Alliancing is a project delivery method aimed at creating mutually beneficial relationships between all involved parties. It incorporates a legal agreement between all major participants, including the client, which sets out joint risk/reward arrangements.

**ACTION TO BENEFIT GOOD DESIGN**

- Ensure that the Alliance supports a collaborative design environment.
- Ensure that the project team shares the same high expectations of design quality outcomes using Key Result Areas (KRAs) and performance measurement.
- Seek design advice from the Office of Victorian Government Architect to assist with the design quality management in contract and brief development.
- Ensure a process that formalises design review workshops throughout the partner selection process and during development of the Target Outturn Cost (TOC).
- Ensure provision for independent design advice (Design Quality Team) or design review at key project milestones and link that into the performance regime.
- Ensure an equitable balance of risk/reward for all involved parties.
- Decide upon the design KRAs early in the process and ensure they are well communicated.
- Allow adequate time to develop the brief.
- Provide a realistic contingency that covers both design and construction.
- Choose the design team early in the project.
- Consult the design team about the building programme and establishing the design deliverables.
- Consult the design team for advice in the appointment and selection of the builder.
- Ensure the culture of the alliance facilitates a high level of mutual respect and trust between members of the team.
- Ensure that qualitative outcomes are measured and rewarded during the project and inform future projects.
CASE STUDY: HAMER HALL REDEVELOPMENT, SOUTHBANK CULTURAL PRECINCT

The Hamer Hall redevelopment was a four-year, $135.8 million Victorian Government project that revitalised the 30 year old hall and created:

- New connections with the city, St Kilda Road and the Yarra River;
- Better amenities with new stairs, improved disability access, escalators and lifts;
- New and expanded foyer spaces; and
- Improved acoustics, new auditorium seating, cutting edge staging systems and technology.

The redevelopment of Hamer Hall was an Alliance between Arts Centre Melbourne, the architects ARM, the builder Baulderstone and the Victorian government (through Major Projects Victoria and Arts Victoria), with risk and reward shared between project participants. According to Architect Ian McDougall, “in an Alliance there is no client – the Alliance is the client”.

The government’s decision to use an alliance instead of a traditional building contract reflected the inherent project complexities: “fast-track redevelopment of an existing heritage building located on a severely access-constrained site”, according to Tony Murphy, Arts Centre Project director and chair of the Alliance Leadership Team. In addition, there were contamination issues for the site, operational issues for the Arts Centre, and the need to deliver the project on time due to future programming for the venue.

SUMMARY OF THE KEY INITIATIVES WITHIN THE ALLIANCE APPROACH THAT HELPED PROTECT THE DESIGN INTENT:

- The selection process for the architects’ appointment was very important. It was a Quality Based Selection process, but a very time intensive one that additionally involved workshops with the short listed proponents aimed at establishing the design team that was the best fit for the project.
- The architect was a full Alliance partner, and therefore represented on both the Alliance Leadership Team and the Alliance Management Team – this is critical.
- The design team was collocated with the rest of the Alliance in the project office.
- There was a number of Key Result Areas (KRAs) built into the Alliance Agreement that were design based, and importantly were of comparable weighting to the commercial and operational KRA’s. The inclusion of the design based KRA’s also required the appointment of a Design Panel to provide independent assessment of the design KRA’s, which is a positive strategy for the protection of design intent.
- The Alliance structure provides early and direct access to the construction team, including to key sub-contractors. This is an important assistance to working out what can actually be delivered while maintaining design intent – it is much harder to sort this balance out on the other side of a signed contract if it is not fully defined and achievable as documented – which it often isn’t, especially in existing buildings, or with unusual design and material solutions.

CONSTRAINTS:

- Alliance, as a procurement method, originates from engineering projects and therefore requires considerable modification to be applicable on complex architectural design projects.
- Establish KRAs early in the project to offer certainty to the Alliance.
- Establish the scope against the revised budget to establish the Target Outturn Cost.

WHAT WORKED WELL:

- An Alliance gets everyone “at the table” and allows the user to interrogate the brief.
- The selection of the design teams through an EOI process.
- As a test case for Alliance, it delivered value-for-money and exceptional outcomes.