

**Senate Standing Committee on Education Employment and Workplace
Relations**

**QUESTIONS ON NOTICE
Supplementary Budget Estimates 2010-2011**

Outcome 2 - Schools

DEEWR Question No.EW0544_11

Senator Xenophon provided in writing.

Question

BER- STATE GOVERNMENTS ADMINISTERING BER

According to the responses I received from the Department to the questions I placed on notice last Estimates, the Department relies on State Government departments to administer the BER. i. Can the Department outline what checks and balances are in place at a Federal level to ensure the grants are spent appropriately? ii.How does the Department ensure that schools (and consequently taxpayers) are getting value for money on buildings, and that quotes are not inflated or that unnecessary structures are being built?

Answer

Education Authorities must comply with all applicable financial and administrative arrangements as set out in the Bilateral Agreements with state and territory governments and the BER Funding Agreements with Block Grant Authorities, the BER Guidelines, and the requirements of the Administrative Arrangements for Block Grant Authorities 2009 as per the Capital Grants Program.

The BER Guidelines require education authorities to ensure tendering and procurement arrangements for BER funded projects demonstrate value for money. The BER Guidelines further provide direction on the use of funding in regard to the type of facility that can be built or refurbished using BER funds.

The department continues to implement a compliance management regime, including desk-top and on-site monitoring procedures, to ensure the Education Authorities comply with the requirements of the funding agreements and BER Guidelines.

Education Authorities are required to report on expenditure and progress each month. This is the basis of desktop monitoring, where the department focusses on progress of individual projects against program deadlines, conducts analysis of trends in construction and works with Education Authorities to ensure all project variations are in place. A key aspect of this monitoring is to work with Education Authorities to assure the Commonwealth of the accuracy of reporting data.

Education Authorities will typically be visited to review documentation that supports the overall management of the program and reported status of projects. Site visits to individual projects are also included as part of these visits to confirm the reported progress of construction, and discuss any issues that have come to our attention.

As a further level of insurance, the Australian Government established the BER

Implementation Taskforce. The role of the Taskforce is to assess the value for money aspects of individual BER projects, as well as systemic issues, and to ensure that any allegations of waste are fully investigated. The Taskforce is actively working with Education Authorities to resolve any issues.