Network Rail Telecom

Network Rail own and operate the railway infrastructure in England, Wales and Scotland on behalf of the nation.

1st engagements 01/2016 to 04/ 16   *Follow-on engagement:* 10/16 to 12/2016

Value of the contract: Circa £200,000 overall.

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Brief description of contract including evidence as to your technical capability in this market:

Lot 2: Business Change				
Business Change Management	Business Change Delivery Partner	Project and Programme Delivery	Portfolio Management	Business Change Assurance
	✓	✓	✓	

The Client

Network Rail operates and maintains UK's railway network. Within the Digital Railway directorate, Network Rail Telecom (NRT) is a national team overseeing a broad portfolio of telecommunications renewals and enhancements work while also supporting over £1bn worth of investment across Network Rail's routes and other divisions.

The Challenge

To meet its commitments, NRT is undergoing organisational change to create an organisation fit for the future. As part of this change, NRT is improving its portfolio, programme, and project management capability. NRT is implementing an Operating Model based around three pillars of Scope, Build and Operate.

Pcubed were awarded a first commission to recommend an appropriate Portfolio Controls Office (PCO) for Network Rail Telecom (NRT). This is a key function, embedded within build and arterial across NRT for ensuring that NRT is:

- **'Doing the right things'** in terms of governing intake, effective gateway management and achievability based prioritisation.

- **'Doing things right'** involving project control measures, reporting and programme and project delivery support.

NRT intended to mobilise the PO itself, however, they were unable to fully procure certain capabilities which held NRT back in mobilising the PCO and controlling the portfolio. Because of these resource constraints NRT asked Pcubed to return for a second commission, later in the year, to develop these 23 capabilities.

Other key challenges included:

- **Particular NRT pain points** concerning prioritisation, handover between pillars, resource management, close out and reporting were identified as requiring clarity and application within the remit of the PfMO.

The Pcubed Solution

To recommend an appropriate PCO Pcubed conducted an extensive and detailed round of interviews with key stakeholders across NRT, to understand how the business operates, the key challenges, the levels of maturity and the regulatory frameworks that the organisation is governed by. The first commission had three distinct phases;

1. Using Management of Portfolio (MoP) knowledge and wider Pcubed experience, PCO options were presented to senior management in a phase 1 report. Each option detailed how it would contribute to improving the overall portfolio operating model with including a recommendation for approach.

2. The phase 2 report further described the selected options of a bespoke PCO model, describing the precise services requested by NRT. This report was presented to senior management to ensure it still aligned with the overall vision for the PCO and to gain approval for the next phase.

3. Phase 3 provided further descriptions and work procedures for these services requested, as a series of packs in each area. These packs were handed over, with full knowledge transfer to the Network Rail team, ready for further development.

For the second commission, NRT required development of capabilities within the PCO. In collaboration with Pcubed, the NRT team combined the 23 capability areas into a series of six delivery batches.

The 23 Capability areas are shown in the diagram below:

PORTFOLIO	CONTROL	RESOURCING	REPORTING	PLANNING	DELIVERY SUPPORT
New work ingested via single point	Change control process	Standard resource estimating	Integrated portfolio progress report	Project dependency control measures	Systems requirements & options evaluated
Single, maintained log of workbank	In-life delivery assurance reviews	Single forward demand plan	Project Watch-List	Common work planning structure	Future sponsorship model defined
Unique work referencing	Stage Gate Reviews	Resource request & assignment process	Integrated weekly works plan	Tracking of projects into Operations	Extended ISO9001 QMS
Clearly defined categorisation	Delivery lifecycle process documented	Resource utilisation reporting	Standardised risk management reporting		Tranche 2 Plan

To deliver these capabilities Pcubed provided a team that combines the expertise of related industries that have faced similar challenges as well as rail industry experts. Using this knowledge and expertise, Pcubed supported NRT with strengthening its portfolio controls:

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1. Designing the 23 capability areas and provide a series of roadmaps for their implementation to enable:

    o Portfolio resource management,

    o Portfolio governance and control, aligning with Network Rail existing governance

    o Best practice project, programme and portfolio reporting,

    o Portfolio assurance, and

    o Appropriate risk management for all levels of delivery

2. Providing guidance on coaching, mentoring and knowledge transfer to the PCO team showing how policies, tools, and templates would underpin the capabilities, and how NRT's existing frameworks would support these capabilities.

Examples of the capabilities include: Stage Gate Reviews, Work Intake, Risk Reporting, Forward Demand Pipeline, Resource Estimation, Utilisation Reporting, and Project Watch List.

The Benefits

Pcubed worked closely with the client team making knowledge transfer an integral part of the engagement, sharing tasks and responsibilities and becoming a single team whilst designing these capabilities. This assured that the proposed design was fit for purpose while allowing our team to be as lean as possible reducing the financial burden on NRT.

The 23 capabilities provide a step change in NRT portfolio management capability providing a strong foundation from which to build their future Portfolio Controls capability. By leveraging Network Rail's internal tools, the engagement has enabled the use of mature tools without the up-front investment, reducing both implementation time and cost while demonstrating the advantage of the benefit of the long-term relationship Network Rail has with Pcubed

The overall objective is to improve project performance across a controlled portfolio of work that is prioritised and aligned with the business strategy.

- Money allocated to work harder towards meeting the business and technical strategies.

- Potentially reduce the overall spend through stopping ineffective projects.

- Strengthen existing Reporting features within the present PMO, but also introduce new controls features.

- Strengthen governance, and provide targeted project support.

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