

<b>Recommendations from the Hazelwood School Relocation – Southern Support School Review</b>		
<b>Recommendation</b>		<b>DoE Response</b>
<b>1</b>	The Committee requests that the Minister provide a response to the recommendations that follow in this report and actions taken, within three months of this report being tabled.	This response is being prepared.
<b>2</b>	Within three months of this report being tabled, the Education Department put in place procedures to respond to the PAC in a timely way and to submit a copy of those procedures to the PAC.	This has been implemented. The requirement for reporting to the PAC has been incorporated into DoE's capital works project procedures.
<b>3</b>	The Auditor-General review the expenditure on the Hazelwood School Project as part of his annual audit of DoE to ascertain the probity of expenditure with respect to approvals given for expenditure undertaken.	To be undertaken by the Auditor-General
<b>4</b>	Implementation of a process within DoE project management so that a trigger point with respect to cost and time overrun, if reached, would routinely instigate an internal audit.	DoE agrees with this recommendation and will work with its Internal Audit team to development the parameters for implementation of this process.
<b>5</b>	Introduction of a mechanism within the project oversight and management processes of DoE, to ensure that the Secretary of Agency, or his/her delegate, is ultimately responsible and can be held accountable for a project's success or otherwise.	DoE agrees with this recommendation and will develop a process for implementation.
<b>6</b>	DoE develop and implement a succession strategy plan within its risk management of future Public Works approved projects, to mitigate any risks associated with project handover and succession at the governance and oversight level when key personnel changes.	DoE agrees with this recommendation and this aspect will be incorporated into the Risk Management Plans for all future Public Works approved projects.

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7	DoE review the stakeholder engagement process so that stakeholder concerns and engagement needs are addressed primarily before initiation of projects. This would ensure that a proactive rather than reactive approach is taken, limiting potential overruns and community concern.	DoE considers that this approach is already in place. The circumstances of the Hazelwood project are considered exceptional.
8	While the emphasis on stakeholder engagement should be in the initial phases (see Rec. 6), it is imperative that an effective process also be put in place by DoE to enable better management of stakeholder needs as the lifecycle of the project progresses. A post project review may also assist with development of this process (see Rec. 11).	DoE considers that this approach is already in place within the Agency.  The circumstances of the Hazelwood project are considered exceptional.  A post project review will be undertaken by DoE and all findings will be incorporated within DoE's capital works processes.
9	Where the project scope is significantly changed as to its original form and content, a re-evaluation of the project at the highest oversight level be undertaken. This may necessitate the project being sent back to PSCPW for reappraisal.	DoE considers that this approach is already in place within the Agency.  The circumstances of the Hazelwood project are considered exceptional and were closely monitored by the Agency's senior management and the Minister.  The process of how and when projects should be referred back to the PSCPW for reappraisal will need further consideration by all Agencies.
10	DoE contract management processes be reviewed to minimize opportunity for contract underperformance on a Public Works approved project.	DoE will carefully consider how its contract management processes for underperformance can be improved.  Implications on how this can be more effectively managed within the pre-qualified contractors framework administered by the Department of Treasury and Finance may also need to be considered.
11	DoE adhere to annual reporting	DoE agrees with this recommendation and

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	<p>protocols as per Treasurer’s Instruction 201, where the estimated total cost of the project varies significantly from the estimated total cost reported in the immediately preceding financial year, and provide an explanation of that variation.</p>	<p>this aspect will be incorporated into the project reporting for all capital works projects.</p>
<p><b>12</b></p>	<p>DoE undertake a post–project evaluation upon completion of the Hazelwood School Project and that the results of this evaluation be taken into consideration by DoE when undertaking future public works projects.</p>	<p>DoE considers that this approach is already in place within the Agency.</p> <p>The circumstances of the Hazelwood project are considered exceptional.</p> <p>A post project review will be undertaken by DoE and all findings will be incorporated within DoE’s capital works processes.</p>
<p><b>13</b></p>	<p>The Auditor-General review the Hazelwood School Project as a part of his annual audit of DoE with respect to:</p> <ul style="list-style-type: none"> <li>- the project evaluation process undertaken by DoE post-project completion;</li> <li>- consideration of the effectiveness of any findings that DoE determine from that evaluation; and</li> <li>- assessment of the DoE’s plan to implement those findings in the project management and performance process for future Public Works approved projects.</li> </ul>	<p>To be undertaken by the Auditor-General</p>
<p><b>14</b></p>	<p>DoE ensures its processes and practices of project management on Public Works projects are aligned with the guidelines given in the “Tasmanian Government Project Management Guidelines”.</p>	<p>DoE will undertake a review to ensure that its processes and practices of project management on all capital works projects are aligned with the guidelines given in the “Tasmanian Government Project Management Guidelines”.</p>