

Case Study

North East Link

North East Link will fix the missing link in Melbourne's freeway network. It will slash travel times between the M80 Ring Road and the Eastern Freeway by up to 35 minutes, take 15,000 trucks off local roads a day, and give local roads back to local communities.

The North East Link Project includes twin three lane tunnels of a total length approximately 6km, a busway and significant widening along the existing eastern freeway, important urban design features and operations and maintenance of the roads over a 30-year period.



Project Objectives

North is acting as the Lenders Technical Advisor (LTA) for the ViaNova Consortium and their financiers as part of the North East Link Project RFT process.

As LTA North was responsible for technical and financial due diligence of the full scope of this project.

The responsibilities under this role include:

- △ Capability & Capacity Review
- △ Design & Construction Review
- △ Completion, Commissioning & Transitioning Review
- △ Operations & Maintenance Review
- △ Payment Mechanism Review
- △ Cost Advisory
- △ Program Advisory
- △ Contract Review
- △ Permits & Licenses Review
- △ KPI Analysis & Sensitivities

Our role was to advise the financiers and equity investors on all key technical and financial risks which may arise from the Consortium's proposed solution.

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Project Challenges

The high levels of confidentiality, a constrained program with hard deadlines and our interdisciplinary project team necessitated the requirement for robust protocols and monitoring plans, which the team developed and implemented with excellence.

Our services were required to be staged as the proposed solution developed, and the team exhibited agility in responding to a very dynamic tender process. At each milestone, our services were compliant in delivery, on time and at a level of detail exceeding the expectation of our client and financiers.

The unprecedented scale of the project and the bid team's breadth and depth demanded an extensive collaboration. This created a consortium that, whilst typically competitors, worked cohesively to address one of Victoria's most complex transport challenges ever.

Project Solution

In response to the project scale and to align with market capacity, the project has been split into a 5-project program with multiple contractors delivering secondary packages. The project will involve two global tier one Contractors, multiple tier one Engineering Consultancies, and an extensive pool of other globally recognised consultants. The project will generate approx. 10,000 direct and indirect staff and result in the development of over 50,000 construction drawings.

This engagement required extremely high levels of independence and objectivity to be maintained throughout, as is critical for any due diligence role. The first initiative was to implement a specific peer review process, to ensure that independence and objectivity was embedded at the core of all project outputs. This was complementary to our already rigorous peer-review process, which was supported by a systematic and tailored tracking register to capture and categorise all key outputs.

Independence and objectivity are of paramount importance in the delivery of the IREA Services and our team thoroughly believes these lessons learnt will help to ensure these ideals are maintained on subsequent engagements.

Key Features

- △ Culture: Our interdisciplinary team supported the collaborative culture, encouraging open discussion across the wider project team. This enabled agile resolution of issues, enhanced problem solving and ultimately faster delivery of our services as a result.
- △ Targeted design phase role: Throughout the engagement, our client's design solution was fast evolving. This required that team members be available to review, compare and assess any material effects of updates in terms of design, or impacts to the overall risk profile of the project.
- △ Comprehensive articulation of expectations and alignment: During the engagement process for this role, our team was presented with a basic brief of services which was then briefed back to our client in greater detail. This ensured clear expression of how our services would be delivered, and how these relate to the objectives identified in the original brief.
- △ Efficient use of technical resources: Our integrated PM team structure allowed for the efficient delegation of tasks, management of deadlines, clear lines of reporting, ease of communication with our client and improved transparency.

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Results

Works are continuing on North East Link to move almost 100 power, water, gas, sewerage and telecommunication services with strict health and safety measures in place.

Moving these services is an essential step ahead of major construction starting later in 2021.