

## Frequently asked questions

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1 **Are Two Stage Open Book and Supply Chain Collaboration too complicated?**

The Trial Projects and this Guidance demonstrate that delivering savings and improved value through Two Stage Open Book and Supply Chain Collaboration is not a complicated process . Each model creates commitments to a logical sequence for project planning and the build-up of an Integrated Team with the benefit of maximum transparent information.

2 **If Two Stage Open Book and Supply Chain Collaboration are so good, why is everyone not using them already?**

Processes similar to Two Stage Open Book and Supply Chain Collaboration have been adopted by public and private sector Clients, but have not previously been tested and explained as consistent procurement and delivery models. This Guidance describes how a step by step Client-led contractual approach will enable and support the wider adoption of Two Stage Open Book and Supply Chain Collaboration.

3 **Should we wait to adopt Two Stage Open Book or Supply Chain Collaboration in our next Procurement/Contract Award Cycle?**

It is important for a Client to check its current frameworks/alliances/long-term contracts as these may already contain procedures and objectives that open the door to Two Stage Open Book and/or Supply Chain Collaboration.

4 **Are Two Stage Open Book and Supply Chain Collaboration only suitable for a particular type or size of project or programme of work?**

The Trial Projects demonstrate that benefits of Two Stage Open Book are not limited to any particular type of construction or engineering project.

Two Stage Open Book can be applied to an individual project or a programme of work while Supply Chain Collaboration is designed to be applied to a programme of work.

Both Two Stage Open Book and Supply Chain Collaboration are likely to deliver proportionately greater savings and improved value if applied to a larger programme of work.

5 **Is Two Stage Open Book riskier than a single stage procurement/delivery approach?**

If properly structured in accordance with this Guidance, Two Stage Open Book does not create additional risks for the Client or any Integrated Team member. On the contrary, it uses Preconstruction Phase processes, including joint risk management activities, to build the maximum shared information that will minimise risks and priced risk contingencies, and that will create transparency and consensus to assist in problem resolution.

6 **Can we adopt Two Stage Open Book after the grant of planning permission?**

Preconstruction Phase processes can still create savings and improved value after the grant of planning permission. However, the later in the Preconstruction Phase that the Tier 1 Contractor and Tier 2/3 Subcontractors and Suppliers are appointed, the greater the risk that the Client and Consultants will lose the benefit of their contributions to the design/cost/risk management/programming of the project.

7 **Do we need additional Consultant advice?**

The Trial Projects have been led by Client officers rather than external Consultants. Clients on Trial Projects have benefitted from periodic training, mentoring and independent gateway reviews, but otherwise additional Consultant support should not be required by reason of adopting Two Stage Open Book or Supply Chain Collaboration.

8 **Will our Consultants object to Two Stage Open Book or Supply Chain Collaboration?**

Consultants may recommend departures from Two Stage Open Book or Supply Chain Collaboration and may favour their own variant approaches to project procurement and delivery. It is important for Clients to establish a leading role and to ensure that their Consultants accept and understand a stable, consistent Client-led approach to Two Stage Open Book and Supply Chain Collaboration as described in this Guidance.

9 **Will Tier 1 Contractors share information regarding their fees/profit/overheads?**

For Tier 1 Contractors to preserve their fees/profit/overheads while working in an Integrated Team that is seeking to save costs and achieve other improved value, it is essential that such fees/profit/overheads are identified and agreed in advance. The Trial Projects have demonstrated that Tier 1 Contractors are willing to adopt this approach.

10 **Will Tier 1 Contractors share information regarding their Tier 2/3 Subcontractors and Suppliers?**

For the Client to build an Integrated Team, it is essential for Tier 1 Contractors to recognise that they do not have confidential relationships with Tier 2/3 Subcontractors and Suppliers and that the Client has a legitimate involvement in their selection and in maximising their contributions to a project or programme of work. The Trial Projects have demonstrated that Tier 1 Contractors are willing to adopt a flexible approach in sharing information and in finalising relationships with Tier 2/3 Subcontractors and Suppliers so as to support successful Two Stage Open Book and Supply Chain Collaboration.