

# Summary of early dialogues with consultants

Hässleholm-Lund spring 2021

# General background

In February 2021, Hässleholm-Lund invited suppliers to early dialogues regarding the entire program through an invitation published on the project's website.

All available times for the dialogues were booked. The time for each dialogue was short, 1.5 hours per dialogue, which meant that both representatives from the project and the suppliers had to be well prepared for the dialogue and respect the dialogue rules.

The dialogues were implemented via Skype due to the ongoing Covid-19 pandemic and took place in the spring of 2021. In order to gain a broader perspective, the dialogues were conducted with both consultants and contractors. 11 consultants and 11 entrepreneurs participated.

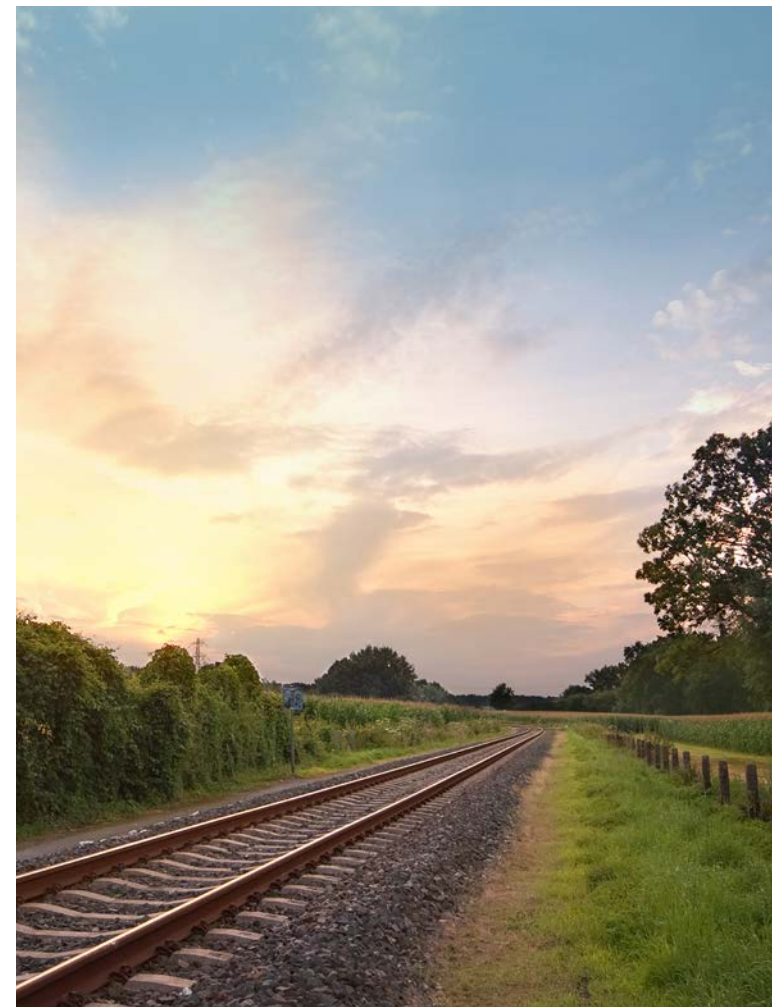
Each dialogue was based on a presentation with information about why the Hässleholm-Lund railway section is being built, dialogue rules, important conditions for the program, schedule, selected issues, etc. All participating suppliers received the presentation before their dialogues took place.

This is a summary of the responses during the dialogues. Hässleholm - Lund has anonymised all the answers.



## Regarding packaging of contracts, should the railway plan and procurement documents for construction contract be procured together?

- There are two different views, approximately equally common, procuring separately and procuring together.
- Arguments for procuring together are continuity with the consultant, that procurement documents for turnkey contracts are too small an assignment and to save time (months, not years).
- Arguments for procuring separately are that otherwise it will be a very long assignment with different orientations, the consultant's organization "finally loses its breath", it is better with "healthy eyes", the procurement documents can be procured at a fixed price unlike the railway plan and it is difficult to describe the assignment for the procurement documents well before the railway plan exists.
- Answers to the question of the smallest interesting volume on an assignment such as a procurement document for design and build contracts vary from "everything is interesting" to at least SEK 75 million. Revenue per year are more important than the contract volume.
- Many consultants think that work with control and follow-up can be procured together with the procurement documents to make the assignment more interesting in relation to the alternative, namely to work for a contractor in a future turnkey contract. But one consultant would rather keep control and follow-up separate for pricing reasons.

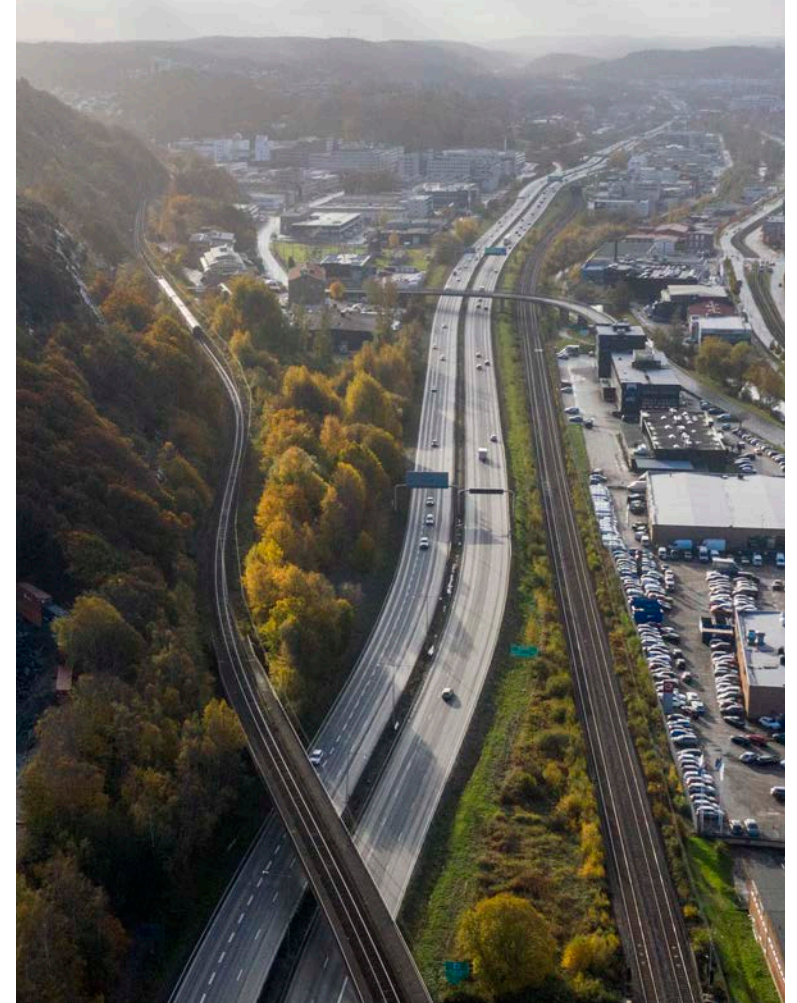




# If you decide!

**The consultant is given a chance to suggest the best planning of the business opportunities from their point of view**

- Most consultants view a long railway plan, about 60 km, outside the cities positively. Some would rather have several plans, a maximum of 20-30 km long.
- Do not divide the consulting work into different disciplines.
- Make the right demands early and stick to them.
- Integrate all provided material into the planning early, the provided material affects what space is required and the appearance. Feel free to let the suppliers into the process.
- Demand experience of high-speed railway. All consultants say that we benefit from such a requirement, even in the railway plan. A number of factors are stated that differ from traditional railways, such as alignment, noise and current consumption ma. Large companies with a broad international field of activity emphasize this with more emphasis.
- Evaluate on technical requirements, environmental and innovation capacity and cooperation, eg 70% quality 30% price.



- Focus on collaboration rather than price.
- Pre-qualification before tenders is important.
- Regarding the type of compensation, everyone prefers variable fees for railway plans. Fixed price works for the procurement documents for contracting, provided that we in turn have procured the consultant on good procurement documents. The interest in fixed prices is greater from large companies with a broad international field of activity.

## Procurement procedure and tender period

- Most consultants advocate a two-step procedure with a required pre-qualification in step 1 (not TransQ). Many suppliers think it is positive to have a restriction on the bidders.
- A tender period including qualification of approx. 4 - 8 months is recommended. More than 6 months provides better space for team building internally and the formation of possible alliances in the face of particularly complicated and large assignments.
- The set-up time between awarding the contract and starting the contract is recommended to be 0.5 - 3 months.
- Time between the award decision and the last tender date for future assignments, here the answers vary from 0 -2 months.
- Evaluation should give less emphasis on price and a greater emphasis on quality, at least 60% quality.





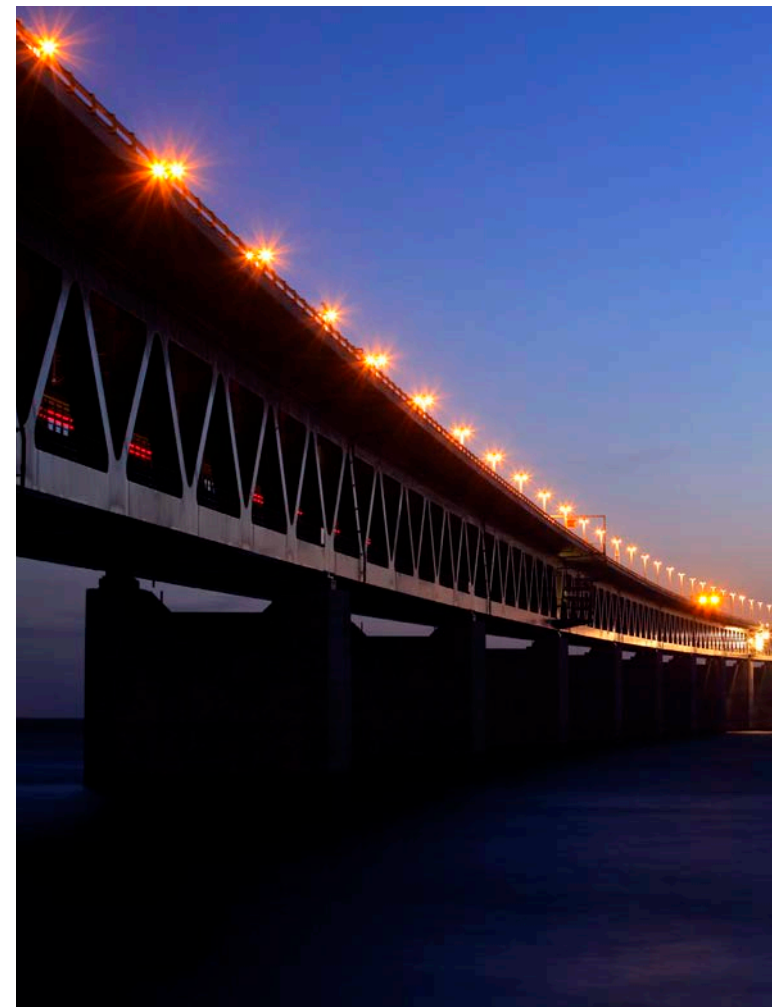
## **Innovation and sustainability, how can we encourage consultants to do this and, in the next step, also motivate entrepreneurs?**

- Let the consultants describe their work with this already in the pre-qualification phase, score the description and give the score significant weight in the pre-qualification. Alternatively, use the consultants' description of this as added value.
- Use BIM and other new technology. Compensation for new and developed software must be regulated in the contracts. Otherwise, the latest technology may not be used.
- Clearly described conditions for the innovations and a desired result linked to a clear description of compensation for the innovation work must be included in the procurement documents to motivate work with innovation and sustainability.
- Innovations should be bought at a fixed price, not in hours. Feel free to use a bonus.
- Provide conditions for reducing land use and using renewable energy.
- Mass management is a great opportunity to improve the program's sustainability profile.
- Consider paying a regular general allowance in addition to the variable fee for innovation ideas, such as a sum every three months. What is required of the consultant to obtain the sum must be described in the procurement documents.



## Organization and collaboration, consultants. How to cooperate best?

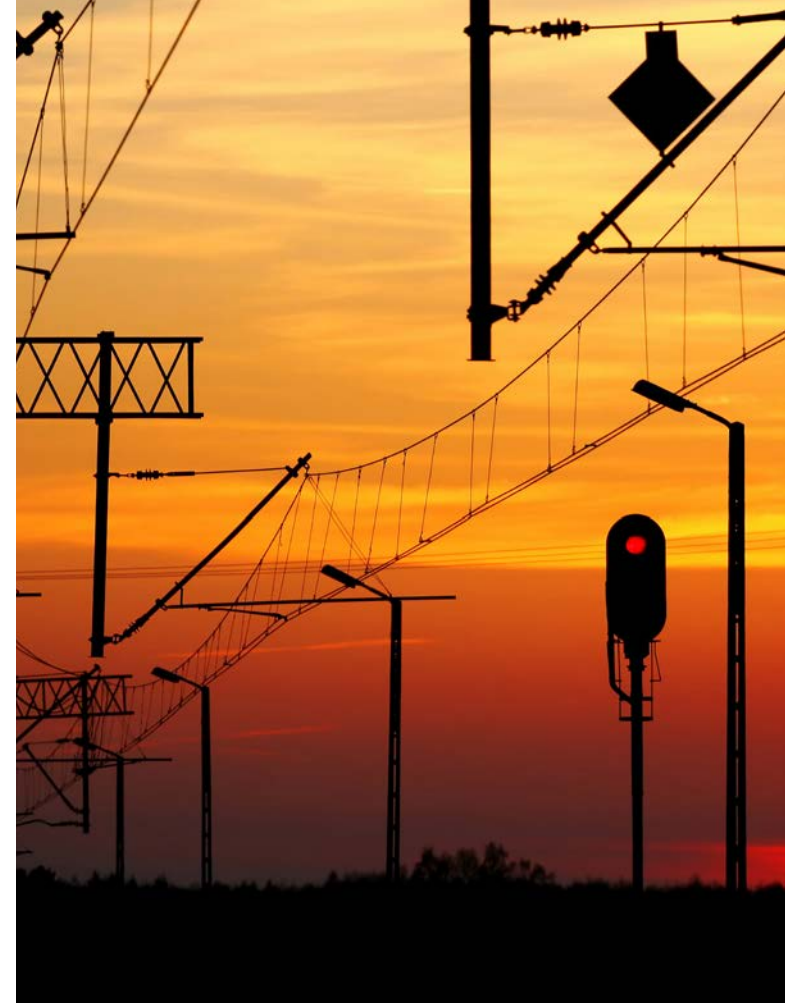
- The client must set up rules for cooperation in all contracts that are affected by the current contract.
- Get an experienced contractor early and work together, close to the client.
- It is an advantage to also cooperate with the maintenance organization.
- Regarding interfaces between different consulting contracts, the client must be responsible for coordination. Examples of suitable models for organizing the interfaces are suggested.
- Choose the right people, cooperating people, in the customer organization so the consultants can match with equally cooperating people.
- Many consultants mention ECI and the alliance model, more are positive to these models in terms of the projects' and the clients overall perspective, while fewer are negative. In terms of their own business in relation to the contractors, however, more are negative. Everyone emphasizes the need for good procurement documents for all collaboration models. If inadequate procurement documents are used, there is a great risk that the models primarily benefit the contractor.
- A clear contract is the best basis for cooperation regardless of the form of contract. "It is about simplicity and clarity in how it all comes together. Then it does not matter which contract you go for".





## **A single railway plan the entire route (60 kilometers) and how do we get contractor knowledge into the railway plan phase without Early Contractor Participation (TEM)?**

- Most consultants think that a single plan between the cities is good, an advantage is that the interfaces are minimized. A disadvantage is the amount of documents in consultation with the public and stakeholders. You can procure only one supplier and still have several railway plans in the same contract to divide the amount of documents. In such a case, the consultants state that they can go together to bring in the resources they do not have and to distribute the risks. You will probably work with several teams within the contract. Outside Sweden, it is customary to work in the early stages on long distances. However, some consultants prefer shorter railway plans, 20-30 kilometers.
- Complete a maximum of 30% of the total design in the railway planning phase (system document), preferably less.
- It is desirable to include the entrepreneurial knowledge in the assignment before the railway plan is “closed”. It will then happen while more degrees of freedom remain.
- The consultants emphasize that it is important that the client clearly explains what is meant by contract knowledge in the procurement documents. For example, if it is buildability, what type of buildability experience is important? And is it just a person or is it a team?



- Several consultants emphasize that they can deliver all the contracting experience needed through their contacts with foreign contractors who do not intend to act on the Swedish market and therefore cannot come into conflict regarding bias.
- One supplier suggests that it should provide added value to be able to report a contractor's participation in its organization during the tender phase. In that case, state which type of entrepreneurial competence is central.