



5/03/2024

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

Tēnā koe [REDACTED]

**OIA: 1322391 – Overview for each contractor of what work they were hired to do over the period**

Thank you for your email of 5 February 2024 to the Ministry of Education (the Ministry) requesting the following information about contractors spent:

*The information provided does not say what the money was spent on. At this stage, I am not expecting to find out what each line of spending paid for, but it would be great if you could tell me:*

- 1. What has driven the increase in tier 1 contractor spending in the last five years (looks like the spending has quintupled over that period) and*
- 2. Give me an overview of what the big-ticket items were. According to the data, the biggest contractors by value were: Beca Limited, PwC, KPMG, Deloitte and Aecom New Zealand Limited. It would be great if you could give me an overview for each contractor of what work they were hired to do over the period.*

Your request has been considered under the Official Information Act 1982 (the Act).

Regarding the **first part** of your request, I would like to provide you with an overview of changes and milestones that have contributed to the increase in spending for Tier 1 contractors in the last five years, namely the spending on Beca Limited, Aecom New Zealand Limited, Aurecon New Zealand Limited, Deloitte, KPMG, and PwC.

Tier 1 contractors and consultancy costs corroborates with the increase in budget and time limited government initiatives in recent years. These include implementing the outcome of the Tomorrow's Schools Review (2018/19) with the National Education Growth Programme and National Redevelopment Programme. Implementing these initiatives resulted in an increased investment, namely in the school property portfolio. Furthermore, there was a re-organisation within the Ministry as we shifted to a new structure with the creation of Te Mahau giving effect to the Government's 2019 response to the independent review of the Tomorrow's Schools system.



## **Beca Limited, Aecom New Zealand Limited, and Aurecon New Zealand Limited**

Beca Limited provides Condition Assessments (to ensure all our classrooms are fit for purpose purpose), quantity surveying and advice. Aecom New Zealand Limited provides quantity surveying and project management for a number of schools capital projects and Aurecon New Zealand Limited has provided technical advice on construction, deliverability and project management.

The increased expenditure with these suppliers primarily relates to the Ministry's School Property Portfolio, which is currently New Zealand's second largest social property portfolio. The Tomorrow's Schools Review, conducted in 2018/19, identified a need to invest further in the quality of our schooling network and school property portfolio. In response to this the previous Government committed to providing an additional 100,000 student places in high-growth areas by 2030 through the National Education Growth Programme and the National School Redevelopment Programme.

In 2016/17, the Government invested over \$750 million in school property, and by 2022/23, that investment has increased to over \$1.7 billion per annum. The Government has invested a total of \$3 billion more over the past five years when compared to 2016/17 levels. As a result of this capital growth the Ministry's need for specialised Tier 1 contractor services has increased.

## **Deloitte, KPMG, and PwC**

These firms have provided consultancy services within programmes such as PPP (Public Private Partnership), School Property, Schools Payroll, School Transport, Māori Medium Network and notably in recent years - the organisational shifts within the Ministry in response to the Tomorrow's School's Reform 2019.

This advice included a redesign of the Ministry to provide more frontline support closer to schools, principals and school boards and the consolidation of Institutes of Technology and Polytechnics (ITPs) and Industry Training Organisations to form Te Pūkenga – New Zealand Institute of Skills and Technology (NZIST).

On 4 October 2021, the Ministry shifted to a new structure with the creation of Te Mahau within a redesigned Ministry (Te Tāhuhu o te Mātauranga). In October 2022, internal consultation commenced on the proposed redesign of Te Tāhuhu o te Mātauranga, including Te Mahau. The changes proposed represent the first time the Ministry has had the opportunity to step back and design Te Tāhuhu o te Mātauranga in detail, to support how we work to provide locally, regionally, and nationally integrated services to improve the overall system to deliver equitable and excellent outcomes. These firms provided expert advice and support to ensure the re-design within the Ministry gives effect to the Government's 2019 response to the independent review of the Tomorrow's Schools System.

Regarding the **second part** of your request, I note that the Ministry's media team provided you with this information on 9 February 2024. We have expanded on that in **Table 1** below.

Please note, we may publish this response on our website after five working days. Your name and contact details will be removed.

Thank you again for your email. If you have further questions, please feel free to contact our media team in the first instance at [media.team@education.govt.nz](mailto:media.team@education.govt.nz).

Nāku noa, nā

A handwritten signature in blue ink that reads "James Shilling". The signature is written in a cursive, flowing style.

James Shilling  
**Chief Financial Officer**  
**Te Pou Rangatōpū | Corporate**

**Table 1**

Company	Services Provided	Examples of what was worked on within the Ministry
Beca	<b>Consulting:</b> Create, design, and optimise assets and infrastructure	<ul style="list-style-type: none"> <li>· Condition Assessment</li> <li>· Quantity Surveying</li> <li>· Carbon Neutral Programme advisory in response to Government policy, e.g., climate science and mathematical modelling</li> </ul>
PWC	<b>Consulting:</b> Financial and policy advice	<p>Mostly financial &amp; policy related, including but not limited to:</p> <ul style="list-style-type: none"> <li>· Consultancy and support for the Tomorrow's Schools Reform. Change work, organisation design and planning change implementation</li> <li>· Te Pūkenga establishment</li> <li>· Schools Payroll reviews &amp; assessments</li> <li>· Forecast, Valuation and Modelling for Student Loan Scheme</li> <li>· Actuarial calculations</li> <li>· Support for Teacher Aide Pay Equity Claim</li> </ul>
KPMG	<b>Consulting:</b> Financial and policy advice	<ul style="list-style-type: none"> <li>· Public Private Partnership (PPP) expansion programme</li> <li>· Business case development</li> <li>· Negotiations with PPP providers</li> <li>· Financial modelling</li> <li>· Christchurch Schools Rebuild Mid-Point Review</li> <li>· Māori Medium Network Work Programme support</li> <li>· Auckland Enrolment Scheme</li> <li>· Development of Enterprise and Business Group Operating Models</li> </ul>
Deloitte	<b>Consulting:</b> Quality assurance and policy advice	<ul style="list-style-type: none"> <li>· Independent Quality Assurance for Christchurch School rebuild</li> <li>· Public Private Partnership expansion advisory programme management services</li> <li>· Consultancy and support for the Tomorrow's Schools Reform</li> <li>· School Transport Bus Services – Procurement Plan Support</li> <li>· School's Payroll &amp; Long-Term Strategy</li> <li>· Capability Uplift - Investment and Asset performance and School Property Portfolio Structures and Report Prototyping</li> <li>· Review on High Needs Review</li> </ul>
Aecom	<b>Consulting:</b> Infrastructure services & project management	<ul style="list-style-type: none"> <li>· Quantity surveying</li> <li>· Project Management for several school property projects</li> </ul>
Aurecon	<b>Consulting:</b> Project management	<ul style="list-style-type: none"> <li>· Public Private Partnership expansion advisory – provision of technical advice in construction, deliverability, and project management</li> </ul>