Dwr Cymru Welsh Water – E Procurement
IT speeds tendering process for major water industry contracts

by

Paul Hogan BSc, MSc IT Management & Construction

Dwr Cymru Welsh Water (DCWW) has recently completed the tender stage for key contracts for Asset Investment, Asset Operations and Billing and Income, which together will be worth circa £370 million per year. Following the issue of "Call for Competition" Notices in the Official Journal of the European Communities in May 2003, a total of 43 applicants tendered for the Asset Investment contract(s), Asset Operational Contract(s) and the Billing and Income Contract. The new contracts will be effective from 1 April 2005 and will run for between 5 and 15 years.

Previous methodology

DCWW had previously managed the Tender system in a traditional format. This involved implementing the following via hard copy by post.

* invitation to tender (ITT)
* tenderer queries;
* client Q&A and ITT Circulars.

On a previous occasion DCWW manned two data rooms six days per week over a period of months, 9am – 5pm for each tender stream.

The Challenge

EC Harris were appointed to develop and implement a web-enabled procurement management system, to be used by DCWW to manage all documentation and communication associated with the tendering of:

* 15 year Asset Operations contracts;
* 10 year Asset Investment contracts;
* Billing and Income contracts.

The system had to be able to offer the following:

* manage 3 distinctly different contracts with a total of 43 companies who were tendering. These tenderers were entities with a wide national and international geographical spread;
* create a clear audit trail;
* deal with extensive specification data made up of numerous formats and complexity;
* provide a secure web access portal.

The solution – ProjectNet

ProjectNet was implemented by DCWW for the tendering process described above. It is a web-based document management and collaboration solution that allows team members to communicate and share the latest project information such as tender documents, design drawings and specifications in a secure on-line environment.

ProjectNet is marketed in Europe by *Bidcom UK Ltd. EC Harris* has an enterprise agreement with *Bidcom* for managing the hosting and delivery of ProjectNet on behalf of their clients.

EC Harris then tailored the system based on the technology provided by ProjectNet to deliver the tender strategy to DCWW.

ProjectNet Tender Management

The system was accessed via EC Harris' client portal.

EC JHarris utilised an accredited *ProjectNet* user to manage and co-ordinate the *ProjectNet* site, this included providing administration support as follows:

* co-ordination and provision of user and administrator training;
* set up document structure;
* implement security settings;
* add DCWW, EC Harris and Chandler KBS users;
* add all tenderer users;
* create protocols for tender period, tender return and post tender;
* provide continued desktop support throughout tender duration.

DCWW E-Procurement – Protocol

The document management structure was divided into two areas for each of the three tender streams, (a) the Collaborative approach area which was accessible to all tenderers; and (b) the private tender area which was a secure area where tenderers could access only their own area, no other tenderers could access this area.
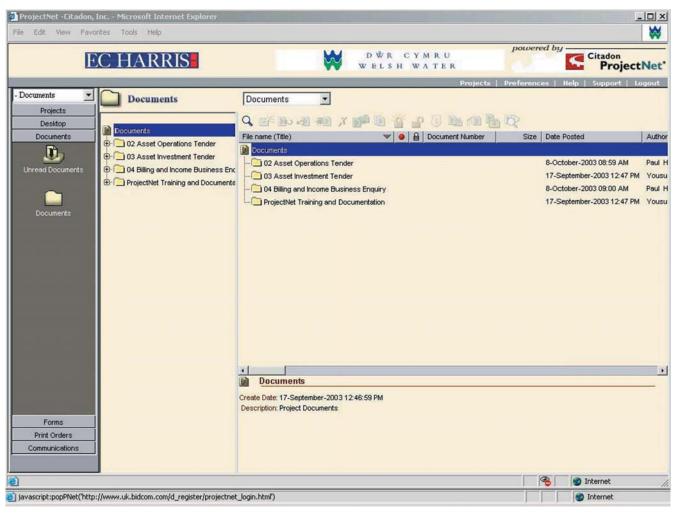
All data was managed via *ProjectNet*.

Outcome

* Every tenderer successfully uploaded and submitted their final Tender within the set timescales;
* before Tender opening, EC Harris were audited and downloaded all submitted Tenders to CD, the audit was 100% successful;
* upon completion, DCWW will have a full audit trail of all document management and correspondence in accordance with the Tender.

Better

* documents could be uploaded on the system without going through the process of hard copy printing numerous copies and having to dispatch to the tendering entities by courier;
* clear document management audit trail. The ability to define who opened what document and when;
* effective management of the tender queries and associated amendments;
* the tenderers were provided with remote "24/7" access to the technical specification data required for Tendering purposes;
* consistent approach across the 3 Tender Streams.

Faster

* All documents were instantly available to tenderers, once they were uploaded;
* the Tender returns were uploaded back on to the system prior to the predetermined closing date and time.

ProjectNet, manages all documentation on operations, billing investment tendering & contracts   *Screen shot: courtesy EC Harris & Dwr Cymru\Welsh Water*

Simpler
* total reduction in printing and dispatching hard copy Tender documentation;
* straightforward electronic communication with the tendering parties.

Cheaper
* reduction in direct costs of the preparation of numerous copies of hard copy tender documents;
* no courier costs;
* more effective use of DCWW personnel in the tender process;
* resources are not required to manage the access of tenderers to the hard copy technical specification data (Data Room).

Conclusions
* the system allowed DCWW to better manage the Tendering process by enabling tasks to be generated documents to be issued, and requests for information to be routed to the right people for action at the right time;
* DCWW's requirements were met due to the combination of EC Harris' technical appreciation and *ProjectNet* providing the IT infrastructure and capability;
* construction minded people with IT knowledge should pro-actively manage such systems;
* constant support was provided on this Tender which led to all Tenders being uploaded successfully;
* ensure protocols are easy to follow.

Feedback quotes from Tenderers

Jane Parkinson (United Utilities) – "I have not used a better tool with which to manage a project. On both occasions it has been easy to use."

Steve George (Severn Trent) – " Any reason why specifically the construction industry? We felt that overall the system was very helpful in facilitating the bid process, particularly the electronic data bank and the circulation of issues and other related communications and would happily recommend its usage."

Eamon Tyrell (MJ Gleeson Group) – "ProjectNet worked very well. We experienced no technical problems by any of the team and we look forward to seeing more Tendering this way in the future."

Huw Llywelyn (Costain) – "We have experience of collaborative systems and we believe that this is the way forward for the construction industry. ProjectNet is one of the better systems we have used." ∎

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