school and the repairs and maintenance

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requirements for the school. As a result, the allocation of resources may be more focused on the short term and may not achieve the best long term results.

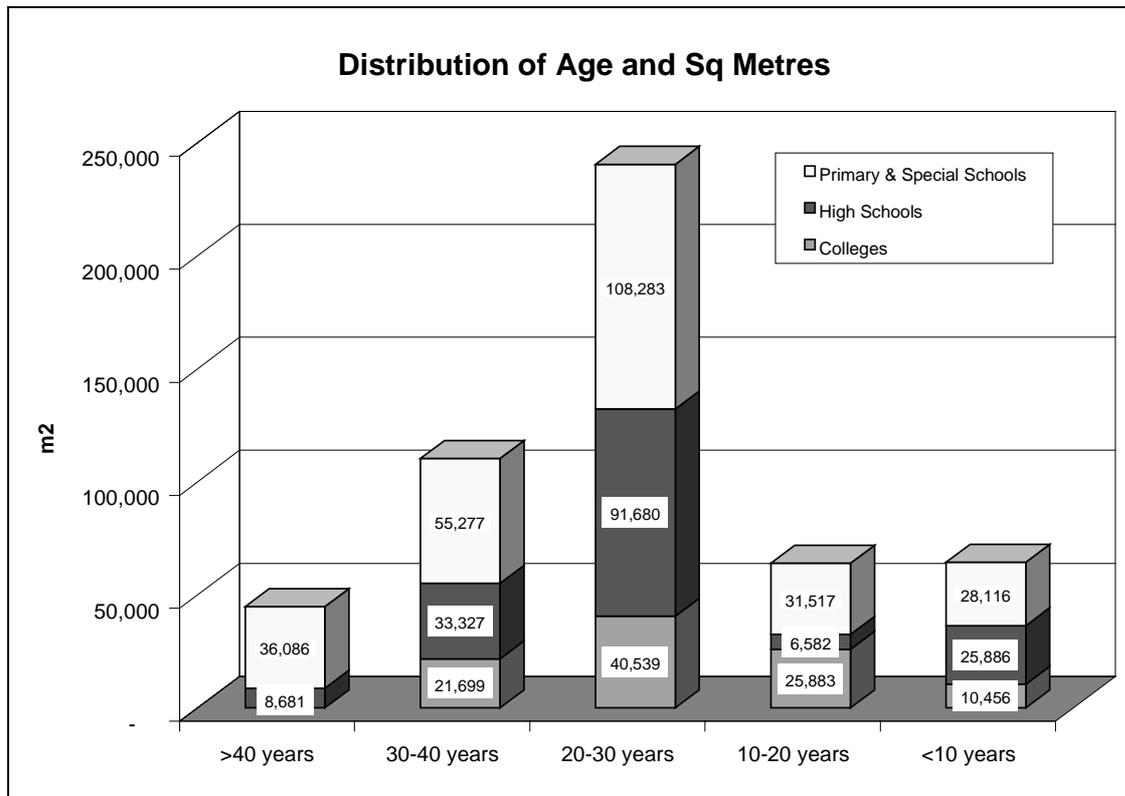
It is considered that the Department should develop long-term plans for each school which budget projections for routine maintenance, backlog 'catch-up' maintenance, minor new capital works and major refurbishment works.

7.4 SCHOOL BUILDING AGES

The ACT school system is characterised by a comparatively high proportion of school buildings which were built in the last forty years. This is due to the extensive development of the city over that period by the Commonwealth Government.

The chart on the following page displays the area of the schools and age in ten year groups for primary schools, high schools and colleges.

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This chart highlights the high level of school building construction which took place in the 1960s and 1970s, reflecting the growth of the Territory at the time.

Audit Comments

Broadly, the older a school building, the more maintenance it will require. Typically, once school buildings are more than 20 years old they require more comprehensive maintenance upgrades and/or major capital works to ensure that they continue to be suitable for providing educational services. In the absence of regular appropriate maintenance, faults will develop in the condition of a building requiring substantial expenditure in order to maintain the utility of the facility.

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The relative newness of buildings over the past twenty or thirty years has resulted in comparatively low maintenance requirements in that period.

However, about 75% of buildings by area are more than 20 years old. It is to be expected, therefore, that the older school buildings, in the absence of adequate maintenance, will require substantial levels of expenditure to maintain them at satisfactory levels. These comments are supported by the estimated levels of expenditure identified in the Condition Assessments previously mentioned.

Continued maintenance funding at current levels combined with the progressive deterioration of school facilities will, in the near future, result in schools which are not fully effective for the delivery of education services.

7.5 INCREASING LEVELS OF REPAIRS AND MAINTENANCE

The School Condition Assessments carried out by the Department in 1996-97 specified the repairs and maintenance work required over a ten year period. The Assessments included costings and priority ratings for the work across all schools.

The following table presents the estimated repairs and maintenance expenditure required over each of the next five years as summarised in the Assessments:

Estimated Repairs and Maintenance Expenditure

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Year		\$m
1	1997-98	8.7
2	1998-99	9.2
3	1999-00	10.7
4	2000-01	11.4
5	2001-02	10.6
Total		50.6

This estimate excludes any capital works or major refurbishment works to upgrade schools to improve functional utility or rehabilitate existing facilities.

The work specified in the first two years tended to be Category 1 - Critical or Category 2 - *Essential*.

In the later years, work was more likely to be Category 3 - *Important* or Category 4 - *Desirable*. Category 3 and 4 works include comprehensive carpet replacement, interior ceiling replacement, repainting interior and exterior surfaces, refurbishment of toilets and wet areas, renewal of drainage and sewer systems and upgrade of heating and ventilation systems.

Audit Comments

The 1997-98 level of expenditure on repairs and maintenance is approximately \$8m per year. This amount is allocated on the following basis:

	Budget \$m	Actual \$m

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Schools - scheduled mandatory maintenance	1.045	0.955
Schools - specific and unforeseen maintenance	2.978	2.635
Central Office - specific and unforeseen maintenance	3.890	3.687
Total	\$7.914	\$7.277

After allowing for annual scheduled mandatory maintenance (which was not included in the condition assessment) of approximately \$1m, and Central Office unforeseen maintenance (approximately \$800,000 each year) annual expenditure on specific repairs and maintenance was approximately \$5.5m in 1997-98.

On the basis of the estimates from the Condition Assessment reports, the level of repairs and maintenance expenditure needed to maintain schools at a satisfactory level of condition will increase from \$8.7m to approximately \$11m per year in four years. This involves an increase of up to 100% in current levels of specific repairs and maintenance expenditure if a satisfactory level of condition is to be maintained.

To some extent, expenditure in the minor and major capital works programmes will make up some of the difference through school refurbishments and facility improvements. Nevertheless, the identified increase in repairs and maintenance expenditure should be considered in strategic planning.

7.6 SCHOOL UTILISATION

Background

The overall cost of schools' repairs and maintenance for the Department is driven by several factors:

- the numbers of school buildings;
- the age of the buildings;
- the quality of materials and construction;
- the extent of previous maintenance; and
- the degree of use of the buildings i.e. the numbers of students who have used and are using the buildings.

To a greater or lesser extent, all of these factors have an impact on the level of repairs and maintenance required.

Current Utilisation Levels

The total capacity of the ACT Government School Education system is 55,557 places². As at the February 1998 school census there were 39,321 students in the government school system. This represents a surplus capacity 16,236 places or nearly 30% of the school system.

The table below presents details of capacity, student numbers and surplus places in colleges, high schools and primary schools.

² In this chapter, the number of surplus places includes places in areas which may be used for non-school or community activities. Space is provided for such activities because it is not required for school use. While the activities are of importance, their use of school premises should not be a factor in school strategic planning.

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SCHOOL CAPACITY				
	Design Capacity	Feb 98 Census	Surplus Places	Surplus Places %
Colleges	8,322	6,759	1,563	18.8%
High Schools	14,507	11,147	3,360	23.2%
Primary Schools	32,728	21,415	11,313	34.6%
TOTAL	55,557	39,321	16,236	29.2%

It is recognised it is not possible practicably to reduce the number of surplus places to zero. An analysis of the number of surplus places however provides an indication of possible underutilisation.

Primary Schools

Most pronounced is the surplus capacity in primary schools of 11,313 places out of a total of 32,728 available primary school places. This is 34% of the total available primary school places, and approximately 70% of the total surplus capacity in the entire government schooling system.

Many primary schools now operate at quite low levels of capacity. The table below shows the schools grouped by the percentage of capacity used:

Utilisation of Specific Primary Schools

21% to 30%	Mt Rogers (Spence), Rivett, Uriarra, Maribyrnong, Melrose
31% to 40%	Mt Rogers (Melba), Ngunnawal, Charnwood, Higgins
41% to 50%	Giralang, Taylor, Urambi, North Ainslie, Mt Neighbour, Weston, Village Creek, Lyons, Majura
51% to 60%	Hughes, Holt, Macquarie, Wanniassa Hills, Duffy, Evatt
61% to 70%	Richardson, Red Hill, Hall, Narrabundah, Mawson, Macgregor, Lyneham
71% to 80%	Southern Cross, Weetangera, Latham, Florey, Flynn, Fraser, Wanniassa, Chapman

The excess capacity in the primary system is primarily a legacy of Commonwealth policies which aimed to have a primary school in most suburbs.

High Schools

Ten out of seventeen high schools are below 80% utilised as shown in the following table:

Utilisation of High Schools

50% to 70%	Ginninderra District (54.8%), Lyneham, Alfred Deakin, Wanniasa
70% to 80%	Melrose, Calwell, Kambah, Melba, Belconnen, Campbell

Colleges

Of nine colleges there are three below 80% capacity. These are Copland (45%), Canberra College (Weston) (52.5%) and Dickson (67.4%).

Audit Comments

The greater the number of underutilised schools, the more schools there will be and the more thinly the available funds for repairs and maintenance have to be spread across schools.

To the extent that there are insufficient funds to provide adequate maintenance, the greater will be the decline in the condition of buildings and facilities. All other things being equal, fewer buildings and facilities will enable better buildings and facilities to be provided.

The Cost of Excess Capacity

There is no clear measure of the impact of the existence of excess capacity on repairs and maintenance costs.

Using the average cost per place and the number of excess places provides a crude measure which would be at the upper end of estimates. In practice, as the excess places are spread across most schools

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it would not be possible to reduce the full number of surplus places to zero. There is obviously a practical limit to the extent to which students could be allocated or re-allocated throughout the system.

Using this measure, however, the excess cost (at current levels of maintenance spending) is estimated to be up to \$2.2m annually (*see table*). This amount represents expenditure to provide maintenance in more schools than are needed for the present numbers of students.

The estimate of \$2.2m excludes any additional energy, pest control or cleaning costs which might be incurred by the schools.

COST OF SURPLUS CAPACITY					
	Total Mtce Cost	Design capacity	Cost per place	Surplus Places	Surplus Cost
Colleges	1,274,647	8,322	153	1,563	239,398
High Schools	2,649,604	14,507	183	3,360	613,681
Primary Schools	4,033,753	32,728	123	11,313	1,394,336
TOTAL	7,958,003	55,557	143	16,236	\$ 2,247,416

Projecting excess capacity

There has been an excess in school capacity in the ACT for some time.

In May 1990 it was reported to the Legislative Assembly³ that there was excess capacity of 20% or some 13,000 places.

³ Committee of Inquiry into the Assets and Public Debt of the Australian Capital Territory May 1990, page 19.

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Excess capacity is now in February 1998⁴, 16,236 places or nearly 30% of the government education system.

By 2002, it is projected that the excess capacity will increase to up to 17,255⁵ places if there is no adjustment to school stock. This equates to approximately 31% of total school capacity.

If school stock is increased, in developing suburbs the excess capacity will also increase.

Audit Comments

All other things being equal, the projected increase in excess capacity in the school system will generate repairs and maintenance costs which would be unnecessary if the excess capacity could be eliminated or at least reduced.

While other factors must also be taken into account, these costs represent scarce funds which could usefully be used elsewhere in the education system.

⁴ School census records from ACT Education, February 1998.

⁵ Estimated surplus based on the February 1998 Census and projecting forward the Department's decline in enrolments.

Annexure

Reports Published in 1992

- 1 Information Technology Management Policies in the ACT Government Service**
- 2 Financial Audits with Years Ending to 30 June 1991**
- 3 GAO Annual Management Report for Year Ended 30 June 1992**
- 4 ACT Board of Health - Management of Information Technology**
- 5 Budget Outcome Presentation and the Aggregate Financial Statement for the Year Ended 30 June 1992**
- 6 Financial Audits with Years Ending to 30 June 1992**

Reports Published in 1993

- 1 Management of Capital Works Projects**
- 2 Asbestos Removal Program**
- 3 Various Performance Audits Conducted to 30 June 1993**
 - Debt Recovery Operations by the ACT Revenue Office
 - Publicity Unaccountable Government Activities
 - Motor Vehicle Driver Testing Procedures
- 4 Various Performance Audits**
 - Government Home Loans Program
 - Capital Equipment Purchases
 - Human Resources Management System (HRMS)
 - Selection of the ACT Government Banker
- 5 Visiting Medical Officers**
- 6 Government Schooling Program**
- 7 Annual Management Report for the Year Ended 30 June 1993**
- 8 Redundancies**
- 9 Overtime and Allowances**
- 10 Family Services Sub-Program**
- 11 Financial Audits with Years Endings to 30 June 1993**

Annexure (continued)

Reports Published in 1994

- 1 **Overtime and Allowances - Part 2**
- 2 **Department of Health - Health Grants**
- Management of Information Technology
- 3 **Public Housing Maintenance**
- 4 **ACT Treasury - Gaming Machine Administration**
- Banking Arrangements
- 5 **Annual Management Report for Year Ended 30 June 1994**
- 6 **Various Agencies - Inter-Agency Charging**
- Management of Private Trust Monies
- 7 **Various Agencies - Overseas Travel - Executives and Others**
- Implementation of Major IT Projects
- 8 **Financial Audits with Years Ending to 30 June 1994**
- 9 **Performance Indicators Reporting**

Reports Published in 1995

- 1 **Government Passenger Cars**
- 2 **Whistleblower Investigations Completed to 30 June 1995**
- 3 **Canberra Institute of Technology - Comparative Teaching Costs and Effectiveness**
- 4 **Government Secondary Colleges**
- 5 **Annual Management Report for Year Ended 30 June 1995**
- 6 **Contract for Collection of Domestic Garbage/Non-Salary Entitlements for Senior Government Officers**
- 7 **ACTEW Benchmarked**
- 8 **Financial Audits With Years Ending to 30 June 1995**

Reports Published in 1996

- 1 **Legislative Assembly Members - Superannuation Payments/Members' Staff - Allowances and Severance Payments**
- 2 **1995 Taxi Plates Auction**

Annexure (continued)

- 3 VMO Contracts
- 4 Land Joint Ventures
- 5 Management of Former Sheep Dip Sites
- 6 Collection of Court Fines
- 7 Annual Management Report For Year Ended 30 June 1996
- 8 Australian International Hotel School
- 9 ACT Cultural Development Funding Program
- 10 Implementation of 1994 Housing Review
- 11 Financial Audits with Years Ending to 30 June 1996

Reports Published in 1997

- 1 Contracting Pool and Leisure Centres
- 2 Road and Streetlight Maintenance
- 3 1995-96 Territory Operating Loss
- 4 ACT Public Hospitals - Same Day Admissions
Non Government Organisation - Audit of Potential Conflict of Interest
- 5 Management of Leave Liabilities
- 6 The Canberra Hospital Management's Salaried Specialists Private Practice
- 7 ACT Community Care - Disability Program and Community Nursing
- 8 Salaried Specialists' Use of Private Practice Privileges
- 9 Fleet Leasing Arrangements
- 10 Public Interest Disclosures - Lease Variation Charges
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- 11 Annual Management Report for Year Ended 30 June 1997
- 12 Financial Audits with Years Ending to 30 June 1997
- 13 Management of Nursing Services

Annexure (continued)

Reports Published in 1998

- 1 Management of Preschool Education**
- 2 Lease Variation Charges - Follow-up Review**
- 3 Major IT Projects - Follow-up Review**
- 4 Annual Management Report for Year Ended 30 June 1998**
- 5 Management of Housing Assistance**
- 6 Assembly Members' Superannuation and Severance Payments to Former Members' Staffers**
- 7 Magistrates Court Bail Processes**
- 8 Territory Operating Losses and Financial Position**
- 9 Financial Audits with Years Ending To 30 June 1998**
- 10 Management of Schools Repairs and Maintenance**

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