



# SME Action Plan

5 November 2019

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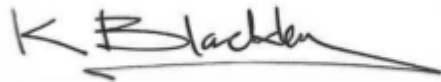
## Foreword

Network Rail is committed to achieving the Government target of 33 % of our annual expenditure to be spent via small and medium sized enterprises (SMEs) by 2022.

In the preceding three years, Network Rail has increased its expenditure with SMEs achieving 25.61 % , 26.78 % and 30.4 % respectively. This is ahead of plan and on-track to meet the target; however, with every year the targets become increasingly more difficult to achieve and we recognise that we must now step-up our breadth and depth of activity and range of actions.

Following recent SME focus groups and engagement with the Rail Industry Association (RIA), Railway Industry Contractors Association (RICA), the Civil Engineering Contractors Association (CECA), the Rail Safety & Standards Board (RSSB) and both the Department for Transport and the Department for Business Energy & Industrial Strategy, this action plan refocuses Network Rail activity on those things that the SME community has told us will make a difference.

Why is this important? Small companies play a significant role in the growth of the economy. First and foremost, they create jobs, accounting for c15.7 million; 60 % of all private sector employment in the UK. SMEs are also important to Network Rail, as this business community is recognized as being highly adaptive and innovative.



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## Executive Summary

Network Rail's SME Action Plan is divided under six broad headings:

### Engagement

1. Increased face-time with Network Rail
2. Increased representation with Tier 1 suppliers
3. Sourcing guide
4. Clear escalation route
5. Engaging the devolved business
6. Transparency - lessons learned
7. 'How do we .....

### Pre-procurement

1. Review bonds & insurances
2. Help Network Rail staff engage with SMEs
3. Develop a meaningful sourcing pipeline
4. Develop category specific SME action plans
5. Simplify PQQs
6. Provide supplier references
7. Increase early contractor involvement
8. More focus on delivering social value

### Procurement

1. Reduce use of 'nil value framework' agreements
2. Make procurement processes easier
3. Make Network Rail standards freely available to SMEs
4. Clarity on Network Rail contracting strategies
5. Increase SME involvement with TVS Supply Chain Solutions
6. Consider model form of sub-contract

### Contract Management

1. Ensure timely payment
2. Incentivise Tier 1s to employ Tier 2s and 3s
3. Increase use of Contract Management Plans

### Supplier Management

1. Improve supplier management behaviours
2. Incentivise increased apprenticeships

### Innovation

1. Increase use of performance specifications
2. Improve 'product acceptance' process
3. Publish 'challenge statements'
4. Provide better support to SME innovation
5. Establish 'fast track' innovation process

No.	You said	We did (we will)	Why	How	When
1	<p><b>Monitoring SME Spend</b></p> <p>Network Rail needs to make the monitoring and auditing of SME spend a priority and be transparent on its progress.</p>	<p>Network Rail is committed to meeting the target of 33 % of spend via SME's by 2022.</p> <p>We shall do this by implementing a range of initiatives, starting with those outlined below.</p> <p>The SME Action Plan will evolve and be refined over time.</p>	<p>SME engagement is a key part of the Government's Industrial Strategy and the resultant Rail Sector Deal.</p>	<p>Network Rail achieved 25.6 % against the 2016/17 target of 24 %.</p> <p>Network Rail achieved 26.78 % against the 2016/17 target of 26 %.</p> <p>Network Rail achieved 30.46 % against the 2018/19 target of 29 %.</p> <p>NR target for 2019/20 is 31 %.</p> <p>NR target for 2020/21 is 32 %.</p> <p>NR target for 2021/22 is 33 %.</p> <p>We shall ensure transparency and publish how we are doing against our plan in June each year.</p>	<p>End of 2016/17 financial year</p> <p>End of 2017/18 financial year</p> <p>End of 2018/19 financial year</p> <p>End of 2019/20 financial year</p> <p>End of 2020/21 financial year</p> <p>End of 2021/22 financial year</p>

## Engagement

No.	You said	We did (we will)	Why	How	When
1	<p><b>Face time with Network Rail</b> You would like more face to face time with Network Rail via 'Meet the Buyer' events, 1-2-1s or 'Focus Groups'.</p>	<p>Network Rail has committed to holding four 'Meet the Buyer' events per annum for the next two years.</p> <p>Network Rail has committed to holding a minimum of three SME focus groups per annum for the next two years.</p> <p>Network Rail has committed to attending RIA, RICA, CECA, RSSB supplier working groups to listen and address SME concerns.</p>	<p>Increase engagement with SME community generally will help Network Rail target improvements that have the greatest impact with the SME community.</p>	<p>Network Rail has started discussions with the DfT and BEIS to convene 'Meet the Buyer' events in various parts of the UK to include Network Rail, HS2, Highways England and trade associations (RIA, RICA, CECA, RSSB)</p> <p>Attendance currently being planned for future RIA, RICA, CECA, RSSB supplier working groups.</p>	<p>Planning discussions commenced July 2019. Dates of 'Meet the Buyer' events to be published to provide at least two months' notice to SMEs</p> <p>Attendance planned for RIA, RICA, CECA, RSSB supplier working groups. Dates to be published once known.</p>
2	<p><b>SME Engagement with Tier 1 Suppliers</b> We would like SMEs to be represented at the Commercial Directors' forum (CDF).</p>	<p>RIA, CECA and RICA to attend the Commercial Director forums to represent SMEs.</p>	<p>Fair and equitable treatment by Tier 1s e.g. payment on time, reasonable tender periods, fair terms and conditions, visibility of pipeline of work etc.</p>	<p>Discuss improvement plan at Future Commercial Director Forums. Publish dates of CDFs.</p>	<p>Started September 2019.</p> <p>Tangible improvements to be published by end of December 2019 and bi-annually thereafter.</p>



3	<p><b><u>Sourcing Guide</u></b> SMEs would like a briefing pack to describe how to contract with Network Rail e.g. how does procurement work? What goes to framework? List frameworks and renewal dates. When can Network Rail direct award? What's the difference between 'mini-competition' and a 'standard tender'? etc.</p>	<p>Network Rail to develop a briefing pack including FAQs.</p>	<p>To be clear and transparent on Network Rail's procurement policy, processes and procedures.</p>	<p>Route Services Commercial &amp; Procurement to lead.</p>	<p>Available by the end Of November 2019</p>
4	<p><b><u>Escalation Route</u></b> SMEs need an escalation route within Network Rail (RIA meeting 6/3/19).</p>	<p><b><u>SME Champion</u></b> Network Rail appointed a SME Champion on 11th June 2019.</p> <p>In the spirit of 'structured continuous improvement', if you wish to provide feedback on how NR can improve SME supplier engagement, please contact:</p> <p>Ken Blackley Commercial Director Route Services Commercial &amp; Procurement The Quadrant:MK Elder Gate Milton Keynes MK9 1EN 07771 612602</p>	<p>We did this so that SMEs get help to navigate who they need to speak to within Network Rail.</p>	<p>By adopting a 'single point of contact' to work with the various trade associations and their members, we should identify opportunities to improve our processes and procedures for the benefit of the supply chain and become more consistent throughout Network Rail Commercial &amp; Procurement on how we engage with the supply chain.</p>	<p>This has been implemented.</p>



		<p><a href="mailto:kenneth.blackley@networkrail.co.uk">kenneth.blackley@networkrail.co.uk</a></p> <p>If suppliers wish to raise a matter with a Regional SME Champion please contact:</p> <p><u>Scotland's Railway</u> <a href="mailto:Martin.McLaren@networkrail.co.uk">Martin.McLaren@networkrail.co.uk</a></p> <p><u>Eastern</u> <a href="mailto:Ingrid.Norman@networkrail.co.uk">Ingrid.Norman@networkrail.co.uk</a></p> <p><u>North West &amp; Central</u> <a href="mailto:Denise.Wetton@networkrail.co.uk">Denise.Wetton@networkrail.co.uk</a></p> <p><u>Wales &amp; Western</u> <a href="mailto:Jadon.Silva@networkrail.co.uk">Jadon.Silva@networkrail.co.uk</a></p> <p><u>Southern</u> <a href="mailto:Dan.Smith@networkrail.co.uk">Dan.Smith@networkrail.co.uk</a></p>			
5	<p><b><u>Engagement with the devolved business</u></b> SMEs require clarity over how they can engage at a Route and Regional level.</p>	<p>Network Rail shall make the details of Regional and Route key points of contact available once they are known.</p>	<p>We are doing this so that SMEs have a local point of contact for local sourcing events.</p>	<p>The details shall be available on the Network Rail website.</p>	<p>As soon as Route SME champions have been identified, details shall be provided.</p>

<p>6</p>	<p><b><u>Lessons learned</u></b>                  Involve us in lessons learned and allow us to speak freely.                   Learn from our mistakes. Thameslink was a great example of this – the learning legacy.</p>	<p>Network Rail intend to invite the various trade associations (RIA, RICA, CECA, RSSB) to co-ordinate lessons learned and liaise with the Network Rail SME Champion to co-ordinate a Network Rail response.</p>	<p>To create transparency as Network Rail is keen to understand the root cause when things go wrong and take appropriate steps so that the same mistakes are not repeated.</p>	<p>The SME Champion shall attend trade association meetings to hear about matters and to communicate actions which have been taken.</p>	<p>This process is now live.</p>
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7	<p><b><u>How do I .....</u></b>                  We hear many suppliers ask ‘how do we?’ ..... followed by a question relating to one part or another of the Network Rail business.</p>	<p>Recognise the difficulty faced by suppliers (SMEs) to find who to speak to or navigate to for information and create a ‘quick links’ document containing links to FAQs.</p>	<p>To make Network Rail easier to deal with.</p>	<p>We shall create the quick links document and make it available via the industry associations (RIA, RICA, CECA etc.).</p>	<p>Available now.</p>
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## Pre-Procurement

No.	You said	We did (we will)	Why	How	When
1	<b><u>Bonds &amp; Insurances</u></b> Review cost and benefit of additional bonds and insurances.	Network Rail has stopped using performance bonds in favour of Ultimate Parent Company Guarantees.	Network Rail recognised that supplier bank guarantee bonds tied up supplier cash flow.	Process change confirmed.	Already in place.
2	<b><u>Sourcing Practitioner Guidance</u></b> Issue guidance to commercial staff to support them engaging with SMEs.	Network Rail shall prepare guidance for Network Rail Commercial & Procurement staff and make it transparent.	To help engage with SMEs consistently throughout Network Rail.	The SME Champion shall take the lead.	Guidance to be available by the end of November 2019.
3	<b><u>Sourcing Pipeline</u></b> Create better visibility of future requirements, publishing a robust pipeline of work that's meaningful to SMEs.	We have committed to publishing sourcing pipelines for Route Services, Infrastructure Projects and Digital Railway.  Commit to improve the level of granularity, including: <ul style="list-style-type: none"> <li>the geographical location of the work</li> <li>whether we will use RISQS (incl. RISQS codes) or OJEU</li> <li>the lotting strategy.</li> </ul>	Framework values are often set too high, so Tier 1s enter the SME market place and then subcontract to SMEs, pushing up the cost.	Sourcing pipelines are now published and updated periodically and can be accessed via Network Rail's external website.  A process of structured continuous improvement to be implemented by July 2019.	Available now.  Review progress with continuous improvement in December 2019 and March 2020.
4	<b><u>Category Specific SME Action Plans</u></b>	Commit to the development and publication of category specific SME action plans.	To be transparent about where Network Rail believe	Network Rail will monitor SME spend by category to inform the relevant category strategy.	From July 2019.

	<p>Create category strategies that fully consider this SME Action Plan and how it will include SMEs.</p>	<p>Commit to explain integrated Category Strategies at future RIA SME Working Group meeting.</p> <p>Undertake a retrospective review of SME opportunities for each of the 6 pilots and create a statement for each category strategy that clarifies those.</p> <p>Introduce an SME specific personal objective around strategy development / implementation for Network Rail Category Management team members.</p>	<p>opportunities may exist for the SME community.</p>	<p>Network Rail will improve its category management processes to ensure strategies give active consideration to SMEs.</p> <p>We will develop a plan with RIA and ensure suitable representation at future RIA working Group meetings.</p>	
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5	<p><b>Barriers to entry – PQQs</b> PQQs were particularly onerous and unhelpful. Much of the PQQ form did not apply to SMEs. It is a barrier and a disincentive to participate. PQQ completion takes days and scarce resources; the process is not agile.</p>	<p>Commit to improve the current standard PQQ and consider development of a simpler PQQ for use in low value / low risk procurements.</p> <p>Commit to introduce simpler financial assessment for bidders into our standard PQQ.</p> <p>Commit to reduce supplier time and duplication of effort.</p>	<p>We undertake to do this to make Network Rail ‘easier to deal with.’</p>	<p>We have put in place clearer ‘Instructions for Participants’ (previously ‘Instructions to Tenderers’).</p> <p>We have created a PQQ for low value / low risk procurements with 79 % fewer questions.</p> <p>We have created a new PQQ template for use in low value / low risk procurement. In it we have removed the requirement to meet a financial strength threshold for low value / low risk procurements.</p> <p>Altius (RISQS) and Jaggaer (BravoNR) are exploring if these systems can be linked so information entered by a supplier can populate the supplier profile in BravoNR, which currently links to PQQs and autofills cells where possible.</p>	<p>Available now.</p> <p>To be confirmed.</p>
6	<p><b>References</b> SMEs tell us that when they are bidding for a contract overseas and ask Network Rail for a reference to support their bid, Network Rail advise that it is their policy to not provide references.</p>	<p>Network Rail changed its policy on providing supplier references. Network Rail shall in future support SMEs bidding for overseas contracts and provide a reference articulating that they are a supplier to Network Rail, how long they have supplied Network Rail and the relevant</p>	<p>To support the UK Industrial Strategy and help grow the UK economy.</p>	<p>We shall brief this change of policy widely within Network Rail as references can be provided by many parts of the Network Rail business.</p>	<p>Started September 2019.</p>

	(Network Rail’s historic policy has been to say no to avoid inadvertently showing favouritism between one supplier and another or failing to make references entirely objective.)	category of supply. We shall consider over time, how much more this can be expanded upon, without being drawn into detail of performance on specific contracts - to avoid potentially subjective comments being made.			
7	<b>Early Contractor Involvement (ECI)</b> Why doesn’t Network Rail engage the supply chain early in the process to get the benefit from early contractor advice.	We will commit to make provision for Early Contractor Involvement which is not restrictive to future tenders.	To ensure that the practical advice from those with expertise in undertaking the works is factored in, early in the design of a project.	SME Working Group to make proposal by end March 2020.	By end March 2020.
8	<b>Social Value</b> Place a greater focus on delivering social value.	We will endeavour to make every pound of public money work as hard as possible.	Value for money absolutely includes the social value of the contract.  We want suppliers of all sizes and types to understand what Social Value we want to be delivered, so they can bid successfully for Network Rail business, creating a vibrant, healthy, innovative,	All major procurements will <b>explicitly</b> evaluate social value, where appropriate, rather than just consider it.  Social value ITT weighting to be a minimum of 10%.  Criteria to be selected from the 5 Themes and 11 Policy Outcomes <ul style="list-style-type: none"> <li>• <b>Diverse Supply Chains</b></li> </ul>	To begin by end July 2020.



			<p>competitive and diverse marketplace of suppliers.</p> <p>We want to see services delivered with values at their heart, where the wider social benefits matter and are recognised.</p>	<ul style="list-style-type: none"> <li>○ Ensuring supply chains are accessible to all types of businesses, including SMEs and Voluntary, Community and Social Enterprises (VCSEs)</li> <li>○ Ensuring supply chains are accessible to all types of businesses, including for business owned or led by under-represented groups including women, BAMEs and people with disabilities</li> <li>● <b>Skills and Employment</b> <ul style="list-style-type: none"> <li>○ Improved employability and skills</li> </ul> </li> <li>● <b>Environmental sustainability</b> <ul style="list-style-type: none"> <li>○ Environmental impacts are reduced</li> </ul> </li> <li>● <b>Safe and secure supply chains</b> <ul style="list-style-type: none"> <li>○ Modern slavery risks are reduced</li> <li>○ Cyber security risks are reduced</li> </ul> </li> <li>● <b>Inclusion and wellbeing</b> <ul style="list-style-type: none"> <li>○ Ensuring businesses in the supply chain encourage improved gender pay balance</li> <li>○ Ensuring businesses in the supply chain encourage increased</li> </ul> </li> </ul>	
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				<p>representation of disabled people in the workforce</p> <ul style="list-style-type: none"><li>○ Ensuring businesses in the supply chain encourage increased representation of ethnic minorities in the workforce</li><li>○ Ensuring businesses in the supply chain encourage inclusion and improved staff mental health and wellbeing</li><li>○ Ensuring businesses in the supply chain encourage improved community cohesion</li></ul>	
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## Procurement

No.	You said	We did (we will)	Why	How	When
1	<p><b>Nil value Frameworks</b> SMEs often spend considerable sums of money tendering to Network Rail, and if successful, win a place on a 'nil value framework.' Further time and cost is then required by the supplier to engage in mini-competitions under the framework (with no guarantee of being awarded any work).</p>	<p>Commit to move more towards the use of contracts which give a firm commitment to the supplier or provide a financial commitment associated with framework agreements.</p> <p>Commit to procurement strategies that have selected an appropriate 'lotting strategy', encouraging packaging of work to be attractive to SMEs (size, geography) to enable SMEs to compete.</p>	<p>This will provide suppliers of more certainty of turnover.</p>	<p>Our Governance and Assurance processes shall proactively challenge sourcing strategies to consider alternatives to 'zero value frameworks', have suitable lotting strategies.</p>	<p>Started July 2019.</p>
2	<p><b>Procurement Process Improvement</b> Procurement processes and contract requirements need to be made more SME appropriate.</p>	<p>Commit to remove the requirement for parent company guarantees for low value/low risk procurements, where low 'value' equates to below EU threshold.</p> <p>Network Rail will commit to encouraging the submission of alternative bids enabled by more use of output specifications.</p> <p>Network Rail will encourage tender evaluation based on MEAT and whole life cost.</p> <p>Commit to allow a minimum of 4 weeks to tender and avoid Xmas / Easter periods where possible.</p>	<p>This will make tendering easier.</p> <p>This will encourage innovation.</p>	<p>Network Rail shall amend their Instructions to Participants documentation to make the process clear and unambiguous.</p>	<p>Started July 2019.</p>

		<p>Commit to improving procurement responses to TQs which will mitigate against risk being priced against a less than helpful response.</p> <p>Commit to monitor use of and make more use of RISQS, rather than contracting large packages e.g. via Tier 1s.</p>			
3	<p><b><u>Barriers to entry – Standards</u></b> SMEs have to pay thousands of pounds for access to the standards.</p>	<p>We currently commit to providing free access to standards during a tender period.</p> <p>Consideration to be given to providing free access to all suppliers outside of live procurements.</p>	<p>Network Rail are legally obliged under the Utilities Contract Regulations to make all tender documents electronically available free of charge to participants</p> <p>We shall separately consider the question of charging for standards at other times.</p>	<p>The outcome shall be communicated on Network Rail's website.</p>	<p>By end November 2019.</p>
4	<p><b><u>SME Engagement with Tier 1 Suppliers</u></b> SMEs need clarity on whether and how Network Rail IP will change from their contracting strategy of 'closer to fewer' suppliers.</p>	<p>This was an IP strategy adopted for CP5 which has continued into CP6.</p>	<p>To move away from a 'one size fits all' approach.</p>	<p>Our Governance and Assurance processes shall proactively challenge sourcing strategies to check that they</p>	<p>Started July 2019.</p>

				are 'fit for purpose'.	
5	<p><b><u>SME Engagement with Network Rail's provider of indirect materials – TVS Supply Chain Solutions</u></b></p> <p>Can Network Rail explain how 'Project Atlantic' fits in with the policy of engaging with SMEs? And how can SMEs have visibility of and compete / win business?</p>	Commit to exploring how we may publish the indirect sourcing pipeline of 'third party' suppliers 'sourcing' on behalf of Network Rail.	To make indirect sourcing opportunities available to SMEs	We are currently engaging with our third party supplier, TVS Supply Chain Solutions to explore ways within which they shall advertise opportunities.	Started August 2019.
6	<p><b><u>Model forms of sub contract</u></b></p> <p>Should Tier 1 suppliers be incentivised to employ Tier 2 suppliers using standard terms and conditions of contract, to avoid teams of lawyers reviewing contracts over and over again?</p>	Develop industry model forms of sub-contract to accompany our main forms of contract to be used between the Tier 1s and Tier 2s.	To ensure consistent and fair sub-contract terms that are back-to-back with the Network Rail suite of contract terms and conditions of contract.	SME Working Group to make proposal by end March 2020.	End March 2020.

## Contract Management

No.	You said	We did (we will)	Why	How	When
.1	<p><b>Payment by Tier 1s</b> Network Rail need to do more to ensure timely subcontract payment.</p>	<p>Commit to paying Tier 1 suppliers within terms, and in compliance with the Fair Payment Charter.</p>	<p>To ensure late payments are minimised thereby helping supplier cash flow.</p>	<p>Implemented a 'Fair Payment Charter' for Tier 1 suppliers. We have banned sub-contract retentions. All contracts now include a requirement for Contractors / Suppliers to pay sub-contractors within 28 days of submission of valid invoice (applies down whole supply chain).</p>	<p>2011.</p>
		<p>Commit to paying suppliers in compliance with government targets:</p> <ul style="list-style-type: none"> <li>• 80 % within 5 days</li> <li>• 100 % within 28 days</li> </ul> <p>Network Rail performance to be published.</p>	<p>To provide transparency in terms of Network Rail's obligation to pay in a timely manner.</p>	<p>To be published by 'Network Rail Shared Services'.</p>	<p>Each 4-week period commencing December 2019.</p>
		<p>Commit to introduce improvements in how Tier 1s are managed that will benefit the subcontract commercial environment.</p>	<p>To ensure late payments are minimised thereby helping supplier cash flow.</p>	<p>Monitoring of the timeliness of subcontract payments by Tier 1s.  Consider contractualising the</p>	<p>From March 2020.</p>

				requirement for Tier 1s to pay their subcontractors to terms or to Network Rail targets?	
2	<p><b><u>SME Engagement with Tier 1 Suppliers</u></b> Can NR consider incentivising Tier 1s to employ Tier 2s and 3s?</p>	Under discussion.	This will help Network Rail to help the Government reach its published SME spend targets.	To be developed.	From March 2020.
3	<p><b><u>Contract Management Improvements</u></b> Clarity and discipline is required around not going to contract until a clear scope has been developed and that competent reps are in place to deal with change control.</p>	Network Rail commit to put Contract Management Plans in place prior to Contract Award so that contract management arrangements are clear and unambiguous.	This will help avoid contracts commencing and running into administrative issues due to the contract paperwork not having been sufficiently clear.	BravoNR shall be used as the repository for Contract Management Plans.	Started August 2019.



## Supplier Management

No.	You said	We did (we will)	Why	How	When
1	<p><b><u>SME Engagement with Tier 1 Suppliers</u></b>            What is Network Rail doing to mitigate against poor main contractor practices and behaviours in the management of sub-contractors and therefore protect SMEs?</p>	<p>Committed to introducing a commercial structure that will provide better financial protection to subcontractors.</p> <p>Commit to create / implement supplier performance criteria that is clear and drives the right behaviour and performance in the Tier 1s, supporting SMEs.</p>	<p>To be transparent about Tier 1 behaviours and encourage all Tier 1s to treat their Tier 2s and 3s fairly and equitably.</p>	<p>CP6 contracts include provision for Project Bank Account and step-in rights to take over sub-contracts (if required), and existing major frameworks amended to incorporate provision for Project Bank Accounts</p>	<p>Plan to be agreed by March 2020.</p>
2	<p><b><u>Managing the Skills Gap</u></b>            How will Network Rail recognise in their strategies and processes that helping an SME to grow will help mitigate against a future skills shortage?</p>	<p>We shall encourage our supply chain to recruit one apprentice for every £3m-£5m contract value.</p>	<p>To address the requirements of the DfT Transport Infrastructure Skills Strategy.</p>	<p>Network Rail commitment to spend with suppliers coupled with a more transparent forward workbank shall enable suppliers to commit to apprenticeships.</p>	<p>In place now.</p>

## Innovation

No.	You said	We did (we will)	Why	How	When
1	<p><b>Specifications</b></p> <p>Network Rail frequently specify the solution (based on their historic standards or individual engineering personal preference) but ‘if you always do what you’ve always done, you’ll always get what you’ve always got.’</p>	<p>Commit to increasing the number of ‘performance specifications’ that allow the supply chain to propose alternative solutions.</p>	<p>This will allow suppliers to offer innovative solutions.</p>	<p>The Network Rail customer to be ‘open minded’ to new ways of engaging the supply chain.</p>	<p>Started September 2019.</p>
2	<p><b>Product Acceptance</b></p> <p>Network Rail needs to make the Product Acceptance process more transparent, responsive and streamlined.</p>	<p>Commit to measuring the time it takes to go through the Product Acceptance process.</p>	<p>Network Rail’s Product Acceptance process is taking too long.</p>	<p>We have speeded up the Product Acceptance process, and now measure the average time to process innovation. Previously this wasn’t measured.</p>	<p>To be confirmed</p>
3	<p><b>Challenge Statements</b></p> <p>Some of the challenge statements published by Network Rail are too vague and need to be more specific about the problem for which they are looking for a solution. It is also common for a response not to be received when a submission is made.</p>	<p>Network Rail could relaunch an ‘Innovation Hub,’ publish ‘problem statements’ and invite the supply chain to respond.</p> <p>Network Rail commits to responding to submissions made against the challenge statements in a timely manner, spelling out who the contact is, timelines, what to expect next etc.</p>	<p>To make Network Rail ‘easier to deal with’.</p>	<p>Under Development.</p>	<p>To be confirmed.</p>

		<p>Review whether the ‘challenge statements’ can be published by category and whether there could be more of them/refreshed more often.</p> <p>Commit to providing feedback for unsuccessful solutions with regard to innovation challenges.</p>			
4	<p><b><u>Innovation Support</u></b> How can NR better support innovation by SMEs?</p>	<p>NR could set-up a small team, gathered from around the business, to focus on promoting innovation (generally and at industry events). This same group could be made available to work with suppliers (SMEs) to help them navigate the wider Network Rail business to find the right points of contact to assist them and have a stand to take to industry events to take to suppliers about opportunities.</p> <p>Network Rail to review whether it is possible to make data records accessible such as sectional appendix, line diagrams etc.</p> <p>Network Rail could develop a ‘Dragon’s Den’ approach, inviting suppliers (SMEs) to pitch ‘innovative ideas’ to a Network Rail panel, who would be able to grant some seed funding (£10k, £20k, £30k) for the purpose of developing or piloting the good ideas that have a positive business case.</p>	Under discussion.	Under discussion.	To be confirmed.

<p>5</p>	<p><b><u>Innovation &amp; Procurement Process</u></b>                  There needs to be more clarity on how innovation can be encouraged, whilst ensuring that procurement isn't compromised. How does it work, what does it look like? A major hurdle is the lack of commitment from Network Rail to procure or specify once Product Approval is granted.                   Don't take suppliers' ideas then run an open public procurement.</p>	<p>Network Rail to establish a 'fast track' innovation process and be clear what the channel will be for innovative ideas to be developed.                   We intend to have more 'innovative partnerships.'                   We shall engage more in 'proof of concepts' and be clear on the subsequent route to market.                   Whilst complex innovation may best be considered centrally, we are open to considering simpler local initiatives that can be trialed locally and then rolled out nationally.</p>	<p>To speed up the introduction of innovative solutions.</p>	<p>Under discussion.</p>	<p>By end November 2019.</p>
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