

British Standard for partnerships helps Network Rail deliver capital works programme at reduced cost.



“BS 11000 gives us the strategic framework to develop, with our key suppliers, the policies and processes, the culture and behaviours required to establish successful collaborative relations and to drive continual improvement. Maintaining collaborative business relations can only lead to benefits for Network Rail and its suppliers, for the rail industry and for Britain.”

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Customer needs

- Respond to the rail industry challenge to deliver greater value for money
- Redefine partnering approach with the supply chain to improve levels of performance, introduce greater levels of innovation and deliver cost efficiencies
- Deliver a significant and growing capital works programme in a safer, quicker and more efficient manner providing better value for money for the fare paying passenger and the tax payer

Customer benefits

- Contracts and businesses aligned with BS 11000 resulting in a new environment for doing business and reducing costs
- Simplified contractual relationships using best practice for collaboration leading to increased competency and a common language across supply base
- Creation of a blueprint for moving forward through step-by-step projects – standard encourages an ongoing mentality, a ‘lifecycle standard’ where processes continue to evolve

Why certification?

Network Rail is the first organisation within the rail sector to implement and gain certification to the collaborative business relationships standard, BS 11000. The company adopted the standard as a framework for developing the policies and processes, culture and behaviours required to drive continual improvement with key suppliers.

One of the core incentives for the adoption of the standard was Sir Roy McNulty's 'Rail Value for Money' study, published in May 2011, which identified greater collaboration between organisations in the industry as one of the means for delivering greater value for passengers and tax payers.

Implementation

In order to identify the corporate changes required to enable the principles of BS 11000 to be put into practice, Network Rail recruited the services of BSI and The Institute for Collaborative Working (formerly PSL) – one of the companies within BSI's Associate Consultant Programme. The project started with an initial gap analysis workshop to compare the requirements of the standard with existing processes in place. This exposed the corporate changes that needed to be addressed which in turn generated the Relationship Management Plan (RMP).

Different plans were developed for four different pilot projects since they were at varying stages of development. Since the suppliers had different needs and aspirations plans had to be developed for each supplier, and in turn, the suppliers had their own RMPs. One of the fundamental principles behind the collaborative initiative is for client and suppliers to understand each other's aspirations at a corporate level.

Implementation was not without challenges. The biggest challenge was convincing the rail industry that 'Network Rail meant it' as a result of a historical legacy of the rail industry being considered 'uncollaborative'. Where collaboration had

previously existed within the industry it was considered ad-hoc and deployed in the wrong places. The organisation also had a major education job to demonstrate to the industry that the standard would in fact help deliver tangible business benefits.

Network Rail has since been working with the Railway Industry Association as well as BSI and The Institute for Collaborative Working to provide briefings to the company's supply chain about BS 11000 and the benefits of this approach. A number of Network Rail's strategic partners are currently in implementation and assessment phases for the standard with BSI, offering the opportunity for best practice being shared throughout the industry.

The main focus of Network Rail's supply chain arrangements is currently on the use of the alliance, delivery partner and engaging models which are represented across the following four pilot projects: Crossrail south east section project (partner Balfour Beatty Rail Ltd); Finsbury Park to Alexandra Palace capacity improvement (partner Balfour Beatty Rail Ltd); Hitchin grade separation (partner HOCHTIEF (UK) Construction Ltd); and Reading station civil engineering works (partner BAM Nuttall Ltd). A fifth project, the Edinburgh to Glasgow Improvement Programme (EGIP) has now been added to the pilot schemes.

Benefits

Neill Carruthers, Head of Contracting Strategy, Infrastructure Products at Network Rail said, "Perhaps the single biggest benefit of working to BS 11000 that Network Rail has realised is the requirement for greater structure and process in the management of the relationship. The requirement to focus on continual improvement and demonstrating value through the collaboration rather than only meeting the project outputs has helped to create a focus on the effectiveness of the relationship for our project teams and its overall contribution to success."

Jeremy Candfield, Director General of the Railway Association Industry (RIA), representing the rail supply industry said, "Getting supply chain relationships right is fundamental to achieving a more efficient railway. RIA has long been supportive of greater collaboration and transformed supply chain behaviours and there is a natural fit between BS 11000 and our own Value Improvement Programme initiative in reaching those goals."

The future

Network Rail's BS 11000 programme is already being expanded and will see other major projects added to the initial pilot portfolio. The capital expenditure of these additional projects will increase the overall value of projects working under BS 11000 to almost £3bn. The next phase of the process will see further training and development within Network Rail as the company investigates the scope for the adoption of BS 11000 within other areas of the business. Kerry Garratt, Product Marketing Manager at BSI said, "We are delighted that Network Rail has implemented BS 11000 so successfully and that the standard is providing them with a framework to enhance and improve the structure and processes within their relationships. We believe the standard is being adopted throughout industry because of the benefits that any organisation can realise through the improved management of their business partnerships."

Next steps

BS 11000 is designed to improve collaborative working between client and supplier and is a major stepping stone in the pursuit of behavioural change within Network Rail. If adopted correctly it will have a profound effect on the rail industry's ability to work more effectively and efficiently.

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