Transparency, the key to success.

June 2016

Simon Taylor – Head of Planning

Up next

- Who am I?
- What is HS2?
- Contract Management in infrastructure projects
- Transparency
- Lessons Learnt

Who am I?

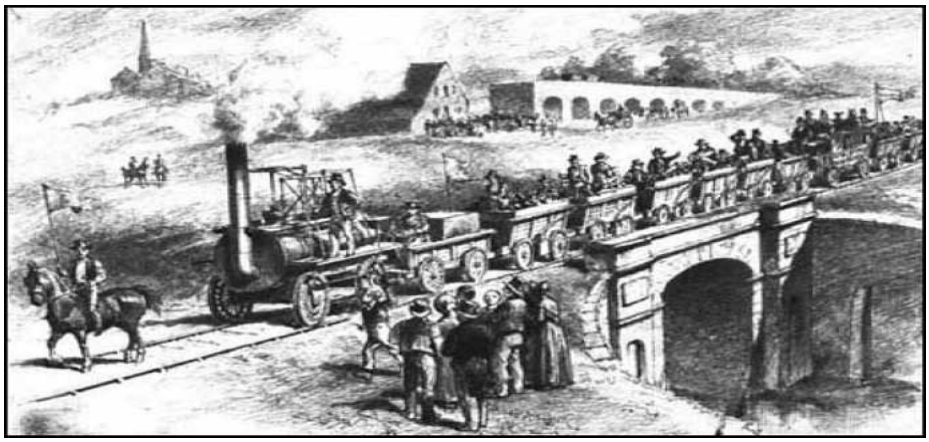
Simon Taylor

- Head of Programme Planning for HS2 Ltd
- Board member of the Association for Project Management (APM)
- Deputy chair for the APM Project Controls Specific Interest Group
- Co-author of the APM guide to Planning, Scheduling, Monitoring and Control
- Ex Head of Planning for Transport for London
- Part of several industry wide knowledge sharing groups
- Member of the PTA and would-be crime fighter

"I've seen and made many mistakes and tried to learn from them

What exactly is HS2?

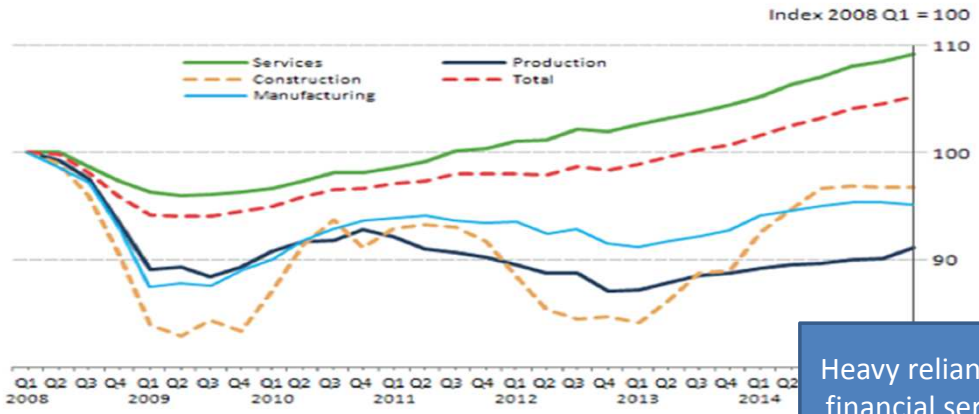
Our forefathers met the challenges of the past



Stockton to Darlington Railway, September 27th 1825
George Stephenson Locomotion No 1 – 14 carriages including the first public fare passenger carriage in the world
9 miles – Stockton to Darlington – took 2 hours. 10,000 people met the train amidst scenes of celebration.

July 28th 2015 – UK GDP Growth:

UK, 2008 to 2015

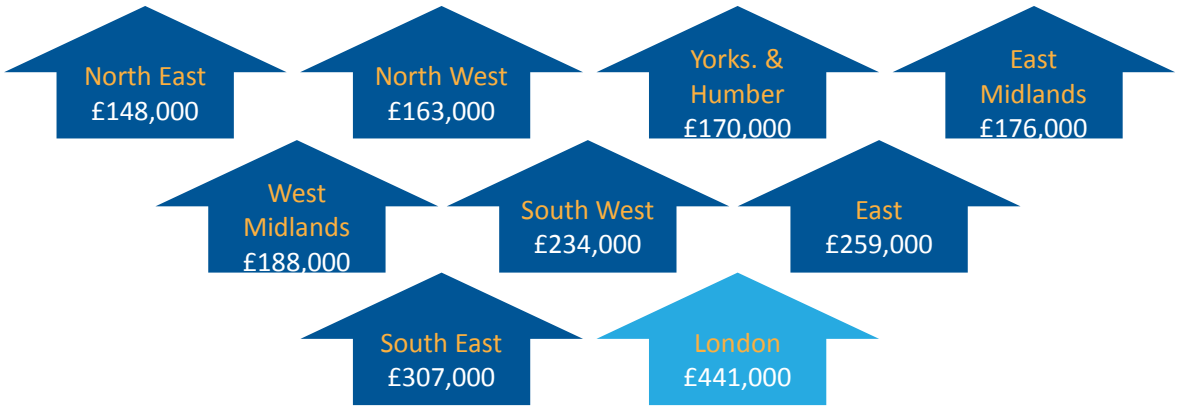


Heavy reliance on financial services sector and London

Source: Office for National Statistics

HS2 could help to rebalance the economy by improving connectivity to Northern cities with lower house prices and the potential to create a Northern Powerhouse

Mix-adjusted average house prices, Nov 2013



We are about re-balancing the economy and being a catalyst for growth

HS2: a strategic transformation

£55 Billion

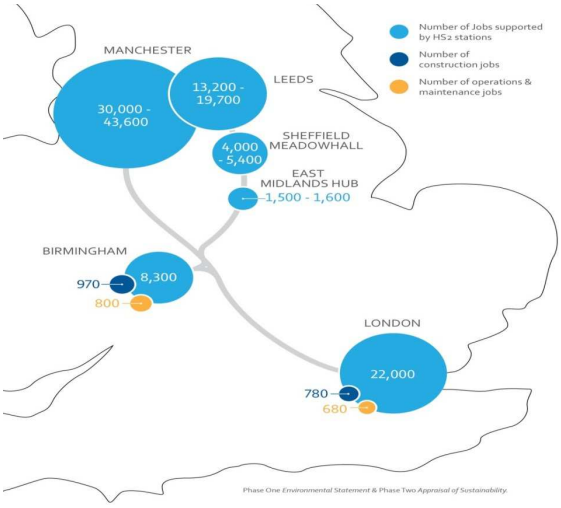
Phase One
Stations:
Euston
Old Oak Common
Birmingham Interchange
Birmingham Curzon Street
Crewe

2027

2033

Phase Two
Stations:
East Midlands Hub
Sheffield
Leeds
Manchester Piccadilly
Manchester Airport

HS2 will create 24,600 construction jobs and 3,100 operations and maintenance jobs



21st Century Railway Passenger Experience

Journeys will be fast, frequent and reliable

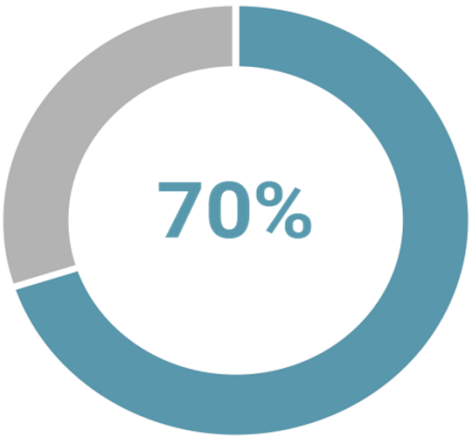
Contract Management at HS2 and why transparency is fundamental

The New Engineering Contract v3

Option C – Target Cost with activity schedule.
50% pain gain share

How many projects fail in the UK?

c.



Why?

Top three reasons for project failure – regular themes since 2004

2004	2007	2012	2014
Bad estimates/ missed deadlines	Bad estimates/ missed deadlines	Poor estimates in the planning phase	Poor estimates in the planning phase
Scope changes	Scope changes	Lack of executive sponsorship	Change(s) in scope mid-project
Changes in environment	Insufficient resources	Poorly defined goals and objectives	Insufficient resources

PWC Programme Management Survey 2014

So why is this important to NEC contracts?

In NEC the schedule is king

Why?

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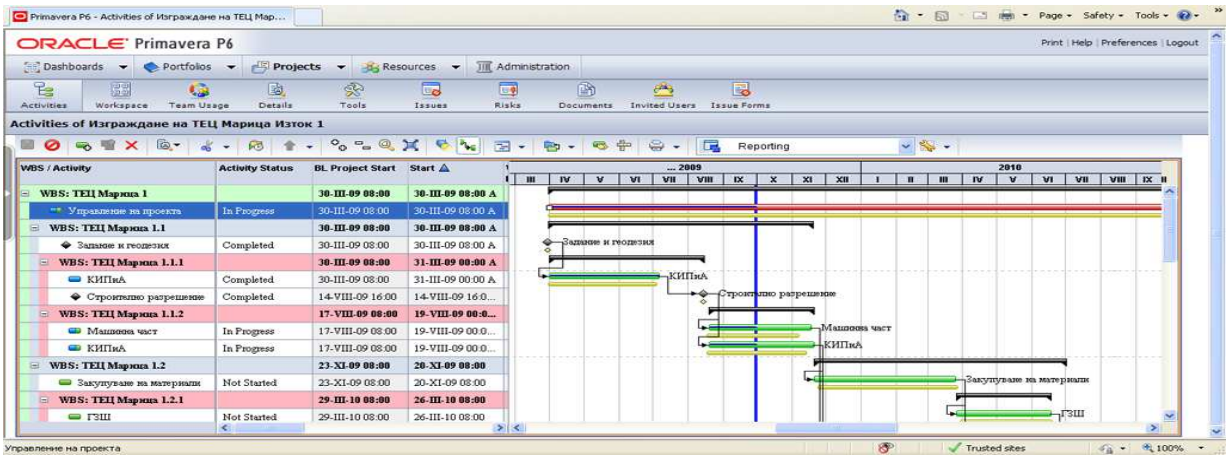
PWC Programme Management Survey 2014

What is a schedule?

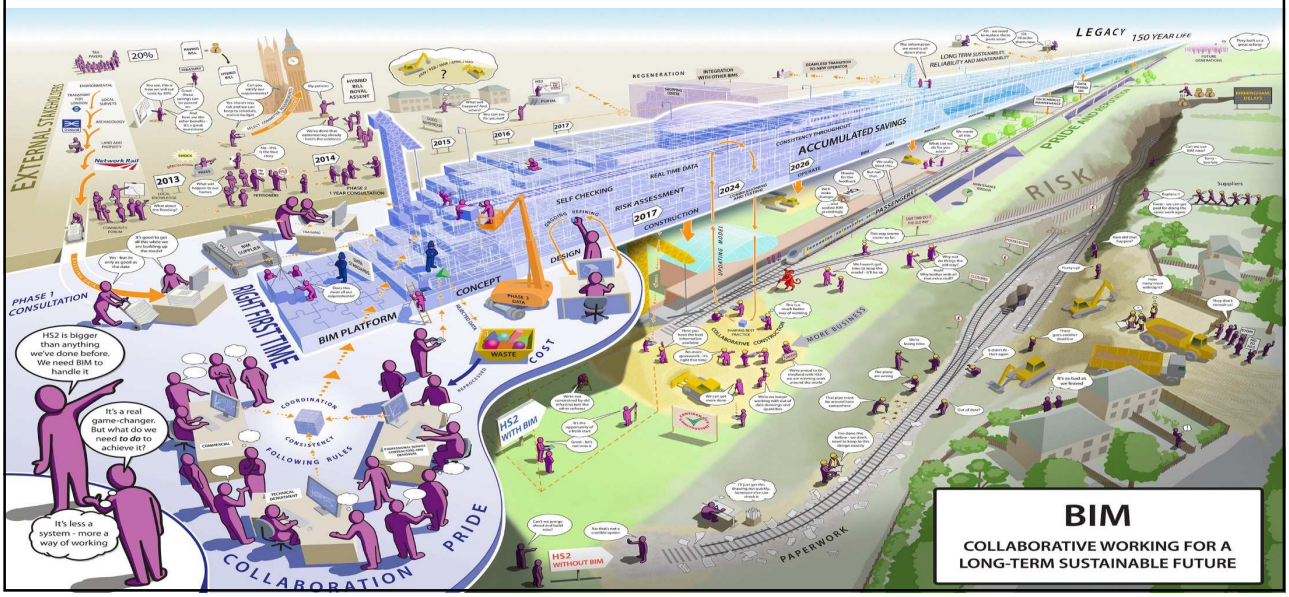


Key points

- Some of the fundamental elements for project success:
  - Accurate estimates
  - Risk management
  - Robust change control
  - Data quality
  - Integration of controls data

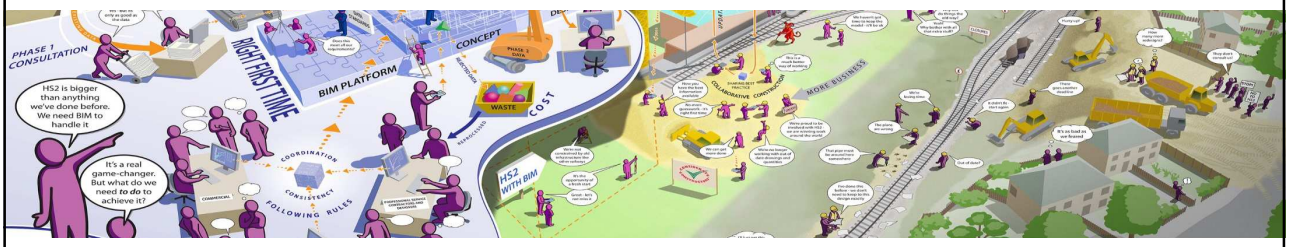
Cost and attribution of unforeseen delay is calculated and agreed via the schedule

BIM



What is BIM?

Building information modelling (**BIM**) is a process involving the generation and management of digital representations of physical and functional characteristics of places.



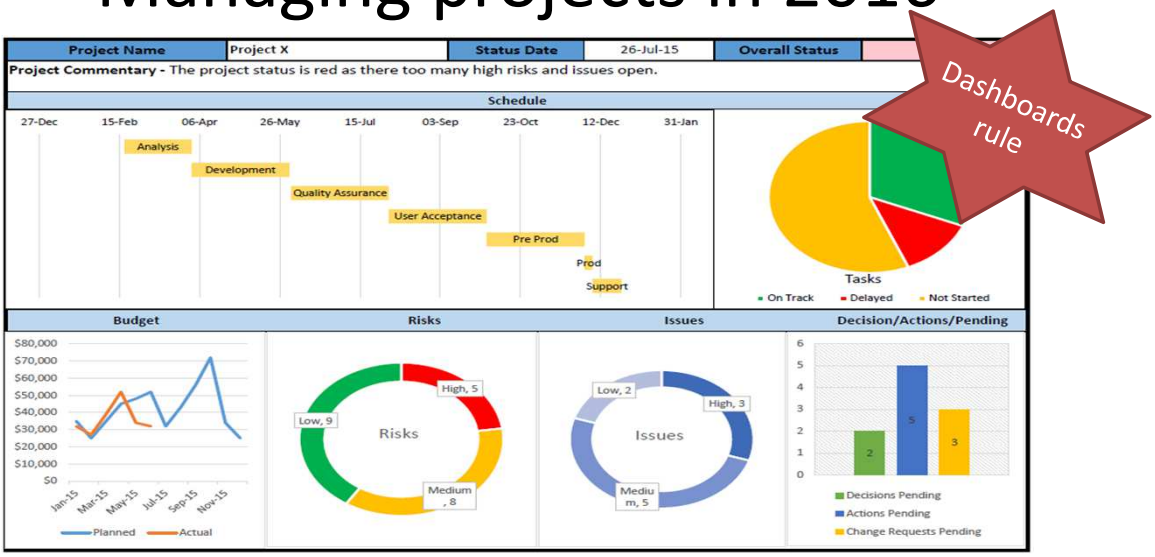
Eh? erm……so what actually is BIM again?

- Connected data
- Common language across multiple contracts
- Common systems to work in
- Line of sight from requirements to asset delivery
- Culture change (one team)
- Client becomes system integrator

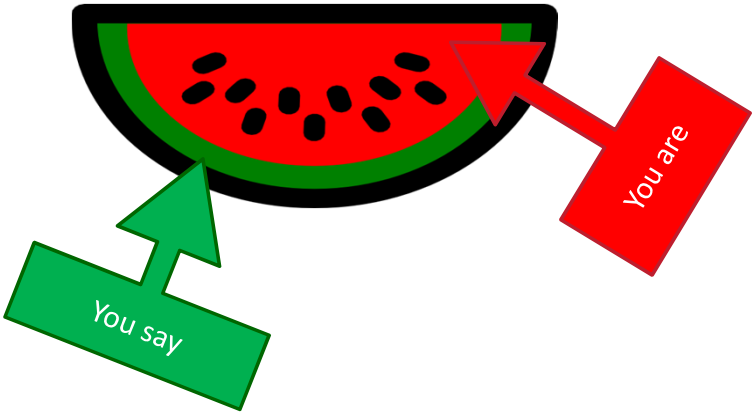
The bit about transparency

(finally)

Managing projects in 2016



The Watermelon Culture



Red is good coz

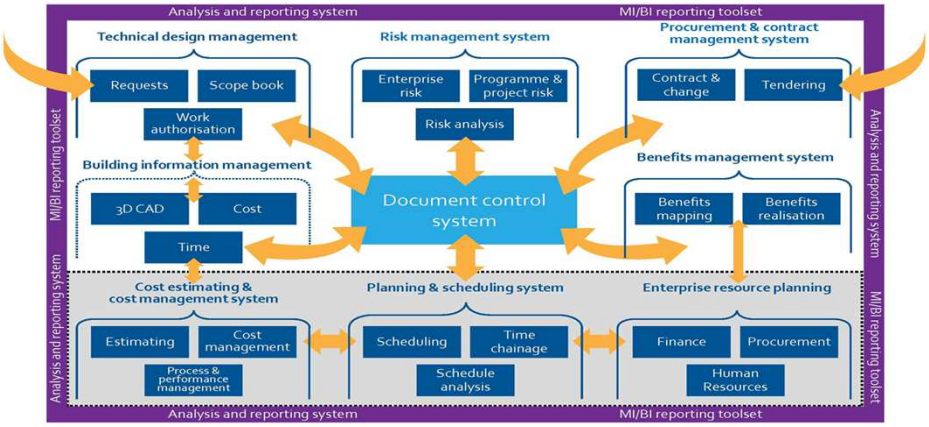
STUFF

Happens!

So what does all of this mean?

Data transparency is the difference between success and failure of projects

Systems



Integrated systems and processes via understanding of data flow and reporting requirements.

Multi Tier Environment

HS2 is about managing **contracts** through **data**

Experience tell us….

Change will happen

Use transparency of information to tell you where and then make decisions based on it.

Plans are guesses

They will be mostly wrong, use transparency of information to enable swift identification and recovery.

If it’s not in your contract you wont get it

Be specific and transparent around your requirements, and what you and your stakeholders need to manage and make decisions.

Suppliers are in business to make money

Use transparency to show where profits are at risk which may lead to behavioural issues.

If you don't have the right behaviours you will fail

Use transparency as a vehicle for an honest relationship with your suppliers and build trust.

What's different at HS2?

- Functional alignment & Functional fixed line
- One place for data
- Work sits with who does it
- Method of integration
- Centralised Estimating
- International Benchmarking
- Back to back embedded contract requirements
- APM <u>good</u> practice

Judged by future generations

Questions?