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BRI011690

Mr Kelvin Tori
Chief Executive Officer
City of Melton
PO Box 21
Melton 3337

Dear Mr Tori

Congratulations on securing funding for the Kurunjang community hub project through the Shared Facilities Fund (SFF).

The Victorian School Building Authority (VSBA) is committed to supporting local government councils and schools in the delivery of capital projects. I am aware that the project is on council land, adjacent to the Kurunjang Primary School, and, as a consequence, the council will be responsible for the delivery of the project from inception to completion, in consultation with the VSBA.

Please find attached two documents that will assist in the delivery of the funded project:

- **Delivery of capital works policy**

The VSBA will work with the council to ensure it adheres to the relevant elements of this policy throughout the completion of the project.

- **Grant acceptance form**

Please complete and return the enclosed form two weeks after the announcement of the funding.

To submit the documentation, or for further information, please contact Mr Paul Hilton, Service Delivery, VSBA, on 03 9637 2147 or by email: hilton.paul.m@edumail.vic.gov.au.

Yours sincerely

Chris Keating
Chief Executive Officer
Victorian School Building Authority

16/6/2017

CC Mr Mathew Wilson, Community Planning Manager, City of Melton



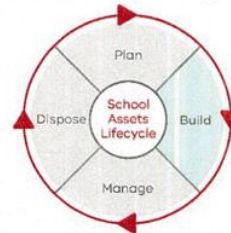
DELIVERY OF CAPITAL PROJECTS POLICY

Version 2 | August 2015

Purpose

- outline the models for delivering school capital projects
- describe the roles and responsibilities of schools and the Victorian School Building Authority (VSBA) under each model.

This policy aligns with the following school asset lifecycle stage



RELEVANT LEGISLATION AND REGULATION

- [Financial Management Act 1994](#)
- [Project Development and Construction Management Act 1994](#)

POLICY STATEMENT

The VSBA works with schools in the delivery of capital projects identified through the AMP process to ensure they meet the needs of the school and are delivered on time, to budget and are of a high quality.

While schools are engaged throughout the delivery of all capital projects, there is flexibility in the level of responsibility schools may assume under these projects. For larger, more complex projects, the VSBA plays a leading role due to the experience and resources required to manage risk and cover any possible liabilities associated with larger projects.

The VSBA has four categories of project budgets, applicable to both capital works and major maintenance projects:

- Under \$25,000
- Between \$25,000 and \$200,000
- Over \$200,000 up to \$5 million
- Over \$5 million

Note: all budgets include GST.

Document owner: Asset Planning and Policy Unit, Victorian School Building Authority, DET

This document is available online at:

<https://edugate.eduweb.vic.gov.au/Services/Schools/Infrastructure/Pages/Home.aspx>

www.schoolbuildings.vic.gov.au



Authority to enter contracts – Department-funded planned maintenance and capital works

Under the *Project Development and Construction Management Act 1994*, the Department is the only body authorised to enter into contracts and approve capital project budgets.

However, schools have delegated authority to enter into and pay contracts for Planned Maintenance projects under \$200,000 (incl. GST) and capital works projects under \$25,000 (incl. GST).

School financial delegation – school-funded facilities

School councils have delegated authority to enter into contracts to carry out self-funded building works or improvements up to \$50,000 (including GST).

Where building works exceed \$50,000 in value, school councils must seek approval from the appropriate officers within the Victorian School Building Authority (VSBA).

Schools must not proceed to obtain tenders, quotations for works, or commence works estimated to exceed \$50,000 without having first received written approval from VSBA.



Schools must comply with Government policies on probity and tendering. Tendering requirements are set out in Ministerial Direction No.1 for construction.

Project management

Schools are able to manage all projects with a budget of less than \$25,000 from start to finish, after completing their AMP with support from the VSBA.

Schools may choose their level of involvement in the delivery of projects between \$25,000 and \$200,000, noting that any projects that involve building reconfigurations (i.e. structural changes) require a greater amount of documentation as changes to school design need to align to the school's educational specification.

All projects greater than \$200,000 require the engagement of a principal design consultant (architect) to manage the project.

All projects with a value of over \$5 million must have an independent project manager in addition to a principal design consultant.

RATIONALE

The VSBA is committed to supporting schools in the delivery of capital works and major maintenance projects.

All schools planning to undertake a capital project must work with the VSBA to prepare an Asset Management Plan (AMP). An AMP takes into account all infrastructure funding a school receives over a five year period, including capital works, major maintenance, locally raised and Student Resource Package (SRP) maintenance funding. For more information, see the [Asset Management Planning policy](#).

Project Control Groups (PCG) govern all capital works and planned maintenance projects. PCGs ensure schools are engaged and have oversight for the duration of all projects, regardless of the contract amount. See the Department's [Project Governance policy](#).

ADDITIONAL INFORMATION

After a school's AMP is approved, the priority projects identified in the AMP may begin implementation.

The process for delivering infrastructure projects differs depending on whether it is a capital project or planned maintenance project:

- A "capital project" means a project involving the construction of new school facilities and/or the re-configuration of existing school facilities. Capital projects will typically require the development and assessment of a Spatial Analysis Plan (as part of the Asset Management Plan), Schematic Design and Design Development proposals.
- A "planned maintenance project" means a project involving the refurbishment of existing school facilities and which does not involve changes to the building and/or room configurations and/or uses. Maintenance projects do not require the development and/or assessment of a Spatial Analysis Plan, Schematic Design and Design Development proposals. For more information, see the VSBA's [Planned Maintenance policy](#).

All templates, forms and procedures for tendering and delivering school infrastructure projects are available through the VSBA's Project Management Framework (PMF).

Capital projects

School capital projects are funded through the annual State Budget, announced in May each year.

Individual projects are allocated budget based on a robust methodology, factoring in school condition and historic funding. For more information, see the [Capital Funding Allocation policy](#).

The roles and responsibilities of schools, the VSBA and consultants in the delivery of capital works projects are outlined in the following table:



FUNDING	<\$25,000	\$25,000 - \$200,000	\$200,000 - \$5 MILLION	>\$5 MILLION
PROCUREMENT	1 quote for works	3 quotes for works	Minimum 3 tenders	
PROJECT MANAGEMENT	School	School of PDC	PDC	Project Manager
DESIGN AND ARCHITECTURAL SERVICES	Depending of scope of works, quotes or PDC		PDC	PDC
COST PLANNING	School	School or PDC	Quantity surveyor (appointed by PDC)	Independent Quantity Surveyor

Note: Principal Design Consultants (PDC) were formerly known as architects.

The project management needs of schools will be assessed on a case-by-case basis by the VSBA in consideration of project complexity and the available budget.

These thresholds have been developed to maximise school input to the delivery of infrastructure projects, while ensuring projects are delivered on time, on budget and to a high standard.

It is important to note that every aspect of the capital works project/s in an Asset Management Plan must be met within the total allocated budget.

Other Considerations

All consultants and contractors engaged to undertake school infrastructure projects must be registered for the appropriate education category with the Construction Supplier Register. For more information, see the [Construction Supplier Register fact sheet](#).

Schools are to engage:

- Contractors from the CSR for all works over \$200k
- Commercial builders for all other works but preferably from the CSR
- Architects from the DET Architecture category of the CSR for any DET funded-projects

The VSBA will support all schools in the preparation of their AMP and through the Bricks and Mortar technical leadership program in asset management for school leaders.

RELATED DOCUMENTS

- [Asset Management Planning policy](#) – provides an overview of the Department’s approach to planning individual school capital projects.
- [Authorisations under the Financial Management Act 1994](#) – details authority and delegations for public construction (Items 5.0, 6.0 and 7.0)
- [Capital Funding Allocation fact sheet](#) – provides information on how school capital budgets are calculated
- [Construction Supplier Register fact sheet](#) – provides information on pre-qualified building and construction industry consultants and contractors for public infrastructure projects.
- [Project Governance policy](#) – provides information on how schools are engaged throughout the implementation of their five year Asset Management Plans.
- [Project Management Framework](#) - provides the templates, forms and procedures for delivering major school infrastructure projects. Section 6 contains





detailed information on budget and financial management (p. 31).

- [Planned Maintenance policy](#) – provides information on how Planned Maintenance projects are funded and implemented.
- [School-funded facilities policy](#) – advises schools on their rights and responsibilities, including insurance coverage, maintenance and other ongoing infrastructure costs

CONTACTS

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KEY WORDS

consultant engagement, contractor, engagement, project delivery, project management, capital works, partnership, planned maintenance, project



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Shared Facilities Fund Grant Acceptance Form

Congratulations on *Melton City Council's* allocation of funding of \$2,350,000 through the Shared Facilities Fund (SFF) for the project titled *Kurunjang Community Hub* and SFF application number #00043. To ensure the timely delivery of the project, please provide indicative timelines for the funded project in the table below. Note the project must commence construction within 12 months of being announced, and service delivery must be ready to commence once construction has been completed.

Milestone	Forecast Date (DD/MM/YY)
Submission of quotes	
Construction Start	
Construction Complete	
Submission of acquittal form	

Once completed, please return this form to your project officer within **two weeks** of the announcement of funding. If any unexpected delays occur, please contact your project officer promptly and inform her of any changes to the indicated timelines.

Project Officer:

Contact Number:

Contact Email:

