

# Briefing for the Incoming Associate Minister of Education

Prepared by the Ministry of Education  
May 2017

**BUDGET SENSITIVE**







## Table of Contents

Purpose and structure .....	1
Introduction to the Education Portfolio .....	2
The role of the Minister of Education .....	3
The Ministry's role .....	3
How we can support you .....	3
Priorities for the next three months .....	4
Section One - The Education Infrastructure Service (EIS) .....	5
Education Infrastructure Service Mandate .....	5
School property .....	5
School Transport .....	6
Technology in Schools .....	7
Schools Payroll .....	7
School Property Regulatory Environment .....	8
The operating environment .....	8
The strategic environment .....	10
Section Two - How the Funding Works .....	13
Key Messages .....	13
Funding Sources .....	14
Follow the Money .....	17
Public Sector Financial Delegations .....	17
Section Three - School Property Portfolio .....	19
Age of Buildings .....	19
The Ten-Year Property Plan (10YPP) Process .....	19
Surplus school property .....	21
Capital Works .....	22
Modular Buildings .....	24
Section Four - Key Areas of Interest .....	25
s 9(2)(f)(iv) OIA - [REDACTED] .....	25
The Review of Funding Systems - Property Component .....	26
Budget 2017 .....	26
Managing the implications of growth in Auckland .....	26
School transport .....	27
Communities of Learning   Kahui Ako .....	28
Technology in schools .....	29
Appendix One - Education Infrastructure Service Roles and Responsibilities .....	30
Appendix Two - Beginning the Building Process .....	35
Appendix Three - Christchurch Schools Rebuild Programme .....	37
Appendix Four - Information on Modular Buildings .....	39





## Purpose and structure

This briefing outlines key areas of interest within the Education Infrastructure Service (EIS). It provides an introduction to the role of EIS, and information to meet your initial requirement. It is not a detailed analysis.

The briefing is structured into four main parts:

- Section One – Outlines our business and the regulatory environment we work in
- Section Two – Sets out how the funding works
- Section Three – Outlines the school property portfolio including how it is managed
- Section Four – contains key areas of interest for your attention

We will provide you with more detailed information in separate briefings on areas you would like to know more about.

## Introduction to the Education Portfolio

Education is key to achieving individual wellbeing and an inclusive economy. The education system helps develop the skills, knowledge and competencies needed by children and young people right through their lives. The education system plays a significant role in developing the skills and knowledge that contribute to economic participation and growth.

Participation and achievement by children and young people across the early childhood and schooling sectors has improved. However, we know more work is needed to ensure more equitable outcomes, so that all children and young people can experience educational success.

The Education Portfolio work programme currently being progressed includes a range of system level changes in order to raise achievement for all, today and tomorrow.

At the heart of this work programme are children, their parents and whānau. It has a strong focus on raising the quality of teaching and leadership, and developing 0-18 pathways for all children and young people. The key priorities are:

- embedding Communities of Learning | Kāhui Ako as the foundation for transforming the education system, providing the platform for lifting student achievement and progress and improving quality teaching practice through effective collaboration between early learning services, schools, kura and post-secondary providers for every child and young person over their 0-18 year education pathway
- updating the Education Act 1989 so that children and young people are placed at the heart of the education system
- reviewing the funding systems so that they align more closely to the size of the education challenge faced by children and young people
- strengthening teaching quality and educational leadership to have a larger impact on the success of all children and young people
- improving the data available at all levels of the system (to parents, teachers, communities and government), including data on progress and achievement against the curriculum
- developing clearer pathways that connect individual students to higher education and employment
- building new learning environments and platforms and growing an integrated body of modern learning practices
- shaping system policies and practice so parents and communities can support children's learning, and be confident and influential participants in that learning.

## **The role of the Minister of Education**

The Minister of Education decides both the direction and the priorities for the Ministry and is responsible for determining and promoting policy, defending policy decisions, and answering questions in the House on both policy and operational matters.

The Minister of Education is responsible for Vote Education.

The Minister of Education's principal responsibilities with regard to early childhood education and schooling are set out in the Education Act 1989 (the Act) and the Crown Entities Act 2004.

## **The Ministry's role**

The Ministry of Education (the Ministry) is the lead advisor to the Government on education system policy and performance (early childhood education, primary and secondary education, tertiary and international education).

We are also the steward of the education system. We focus on outcomes for children and young people, and the long term health and performance of the education system as a whole, from early learning to tertiary education. We provide advice on the design of the system, the connections and linkages, and how well it is working. As the steward, we also ensure the system reflects and fulfils our responsibilities under the Treaty of Waitangi.

We work with, and alongside, a wide range of education and other government agencies, iwi, families and whānau, students and employers to ensure that the system can, and does, deliver what is needed.

The Ministry of Education is accountable to the Minister of Education, the Minister for Tertiary Education, Skills and Employment and respective Associate Ministers.

## **How we can support you**

We are responsible for supporting you to carry out your Ministerial functions; serving the aims and objectives you set. We do this by advising you on policy and strategy, and implementing government decisions.

We provide you with both written and verbal advice and meet with you as regularly as you require. We can also support you by attending meetings, and will continue to provide you with private secretary support to liaise with the Ministry and commission work on your behalf.

We operate under a "no-surprises" principle. This means we will inform you of matters of significance within your portfolio responsibilities. We will also provide you with advice on the impacts of other government policy changes on your portfolio areas.



We will support you as Associate Minister of Education and provide you with advice on the portfolio areas that you have been delegated from the Minister of Education. We look forward to working with you. Our key contacts are Kim Shannon, Malcolm McKee and Rob Giller. An overview of the key roles and responsibilities in Education Infrastructure Service is attached as Appendix One.

### Priorities for the next three months

The table below sets out key work initiatives that are likely to require your input at some point over the next three months. Some of these initiatives may require Cabinet decisions [REDACTED], media releases (Budget 2017 announcements) or require you to note and be aware of certain things that are proceeding (taking over the administrative functions for school transport).

Table 1: Key priorities

	Description	Milestone
Budget 2017	Budget announcements - we are finalising the Vote Education package for Budget 2017, which includes investment in new classrooms to meet roll growth. We will continue to work closely with your office to coordinate arrangements with Minister Kaye's office, and to develop communications material and press releases leading up to announcements post-Budget Day.	May 2017
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
Insurance Renewal	The Ministry's insurance policy is due for renewal by 30 September. Currently 30% of our policy is set in the London market. Officials will be negotiating a new policy with international underwriters in July.	July 2017
Ongoing operations	We have a full programme of building activity happening across the country. We will brief you on any specific issues, including openings as these arise.	
School Transport	From 30 June the Ministry will take over all the administrative functions for school transport, which were previously provided by external agents (further details in section 4).	July 2017

## Section One – The Education Infrastructure Service (EIS)

### Education Infrastructure Service Mandate

The core functions of EIS include:

- infrastructure service delivery functions including property acquisition and disposals, other land business activities (Treaty Settlements, Resource Management Act interfaces, heritage interfaces, Territorial Authority interfaces)
- sets the policy environment for school property and provides property advice to schools, the Ministry and Ministers
- sets engineering and construction standards, along with operational policy and guidelines
- delivers capital works through programme management
- procures services including contract negotiation and management of the modular classrooms project
- manages the delivery of school transport assistance
- monitors Education Payroll Limited, the company that manages education payroll services
- ICT Infrastructure and WIFI provision in schools.

### Background

EIS was established in 2013 by bringing together all of the back office (infrastructure) services that support the education system. We deliver infrastructure services to schools – property, transport, payroll and information technology. We bring together the key elements needed to:

- give students access to safe, healthy and inspiring learning spaces that support better educational outcomes
- help school leaders keep their focus on teaching and learning
- improve capital efficiency and effectiveness across the school estate and deliver better value for money.

EIS is accountable for the following core services:

### School property

EIS is responsible for the performance of the state school property portfolio. We are actively moving towards being a strategic asset manager for the Crown, and work with school boards of trustees, principals, and their communities, to create learning spaces for students and staff. The following is an overview of the portfolio we manage:

- New Zealand has around 2,500 schools serving approximately 750,000 students.

- There are more than 300 state-integrated schools and around 100 private schools.
- The Ministry-managed state school property estate includes around 2,100 schools with over 30,000 buildings, 35,000 learning spaces and approximately 8,000 hectares of land.

With a book value of \$14.6 billion and a replacement value of \$23.5 billion<sup>1</sup>, the Crown school property estate is the Government's second largest social asset portfolio, after Housing New Zealand.

Each year around \$800 million capital and \$170 million operating is spent directly on existing schools to ensure they are in good condition.

New capital is sought via the annual budget bid process to meet the demands of demographic change – this is invested in expanding the capacity of existing schools, and establishing new schools.

The Ministry owns the property at state schools and is responsible, in partnership with boards of trustees, for ensuring that this property is used to best effect.

### **School Transport**

We spend approximately \$190 million each year on School Transport Assistance, assisting over 100,000 students across New Zealand get to school every day where distance is a barrier to education. The Ministry manages around 7000 daily vehicle movements, clocking up over 36 million kilometres a year.

Transport funding is provided directly to around 400 schools and kura. These schools/kura then organise and manage transport assistance for their students as they see fit.

We provide transport assistance to over 6,000 students who have specialised transport needs, and conveyance allowances to around 5,000 students who do not have access to a transport service, to help them get to and from school.

We also provide 'technology transport' for approximately 25,000 students, who don't have technology facilities at their own school, to travel to their closest technology provider.

Special Education School Transport Assistance (SESTA) is provided for students with specific safety or mobility needs. Some SESTA is provided via conveyance allowances to caregivers, but most is by way of door-to-door vehicle service. The Ministry spent \$37 million to provide these SESTA vehicle services in the 2016/17 year. Contracts with providers now require security cameras, GPS and panic alarms in all vehicles, as well as multiple new safety requirements.

---

<sup>1</sup> The \$23.5 billion replacement value includes both land and buildings, but excludes Early Childhood Centres and school houses. The Carrying value of the portfolio is estimated at \$14.6 billion.



## Technology in Schools

The Ministry's Technology in Schools programme is a centrally funded initiative focused on providing a consistent standard of Information and Communication Technology (ICT) infrastructure to schools across New Zealand.

There are three parts to the Technology in Schools programme:

- 1 The Schools Network Connection Project has ensured that every school has access to ultrafast broadband by making direct fibre connections from the broadband fibre in the street into each school. This was completed in December 2015.
- 2 Secondly, the government upgraded the cabling in schools so that they can take advantage of ultra fast broad band and has subsequently introduced wireless connections into schools. Approximately 90 percent of state schools have been funded for a wireless network upgrade.
- 3 Internet access services to most schools are provided by the Network for Learning (N4L). The N4L is a Crown-owned company which was established in 2012 to build a managed network specifically designed for schools. The N4L provides all participating schools with access to uncapped, safe and secure internet access with web filtering and helpdesk support.

The rollout of the N4L's managed network was completed in December 2016 with 2,431 schools connected.

## Schools Payroll

We manage the Ministry component of schools payroll, working with Crown company Education Payroll Limited, which is responsible for delivering payroll services to over 90,000 teaching and non-teaching staff. The schools payroll is the largest payroll in New Zealand, disbursing approximately \$180 million each fortnight and \$4.4 billion on an annual basis.

EIS is responsible for:

- setting, monitoring, and managing the performance of Education Payroll Limited to ensure that the schools payroll is provided in a manner that fulfils the accountabilities of the Secretary for Education
- performing such supporting functions that must be retained by the Ministry due to statutory delegations.

Education Payroll Limited is currently implementing a programme to ensure the ongoing stability and sustainability of the payroll system, and ensuring compliance with the Holidays Act 2003.

## **School Property Regulatory Environment**

The Ministry is required under the Education Act 1989 to provide access to education, which is mostly achieved by supplying and maintaining facilities nearby to student demand. The Ministry responds to changes in demand by allocating resources linked to the Government's teacher/pupil ratio policy. Generally, the Ministry strives to manage capacity to stay within tolerance of these ratios. Changes in demand are driven by demographic forces including birth rates, immigration and internal migration.

The Building Act 2004 sets out base standards for design and construction of buildings that the Ministry supplements with its own standards relevant to the end use of school buildings. The Building Act includes base standards for design and construction of buildings, requirements for seismic strength, and requirements for maintenance of various safety systems. The Ministry needs to meet the minimum standards set out by the Building Act. In some cases, the Ministry elects to exceed the legislative standards in order to better meet the requirements of education provision.

The Health and Safety at Work Act 2015 provides the regulatory framework for managing health and safety on school sites. Relevant requirements include asbestos management, storage of hazardous substances, fencing, as well as an overall duty of care covering the delivering of projects and the day to day management of sites and their facilities.

## **The operating environment**

All of New Zealand's state and state-integrated schools have a board of trustees. Each board of trustees is a Crown entity established under the Crown Entities Act 2004, responsible for the governance and day to day management of the school. The board is the employer of all staff in the school, is responsible for setting the school's strategic direction, and ensuring the provision of a safe environment (including property) and quality education for students.

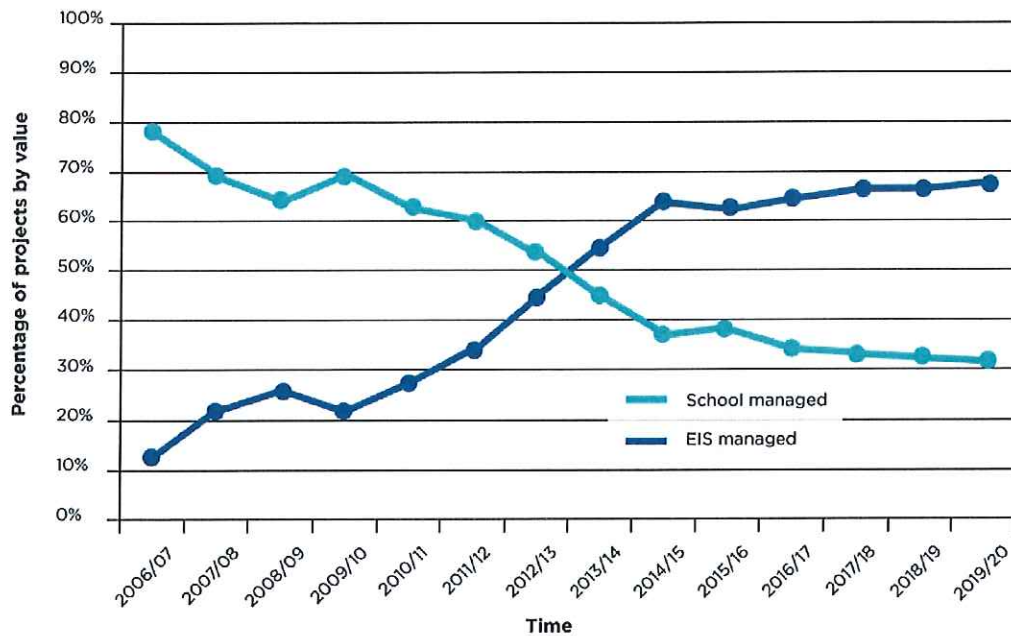
School boards are bound by a property occupancy document agreed with EIS and by statutory, regulatory, and health and safety standards.

## ***Managing school property – supply side***

EIS is responsible for policy settings for the existing portfolio and for the supply of new property to meet increasing demand.

Our operational model has evolved from a "hands off" funder of schools to a "hands-on" asset manager, to address legacy issues across the portfolio, such as weather-tightness building failures, and help prevent these recurring in future. EIS now manages all complex property works on behalf of schools, and around 70% of all property projects (by value) - a significant increase from the 30% in 2010.

Figure 1: Proportion of Ministry and school managed projects over time

**Proportion of Ministry and school managed projects over time*****Managing demand for teaching spaces***

EIS works closely with the Sector Enablement and Support (SE&S) Group of the Ministry. The SE&S Group is responsible for assessing and managing the demand for teaching spaces. This includes understanding the impact of demographic changes and identifying areas of population change.

The SE&S Group determines whether changes in demand can be addressed through enrolment schemes or other network levers. They identify where and when new roll growth classrooms and new schools are needed, establish all new schools, and provide advice to Ministers regarding school closures, mergers, or changes in school type.

EIS responds to this advice and prepares an annual budget bid to expand the capacity of the portfolio.



## The strategic environment

EIS's operating environment is affected by a range of government policy initiatives along with the regulatory environment. The key elements are highlighted below.

### *Eight- Point Plan to transform school property services*

The Government has committed to investing in education and making sure schools have high-quality infrastructure. In 2013, the transformation of school property services was set out in the government's Eight Point Plan.

Figure 2: Eight Point Plan to transform school property services

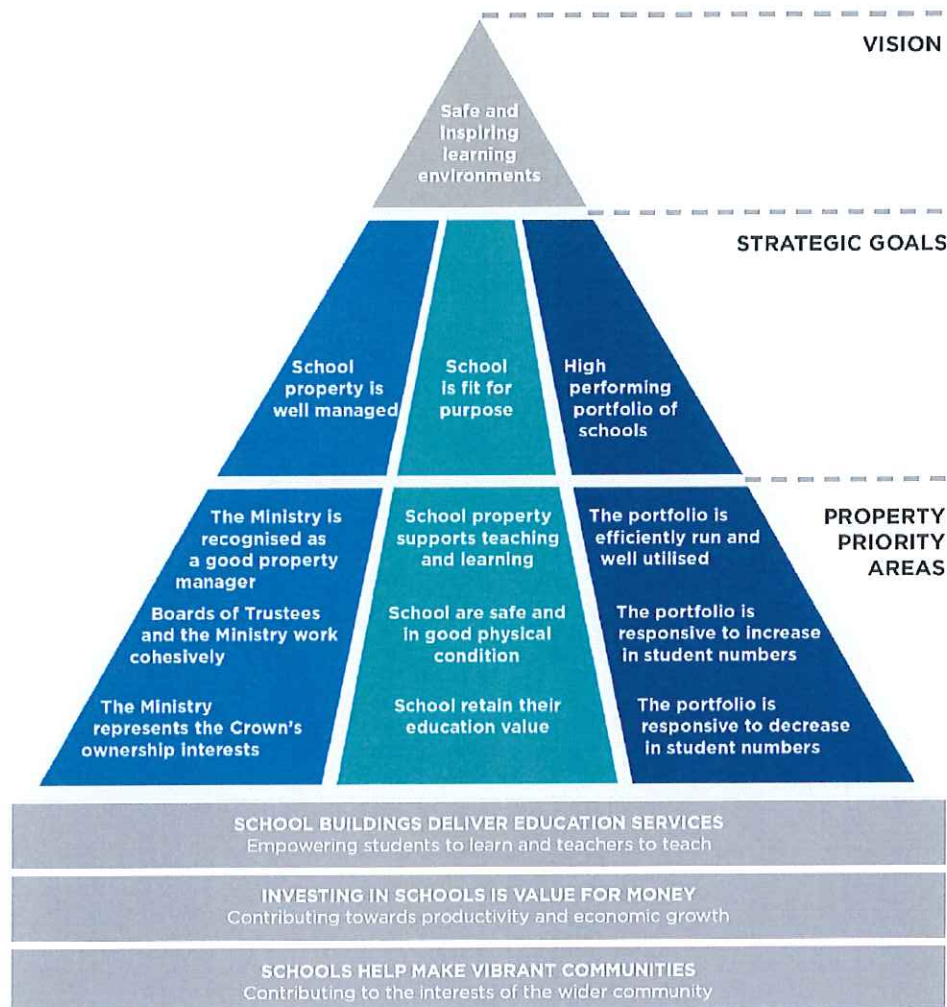
Eight Point Plan	
1	Investing in areas of growth
2	Targeting support to schools that require major developments
3	Helping schools resolve outstanding property issues faster
4	Providing schools with access to better services, including facilities management
5	Offering support for major property works
6	Better procurement to enable faster delivery of national programmes
7	Providing schools with incentives to collaborate and develop innovative approaches to property developments
8	Providing greater transparency about the costs and condition of school property

### *School Property Strategy*

The Ministry's School Property Strategy 2011-2021 (refer to Figure 3 below) requires schools to be fit for purpose and for the school infrastructure portfolio to be high-performing and well managed. It also recognises there are significant issues that have impacted the current condition of the school infrastructure portfolio, including the Christchurch earthquakes, weather-tightness defects and poor prior maintenance practice at some schools.

The Ministry is also advancing Innovative Learning Environments, which seek to optimally support teaching and learning. The Ministry is seeking to ensure that the school infrastructure portfolio supports a range of teaching and learning practices and is adaptable over time to meet changes in these practices. The aim is to support teaching and learning and minimise infrastructure whole of life costs.

Figure 3: School Property Strategy



***Investment Management and Asset Performance***

The Cabinet Circular CO (15) 5 Investment Management and Asset Performance sets out a series of expectations on the Ministry, including improving its capability and maturity across the management of investments and assets. The Circular also requires the Ministry to accumulate sufficient depreciation funding within existing balance sheets to provide for assets required to underpin future service needs.

***Settlement of historical Treaty of Waitangi claims***

The Ministry is also actively engaged in Treaty settlement redress over school land with iwi, in accordance with the Government's priority to settle historical Treaty of Waitangi claims. The land beneath a school can be used to form part of the settlement and is then leased back from the iwi by the Ministry. Increasing numbers of school sites are leased as a result of the Treaty settlement programme, which may eventually result in the sale and lease-back of up to 20% of the state school land portfolio. School operations are not impacted by Treaty settlement processes.



## Section Two – How the Funding Works

### Key Messages

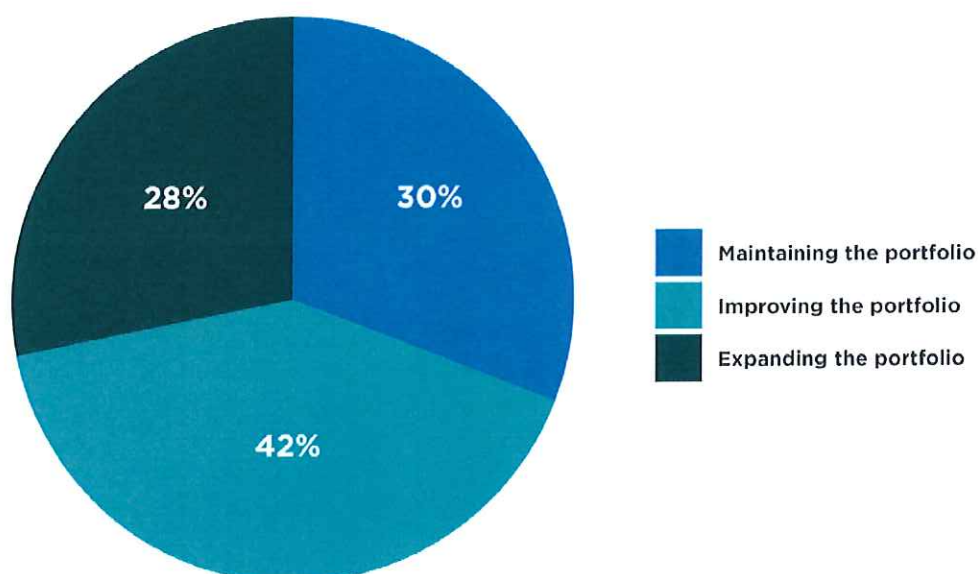
Government spends around \$800 million in capital funding and \$170 million operating per annum on maintaining, improving and expanding the state school property portfolio.

The forecast capital spend for 2016/17 is set out below:

The portfolio generates around \$550 million depreciation funding per annum. Depreciation is used to fund capital maintenance and to modernise and improve existing schools.

Figure 4: 2016/17 Forecast Capital Spend

### EIS Forecast Capital Spend for 2016/17



Around \$250 million of the depreciation funding is allocated directly to state schools to maintain their school property assets. This is made up of Five-Year Agreement funding (5YA), learning support property modifications, and other demand driven property funding. The remainder of the depreciation funding is used by EIS to redevelop existing schools and on a variety of national property improvement programmes.

New capital is sought through the Budget bid process to expand the size of the portfolio to meet the demands of demographic change. This money is invested in expanding the capacity of existing schools (roll growth classrooms), and constructing new schools.

Schools also receive an annual operating grant for operational maintenance for their property. This funding is for small repairs and painting that are not capitalised and to pay for heat, light and water.

In addition to funding state schools, the government also provides funding to state-integrated schools. EIS incurs a capital charge, assessed against the book value of the portfolio. Exact funding to cover this charge is provided and it is repaid to Treasury.

### **Funding Sources**

As mentioned, the government spends around \$800 million (capital) and \$170 million (operating) per annum on maintaining and improving existing schools and on building capacity to meet roll-growth demand, as set out in table 2 below. In addition, the Government spends approximately \$190 million on school transport, which is discussed in greater detail in Section One.

Table 2: School Property Funding Sources

Funding type	Funding name	Funding source	Split into	Approx. amount per annum	Key purpose of	Responsibility of
Capital	Depreciation funding	Baseline	5YA funding	\$190 million	Modernising school property	Boards of trustees
			Redevelopments	\$200-\$250 million	Property redevelopment and remediation	EIS
			Christchurch Schools Rebuild	\$50 million	Rebuild of Christchurch Schools affected by the 2011 Earthquake	EIS
	New capital	Budget bid process	Other property modifications	\$60 million	Demand driven property modifications, including special needs modifications	EIS and Boards of trustees
			Funding for state owned schools	Demand driven budget bids (generally between \$200 million and \$300 million)	Building new capacity	EIS
Operating	Operating grant	Baseline	Christchurch Schools Rebuild	New capital (and insurance proceeds) portion of the rebuild - varying in line with construction forecasts.	Rebuild of Christchurch Schools affected by the 2011 Earthquake	EIS
			<ul style="list-style-type: none"> <li>Property maintenance grant</li> <li>Heat light and water</li> <li>Vandalism</li> </ul>	\$170 million	Minor repairs and facilities management	Boards of trustees

In addition to this, there are also Non Departmental funding types which include Furniture and Equipment grants (Capital), and Integrated Schools funding (Operating).



### ***Capital Funding***

Capital funding is used to improve the value of an existing asset, extend the life of an existing asset, or to create a new asset. As such capital funding is an investment in school property.

EIS receives capital funding from two sources – depreciation funding provided annually as part of the Ministry's baseline (approximately \$550 million per annum) and new capital which is awarded through the annual budget bid process. EIS is responsible for and administers this funding according to the Public Finance Act 1989 and Cabinet Office operating procedures.

Capital spent on existing schools is sourced from depreciation. This funding is used to replace building components that have exceeded their economic lives, modernise property, and to carry out major redevelopments of existing schools.

Funding awarded through the annual budget process is used to fund the creation of new assets that generate new capacity to meet roll-growth demand. New capital is required because Cabinet must approve all new assets that commit future governments to ongoing funding in the form of maintenance and operating costs that will be generated over the life of the asset. This means any new asset created is funded from new capital.

### ***Operating Expenditure***

In addition to capital funding, schools receive an annual operating grant. Part of this grant is in the form of a Property Maintenance Grant to undertake minor repairs, funding for heat, light and water, and to cover costs associated with vandalism. The operating funding associated with school property totals approximately \$170 million per annum, excluding capital charge and depreciation.

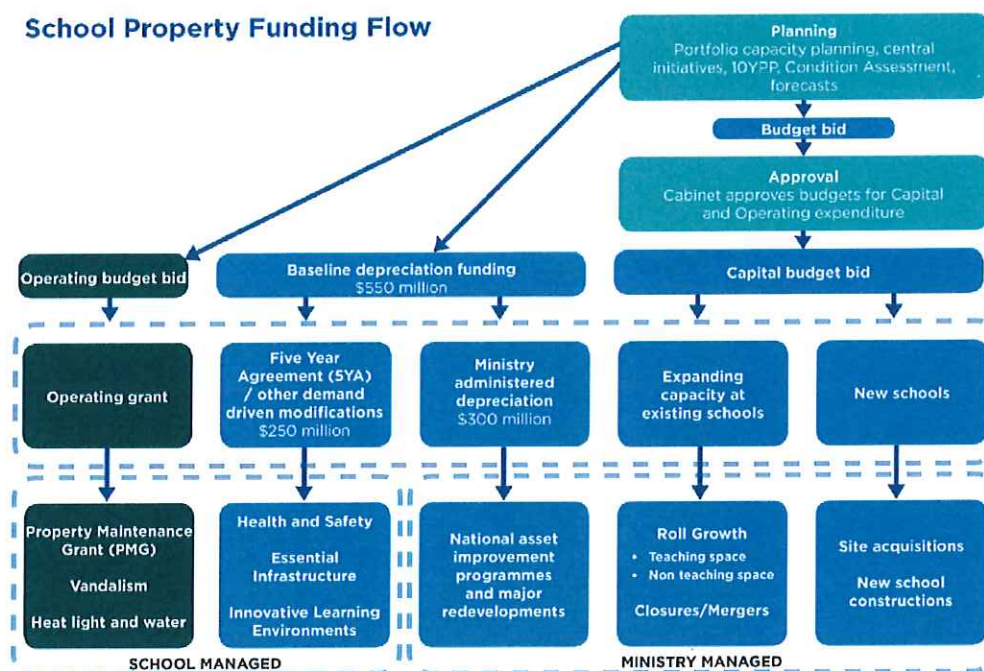
### ***Funding for state integrated schools***

There are approximately 300 state integrated schools within the state school network (former private schools that have integrated into the state system). EIS also secures a portion of funding for state integrated schools, which in 2016/17 is forecast at approximately \$65 million. This funding is used in a similar way to the funding allocated to state owned schools. This is to build new schools and property in the state integrated network to meet demand for new capacity, and to help those schools maintain their property. The maintenance money is provided directly to the proprietors of the schools who allocate the funding across their portfolios as they see fit.

## Follow the Money

This diagram shows how the Ministry manages its property budgets.

Figure 5: School Property Funding Flow



## Public Sector Financial Delegations

The following excerpt from Cabinet Office circular CO (15) 5 sets out the financial delegations for the public sector. It should be noted that the Head of EIS can approve capital expenditure with a “whole of life” cost below \$15 million. The Minister of Education can approve capital expenditure with a “whole of life” cost between \$15 million, up to \$25 million. Capital expenditure with a “whole of life” cost above \$25 million requires Cabinet approval.

Infrastructure investment delegation levels are set out in table 3 below.

Table 3: Infrastructure investment delegation levels

*Investments that require the approval of the responsible Minister*

Type / owner of proposal	All departments	All other agencies covered by this circular
All investments with a whole of life cost of between \$15 million and \$25 million, if funded from baselines and balance sheets	✓	
All proposals to dispose of assets with a carrying value of between \$15 million and \$25 million	✓	

*Investments that require the approval of the departmental chief executive*

Type / owner of proposal	All departments	All other agencies covered by this circular
All investments with a whole of life cost of up to \$15 million, if funded from baselines and balance sheets	✓	
All proposals to dispose of assets with a carrying value of up to \$15 million	✓	

*Investments that require Cabinet approval*

Type / owner of proposal	All departments	All other agencies covered by this circular
All investments that require new Crown funding	✓	✓
All PPP proposals, even if funded from baselines and balance sheets	✓	✓
All investments with a whole of life cost over \$25 million, even if funded from baselines and balance sheets	✓	
Proposals to dispose of assets held on the Crown account	✓	✓
All proposals to dispose of assets with a carrying value of \$25 million or more	✓	
All high risk or high value investments, irrespective of the scale and funding source	✓	✓



## Section Three – School Property Portfolio

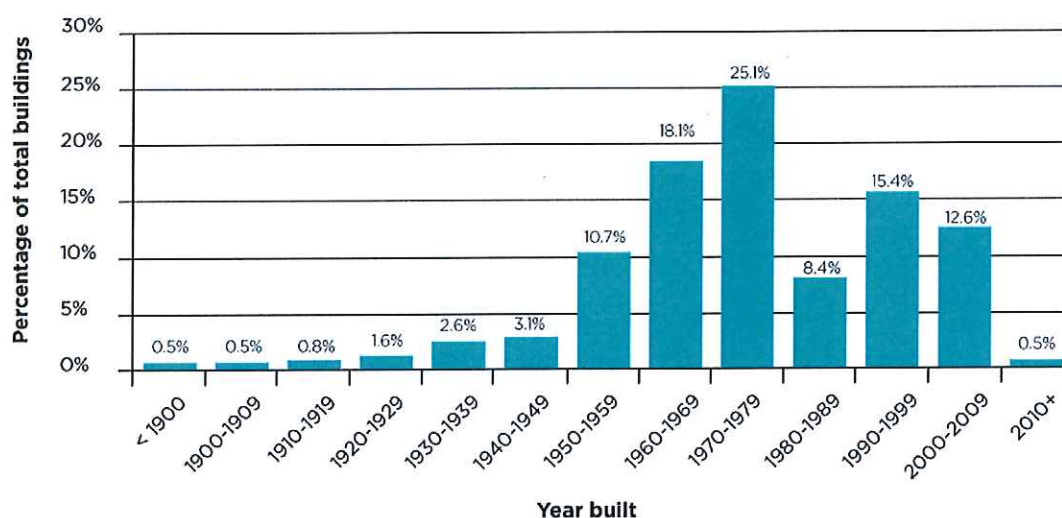
### Age of Buildings

EIS is responsible for the performance of the state school property portfolio. The Ministry-managed state school property estate is made up of around 2100 state schools, including 37 state special schools, with over 30,000 buildings, 35,000 learning spaces and approximately 8,000 hectares of land. The Ministry owns the property at state schools and is responsible, in partnership with boards of trustees, for ensuring that this property is used to best effect.

The average age of state school buildings is 42 years (refer Figure 6 below). Many are in need of mid-life and end-of-life renewal, as well as modernisation to support the demands of 21st century teaching and learning. There is also a need to rationalise surplus space and construct new space to ensure capacity matches demand. A key challenge is modernising the infrastructure of older schools.

Figure 6: Age distribution of school buildings

### Age distribution of school buildings

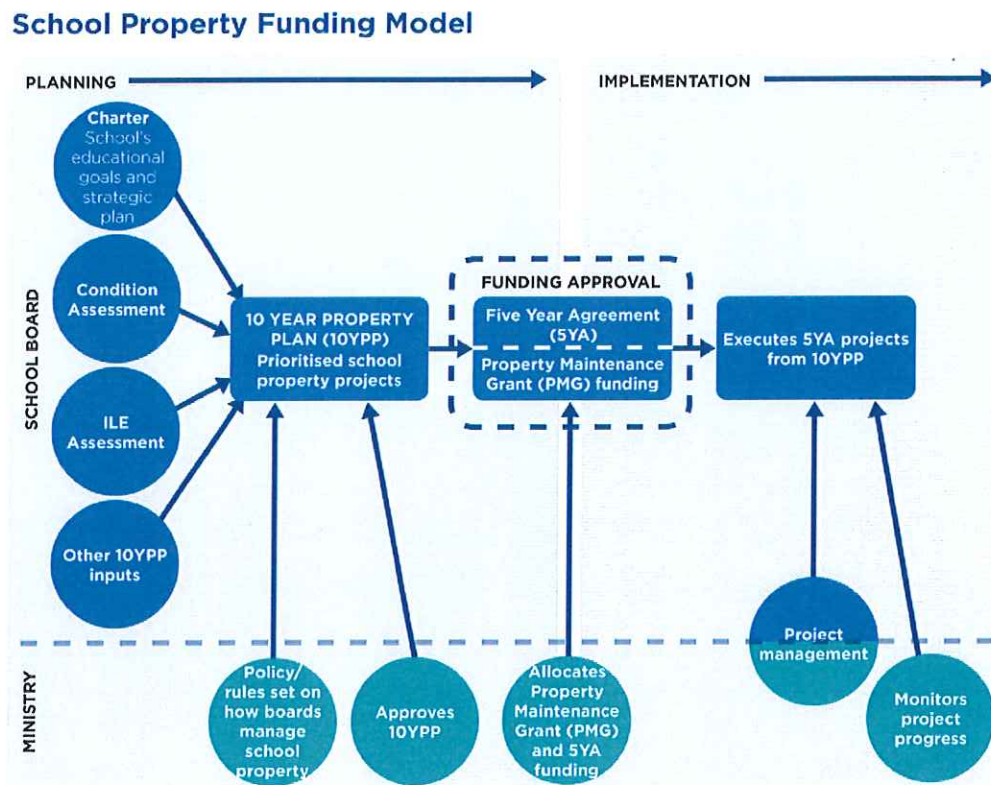


### The Ten-Year Property Plan (10YPP) Process

Every five years, schools are required to develop a Ten-Year Property Plan (10YPP) setting out the property maintenance and modernisation work they will be undertaking. This process allows EIS to work with boards of trustees to identify what critical maintenance items need to be addressed and what the priority issues at each school are. The development of the 10YPP is undertaken by the school with support from an independent property assessor accredited by the Ministry.

10 Year Property Plans are a mandatory part of the 5YA funding approval cycle, and used to support a school's bid for further capital funding. The 10YPP process is outlined in Figure 7 below.

Figure 7: School Property Funding and the 10YPP Process



Undertaking a condition assessment is a mandatory part of developing a 10YPP. The condition assessment is a structured inspection undertaken by accredited project managers and property specialists from within the property maintenance industry. School buildings and property assets are complicated because of the many different components (e.g. roofs, cladding, windows) which must operate together to ensure the school remains weather-tight, and that the internal conditions are appropriate to learning, for example, that heating and cooling is adequate, that the space is well-ventilated, and that the space is well-lit.

We use the data we collate and store from these assessments to help inform policy settings for school property, to monitor expenditure and model aspects of the portfolio in terms of how well we think our buildings will last into the future and how much they will cost to maintain. The target and performance for 2016/17 is shown in table 4.

Table 4: Summary of 2016/17 target/performance

Condition Rating (by school building)		Target	Performance for 2016/17	
<b>1</b>	Highest condition	85%	45%	93%
<b>2</b>			29%	
<b>3</b>			19%	
<b>4</b>		15%	4%	7%
<b>5</b>	Lowest condition		3%	

### Surplus school property

Property no longer needed for educational purposes is declared surplus and disposed of in line with the requirements of the Public Works Act 1981. EIS receives the proceeds from the sale of surplus property and reapplies this to the portfolio. The five sequential steps in the disposal process are:

- Transfer the property to another government department or territorial local authority if required for another public work.
- Offer the property back to the previous owner (or their beneficial successors).
- If the property forms part of a deed of settlement, the iwi concerned has first right of refusal. If they don't exercise that right the property is placed on the open market.
- If the property is not subject to a deed of settlement the property is assessed for any other related Treaty of Waitangi claims under the Maori Protection Mechanism or the Sites of Significance process. If any claim is successful, then usually the property will be 'land-banked' and purchased by the Office of Treaty Settlements for Treaty claims.
- If the property is not land banked it is placed on the open market.



## Capital Works

EIS manages a significant programme of capital works through the dedicated capital works team. This team manages the design process and construction of new school builds, major redevelopments, roll growth, and the remediation of weathertightness issues. There are approximately 470 projects currently underway, including projects which form part of the Christchurch Schools Rebuild Programme. The forecast expenditure for the 2016/17 year is approximately \$450 million; a subset of the total school property portfolio capital expenditure.

More information on our building design process can be found in Appendix Two.

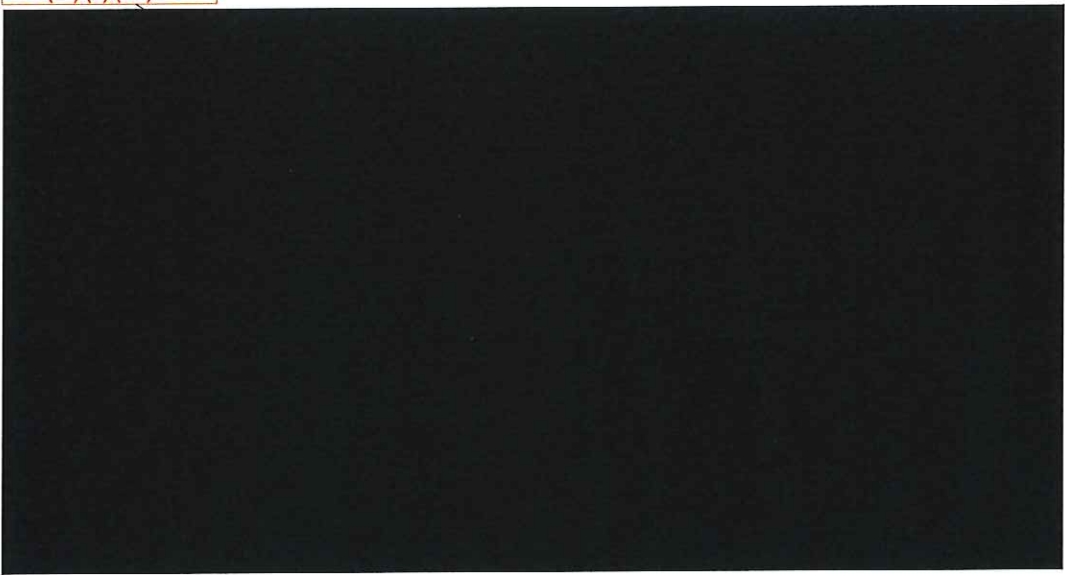
### *Christchurch Schools Rebuild Programme*

The Government committed \$1.137 billion capital funding in November 2013 to be spread over 10 years to rejuvenate the education network in greater Christchurch, an area involving over 85,000 learners in more than 300 early childhood centres and 200 schools. The Christchurch Schools Rebuild (CSR) Programme includes a total of 115 schools - 13 are being built on new sites, 10 will be built on existing sites, 34 schools will be fully redeveloped, and 58 will be moderately redeveloped.

We are currently in year four of the programme and we are on track to complete the programme within the 10-year timeframe and within budget. The programme has reached a level of maturity, and has been exited from Treasury's 'Major Monitored Programme reporting,' as it has been assessed as performing well. The CSR Programme has completed projects at 11 schools to date, and construction has commenced on projects at a further 27 schools.

More information on the CSR Programme can be found in Appendix Three.

s 9(2)(f)(iv) OIA



s 9(2)(f)(iv) OIA



### ***Public-Private Partnership Schools***

One mechanism for providing new schools is through a Public Private Partnership (PPP). The Ministry has successfully delivered Hobsonville Point Primary and Hobsonville Point Secondary through the first PPP. Of the four schools in the second PPP (PPP2), three are officially open for the 2017 school year: Ormiston Junior College (Auckland), Haeata Community Campus (Christchurch), and Rolleston College (Canterbury). Construction at Wakatipu High School is continuing and is on track for the school's opening in Term 1 of 2018.

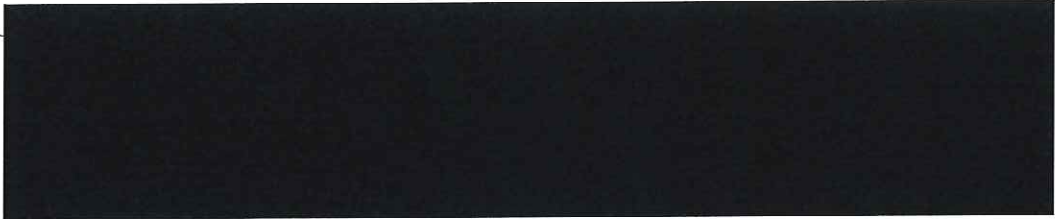
Financial Close was reached in April 2017 to appoint the ShapEd consortium for the third Public Private Partnership (PPP3). The ShapEd consortium includes Morrison & Co PPP GP II Ltd and Pacific Partnerships Pty Ltd as equity providers; CPB Contractors Pty Ltd and Southbase Construction Ltd as lead construction contractors; Spotless Facility Services (NZ) Limited as lead facilities management contractors with ASC Architects as lead design consultants.

The schools the consortium will deliver are:

- Kumeu / Huapai Primary School, opening in Auckland in 2019
- Flat Bush South East Primary School, opening in Auckland in 2019
- Sylvester Primary School, opening in Hamilton in 2019
- Shirley Boys' High School and Avonside Girls' High School, co-located on a Christchurch site and opening in 2019.

The ShapEd consortium will design, finance, and construct the schools, and will be responsible for the maintenance of these schools for a period of 25 years.

s 9(2)(i) OIA



**Modular Buildings**

Modular buildings are an effective way for EIS to respond quickly to alleviate the pressures of roll-growth in schools. Modular buildings are designed and built off-site, therefore causing minimum disruption to the school. They are also transportable, and can be relocated from one school to another with relative ease in response to shifts in demand. More information on recent developments and deliveries of modular buildings can be found in **Appendix Four**.



## Section Four – Key Areas of Interest

s 9(2)(f)(iv) OIA



## **The Review of Funding Systems – Property Component**

In April 2016, Cabinet agreed to a substantive review of funding systems for early learning and schooling [CAB-16-MIN-0173]. The aim of the review is to develop a new funding system in which children are adequately supported to make at least a year's worth of progress against the curricula every year. In October 2016, Cabinet agreed to further develop and test a more child centred funding system, made up of a number of components [CAB-16-MIN-0545].

Within this review there is a property work-stream, which includes:

- Works carried out using Property Maintenance (Operating) Grant (\$90 million per annum). This includes painting and maintenance of buildings, grounds and pools
- Heat, light and water (\$75 million per annum)
- Vandalism (\$8 million per annum)

In April Cabinet agreed in principle to changes that would place requirements on how property maintenance funding is spent to better ensure appropriate maintenance of school property and to move funding for heat, light and water to be based on actual usage, incentivise energy efficiency and support optimal learning environments [CAB-17-MIN-0110].

## **Budget 2017**

Budget Day is scheduled for 25 May 2017. As has been the case in previous years, we will be receiving capital and operating investment to ensure we are able to respond to and prepare for current and future population growth and demographic changes across the schooling network. As part of Budget 17, we have signalled growth pressures in Auckland, Tauranga and Queenstown, as well as significant demand for special needs classrooms.

The Government will be announcing Budget decisions on Budget day and in the months following. We would recommend having a meeting with the Minister of Education to discuss the detail of Budget 17 and arrangements for making announcements.

Once you have met with the Minister of Education, we recommend a meeting with EIS to discuss any supporting documentation that may be required post Budget Day.

## **Managing the implications of growth in Auckland**

The Ministry's Network team in the Sector Enablement and Support Group continuously monitors population trends across the country to ensure the schooling network is running at or near optimal capacity. Statistics New Zealand's 2013 high growth projections indicate that in Auckland approximately 49,000 additional student places will be needed by 2027 and over 100,000 will be needed by 2043.

While good progress has been made to date to keep up with this demand, and the scale of population growth in Auckland, [REDACTED]

s 9(2)(f)(iv) OIA

In the meantime, to address immediate demand in Auckland, business-as-usual investment in Auckland school infrastructure will continue through Budget 2017. Cabinet has approved capital funding of close to \$220 million for Auckland to deliver 4,390 additional places over the next four years through a mix of new schools, roll growth classrooms and expansions, and relocations of existing schools.

As at 31 March 2017, we had delivered 8,330 of the 17,000 additional student spaces funded for the Auckland region since 2014. We are on-track to deliver all 17,000 teaching spaces by 2019. [REDACTED]

s 9(2)(f)(iv) OIA

## **School transport**

### ***School bus contracts***

Subject to performance, we intend to offer a three year extension to school bus service providers in July 2017, for services beginning in 2018. This is the final extension possible following the 2008 National School Bus Tender. The extensions will include a number of new requirements associated with changes in Health and Safety legislation, the most significant being the requirement for operators to fit on-board vehicle telematics systems to enable the Ministry to monitor performance of the vehicles.



We are also currently conducting a Health and Safety audit on all of our contracted providers, to assess their level of compliance with legislative and contractual requirements. The outcomes of this audit will inform our decision around offering extended contracts. We anticipate that some operators will either not be offered extensions or will choose not to accept the new terms and conditions. We have undertaken market research that gives us confidence that this risk is limited to a small number of our suppliers; and we will have other suppliers able to fill any gaps left.

### ***Changing the model for administration services***

The business case to change the model for delivering school transport administration services was approved on 6 March 2017. Administration is currently outsourced to Cognition Education Ltd and School Support Ltd.

The Ministry will take over all administrative functions for school transport, when the contracts with Cognition Education Ltd and School Support Ltd expire on 30 June 2017. This change will provide a greater level of transparency and control, to more effectively manage the provision of a high quality frontline service to students and school communities around the country.

### ***Waikato bus services***

School Transport Assistance is only provided where there is no public transport available that students could use to get to school and we will withdraw our services if public transport is available. Most of the “school” buses in Auckland, Wellington, Christchurch, Dunedin and Tauranga are operated by regional councils.

The Ministry has been transporting students to three state integrated schools in Hamilton where they could be using public transport. There has been significant tension over the Ministry’s plans to withdraw these services in the Waikato. Following recent discussions with the affected schools and the regional council, only two services are now planned for withdrawal by July 2018.

### **Communities of Learning | Kahui Ako**

A Community of Learning | Kāhui Ako is a group of education and training providers working together to provide education pathways and help learners achieve their full potential. These include early childhood education services me ngā kōhanga reo (early learning services), schools, kura and post-secondary.

Each Community of Learning | Kāhui Ako sets shared goals, or achievement challenges based on the particular needs of its learners. There are now 197 Communities of Learning, encompassing 1,630 schools, 184 early learning services, and 4 tertiary providers (as at 26 April 2017).

Looking at schools in the context of a community provides an opportunity for us to rethink how we deliver property strategies, property management and ICT resources. Shared property management and other bundled services across a Community of Learning could increase collaboration and reduce workloads for school boards, principals and teachers, and provide cost savings. For example, schools may decide to share property or facilities within their Community of Learning, as well as within their local community.

s 9(2)(f)(iv) OIA



## **Technology in schools**

### ***The Master Services Agreement renegotiations***



EIS is responsible for ensuring that schools have the ICT infrastructure they need to make full use of digital technologies, as detailed in Section One.

The Master Services Agreement between the Ministry and N4L expired on 31 December 2016. The Ministry and N4L agreed an extension of the Master Services Agreement and Statements of Work until 30 June 2017 to allow the renegotiations to be completed.

As the new Statements of Work will be worth more than 50% of N4L's total assets, under the Companies Act, N4L's shareholders (the Ministers of Finance and Education) must approve the contract before N4L can enter into it. The Ministry has signed the contracts and Treasury is assisting N4L in obtaining shareholder signature. The Ministry has provided N4L with assurance it will continue to operate as if they are signed until shareholding Ministers have signed the contracts.

## Appendix One - Education Infrastructure Service Roles and Responsibilities

The Education Infrastructure Service supports the Education system through the design, implementation and management of education infrastructure products and services.

Name	Position	Responsibilities	Mobile/DDI
Iona Holsted	Secretary for Education  Chief Executive of the Ministry of Education	The Secretary provides stewardship and leadership across the education system to drive a lift in student achievement at all levels.  The Chief Executive is responsible for executing the functions and duties of the Ministry, advice to Ministers, and efficient, effective and economical management of the Ministry.	04 463 8003  s 9(2)(a) OIA
Kim Shannon	Head of Education Infrastructure Service (Deputy Secretary)	The Education Infrastructure Service manages the existing school property portfolio on behalf of schools; delivers capital works, including new schools and roll growth; provides school transport assistance to eligible students; and delivers ICT infrastructure connectivity to schools to support digital learning initiatives. EIS also oversees the provision of Education Payroll, providing operational and policy settings and managing the relationship with Education Payroll Ltd.	04 463 8384  s 9(2)(a) OIA



Name	Position	Responsibilities	Mobile/DDI
Malcolm McKee	Group Manager, Strategy and Policy	The EIS Strategy and Policy team develops and maintains engineering and design standards and operational policy; demonstrates the links between the Ministry's business and education infrastructure objectives; and develops strategic documents including the annual Property Programme Business Case. Strategy and Policy also develops budget bids for new capital for education infrastructure.	04 463 1577 [REDACTED] s 9(2)(a) OIA
Rob Giller	Group Manager, Infrastructure Advisory Services	Infrastructure Advisory Services provides the regional, front line property support for schools. As well as supporting schools to develop and implement their 10 Year Property Plan (10YPP) and manage their Five Year Agreement (5YA) funding, the group also provides procurement advice, deals with emergencies affecting school property and buildings. The nationally based land and property services team looks after contracted property services; operational practice; ownership and occupancy; Treaty settlements; and acquisition/designation support.  The Stakeholder Engagement Group (SEG) takes the lead at a national level on engagement with key stakeholders on school education infrastructure.	04 439 5038 [REDACTED] s 9(2)(a) OIA

Name	Position	Responsibilities	Mobile/DDI
Angela Hawkings	National Director, Capital Works	Capital Works is responsible for planning, managing and delivering capital construction projects including new schools and kura, the Christchurch School Rebuild, and major or specialised work at existing schools (including earthquake resilience assessment and remedial work).	04 463 8733 [REDACTED] s 9(2)(a) OIA
Delaney Myers	Director, School Transport	Provides school transport assistance to help students who face difficulties getting to and from school, due to distance and lack of suitable public transport. The group also provides transport assistance for students who have safety or mobility needs that prevent them from travelling independently to and from school.	04 439 5352 [REDACTED] s 9(2)(a) OIA
Andrew Turner	Associate Deputy Secretary, Education Payroll	The Ministry's education payroll team manages the effective commercial relationship with Education Payroll Ltd (EPL).  It manages the translation of payroll policy into business rules, supports the implementation of these rules, assists schools to increase their capability and establishes and maintains the long-term direction of schools payroll to ensure it remains sustainable and affordable.	04 439 5411 [REDACTED] s 9(2)(a) OIA

Name	Position	Responsibilities	Mobile/DDI
Rob Campbell	Group Manager, Business and Capability Services	Engages and supports EIS employees by providing direction, tools, systems and processes. Includes business systems, HR, governance arrangements, legal support, and oversight of the Technology in Schools programme. Technology in Schools is a centrally funded initiative focused on providing all state and state integrated schools with a high standard of ICT infrastructure and broadband connectivity. The team also manages the contractual relationship with the Network for Learning Ltd (N4L), which provides the schools' Managed Network.	04 463 0995 [REDACTED] s 9(2)(a) OIA
Ian Dennis	Group Manager, Asset Management and Finance	Manages EIS' financial resources including operating, non-departmental and capital expenditure. Monitors portfolio level asset management performance, outcomes, and measures, to lift overall asset management maturity.	04 463 7727 [REDACTED] s 9(2)(a) OIA
Laurence Pidcock	Director, Commercial Procurement	Leads procurement advice and practice for EIS to ensure the Ministry gains maximum value from its procurement activities. The team supports the delivery of property-related service across EIS and schools, manages the procurement policies and processes, and works with EIS to increase procurement capability. It manages the modular buildings programme, expenditure of professional services, leaky building products settlements, and the 10YPP Consultant and Project Manager Panels.	04 463 0984 [REDACTED] s 9(2)(a) OIA



Name	Position	Responsibilities	Mobile/DDI
Neil Beattie	Director, Portfolio and Business Assurance	Provides guardianship of EIS through the provision of guidance, independent advice, and challenge on key activities. Specific functions include Health and Safety, risk and assurance, operational legal support, and the central portfolio management office.	04 463 0949 [REDACTED] s 9(2)(a) OIA

## Appendix Two – Beginning the Building Process



The number of Ministry-led capital projects has grown significantly over the past few years and we have established a clear process to work with schools on what to expect when embarking on a new major capital project. This publication discusses the project brief, design guidelines and how they link to the overall design process.

### Developing the project brief

The school's project brief is an essential document that ultimately drives the design and construction of the project. It has two key elements:

- 1 **Education brief:** the school's specific vision for teaching and learning, which takes into account the school's cultural narrative. Developing the education brief is led by the school but supported and facilitated by the Ministry, if required.
- 2 **Property brief:** the school specific building parameters, such as entitlement areas, condition of buildings, current issues on weathertightness or structure. This part of the brief is completed by the Ministry on behalf of the school.

### Designing Schools in New Zealand (DSNZ)

The Ministry has produced a set of design guidance documents that provide an overview of the delivery process and establish design principles for working on school property. There are other key documents that also support the DSNZ including the Structural & Geotechnical Guidelines (SGG).

The guidelines help to ensure that new buildings and infrastructure align with key design objectives such as flexibility, durability and cost-effectiveness as well as responding to environmental factors such as prevailing winds, sunlight, and ground conditions.

The guidelines also describe the Ministry's objective to support and enable teaching and learning provision as it changes with ever-evolving pedagogical practices.

The Ministry's preference is for durable, regular-shaped buildings with simple roof lines to ensure they are safe, efficient and effective.

Together, the framework of documents supports the design process and outcome. The school's education brief assists in informing how the spaces will be designed and configured internally to support and enable the school's vision to be realised. The education brief is given to the architect before they begin the master planning process (see below). More information about master planning can be found over the page.



### School input is essential

The significant teaching and learning expertise within schools and school communities is critical to delivering successful project outcomes.

The Ministry will work with each school to understand their vision for delivering education, and help translate that into what it means for learning spaces in the school.

The education brief belongs to the school and will be the basis for developing the master plan and projects delivered under the programme.

One of the measures of success will be how well the master plan, and subsequent capital projects, meet the school's project brief.



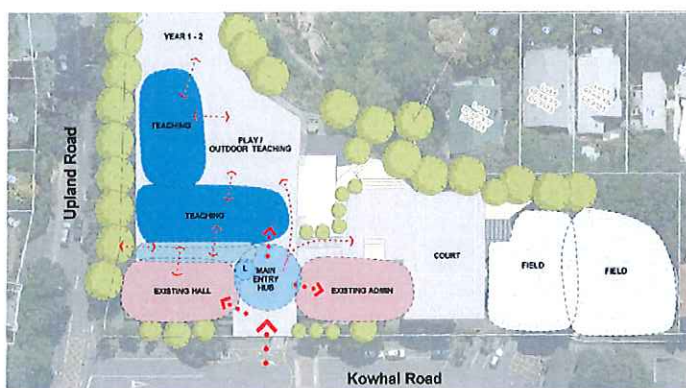


## What is a master plan?

Developing the master plan is the next stage in delivering a school's capital project. The master plan is a comprehensive long term planning tool intended to establish and guide the future development of the school site. It is a blueprint that reflects a clear vision for the future direction of teaching and learning at the school and is supported by policies, guidelines and priorities.

The master plan will identify priorities for action (based on the educational vision), set out suggested relationships between public and private spaces, plan for activities and uses which may take place in school areas and identify movement patterns around the school.

Master planning can help redefine a familiar place, opening up its potential and offering new insights into the place it could be. The master plan can help bring out the best in an area in terms of its landscape, topography and ecology. An example of a site layout drawing within a master plan report is shown below. The master plan is informed by the project brief and design guidelines.



## Why do schools need a master plan?

To ensure a coordinated approach to property development and maintenance, each school will develop an overarching site plan that will be delivered over the long term. The school will develop their 10 year property plan (10YPP) from the master plan. The master plan will include an implementation strategy and a staged approach for site development. This is shown in the diagram below.



*"We are delighted with our new school and our work with the Ministry in developing the school design that meets our vision for teaching and learning. The Ministry team were responsive, proactive, and fair in their dealings with the school, BOT and community. I understand how hard the Ministry team work to meet our needs (and deal with my ideas, expectations and revisions) and they do so with professionalism, a positive attitude and in the best interest of our tamariki."*

Neill O'Reilly - Principal, Waitākiri School



## Support in developing your education brief

In greater Christchurch, Grow Waitaha is now well established and is supporting schools through the 'navigators' to develop their brief and provide opportunities for professional development.

Schools outside Christchurch should contact their Property Advisor or Project Delivery Manager for support to develop your brief.

## Design Review Panel

The Design Review Panel (DRP) has been established to provide quality assurance over the technical aspects of school buildings, as they are designed.

The panel is made up of industry experts who ask questions such as, have the prevailing wind and sunlight factors been adequately considered in the design, is the building going to be weathertight, and does the design meet the education brief.

The DRP doesn't review the educational aspects of the brief, but considers whether the designs will support the school's vision, as it is set out in the brief.

The DRP was established for the Christchurch Schools Rebuild programme but has expanded to provide assurance over all capital projects across the country. The Ministry aims to have local expertise on the panel for each review.

## QUESTIONS?

If you have any questions about the design process, please contact your Property Advisor



## Appendix Three – Christchurch Schools Rebuild Programme



In November 2013, the Government committed \$1.137 billion in capital funding over ten years to rejuvenate the education network in greater Christchurch.

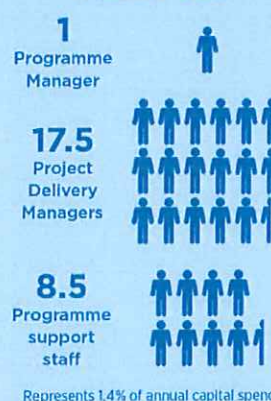
### The programme is currently tracking ahead of schedule

#### ACHIEVEMENTS

As of 31 March 2017 we have spent 26% of budget against an expected spend of 25%, indicating we are slightly ahead of schedule. We have also achieved the following:

- Completed 11 school projects, 25 are in construction, 28 in various stages of design.
- Established and implemented a consistent project management framework and systems.
- Implemented quality assurance process over the design of school property through the establishment of the Design Review Panel (DRP) which has generated added value or cost savings in excess of \$5 million. Membership includes NZ's top architectural, engineering and quantity surveying firms.
- Established the 'Grow Waitaha' team to work with schools to develop their project briefs and ongoing support to schools through the transition.
- Programme has been reviewed three times by State Services Commission Gateway Review process, with positive outcomes.
- Reviews by the Ministry's Risk and Assurance Board and EIS Infrastructure Board and Risk and Assurance Committee have also been positive.
- The maturity of the programme is now such that Programme consistently achieved a Green rating on Treasury's Major Monitored Programmes Report and has now been exited from the programme because of the level of confidence of Treasury in the Ministry delivering a successful programme.

#### PEOPLE



Waitakiri School, opened January 2016

#### PROJECTS



#### PARTICIPANTS

	PRIMARY	INTER-MEDIATE	SECONDARY	YR 1-13	TEEN PARENT UNIT	KURA	LEARNING SUPPORT	TOTAL
SCHOOLS	80	8	15	3	2	2	5	115
STUDENTS	29,796	3,301	17,231	1,429	48	158	329	52,292
TEACHING SPACES	1,295	143	749	62	2	7	15	2,273

**COMPLETED TO DATE**

(at 31 March 2017)

We have spent 26% of budget against an expected spend of 25%, indicating we are slightly ahead of schedule

	Schools	Teaching spaces	Teaching spaces m <sup>2</sup>	Library m <sup>2</sup>	Hall m <sup>2</sup>	Resource Area m <sup>2</sup>	Admin m <sup>2</sup>	Gym m <sup>2</sup>	Student places
Refurbishment	2	38	2,798	423	742	357	517	-	820
New school site	5	309	26,342	1,700	4,896	2,389	3,661	1,614	4,040
Rebuild	4	100	8,797	292	1,926	691	886	-	2,092
<b>Total</b>	<b>11</b>	<b>447</b>	<b>37,937</b>	<b>2,415</b>	<b>7,764</b>	<b>3,437</b>	<b>5,064</b>	<b>1,614</b>	<b>6,952</b>

**PUBLIC PRIVATE PARTNERSHIPS**

Four schools have been or will be delivered under a public private partnership:

- 1 Haeata Community Campus
- 2 Rolleston College
- 3 Avonside Girls' High School, co-located with;
- 4 Shirley Boys' High School



Avonhead School, opened January 2017



West Rolleston Primary School, opened January 2016

**MINOR WORKS**

Minor works are small repairs or urgent works for schools waiting to enter the Christchurch Schools Rebuild programme since their SYA was frozen.

<b>923</b>	Projects initiated since October 2012	<b>18%</b>	General building works
		<b>12%</b>	Weathertightness remediation
<b>70</b>	Active projects (active, proposed or on hold)	<b>12%</b>	Demolition
		<b>10%</b>	Prototyping
<b>47</b>	Active projects managed internally	<b>8%</b>	Surveys / reports
		<b>6%</b>	Roofing
<b>245</b>	Total projects managed internally	<b>6%</b>	Site works
		<b>28%</b>	Other (specific trades)

WAVE 1 2014	WAVE 2 2015	WAVE 3 2016	WAVE 4 2017	WAVE 5 2018	WAVE 6 2019	WAVE 7 2020	
A - COMMENCES FEBRUARY							
Haeata Community Campus Halvaxell School Lytelton Primary School Marshall School Riwiti School Pegasus Bay School Rolleston College Shirley Primary School West Rolleston Primary School Te Waka Union	Beckenham School Bramley School Gilberthorpe School Hemby High School Hemby Primary School Spreydon School Ao Tahiaki Unleashed Discovery Little River School Rendy Avenue School Waltham Primary School	Avonside Girls' High School Barnhill School Burnside Primary School Cathays Intermediate School Qewa School St Martin's School Shirley Boys' High School Sockburn School South Hemby School	Diamond Harbour School Governors Bay School Heathcote Valley School Himmerton High School Oaklands School Seamfield School Waimari School	Christchurch Boys' High School Christchurch Girls' High School Heaton Normal Intermediate Merrin School Rutley School Westburn School West Spreydon School Yaldhurst Model School	Linwood North School PA Pleasant School Papamoa High School Piccarton Primary School Summer School Waiwaka School	Belfast West School Broom's Intermediate Burnham School Elmwood Normal School Paparoa Street School Riccarton High School West Halvaxell School	
B - COMMENCES JULY							
Addington School Avonhead School Cathmere Primary School Papamoa Primary School Rolleston School Halvaxell Residential College  Over Almah Special School Fendall Special School Fendall School Van Achter Education Centre Waiwaka School	Banks Avenue School Castlemere High School Christchurch East School Kaiapoi Borough School Kaiapoi High School Karanga Ma TPU Kaiapoi North School Linwood College Kirihaia TPU South New Brighton School Whareana School Woodend School	Bishopdale Primary School Cottonvale School Lynwood Avenue School Mairehau High School Ridgewood School Shirley Intermediate School	Akaroa Area School Dunstanville School Hagley Community College Hoon Hay School Mairehau Primary School Okains Bay School Parkview Primary School Queenspark School	Casebrook Intermediate Ilam School Kirkwood Intermediate School Rangiora West School St Albans School Thornhill School	Belfast School Christchurch South Intermediate School Isleworth School Northcote Primary School Rosedale Primary School TKM o Waiwaka TKM o Te Whānau Tah	Burnside High School Chisholmwood Intermediate Clearview Primary School Fendall Open Air School Harewood School Lincoln Second Site Templeton School	
KEY:	Yet to enter	Pre-engagement	Master planning	Design	Tender	Construction	Complete



## Appendix Four – Information on Modular Buildings



Welcome to the first edition of the modular building bulletin. This bulletin has been established to provide information and updates on the modular building programme.



In July 2015, a national contract was signed with Interlink, a consortium made up of Portacom, Brewer Davidson and Opus to supply modular buildings to schools around New Zealand to meet roll growth demand.

The delivery of the modular building projects is managed by the Capital Works team in Wellington. Going forward, a Delivery Manager will be appointed to all new projects and be the key liaison between schools, property advisors and Interlink.

To keep up with demand, Interlink have established two factories, one in Christchurch and one in Auckland. The Auckland factory will produce up to 2.5 teaching spaces per week, while the Christchurch factory will produce up to 1 teaching space per week.

Once the work in the factory is complete, Interlink will transport the building to the school, connect up the services and build the decks. Within a few weeks the buildings will be ready for students and teachers to use.

The key benefits of the modular buildings are:

- The buildings are constructed in a factory away from the school, to minimise disruption to the school.
- The project is managed by the Ministry in partnership with Interlink, reducing the time the school needs to spend on buildings.
- The buildings have a number of standardised features and components resulting in these buildings being able to be delivered faster than a traditional, bespoke building process.

The next six months will be an exciting time for the modular building programme. Multiple projects, with another 33 teaching spaces, will be completed on schools all over the country.

### Achievements so far

The programme has now completed its first year and the achievements include:

Completed projects	15	Completed teaching spaces	48
Projects in progress	46	Teaching spaces in progress	94
Total projects	61	Total teaching spaces	142

In partnership with Interlink, we have recently secured a multi-proof consent (multiple use approval) for the standard design of the building modules which is issued by Ministry of Business, Innovation and Employment (MBIE).

What this means is that local authorities around the country will no longer need to individually consent these modules, thereby reducing consenting timeframes. Earthworks and foundations will still be consented in the normal way.

**5 MONTHS**

Average time from first project meeting to receiving final plans

**34 DAYS**

Average time from receiving final plans to confirming approval to start delivery

**6 MONTHS**

Average time from 'approval to proceed' to occupation

High quality classrooms being delivered faster than a traditional design and build projects

We are working to improve timeframes over the next 12 months



## Kaikoura Primary School

*The first real test of the building strength as they performed extremely well in the recent earthquake.*



The November earthquake in Kaikoura was the first time the modular buildings were tested in real time seismic activity. The building stood up to the test and performed extremely well, and was actually used as emergency accommodation. The only damage reported was minor damage to the spouting.

## Methven Primary School

*"Our children and our teachers feel incredibly fortunate to work and learn in these spaces."*

A double teaching space and a triple teaching space modular building were completed in February and December 2016 respectively at Methven Primary School.



*"We have taken possession of a triple modular building and a double modular building within the past six months. Our children and our teachers feel incredibly fortunate to work and learn in these spaces. The buildings look stunning and fit sympathetically into their surroundings."*

*The size, quality of the build, and fit-out far exceed anything the school could have achieved if we had opted to do our own design-build. The learning spaces themselves are exceptional; every consideration has been given to ensure that they are truly conducive to teaching and learning. The flexibility of the spaces allows our contemporary pedagogy to flourish."*

Chris Murphy - Principal, Methven Primary School

## Alfredton School

*"The modular classroom we have on site has so far proven to be fantastic!"*

Alfredton School, a small school located in the lower North Island recently received a single modular building.



*"The modular classroom we have on site has so far proven to be fantastic! It is warm, bright, colourful and welcoming. We have enjoyed the entire process of the work and felt involved with all major decisions along the way."*

*I particularly liked that we were able to work with colours and have some choices around exterior work so the room could be the best fit it could be for our school."*

*The team from Interlink were fantastic and worked hard to make sure that the school understood what was happening and why."*

*The building itself is very modern and has full access to all school wide systems. No corner has been cut in terms of making sure the building has a modern feel, sustainable use and meets with Innovative Learning Environment standards. Our school is really enjoying the room."*

Anita Phillips - Principal, Alfredton School



## Site visits

If you are interested in visiting a modular building in your area, or one of the factories, please contact:

[EIS.Transportables@education.govt.nz](mailto:EIS.Transportables@education.govt.nz)



Lifting aspiration and raising educational  
achievement **for every New Zealander**



[www.education.govt.nz](http://www.education.govt.nz)

New Zealand Government