



COLLABORATIVE CONTRACTING



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BLF2021 Session 1

Sharing Context



- Adoption and execution of Collaborative Contracting in Punggol Digital District (PDD)
- Experience so far
- Thoughts on Collaborative Contracting

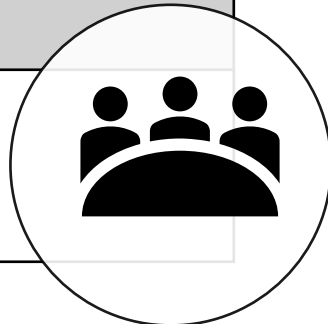


Adoption and execution of Collaborative Contracting

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- Collaborative Working Relationship – Yes
- Dispute Avoidance and Resolution – Yes
- Early Notification/Notice – Yes
- Partnering Workshop – Yes
- Proactive Project Management – Yes
- Key Performance Incentives (optional) – No

Key
Mechanisms



- Professional facilitator was engaged for the workshop
- Preparation Works:
 - Discussion with BCA on the objectives of the workshop
 - Identify list of participants
 - Discussion on workshop duration, programme, logistics, etc
 - Identify venue and coordinate with venue's facilities maintenance team

Partnering
Workshops



Adoption and execution of Collaborative Contracting

- 1 DB Member appointed jointly
- Frequency of DB meetings = 3 times each year
- Fees are as advised by SMC and BCA accordingly
- Dispute Board established within 60 days of Commencement of the Works.
- Authorized Appointing Body for Dispute Board (AAB): Singapore International Mediation Centre/Singapore Mediation Centre

Dispute Avoidance
and Resolution



- Contractor/SO to give early notice to other party as soon as either party becomes aware of any matter which may:
 - Lead to an increase in the Contract Sum
 - *E.g. Variation Orders, loss & expense*
 - Result in a delay to the Time or Times for completion
 - *E.g. Extension of time claims*
 - Have an adverse impact on the performance of the Works

Early Warning
Register and Notice



EARLY NOTIFICATION REGISTER - NOTIFIED EVENTS

No	Party Serving Notice	Date of Notification	Description of Notification	Remarks	Status
1	WOHA	29 Aug 2019	Notice of the First Early Notice Meeting	<ul style="list-style-type: none"> First Early Notice Meeting was conducted on 4 Sep 2019. WOHA briefed on the procedures and function of Early Notification Meetings. 	Closed
2	Woh Hup	28 Aug 2019	Notice of delay – unfit site condition preventing commencement of work on 21 August 2019 (time and cost)	<ul style="list-style-type: none"> Site was extensively congested with plant and temporary facilities belonging to the Employer's Direct Contractor Sambo. Since 1 Nov 2019, Sambo has been novated to Woh Hup as Woh Hup's Piling subcontractor. In-principle entitlement to EOT was granted to Woh Hup. Decision for EOT for Phased Completion is pending Woh Hup's substantiation of the site handover period. EOT for completion of whole of the Works is to be assessed after review of Woh Hup's mitigation measures. 	EOT decision is pending substantiation of site handover period.
3	Woh Hup	03 Sep 2019	Notice to enter into Novation Agreement (for Piling Contract to be novated to Woh Hup)	<ul style="list-style-type: none"> Meeting conducted on 25 Sep 2019 with stakeholders to actively pursue the formalization of the Novation Agreement. Novation was executed on 1 Nov 2019. 	Closed



Experience so far

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Encouraging parties to come on board Collaborative Contracting

Involves some additional works by the Consultants, in particular the SO, eg in preparing for the Early Notice, presentation to the DB.

Introduced after the consultants were onboard. Important to determine the adoption of collaborative contracting right from the start of the project and to include this scope under the consultancy contract.

An experienced & good facilitator for the Partnering Workshop; ability to create fun, steer the people towards meeting the workshop objectives.

Need to set aside time & \$ (~ \$11K) for the pre-workshop; in terms of workshop program, venue, etc. Especially the presence of Senior Reps from stakeholders & the appointed DB

Experience so far

Selection of DB

May not be accepted by the both Parties. May consider multiple DB members that both parties can mutually agree.

Provides an avenue for parties to resolve disputes amicably. DB, as a 3rd party can provides his independent views for parties consideration.

DB can also provide additional support according to their Prof. training & experience.

Experience so far

Structured Approach

Similar to private sector steering comm mtgs & management of large complex developments but with detailed structured mechanisms & processes

Provides opportunity (OR strict documentation) to establish issues for discussion thro' early warning mechanism.

Good practice to resolve issues, variations, claims progressively & expeditiously: Early resolution by ensuring resolute time frames for notification, substantiation, verification and assessment of such claims in accordance with the provisions of the contract.



Thoughts on Collaborative Contracting

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Mindset of Parties


- Collaborative mindset alone is insufficient
- Discuss issues openly with each other incl the DB - what's best for the project
- Disputes raised to DB for assessment / expert opinion are rare as parties try to accommodate each other (which is good) and to resolve issues on their own
- Not to leave positions to the end resulting in strain relationship and unclear positions for parties to make informed decisions

Extent of CC

- Maximise benefits with Turnkey, D&B projects.
- Traditional Bid Build contracts have concluded the detailed design and project time frame – lesser room/time for collaboration & substantive improvements.
- Important to include KPIs / Milestones
- Include authorities as stakeholders i.e. akin to a green lane for speedy resolution of design & approval issues. [For complex projects]

Constraints

- Alignment & parity with other projects e.g. Covid related issues
- May not be aligned with Employer's internal protocols/processes. e.g. RVO processes & Approving Authority
- Need to align dispute resolution mechanisms with internal processes.
- Food for thought: Special Development Vehicle for mega development to have separate governance in order to accord agility and flexibility for decision making



Working Relationship: To use best endeavours to work together in a collaborative environment and act in a spirit of mutual **trust** and cooperation.

FUTURE

If you don't know where you are going, you will end up somewhere else. Always start with the end in mind. Do not let the means determine the end.

A mind is like a parachute; it doesn't work if it isn't open. Don't be afraid to experiment and take measured risks.



Gungei Kadut Eco-District

Thank you.



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