



17 July 2019

Kim Shannon  
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By email: Kim.Shannon@education.govt.nz

Dear Kim

RE: CHRISTCHURCH SCHOOLS REBUILD – CHRISTCHURCH GIRLS' HIGH SCHOOL

Thank you for your letters of 10 May and 4 June 2019 responding to our request for information about the rebuild of Christchurch Girls' High School.

We asked for this information because of concerns raised with our Office about the Ministry of Education's (the Ministry) management of aspects of the project to rebuild Christchurch Girls' High School (the school) after the Canterbury earthquakes. We categorised the concerns as relating to:

- the conduct of Ministry staff;
- the Ministry's planning and management of building works at the school; and
- the Ministry's reporting on progress with the Christchurch Schools Rebuild project, including for this school.

#### **Conduct of Ministry staff**

The Auditor-General's office is not an avenue for resolving individual complaints or concerns about how a public entity has handled a particular matter, including the conduct of its staff. We do not intend to inquire into this issue.

#### **Planning and management of the building works**

Concerns were raised about decisions by the Ministry about the scope and nature of the works for the main block at the school. These decisions include the building's size, quality, and functions, and whether repairing or rebuilding the block was the most appropriate approach.

We considered the architectural, engineering, and geotechnical advice that the Ministry received in choosing its preferred option. We focused on whether that advice was sufficient to support decision making. We also considered the Ministry's policy on the percentage of the new building standard it plans to achieve when carrying out strengthening and building repairs.

We have not seen anything to suggest that the decisions made about this project were substantially different from the Ministry's general approach and policies relating to work on school buildings, or that they were inconsistent with managing a large programme of work across multiple schools within a fixed budget.

The changes to the repair work over the course of the project were informed by specialist engineering and geotechnical advice. Some of this expert advice conflicted with other expert advice, and the

Ministry has used its judgement in evaluating those differing opinions. We do not have the expertise in construction management, engineering, or geotechnical matters that is required to assess the appropriateness of those judgements. We also understand that the geotechnical setting is complex. If there is any suggestion that the industry professionals involved have acted inappropriately, then that could be raised with the relevant professional bodies.

For these reasons, we do not intend to inquire into the appropriateness of the decision to repair rather than rebuild, or into the appropriateness of decisions about the various components of the repair work.

### **Reporting on the project**

The Ministry monitors the progress of property projects and the money spent or committed to those projects, including for the 115 schools in the Christchurch Rebuild Programme. It does not usually report that information publicly. As the Ministry is responsible for a property portfolio of around 2,100 schools, our view is that its position is not unreasonable.

However, it is our expectation that when the Ministry reports this information, or is asked for information on its performance against budget and timelines, it provides this information in a completely transparent way, unless doing so would compromise its ability to get value for money when procuring components of the repair work.

In our view, the Ministry needed to report on changes to the timeline and budget for the school's repairs to provide the context for its statement that the repairs were "on time and on budget". These changes and the associated re-phasing of the project, among other factors, resulted in the forecast costs of repairing the main block exceeding the original estimates and extending the timeline for those repairs from what was set out in November 2017. The project does appear to have tracked closer to the revised budget and timelines since a major decision to change the approach to the work.

The Ministry's standard practice has been to reset its baselines (targets) when a project's budget and timeline are changed through an approved project variation. We recommend that the Ministry, when asked, reports against a baseline of its original assumptions about budget and timing, including the reasons for any variation since. It may also want to report on a revised budget, or individual stages of the project, but should ensure that any partial reporting is not potentially misleading.

I have provided a copy of this letter to the correspondent who raised concerns with us.

Yours sincerely



Jane Rogers

Sector Manager for Schools