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## Significant Items

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<b>Art Gallery of New South Wales Trust</b>	
Visitor numbers were 25 per cent lower in 2009-10. There were fewer exhibitions held, mainly due to disruptions from building works and the relocation of the collection to a new storage facility.	5
The new collection storage facility at Lilyfield became operational in March 2010. The facility will address the risk of damage to collection items that were previously overcrowded in the Gallery's on-site storage facility.	8
<b>Australian Museum Trust</b>	
The Museum's collections exceed 18 million objects of which only 1.6 million were recorded in the electronic database. At the current rate, it will take the Museum 341 years to record its collections in the database.	10
Whilst the Museum is improving access to its collections, a lack of information on its collections limits the Museum's ability to achieve its objectives.	10
In 2009-10, the number of visitors to the Museum increased by 52,647 to 374,601, representing a 16.4 per cent increase over the previous year.	11
<b>Communities NSW</b>	
In 2008, it was estimated that \$2.7 billion was spent on obesity related illness in New South Wales. In 2010 Communities NSW, spent \$102 million increasing and promoting participation opportunities for sport and active recreation, which is about 3.8 per cent of the obesity cost.	16
<b>Historic Houses Trust of New South Wales</b>	
The Trust acquired the former Presbyterian Manse in Moruya. The property will be conserved and sold with proceeds being returned to the Endangered Houses Fund.	24
The transfer of ownership of the Justice and Police Museum to the Trust was completed during the year.	24
Ownership of the historic property, Throsby Park, was transferred from the National Parks and Wildlife Service to the Trust. The property will be leased, with proceeds going to the Endangered Houses Fund.	24
The Trust revalued its properties and collections resulting in an increment of \$58.1 million.	27
<b>Library Council of New South Wales</b>	
The Library's collection was revalued resulting in an increment of \$271 million.	30
At 30 June 2010, 11.1 per cent of contract staff had been engaged by the Library for more than 12 months and one staff member had been contracted for more than six years.	33

<b>Sydney Opera House Trust</b>	<b>Page</b>
Last year, I recommended that critical problems with stage machinery at the Sydney Opera House be addressed and consideration be given to other operational shortcomings. The Trust is progressively addressing these issues. The replacement of obsolete equipment will depend on available funding.	35
There was a two percent increase in overall attendance in 2009-10 compared to the previous year and this was the highest level achieved in the last five years.	35
The Opera House was revalued resulting in an increment of \$314 million.	38
<b>Trustees of the Museum of Applied Arts and Sciences (Powerhouse Museum)</b>	
The Sydney Observatory and the Powerhouse Discovery Centre recorded their highest ever visitor numbers. At the Powerhouse Museum visitor numbers were lower because a major international touring exhibition was not presented this year.	40
<b>Building Education Revolution Program (BER)</b>	
Whilst it appears the Department has delivered on the key objectives of the P21 program, which is rapid construction of school facilities, it appears to have come at a higher cost than in a business as usual environment.	49
In many cases facilities built exceeded the size entitlements specified in the Department's School Facilities Standards.	50
The extra funds used to provide 295 schools with halls bigger than their suggested entitlement could have been directed towards other projects or to those schools that will not have a multipurpose hall at the end of the P21 program.	50
It appears key stakeholders were not fully informed of the Department's Standards and the BER Guidelines, and how they apply to their school, resulting in confusion and concerns about the adequacy of facilities, and why schools did not receive a certain type of facility.	50
Approved managing contractors tendered fees of (\$261 million) were \$40 million, or 18.1 per cent, higher than the Department's own estimate of \$221 million.	50
For 1,270 projects at the time of my audit, the Department's quantity surveyors assessed the estimated project costs to be lower than the managing contractors' estimates. Despite this lower assessment, the Department still approved the managing contractors cost estimates. The total difference for the 1,270 projects was \$188 million.	51
Because the Department had approved the higher cost estimates determined by the managing contractors, there was no real incentive for the managing contractors to try and negotiate a lower price.	51
The volume of work and tight timeframes led to limited competition when tenders were put to the marketplace for individual projects.	51
Tender documents and contracts indicate that most of the site supervision was carried out by sub contractors of managing contractors and therefore there is a risk of the Department paying for a service that was not provided by managing contractors.	51

<b>Building Education Revolution Program (BER) (continued)</b>	<b>Page</b>
The term Benchmark Market Value could be misleading to stakeholders. It only benchmarks a project with other projects in the P21 Program. It is not an external benchmark.	51
The independent quantity surveying firm I engaged to estimate the construction cost for nine P21 projects believes that in eight cases, the estimated construction cost would be between 2.3 per cent and 39.7 per cent lower, in a business as usual environment, than the estimated construction sum/actual tendered amounts under the P21 program.	51
The extra funds used to provide the 220 schools with libraries bigger than their suggested entitlement could have been directed towards other projects or to those schools that will not have a libraries at the end of the P21 program.	61
If the Department had more discretion to transfer funding allocations between schools, it may have resulted in greater benefits to the government school network as a whole.	64
 <b>Department of Education and Training</b>	
The results of the National Assessment Program - Literacy and Numeracy indicated New South Wales students continue to perform better than the national average. However, spelling and numeracy results were lower than 2009 for years 3, 5, 7 and 9.	101
Although retention rates in New South Wales improved in 2009 they still remain below the national average.	104
The results of the 2009 national tests for New South Wales Aboriginal students indicated they performed consistently better than the national average for Aboriginal students.	105
Around 92 per cent of students are present at school on an average school day. Attendance was highest in the Northern Sydney region, 94 per cent and lowest in the New England region, 89 per cent.	107
The Department continues to face the loss of large numbers of retiring teachers and the loss of their associated skills, 44.8 per cent of school teachers are aged 50 years and over.	112
The number of international students enrolled increased by 18.8 per cent in 2009. The resultant increase in fees was \$3.7 million or 10.9 per cent.	120
 <b>New South Wales Technical and Further Education</b>	
The Commission estimates that backlog maintenance has fallen from \$37.6 million last year to \$8 million.	124
The Commission is facing the loss of large numbers of retiring teachers, 65.3 per cent of its permanent teachers are aged 50 years and over.	125
 <b>Wentworth Park Sporting Complex Trust</b>	
The Trust continues to record a loan of \$6.5 million payable to Greyhound Racing NSW. The Trust and Greyhound Racing NSW have again failed to agree on terms to settle this amount.	139

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<b>Illawarra Venues Authority</b>	
The <i>Sporting Venues Authorities Act 2008</i> dissolved the Wollongong Sportsground Trust on 30 November 2009 and established the Illawarra Venues Authority. The change did not impact operations.	161
The Government announced funding of \$28.9 million for replacement of the Western Grandstand. Work commenced in 2010 and is expected to be completed in 2012.	161
Average attendance at the WIN Entertainment Centre increased by 40 per cent due to major music events including concerts by PINK, Lady GaGa, Keith Urban, Tom Jones and John Mayer.	161