



## LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

### SELECT COMMITTEE ON ESTIMATES 2014-2015

Brendan Smyth MLA (Chair), Mary Porter MLA (Deputy-Chair),  
Giulia Jones MLA, Yvette Berry MLA



### ANSWER TO QUESTION TAKEN ON NOTICE DURING PUBLIC HEARINGS

Asked by Mr Smyth on 16 June 2014 : Mr Barr took on notice the following question(s):

[Ref: Hansard Transcript [16 June 2014] [PAGE 47]]

In relation to : Infrastructure project delivery

Could you give us a summary of those conditions under which you would use a relationship contracting delivery model.

Mr Barr : The answer to the Member's question is as follows:—

Relationship contracting models include models such as Early Contractor Involvement ("ECI"), Alliances, and Managing Contractor. These models to varying degrees involve a sharing of risk between government and the private sector. The circumstances that could lead to the use of a relationship contracting model including the following:

- Uncertainties; such as an incompletely defined scope of work.
- Timing constraints.
- Significant risks that cannot be sufficiently mitigated such as:
  - ground contamination;
  - geotechnical uncertainty;
  - presence of asbestos in unknown quantities;
  - complex site conditions such as operating facilities nearby; and
  - highly specialised or complex outcomes required.
- Specific site dangers i.e. unexploded ordinance, fuel vapour, etc.
- Other commercial or technical constraints that could preclude accurate pricing of the scope of works.

Approved for circulation to the Select Committee on Estimates 2014-2015

Signature: *Andrew Barr*

Date: *1.7.14*

By the Treasurer, Andrew Barr, MLA