

Cabinet Secretariat Reference	
Submission No.	MSSPC 20
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Submission to: Major & State Significant Projects Committee

Submission Title: East West Link Stage One – Final Request for Proposal and Reference Design Enhancements

Portfolio/s: Roads, Public Transport

SUBMISSION PROPOSAL

Recommendation:

That the Major and State Significant Projects Committee:

1. **Note** the final Request for Proposal (**RFP**) issued to shortlisted respondents for the procurement of Stage One of the East West Link (**Project**) on 31 October 2013.
2. **Note** the final enhancements to the Reference Design.
3. **Note** that the estimated cost of the Reference Design Enhancements was included in the Public Sector Comparator submitted to the Budget and Expenditure Review Committee (**BERC**) for noting on 21 October 2013.

Objectives:

1. Note the final RFP and the Reference Design Enhancements.

Key Issues: Background

Request for Proposal

1. On 22 October 2013 the Major and State Significant Project Committee (**MSSPC**) approved the release of the RFP to shortlisted respondents for the procurement of the Project noting that the RFP was subject to final drafting and editing.
2. At that meeting, the MSSPC delegated to the Treasurer and the Minister for Roads approval of the final RFP (subject to no material changes being made).
3. The Minister for Roads approved the final RFP on 29 October 2013 and the Treasurer approved the final RFP on 30 October 2013.
4. The final RFP approved by the Minister for Roads and the Treasurer was consistent with the MSSPC approval obtained on 22 October 2013 and reflected:
 - a. MSSPC's decision that the State would not evaluate variant proposals that involved the transfer of traffic volume and toll revenue risk from the State to the private sector; and
 - b. BERC's decision in relation to the timing and amounts of the State contributions.

5. The RFP was released to shortlisted respondents on 31 October 2013.
6. The final RFP (excluding the information documents) will be tabled at the MSSPC meeting.

Enhancements to the Reference Design

7. On 3 July 2013, MSSPC approved the Stage One Reference Design (**Reference Design**).
8. Subsequently, the Linking Melbourne Authority (**LMA**) identified a number of enhancements to the Reference Design arising from:
 - a. sensitivity testing and micro-simulation traffic modelling to evaluate impacts on traffic operations, flow efficiency and network performance;
 - b. ongoing discussions with Transurban regarding the impacts of the Project on CityLink; and
 - c. the ongoing preparation of the Comprehensive Impact Statement (**CIS**).

(Reference Design Enhancements).

9. The Reference Design Enhancements were presented to MSSPC on 26 September 2013. At that meeting, MSSPC requested LMA provide additional information to the Premier, Treasurer and Minister for Roads regarding the Reference Design Enhancements.
10. This information was provided and the Minister for Roads, the Acting Treasurer and the Premier subsequently approved the Reference Design Enhancements and a copy of the paper which formed the basis of the approval is contained in **Attachment A**.
11. The estimated cost of the Reference Design Enhancements was included in the Public Sector Comparator submitted to the Budget and Expenditure Review Committee on 21 October 2013.
12. On 30 October 2013 the Premier publicly announced the Reference Design Enhancements.

Risks:

1. Nil.

Support/Criticism:

1. The East West Link Project has received both support and criticism from stakeholders.
2. The new Commonwealth Government has indicated its public support for the Project.

Terry Mulder
Minister for Roads
Minister for Public Transport

Date: November 2013

FUNDING

Financial Implication Tables

DTF and the Department have agreed the financial implications and costings in this submission:

Yes No

IMPACT ASSESSMENTS

Social impacts:

1. Enhanced transport networks, for both private vehicles and public transport, will facilitate improved mobility and access for all.
2. Potential negative impacts from construction activity, changed traffic conditions and changed urban form and will be considered and mitigated as part of the project.

Family Impacts:

1. The project will create benefits for families through improved access to jobs and services.
2. The project will impact families whose properties are required for acquisition. Impacts are mitigated under the terms of the Land Acquisition and Compensation Act (1986).

Regional and rural Victorian impacts:

1. The project will provide more transport options and improved access to the Port of Melbourne in support of rural and regional economies.

Economic impacts:

1. Enhancing the transport network will assist supply chain efficiency, business to business interaction and improve the competitiveness of the Victorian economy.
2. Improved freight network capacity and efficiency will contribute to State productivity.
3. Significant construction activity will support the Victorian economy during project delivery.

Regulatory burden, offsetting reductions and evaluation strategy:

Does the submission propose an increase in regulatory burden on the business or not-for-profit sectors that is likely to be 'material' as defined in the Victorian Regulatory Change Measurement (RCM) Manual?

Yes No

Environmental Impacts:

1. The Project will achieve a number of outcomes, such as smoother traffic flow, improved access to employment and housing and more efficient public transport that

will create a positive environmental outcome.

2. The project will be developed in a manner that seeks to minimise any potential negative environmental impacts of construction, operation and traffic use.

Charter of human rights and responsibilities impacts:

1. The process will be managed to take account of relevant obligations and ensure that any recommendations to government are consistent with relevant responsibilities.