

Commercial Partnerships Sounding Board: Cohort 1 Summary

GBRTT's Commercial Partnerships Sounding Board was set up to be able to share and seek feedback on our emerging thinking around the design of Great British Railways (GBR) as it relates to commercial and procurement functions.

Ten senior leaders were selected, representing businesses of all sizes and sectors, to join the Sounding Board following an open call-out. They took part in three sessions over the course of six months. We have summarised each of those sessions and set out next steps below.

The selection process was run independently of GBRTT for fairness with the only control being to ensure SMEs and larger businesses are all represented. Nearly 100 organisations expressed interest in joining, an overwhelming response reflecting the industry's commitment to collaboration and progress. The representative bodies of Network Rail, Rail Forum, Railway Industry Association (RIA) and Rail Supply Group (RSG) were all invited as observers.

Discussions with and among this cohort demonstrated that there is a clear opportunity to create better ways to work with the private sector, with a view to unlocking greater value and innovation.

Among other things, their feedback has helped to inform cultural and systematic changes which we will pursue to help make a difference to the commercial and procurement experience from Network Rail to GBR. We heard perspectives which will help us develop work to enable GBR to be easier to do business with, better leverage data to drive innovation, and act as an Intelligent Client to achieve better outcomes with supply chain partners.

First session: 9th February, London

In our first session together, Sounding Board members were asked to answer two key questions:

1. What needs to be true of rail's new guiding mind, GBR, to create the right environment for the private sector to deliver great value and innovation?
2. Where changes can be made more quickly so that the supply chain can see and feel meaningful improvements on the day GBR stands up?

Using these prompts, members discussed:

- Complexity and jargon putting smaller businesses off becoming a supplier to the railway.
- Rebalancing risk to drive competition and innovation – making the railway a market that is attractive to the private sector.
- Clarity of in-house and outsourcing between the client and supply chain: The Sounding Board deliberated on the delineation between what GBR will handle in-house and what the private sector will handle. Achieving clarity in these areas will enable better decision-making and collaboration.
- Balancing consistency and flexibility: The challenge of simultaneously devolving commercial decision-making and improving collaboration with the private sector was discussed. Finding

the right balance between consistency and flexibility will be essential to foster productive partnerships.

- Improving procurement pipeline visibility: The participants emphasized the need to enhance the visibility of the procurement pipeline. Improving transparency in this area will help businesses better plan and align their resources.
- Changing the clienting culture, looking at incentives, training as well as helping the supply chain understand the constraints such as procurement regulations.

Second session: 29th March, London

The second session focused on two areas:

1. Early state GBR: key change areas.
2. Collaboration framework and new ways of working.

We shared the following four key changes from the GBR design:

- 1) Develop GBR's intelligent client capability to partner effectively with the private sector.
- 2) Simplify Commercial & Procurement governance and accountabilities across GBR.
- 3) Increase coordination and visibility of all supply chain interactions across GBR.
- 4) Formalise Commercial & Procurement involvement in the business planning process.

These proposed changes were based on the input from the first Sounding Board session, as well as workshops with the commercial & procurement leaders from Network Rail (Route Services and Regions), Rail Delivery Group, and DOHL. These change areas will address supply chain's feedback that rail has been "too slow, too siloed and too prescriptive", characteristics which they say make rail more difficult to do business with and hampers achieving the best value and innovation.

We also proposed our thinking on developing consistent ways of collaboration between GBR and commercial partners. The ISO 44001 Collaboration Standard was used to guide the discussion.

Sounding Board members discussed:

- Language is essential: a partnership should be based on mutually beneficial and win-win outcomes, understanding what each party expects.
- Behavioural change on the client side is key to establish a culture of trust through shared goals, risks and benefits.
- The importance of implementation: *how* to drive different behaviours and align objectives among all parties, keep consistency throughout, and remove disincentives.

Third session: 20th June, Derby

In our third and final session with this cohort, we focused on two topics:

1. Developing the Intelligent Client capabilities.
2. Improving data insights to partner effectively with the private sector.

As an introduction, GBRTT explained the “Railway as Business” model (see Figure 1: Railway as Business Model), which has been developed as part of the design of GBR and marks a new way of guiding the railway as a business focusing on customers.

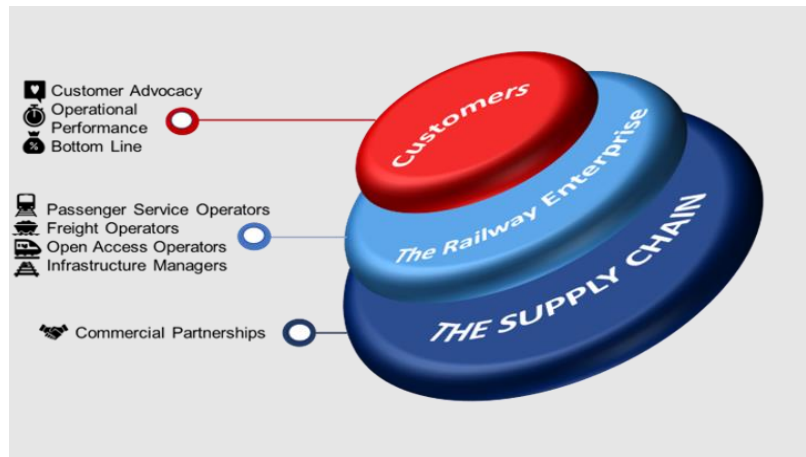


Figure 1: Railway as Business Model

Building on feedback from the previous sessions, we then honed in on two areas. First, what an “intelligent client” means to supply chain; second, the digital systems which underpin well-coordinated, effective procurement processes. Both areas were highlighted as key to unlock the key challenges faced by the supply chain.

We welcomed Andrew Smith from Network Rail’s Commercial & Procurement team, who gave a detailed update on their *Commercial & Procurement Digital Programme*, and sought feedback on their plan and industry best practice.

Sounding Board members discussed:

- The ‘Intelligent Client’ is being clear in knowing what you want and being open to innovation. A client who understands how the value can be achieved through the client and supply chain partnership, and understands the risks and who is best placed to manage it.
- The client is advised to focus on overall value and not solely on cost, to align objectives with its supply chain partners.
- There is a strong need for better data management, and this is key to unlock efficiencies.

Next steps

Contributions from members of the first cohort have laid foundations for the future ways of working with the private sector in GBR, and we are grateful to Dave Martyn (Orton Group Electrical and Mechanical Services Ltd), Gaurav Malhotra (Level5), Haydon Bartlett-Tasker (CrossTech), Jason Hurst (Grant Thornton UK LLP), Kirstie Van Oerle (Netcompany UK Ltd), Michael Whitehouse (Vintage Trains Limited), Nina Lockwood (Intuitive Interim & Executive Search Limited), Niall McCarthy (Nestle U&I), Noel Travers (Xrail Group), Peter Button (WSP) for their active participation in the Sounding Board.

We also thank Clive Berrington (Network Rail), David Clarke and Milda Manomaityte (RIA), Elaine Clark (Rail Forum), Anna Delvecchio, Paul Corcoran and Joseph Infante (RSG) and Victoria Hill-Stanford (Network Rail) for their continued support.

To bring in fresh insights and a wide range of diverse perspectives, as well as to give more individuals the opportunity to participate in these detailed discussions, the membership of Sounding Board will be refreshed. This rotation will happen on a six-monthly basis, and there will be an annual opportunity to express interest, with the next application point towards the end of this year.

We are looking forward to engaging with the second cohort of Sounding Board members, and the first session will take place in late September 2023.

Stay tuned for more updates – we will continue to share insights via GBRTT's LinkedIn, website and newsletter ([sign up here](#)), as we continue shaping the future of commercial and procurement functions within GBR.