

FIRST CLASS COLLABORATION

“United we stand, divided we fall” is a well-worn phrase extolling the virtues of working in partnership to achieve mutually held aims. It’s also a maxim to which Network Rail has increasingly subscribed, following 2011’s *Value for Money* report written by Sir Roy McNulty.

One of McNulty’s recommendations to improve pan-industry performance was taken up with particular enthusiasm by NR, in the form of alliancing.

Hitherto rarely seen in major infrastructure delivery and operation in the UK, this amounted to new partnerships and ways of joint working being formed between suppliers, with NR often being embedded as the client at the very heart of the project. This month’s Department for Transport (DfT) announcements regarding NR and East West Rail take the debate a big step further on.

By sharing project risks and benefits, McNulty established the principle that considerable cost and time savings could be delivered in large-scale projects simply by contractors with specific capabilities operating side by side, sharing core

PAUL STEPHEN talks to FCP Managing Director IAN HORSEMAN SEWELL, to find out why First Class Partnerships is more than just a company name

professional and management functions, and with aligned objectives.

This working arrangement has been successfully used in a number of high-profile enhancements and renewals in recent years - not least the Staffordshire Alliance on the West Coast Main Line and the Wessex Capacity Alliance, which is currently revamping Waterloo in an £800 million programme to deliver a 30% capacity increase at Britain’s busiest station by 2019.

This is where FCP steps in. For 20 years it has advised clients on all aspects of railway delivery operations, and it is increasingly specialising in facilitating the increased collaboration that alliancing necessitates from rail sector organisations. Where aligning behaviours and reducing conflict has not come naturally to individual businesses, FCP has been able to provide its expertise as an external (but authoritative) voice.

“We’re helping organisations to

understand where they are on the collaboration continuum, and then take them to a higher level,” says Managing Director Ian Horseman Sewell.

“We’ve chosen to focus on this area as it is very much at the top of the DfT’s agenda. If you look at the recent East Midlands franchise prospectus, collaboration is there from the ministerial foreword right to the final page.

“But to achieve the Government’s aspirations, all sorts of companies need to collaborate in different ways. We want to help make that happen.”

FCP starts this process with a comprehensive stock take/assessment, to gain an in-depth understanding of a company’s current situation, and then identifies what steps a business must take to ensure it is able to collaborate with others and meet Government, passenger and shareholder expectations.

Among the many criteria DfT expects from suppliers is that they meet the requirements set out in the Collaborative Business Relationships Standard BS 11000, with a view to seeking certification at a certain

date. NR also uses BS 11000 - as an external benchmark for its collaborative capability.

With many companies lacking the resources or expertise to complete this sort of self-assessment, speaking to an expert advisor such as FCP can often make the difference between collaboration plans being accepted or not.

“Very often, when a business seeks to change its behaviour, it takes someone from the outside looking,” adds Horseman Sewell. “We find that in the railways people often have their heads down on the very demanding day-to-day job, and it’s all very tactical, so we help people take a strategic view and then effect the changes that are needed.”

Of course, alliancing does not stop at infrastructure upgrades - different types of agreements will be needed for other parts of the railway. FCP is very much at the forefront of this expected rollout, as NR’s proposed devolution of decision-making

“As part of his December 6 announcements about the future of Network Rail, Secretary of State for Transport Chris Grayling criticised the status quo in many rail operations, with (as he put it to the BBC) “different companies, often talking different languages, doing different things, not speaking to each other properly, and throwing contracts around when things go wrong”. Grayling went on to say that his announcements were “all about....evolving a teamwork structure”.

to route level potentially allows for train operating companies (TOCs) to increasingly deliver other services.

This can be seen clearly on the Wessex route, where Network Rail and South West Trains established a joint senior management team to look after both rolling stock and track. Although the two remain separate entities, more integrated working has delivered benefits and there have been many lessons for future alliances, such as better planned engineering work and improvements to train punctuality.

“To devolve 90% of NR’s expenditure to

route level should be a recipe for greater collaboration with TOCs, which will in turn open the door to new models of franchising in the coming years,” says Horseman Sewell.

“However, to achieve this collaboration requires a whole system understanding of how the railway operates.

“This whole system understanding is what we offer, drawing on our experience consistently delivering successful outcomes for government, operators, financial institutions, regulators, investors, equipment manufacturers and contractors.”

FCP is also increasingly leading and supporting the development of other forms of collaboration beyond conventional alliancing, and Horseman Sewell is expecting to see a number of new models emerge. Although specific variables such as cost reduction can be measured, actual levels of collaboration between organisations have traditionally been difficult to quantify. Horseman Sewell therefore describes what success will look like.

“Alliancing is an example of collaboration, not the other way around,” he concludes.

“We’re not just talking about traditional B2B or B2G [Business to Government] alliancing either. We also see third sector organisations involved if this is done properly. I can see local public sector bodies or third sector organisations putting together funding for enhancements that are not currently near the top of NR’s wish list, and then alliancing themselves with contractors.

“The visible impacts of closer collaboration will include greater co-location and clusters of suppliers, greater transparency between businesses such as data sharing, and more creative procurement models. You might, for example, start seeing a greater operation of track maintenance equipment by the TOCs taking over completely from NR. We will play our part in seeing this happen and we wholeheartedly welcome the Government’s new thinking about Network Rail’s future.” ■

On November 24, workers from the Wessex Capacity Alliance carry out trackwork at the throat of Waterloo, required to bring the five platforms within the former Waterloo International Terminal back into use next August. FCP is aiding increased collaboration with Network Rail and its supply chain. PAUL STEPHEN.



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